



SEC No. **AS092-000798**

File No. \_\_\_\_\_

**COVER SHEET**

**THE ORCHARD GOLF & COUNTRY CLUB, INC.**

**(A NONPROFIT ORGANIZATION)**

\_\_\_\_\_  
(Company's Full Name)

**Km. 27 Aguinaldo Highway, Salawag,**

**Dasmariñas City, Cavite 4114**

\_\_\_\_\_  
(Company's Address)

**(02) 8982-2000**

\_\_\_\_\_  
(Company's Telephone Number)

**December 31**

\_\_\_\_\_  
(Year Ending)

(Month & Day)

**SEC FORM 20 – IS**

\_\_\_\_\_  
Form Type

\_\_\_\_\_  
Amendment Designation (if applicable)

**31 May 2025**

\_\_\_\_\_  
(Period Ended Date)

\_\_\_\_\_  
(Secondary License Type and File Number)

SEC FORM 20-IS

INFORMATION STATEMENT PURSUANT TO SECTION 20  
OF THE SECURITIES REGULATION CODE

1. Check the appropriate box:  
 Preliminary Information Statement  
 Definitive Information Statement
2. Name of Registrant as specified in its charter **The Orchard Golf & Country Club, Inc.**
3. **Philippines**  
Province, country or other jurisdiction of incorporation or organization
4. SEC Identification Number **ASO92-000798**
5. BIR Tax Identification Code **002-829-253**
6. **Km. 27 Aguinaldo Highway, Salawag, Dasmariñas, Cavite** **4144**  
Address of principal office Postal Code
7. Registrant's telephone number, including area code **(632) 8 982 2000**
8. Date, time, and place of the meeting of security holders  
Date **11 October 2025**  
Time **10 A.M.**  
Place **Orchard Golf & Country Club, Km. 27 Aguinaldo Highway, Salawag, Dasmariñas City, Cavite**
9. Approximate date on which the Information Statement is first to be sent or given to security holders **23 June 2025**
10. In case of Proxy Solicitations:  
  
Name of Person Filing the Statement/Solicitor:  
**ATTY. MA. CHARMAINE JOY S. ALFONSO**  
**On behalf of The Orchard Golf & Country Club, Inc.**  
  
Address and Telephone No.  
**Unit 2304 Antel Global Corporate Center,**  
**No. 3 Julia Vargas Avenue, Ortigas Center, Pasig City**  
**(+632) 7 919 4643**
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	Number of Shares of Common Stock Outstanding or Amount of Debt Outstanding
Class "A"	1,800
Class "B"	700
Class "C"	500

12. Are any or all of registrant's securities listed in a Stock Exchange?

Yes [ ] No [x]

If yes, disclose the name of such Stock Exchange and the class of securities listed therein: **Not Applicable**

<b>PART I.</b>
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**INFORMATION REQUIRED IN INFORMATION STATEMENT**

**A. GENERAL INFORMATION**

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

**Date** : 11 October 2025  
**Time** : 10 A.M.  
**Place** : Presiding at The Orchard Golf & Country Club, Inc., Km. 27 Aguinaldo Highway, Salawag, Dasmariñas City, Cavite; with the participation of shareholders through remote communication via Zoom Webinar  
**Registrant's Mailing Address** : Km. 27 Aguinaldo Highway, Salawag, Dasmariñas City, Cavite  
**Approximate Date on which Information Statement is First to be Sent or Given to Security Holders** : 23 June 2025

**Item 2. Dissenters' Right of Appraisal**

The shareholders of The Orchard Golf & Country Club, Inc. (the "Club") shall have appraisal right, or the right to dissent and demand payment of the fair value of their shares in the manner provided under Section 80 of the Revised Corporation Code of the Philippines under the following circumstances:

- In case of any amendment to the Articles of Incorporation, which has the effect of changing or restricting the rights of shareholders or any class of shares, or the authorizing preferences in any respect superior to those outstanding shares of any class, or extending or shortening the term of the Club's corporate existence;

- In case of sale, lease, exchange, transfer, mortgage, pledge, or other disposition of all or substantially all of the Club's assets as provided under the Corporation Code;
- In case of merger or consolidation of the Club with another corporation;
- In case of an investment of corporate funds for any purpose other than the primary purpose of the Club, except where such investment is reasonably necessary to accomplish the primary purpose of the Club.

The appraisal right may be exercised by any shareholder who shall have voted against any of the foregoing proposed corporate actions, by making a written demand on the Club for the payment of the fair value of his/her/its share/s within thirty (30) days after 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 or effected, the Club shall pay such shareholder, upon surrender of the certificate or certificated of stock representing his shares, the fair value thereof as of the day prior to the date on which the vote was taken, excluding any appreciation or depreciation in anticipation of such corporate action; however, no payment shall be made to any shareholder unless the Club has unrestricted retained earnings in its books to cover such payment. Within ten (10) days after demanding payment for his/her/its share/s, a dissenting shareholder shall submit his/her/its stock certificate/s for notation thereon that such shares are dissenting shares, failing which, his/her/its appraisal right shall terminate, at the option of the Club.

From the time a demand for payment of fair value until either the abandonment of the corporate action involved or the purchase of said shares by the Club, all rights accruing to such shares, including the voting and dividend rights, shall be suspended. If the dissenting shareholder is not paid the value of the shares within thirty (30) days after the award, his voting and dividend rights shall be restored.

There are no corporate actions or matters to be taken up at the Annual Shareholders' Meeting that may give rise to the exercise by the shareholders of the right of appraisal.

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

None of the directors or officers of the Club, or any nominee to the Board of Directors or any associate of the foregoing persons have substantial interest, direct or indirect, by security holdings or otherwise, in any matter to be acted upon during the Annual Shareholders' Meeting. Likewise, there are no persons who have substantial interest, direct or indirectly, in any matter to be acted upon other than the election to office.

There is no director who has informed the Club in writing that he intends to oppose any action to be taken by the Club at the meeting.

## **B. CONTROL AND COMPENSATION INFORMATION**

### **Item 4. Voting Securities and Principal Holders Thereof**

- (a) The Club has, as of 31 May 2025, 3,000 outstanding common shares of stock. Of this figure, there are 1,800 Class "A" shares, 700 Class "B" shares, and 500 Class "C" shares. Each share, no matter which class it belongs to, is entitled to one (1) vote.
- (b) Any shareholder may vote in the election of directors provided that such shareholder possesses all of the following qualifications:

- (1) The shareholder must be a registered owner of at least one (1) share of stock;
- (2) In case of a juridical entity, a duly notarized Secretary's Certificate attesting to the adoption of a board resolution appointing the representative authorized to vote on behalf of such juridical entity must be received by the Corporate Secretary of the Club through the Secretariat on or before 5 P.M. on 6 October 2025;
- (3) The shareholder must be a member in good standing, *i.e.*, the shareholder must be updated in the payment of his monthly dues and other accountabilities to the Club as of 5 P.M. on 6 October 2025 and has not been declared delinquent by the Board of Directors with the effect of suspending the member's exercise of his/her/its right to vote.
- (4) In the case of proxies, a duly accomplished proxy instrument with the required supporting documents must be received by the Secretariat no later than 5 P.M. on 6 October 2025.
- (5) Pursuant to Article VI, Section 6 of the Club's By-Laws, a shareholder may vote during the Annual Shareholders' Meeting either in person, by proxy or *in absentia*.

Applying Section 23 of the Revised Corporation Code, each shareholder may vote in any of the following manner:

- (1) He may vote such number of shares for as many persons as there are directors to be elected;
- (2) He may cumulate said shares and give one candidate as many votes as the number of directors to be elected multiplied by his shares; or
- (3) He may distribute them on the same principle among as many candidates as he shall see fit.

In any of the foregoing instances, the total number of votes cast by the shareholder should not exceed the number of shares owned by him as shown in the books of the Club multiplied by the number of directors to be elected.

### **Security Ownership of Certain Record and Beneficial Owners and Management**

As of 31 May 2025, the Record/Beneficial Owners of more than five percent (5%) of each class of the voting securities is as follows:

<i>Class of Shares</i>	<i>Name &amp; Address of Record Owner Relationship with Issuer</i>	<i>Name of Beneficial Owner and Relationship with Record Owner</i>	<i>Citizenship</i>	<i>No. of Shares Held</i>	<i>Percentage of Class</i>
Class "A"	Sta. Lucia Realty & Devt., Inc. G/F State Finance Center, Ortigas, Mandaluyong City	Vicente R. Santos Exequiel D. Robles Mariza Santos-Tan	Filipino	211 shares owner of record	11.7%
	SLRDI is the developer of the Club.	The beneficial owners are shareholders and officers of the record owner.			
Class "B"	Sta. Lucia Realty & Devt., Inc.	Vicente R. Santos Exequiel D. Robles Mariza Santos-Tan	Filipino	238 shares owner of record	49.4%

	G/F State Finance Center, Ortigas, Mandaluyong City				
	SLRDI is the developer of the Club	The beneficial owners are shareholders and officers of the record owner.			
Class "B"	ACL Development Corp. 18/F Titana Plaza Bldg., Binondo, Manila	Henry T. Cua Loping	Filipino	61 shares owner of record	12.6%
	ACL contributed land and cash for the development of the Club	The beneficial owner is a shareholder and officer of the record owner.			
Class "B"	AFP-RSBS 424 Capinpin Rd., Boni Serrano Ave. cor. EDSA, Q.C.			30 shares owner of record	6.2%
	AFP-RSBS contributed land and cash for the development of the Club.				
Class "C"	Sta. Lucia Realty & Devt., Inc. G/F State Finance Center, Ortigas, Mandaluyong City	Vicente R. Santos Exequiel D. Robles Mariza Santos-Tan	Filipino	43 shares owner of record	0.08%
	SLRDI is the developer of the Club.	The beneficial owners are shareholders and officers of the record owner			
Total			Class "A"	211 shares	11.7%
			Class "B"	329 shares	68.3%
			Class "C"	43 shares	0.08%

Apart from the foregoing, there are no other persons holding more than five percent (5%) of the outstanding capital stock of the Club.

Messrs. Vicente R. Santos and Exequiel D. Robles exercise voting power over shares held by SLRDI. Mr. Henry Cua Loping is the nominee of ACL Development Corporation to the Board of Directors and exercises voting power over the shares thereof.

AFP-RSBS designated the Club to vote its shares in the 2016 Annual Shareholders' Meeting. In correspondence with Mr. Jose Antonio Pepito of the Legal Department of AFP-RSBS, he related that AFP-RSBS was indeed abolished pursuant to Malacañang Memorandum Circular No. 90 dated 8 April 2016, and had, sometime in the last quarter of 2016, submitted with the Governance Commission for Government Owned and Controlled Corporations (GCGOCC) a plan/proposal for the liquidation of its assets and the winding down of its affairs. With the recent change of the country's administration, however, and the appointment of new commissioners and/or other officers in the GCGOCC, such plan/proposal has yet to be acted upon.

At the 2021 Annual Shareholders' Meeting of the Club, AFP-RSBS submitted a Secretary's Certificate in which the Board of Liquidators of AFP-RSBS resolved to appoint any of the following three (3) officers of AFP-RSBS as its proxy in said Annual Shareholders' Meeting: The President/CEO, or EVP/CO. That year, the President/CEO of AFP-RSBS was Mr. Norman C. Legaspi, while the EVP/COO was Mr. Rafael C. Valencia. As of the date hereof, the said proxy remains in full force and effect and has not been revoked.

### **Security Ownership of Management**

Other than the following shares held by the directors, the directors and officers do not own shares in the capital stock of the Club. As of 31 May 2025, the incumbent directors, as a group, own seven (7) shares in the capital stock of the Club.

<i>Class of Shares</i>	<i>Name of Beneficial Owner</i>	<i>Amount &amp; Nature of Beneficial Ownership</i>	<i>Citizenship</i>	<i>Percent of Class</i>
"A"	Vicente R. Santos Chairman/Director	1 Qualifying Share	Filipino	0.05%
"A"	Tomas Julio A. Benitez President & CEO/Director	1 Share – Record Owner	Filipino	0.05%
"A"	Henry T. Cua Loping Treasurer/Director	1 Qualifying Share	Filipino	0.05%
"A"	Exequiel D. Robles Corporate Secretary/Director	1 Qualifying Share	Filipino	0.05%
"A"	Philip L. Go Independent Director	1 Share – Record Owner	Filipino	0.05%
"A"	Jose Arturo M. Tugade Independent Director	1 Share – Record Owner	Filipino	0.05%
"A"	Jose S. Gonzales Independent Director	1 Share – Record Owner	Filipino	0.05%
"A"	Mariza S. Tan First Asst. Corporate Secretary	1 Qualifying Share 1 Share – Record Owner	Filipino	0.11%
Total		9 Shares		

### **Voting Trust Holders of 5% or More**

There are no voting trust holders of five percent (5%) or more of the securities of the Club.

### **Changes in Control**

There are no arrangements that have resulted in a change in control of the Club.

## **Item 5. Directors and Executive Officers**

### **(A) Background Information**

The members of the Board of Directors of the Club, its executive officers, and all other persons nominated as of the record date are as follows:

<i>Name</i>	<i>Age</i>	<i>Position</i>	<i>Citizenship</i>	<i>Term of Service</i>	<i>Length of Service</i>
Vicente R. Santos	68	Director and Chairman; Nominee for Director	Filipino	1 year	31 years
Tomas Julio A. Benitez	53	Director and President; Nominee for Director	Filipino	1 year	11 years
Henry T. Cua Loping	88	Director and Treasurer; Nominee for Director	Filipino	1 year	31 years
Exequiel D. Robles	69	Director and Corp. Secretary; Nominee for Director	Filipino	1 year	31 years
Jose S. Gonzales	69	Independent Director; Nominee for Director	Filipino	1 year	8 years
Jose Arturo M. Tugade	43	Independent Director	Filipino	1 year	1 year
Philip L. Go	74	Independent Director; Nominee for Director	Filipino	1 year	1 year
Mariza S. Tan	66	Compliance Officer and First. Asst. Corp. Secretary; Nominee for Director	Filipino	1 year	10 years/ 29 years
Jose Emilio P. Famy	58	CFO/General Manager and Chief Operating Officer	Filipino	Reg. Emp.	27 years/5 years
Chiles Megan M. Areño	31	Assistant Compliance Officer and Second Asst. Corporate Secretary	Filipino	1 year	1 year

The incumbent directors are amongst the nominees in the upcoming Annual Shareholders' Meeting.

Copies of the Certification of Independent Director of the nominees Jose S. Gonzales, Philip L. Go, and Julio Felino M. Manalo, are hereto attached as Annexes "G" to "I", respectively.

### **Profiles of Directors, Executive Officers, and Nominees**

VICENTE R. SANTOS, *Director, and Chairman of the Board  
Nominee for Director*

Directorship: Served as Director for The Orchard Golf and Country Club from 1997 up to present for a total of 28 Years.

Type of Share: Individual Class A

No. of Shares: 1

For the Last Five Years: Mr. Vicente R. Santos is currently the Club's Chairman of the Board of Directors and of the Membership Committee, and the Vice Chairman of the Audit and Finance Committees. He is also the Chairman of Sta. Lucia Land, Inc., and also sits as director of several companies and owns other businesses related to real estate. He is presently the Director of the National Golf Association of

the Philippines (NGAP), Eagle Ridge Golf & Country Club, and Summit Point Golf & Country Club and is the President of Rancho Palos Verdes Golf & Country Club in Davao.

Mr. Santos also has been the Executive Vice-President of Sta. Lucia Realty & Development, Inc. since 1980; Valle View Realty Development Corp. since 1988; Sta. Lucia East Cinema Corp. since 1990; Sta. Lucia Waterworks Corp. since 1990; Rob-San East Trading Corp. since 1991; Sta. Lucia East Commercial Corp. since 1991; RS Night Hawk Security & Investigation Agency since 1992; Sta. Lucia East Bowling Center, Inc. since 1993; and Sta. Lucia East Department Store, Inc. since 1993. He has been the President of Acropolis North since 2003. He has been the Corporate Secretary of Lakewood Cabanatuan since 2005.

List of positions and offices held or will hold:

Chairman	-	The Orchard Golf and Country Club	1996- Present
Chairman	-	Sta. Lucia Land Inc.	1994 - Present
President	-	Rancho Palos Verdes Golf & Country Club	
Director	-	The Federation of Golf Clubs in the Philippines (FEDGOLF)	
		Eagleridge Gold and Country Club	
		Summit Point Golf and Country Club	
		National Golf Association of the Philippines	

TOMAS JULIO A. BENITEZ, *Director and President and Chief Executive Officer*  
*Nominee for Director*

Directorship: Served as Director for The Orchard Golf and Country Club from 2014 up to present for a total of 11 Years.

Type of Share: Individual Class A  
 No. of Shares: 2 – Record Owner

For the Last Five Years: Mr. Tomas Julio A. Benitez is currently the President and CEO of The Orchard while serving as Chairman of the Sports and Games Committee. He is a Board member and Trustee of the Philippine Women’s College of Davao. As well as a Trustee of Malaya FC. Also owns a franchise of two well-known restaurant brands.

Mr. Benitez is also the managing director of Chubby Conrads Foods Corporation from 2006 to present and the President of PJJL Foods Corporation from 2004 to present. Further, he serves as the Chairman of the Club’s Sports & Games Committee and as Co-Chairman of the Membership Committee.

He is a graduate of Ateneo de Manila University with a degree in Economics, and a master’s degree in business management from the Asian Institute of Management. He is a board member and trustee of the Philippine Women’s College of Davao.

He replaced Mr. Conrado L. Benitez II as President and Chief Executive Officer due to the latter’s passing on 28 March 2020.

List of positions and offices held or will hold:

President and CEO	-	The Orchard Golf and Country Club	2021 to Present
Board Member and Trustee	-	Philippine Women's College of Davao	

HENRY T. CUA LOPING, *Director, and Treasurer*

*Nominee for Director*

Directorship: Served as Director for The Orchard Golf and Country Club from 1997 up to present for a total of 28 Years.

Type of Share: Individual Class A

No. of Shares: 1

For the Last Five Years: Mr. Henry Cua Loping has been a member of the Board of Directors since July 1997. He is the Executive Vice-President of ACL Development Corporation and Filpak Industries, Inc. He is also the Chairman of both the Finance and Compensation Committee.

Mr. Cua Loping has been a member of the Board of Directors since the Club's first Annual Shareholders' Meeting in July 1997. He has also been the Executive Vice-President of ACL Development Corporation since 1981 to present and Filpak Industries, Inc. from 1978 to present. He is also the Treasurer of Pacific Oil Products, Inc. since 1980. Mr. Cua Loping holds a degree in B.S. Chemical Engineering from Mapua Institute of Technology and a master's degree in Chemical Engineering from Massachusetts Institute of Technology. He is also the Chairman of the Club's Finance Committee, and a member of the Club's Audit Committee.

List of positions and offices held or will hold:

Executive Vice President	-	ACL Development Corporation	1994	-
Present				
Director	-	The Orchard Golf and Country Club	1997 - Present	

*EXEQUIEL D. ROBLES, Director, and Corporate Secretary*

*Nominee for Director*

Directorship: Served as Director for The Orchard Golf and Country Club from 1997 up to present for a total of 28 Years.

Type of Share: Individual Class A

No. of Shares: 1

For the Last Five Years: Mr. Exequiel D. Robles is the President and the CEO of Sta. Lucia Realty & Development Inc. and Sta. Lucia Land, Inc. which developed prime subdivisions in Metro Manila, Central Luzon, Cavite, Batangas, Laguna, Cebu, Bacolod and Davao. To his credit are almost 300 prime subdivisions such as Acropolis Green, Xavierville III and Royale Cebu Estates to name a few. Sta. Lucia has also developed world-class shopping malls, beach clubs and golf courses, such as The Orchard, Eagle Ridge, Alta Vista, Rancho Palos Verdes, Royale Tagaytay, Caliraya Springs, Splendido, Summit Point and Lakewood. Sta. Lucia was CREBA 2003 Developer of the year.

Mr. Robles has been a member of the Club's Board of Directors since 1994. He is also the President and moving force behind the success of the Sta. Lucia Realty & Development, Inc. since 1980 and Sta. Lucia Land, Inc. both of which have developed prime subdivisions in Metro Manila, Central Luzon, Cavite, Batangas, Laguna, Cebu, Bacolod, and Davao. He has been a director of RS Maintenance and Service Corp. since 1989; Sta. Lucia East Cinema Corp. since 1990; Sta. Lucia Water Works Corp. since 1990; Rob-San East Trading Corp. since 1991; Sta. Lucia East Commercial Corp. since 1991; RS Night Hawk Security & Investigation Agency since 1992; Sta. Lucia East Bowling Center, Inc. since 1993; and Sta. Lucia East Department Store, Inc. since 1993. He has been the Chairman of the Board of Royale Homes Marketing Corporation since 1995 and Sta. Lucia Health Care since 2000.

To his credit are more than 250 prime subdivisions such as Acropolis Green, Xavierville III, and Royale Cebu Estates, to name a few. Sta. Lucia has also developed world-class shopping malls, beach clubs, and golf courses, such as the Club, Eagle Ridge, Alta Vista, Rancho Palos Verde, Royale Tagaytay, Caliraya Springs, Splendido, Summit Point and Lakewood. Sta. Lucia was CREBA 2003 Developer of the Year.

List of positions and offices held or will hold:

President	-	Sta. Lucia Realty and Development Inc.	1994 to present
	-	Sta Lucia Land	

MARIZA S. TAN, *Compliance Officer/First Assistant Corporate Secretary  
Nominee for Director*

Directorship: Served as Director for The Orchard Golf and Country Club from 1997 up to present for a total of 28 Years.

Type of Share: Individual Class A

No. of Shares: 2

The Last Five Years: Ms. Mariza Santos-Tan had been in the real estate industry for more than 20 years and already hold various positions that lead and direct the company into stability and success. Currently, she serves as the Director and the Treasurer for Sta. Lucia Real Estate & Development, Inc. Moreover, holds the position of Director of RS Maintenance & Services Corp., Sta. Rob-San East Trading Corp., Lucia East Cinema Corp., Sta. RS Nighthawk Security, Lucia East Commercial Corp., and Sta. Bowling alley Lucia East, Inc., Sta. Manila Jockey Club, Inc., Lucia Supermarket Corp., and Worlds of Fun, Inc. Also, sits as the President of the Royale Tagaytay Country Club and is a Director and Corporate Secretary of Rancho Palos Verdes in Davao.

Ms. Santos-Tan has been a member of the Club since 1994. She also currently holds the position of President of St. Mary's Estate Corporation and Chairman of MJC Investment Corp.

List of positions and offices held or will hold:

Vice President - Sales			
/ Corporate Secretary	-	Sta. Lucia Realty & Development Inc.	1976
Corporate Secretary	-	RS Maintenance & Service Corporation	1989
	-	Sta. Lucia East Cinema Corp.	1990
	-	RS Nighthawk Security & Investigation Agency	1992
	-	Sta. Lucia East Bowling Center Inc.	
1993			
	-	Sta. Lucia East Commercial	
1993			
	-	Sta. Lucia Supermarket Corp.	
1996			
	-	Worlds of Fun Inc.	1996
	-	Vistamar Beach and Resort Country Club	
1996			
President	-	St. Mary Estate Corp.	1985
Treasurer	-	Sta. Lucia Land	2007

JOSE S. GONZALES, *Independent Director*  
*Nominee for Independent Director*

Directorship: Served as an Independent Director for The Orchard Golf and Country Club from 2019 to 2025 for a total of 6 years.

Type of Share: Individual Class A  
No. of Shares: 1 – Record Owner

For the Last Five Years: Mr. Jose S. Gonzales presently sits as the Chairman Emeritus of Orchard Senior Golfer's Association. He retired as a General Manager of Cannon Textile Inc., a multinational fully integrated textile operations- from Spinning to Garments in Egypt, UAE, India, Indonesia and Philippines. He was also a Lecturer at Development Academy of the Philippines, a charter member and Treasurer of the Productivity Improvement Circles Association of the Philippines.

Mr. Gonzales has been an active member of the Club since 1994. He was also a two-term president of the Rizal Province Chamber of Commerce and Industry from 1986 to 1987, and a Millennium President of Rotary club of Metrowest Triangle, District 3780 Quezon City and Plus 3 Paul Harris Fellow.

Mr. Gonzales holds a degree in B.S. Chemical Engineering from the University of San Agustin and attended master's in business administration at the Ateneo de Manila University.

List of positions and offices held or will hold:

General Manager	-	Cannon Textile	1980-2010
Finishing Mill Manager	-	Universal Tricot Mills	1975-1990
Supervising Engineer Trainee	-	Litton Mills Philippine	1970- 1975

JOSE ARTURO M. TUGADE, *Independent Director*

Directorship: Independent Director for The Orchard Golf and Country Club from 2023 to 2025 for a total of 2 years.

Type of Share: Individual Class A  
No. of Shares: 1 – Record Owner

Last Five Years: Atty. Jose Arturo M. Tugade founded and spearheaded the growth of fuel service in Luzon to become one of the Top 1000 Corporations in the Philippines and also direct the operations of more than 100 fuel service stations nationwide. Cultivate optimum processes and inventory management systems for the distribution of fast-moving consumer goods (FMCG) in the Luzon region. Own and lead other businesses in food and franchise service; fuel service; agriculture; real estate and commercial leasing. Franchise operations include Shakey's, Wendys, Contis, 7-11, Family Mart. Responsible for introducing and growing the PTT brand of Thailand in Batangas. Homegrown brands include Pergas.

Atty. Tugade has been a member of the Club since 2011. He was the Assistant Secretary for the Land Transportation Office from November 17, 2022, until June 1, 2023. He is also a Director of Perry's Farms Inc. and founder of various companies like Perry's Fuel Distribution, Inc., Perpet Pilipinas Corp., Art Professional Construction Corp., Art Fresh Chicken Corp., JV Hauling & Trucking Corp and Premier Southern Petroleum Corp.

Atty. Tugade completed his Bachelor of Laws from San Beda University, Manila in 2010. He holds a degree in Business Management & Entrepreneurship and graduated valedictorian in 2003 from the same school.

List of positions and offices held or will hold:

Assistant Secretary	-	Land Transportation Office	2022 to 2023
Founder	-	Perry's Fuel Distribution Inc.,	2006 - Present
	-	Perpet Pilipinas Corp.,	2013 - Present
	-	Art Professional Construction Corp.,	2018 - Present
	-	Art Fresh Chicken Corp.,	2020 - Present
	-	JV Hauling & Trucking Corp.,	2020 - Present
	-	Premier Southern Petroleum Corp.	2019 - Present
Director	-	Perry's Farm	2005 - Present
	-	Harana Surf Inc., Siargao	2017 - Present
	-	Perry's Holdings Corporation	2009 - 2021
	-	APT Travels Inc.	2010 - 2020
	-	Collyer Shipping Inc.	2017 - 2020
	-	Solart Shipping Agencies Corp.	2016 - 2020
Director and Vice President	-	Trans-Global Consolidators Inc.	2005 - 2020
Founder and Chairman	-	Transglobal Trucking	2002 -2010

PHILIP L. GO, *Independent Director*  
*Nominee for Independent Director*

Directorship: Independent Director for The Orchard Golf and Country Club from 2023 to 2025 for a total of 2 years.

Type of Share: Individual Class A  
 No. of Shares: 1-Record Owner

For the Last Five Years: Mr. Philip L. Go is the Chairman of Builders 2000, Inc. a company involved in both horizontal and vertical condominium developments and hotel industry. Currently, the President of Specificque Garment Manufacturing Inc. Specificque Garment is the manufacturer of the popular Le Tigre sports apparel garments. Also, holds various leadership positions in companies such as Luxe Asia Properties, Inc. and Elevator Specialista Inc.

Mr. Go has been a member of the Club since 1994 and also held positions in homeowner associations such as Monterazzas, Le Mirage de Malate, Pacific Coast Residences and Shaw Residenza.

Mr. Go holds a degree in B.S. Mechanical Engineering from the University of Santo Tomas.

List of positions and offices held or will hold:

Chairman	-	Builders 2000	1985 to present
President	-	Specificque Garment	Present
Independent Director	-	The Orchard Golf and Country Club	2023 up to present.

JULIO FELINO M. MANALO  
*Nominee for Independent Director*

Type of Share: Individual Class A  
No. of Shares: 1-Record Owner

For the last Five Years: Mr. Julio Felino M. Manalo was previously affiliated with Philippine Airlines and retired last January 2024. He was the Captain for Airbus Narrow Body A321 for Philippine Airlines. He was also a Corporate Secretary for Maple Realty and Development Corporation, a holding company for properties of the Ledesma- Mapa family.

Mr. Manalo graduated with a degree of BS Architecture from the University of the Philippines, Diliman.

List of positions and offices held or will hold:

Philippine Airlines	-	Line Captain Airbus A320	2013 to 2024
Maple Realty and Development Corporation	-	Director and Corporate Secretary	2020 to present

JOSE ERNILO P. FAMY, *General Manager & Chief Operating Officer*

Mr. Jose Ernilo P. Famy assumed the position of Chief Finance Officer in December 1996 and assumed the position of General Manager and Chief Operating Officer in December 2018.

He is a graduate of Colegio De San Juan De Letran Manila with a degree of Bachelor of Science in Commerce majoring in Accounting. He is a Certified Public Accountant and has a Diploma in Business Administration from De La Salle University – Dasmariñas. He has taken up the Executive MBA Program from the same university.

Mr. Famy worked with different companies such as SGV & Co., Dutch Boy Phils., Inc., Leslies Corporation, and the MB Villar Group of Companies. He is also a member of the Philippine Institute of Certified Public Accountants (PICPA) and the Institute of Internal Auditors – Philippines (IIA-P).

IRENE G. PATRICIO, *Finance Manager & Principal Accounting Officer*

Ms. Irene G. Patricio assumed the position of Financial Analyst in July 2013, Internal Audit Supervisor in June 2017, and Finance Manager in December 2021. She is a graduate of St. Louis University with a degree of Bachelor of Science in Accountancy. She is a Certified Public Accountant and is a member of the Philippine Institute of Certified Public Accountants (PICPA) and Institute of Internal Auditors - Philippines (IIA-P).

CHILES MEGAN M. AREÑO, *Assistant Compliance Officer/Second Assistant Corporate Secretary*

Atty. Chiles Megan M. Areño is a graduate of San Beda College Alabang, School of Law. She is currently a junior partner at Lu Mamangun Juco & Alamis and has been in the practice of law for five (5) years. She was admitted to the Philippine Bar in 2020.

### **Nomination and Election Procedures**

The Club's By-Laws provides for the following procedure in the nomination and election of directors.

"Article VIII

## ELECTION OF DIRECTORS

Section 1. Election Committee. The Election Committee shall be composed of five (5) members. The Chairman and Vice-Chairman of the Election Committee shall be appointed by the Board of Directors forty-five (45) days prior to the date of election from among the Regular Members of the Club in good standing, as defined in Article II, Section 3 hereof. The Chairman and Vice Chairman shall appoint three (3) members from among the Regular Members in good standing within ten (10) days from their appointment. The Election Committee shall oversee the conduct of the election of directors; rule on the validity and appreciation of proxies; and act in all matters that will ensure the orderly conduct of the election except those functions pertaining to the Nomination Committee. To ensure the independence of the Election Committee, its Chairman, Vice-Chairman, and members shall not be eligible for nomination to the Board of Directors. (As amended on 29 March 2021)

Section 2. Qualifications of Candidates. A candidate for Director must own at least one (1) share of the capital stock of the Club, which share shall stand in his name in the books of the Club and must be a Regular Member of the Club in good standing. In the case of a Corporate Nominee of a juridical entity, such juridical entity must own in its own right at least one (1) share of the capital stock of the Club, which share shall stand in its name in the books of the Club. Corporate Assignees shall in no case be elected to the Board of Directors. (As amended on 29 March 2021)

Section 3. Nomination. The Nomination Committee shall call for and accept nominations in writing from Regular Members of the Club and prescreen the qualifications of all nominated candidates. At no instance may a Regular Member nominate himself for director. The official list of candidates shall be finalized by the Nomination Committee and posted at the Clubhouse Bulletin Board at least thirty (30) days prior to the date of the annual meeting. Such list shall likewise be attached to the Notice of the Annual Meeting to be sent to all shareholders. (As amended on 29 March 2021)

Section 4. Right to Vote. 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. (As amended on 29 March 2021)

### Section 5. Election Procedure

- (a) Preparation of Official Ballot. The Election Committee shall order the printing or mimeographing of as many official ballots as there are outstanding certificates of ownership. The official ballots shall contain, in alphabetical order, the names of the candidates who have accepted their nomination in accordance with Section 3 hereof. The said ballots shall be numbered consecutively and given to each Regular Member in good standing upon registration prior to the meeting.
- (b) Manner of Voting. The members of the Board of Directors shall be elected by secret ballot. Each member authorized to vote, whether present or in absentia, 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.

- (c) Election Inspectors. The Chairman of the meeting may, at his option, at each annual meeting, appoint two (2) persons to act as inspectors of election at said meeting of members any annual or special meeting of the shareholders of the Club.
- (d) Canvassing. Upon the closing of the meeting, the Election Committee shall immediately 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. The seven (7) candidates with the most number of votes shall be declared elected. In case of a tie, the Election Committee shall break the tie by a drawing of lots.
- (e) Organizational Meeting. As soon as possible after the seven (7) members of the Board of Directors have been proclaimed, the new Board of Directors shall hold their organizational meeting to elect the executive officers of the Club. (As amended on 29 March 2021)."

The procedures for the nomination and election of directors, including the independent directors, are in accordance with the procedures outlined in SRC Rule 38.

**Nominees for Directors**

The following individuals have been nominated to the Board of Directors:

<i>Nominee</i>	<i>Nominated By</i>	<i>Relationship</i>
Benitez, Tomas Julio A.	Tuason, Jose A.	Mr. Tuason is not related to Mr. Benitez.
Cua Loping, Henry T.	Montallana, Francis C.	Mr. Montallana is not related to Mr. Cua Loping.
Go, Philip L.	Manalo, Jose Felino	Mr. Manalo is not related to Mr. Go.
Gonzales, Jose S.	Calica, Dan	Mr. Calica is not related to Mr. Gonzales.
Manalo, Julio Felino M.	Espino, Alfredo	Mr. Espino is not related to Mr. Manalo.
Robles, Exequiel D.	Dela Cruz, David	Mr. Dela Cruz is not related to Mr. Robles.
Santos, Vicente R.	Clemente III, Tomas	Mr. Clemente III is not related to Mr. Santos
Tan, Mariza S.	Dela Cruz, David	Mr. Dela Cruz is not related to Ms. Tan

**Nomination Committee**

The Nomination Committee is tasked to, among others, verify the qualifications of the nominees for directors. The members of the Nomination Committee are the following:

Chairman: Mr. Jose Arturo M. Tugade\*  
*(resignation as Chairman of the  
Nomination Committee and a  
member of the Board of Directors  
was accepted by the Chairman of  
the Board, Mr. Vicente R. Santos,  
on 17 June 2025 due to the  
former's acceptance of na  
appointive government position;  
SEC Form 17-C is attached hereto  
as Annex "K")*

Mr. Vice-Chairman: Mr. Jose S. Gonzales  
Member: Mr. Exequiel D. Robles  
Member: Mr. Philip L. Go  
Member: Mr. Henry Cua Loping

### **Election Committee**

The Election Committee shall, among others, oversee the conduct of election of directors and act on all matters relating to the said election. The members of the Election Committee are the following:

Chairman: Atty. Elpidio C. Jamora, Jr.  
Vice-Chairman: Atty. Melvin Mendoza  
Member: Mr. Arnold Liganor  
Member: Atty. Leleen Lamorana-Bunyi  
Member: Mr. Renan R. Osero

### **Audit Committee**

The members of the Audit Committee are the following:

Chairman: Mr. Jose S. Gonzales  
Vice-Chairman: Mr. Vicente Santos  
Member: Ms. Maria Lourdes Valero

### **Significant Employee**

The business of the Club is not highly dependent on the services of any employee or personnel.

### **Family Relationships**

Mr. Exequiel D. Robles is the first cousin of Mr. Vicente R. Santos and Ms. Mariza S. Tan. The latter two are siblings.

Mr. Tomas Julio A. Benitez is the son of the late Mr. Conrado L. Benitez II.

## Involvement of Directors and Officers in Certain Legal Proceedings

The following is a summary of the status and nature of the legal proceedings involving the Club, its directors, and officers:

- The Orchard Golf and Country Club, Inc. v. Commissioner of Internal Revenue  
(Court of Tax Appeals, CTA Case No. 8986)

### Claims:

This involves a Preliminary Assessment Notice ("PAN") issued by the Bureau of Internal Revenue ("BIR") on 26 March 2014, claiming that the Club has been found liable for deficiency taxes in the aggregate amount of PhP 113,033,316.81 for the taxable year of 2010.

While the Club promptly filed a protest to the PAN, the BIR issued a Final Assessment Notice ("FAN") dated 28 March 2014, which states that the Club is now liable for deficiency taxes in the amount of PhP 113,766,847.77. The deficiency assessment contained in the FAN is premised on the BIR's position as regards income tax and VAT for recreational clubs pursuant to Revenue Memorandum Circular ("RMC") No. 35-2012, which the BIR seeks to apply retroactively.

Since the BIR did not rule on the Club's protest, the Club filed a petition for review with the Court of Tax Appeals ("CTA") on 16 February 2015.

### Status:

The BIR filed a Petition for Review with the CTA *En Banc*, to which the Club filed a timely opposition. In the Decision dated 25 April 2022, the CTA *En Banc* denied the BIR's appeal for lack of merit and enjoined the BIR from collecting or taking any further actions to recover the tax deficiencies.

The BIR filed a Petition for Review with the Supreme Court pursuant to Rule 45 of the Rules of Court. As of the present, the Supreme Court has yet to act on the petition.

- Philip L. Go, v. Second Division of the Honorable Court of Appeals, The Orchard Golf & Country Club, Inc., Sta. Lucia Realty & Development Inc., and ACL Development Corporation  
(G.R. No. 269601, Supreme Court of the Philippines)

### Claims:

The above-entitled case involves a Petition for Certiorari filed by the petitioner assailing the Decision dated 30 May 2023 issued by the Second Division of the Court of Appeals which granted the Petition for Review filed by the Club, Sta. Lucia Realty & Development Inc. ("SLRDI") and ACL Development Corporation ("ACL") and set aside the Decision dated 6 January 2023 rendered by Branch 29, Regional Trial Court, Imus Cavite ("RTC").

The original case in the RTC involved an intra-corporate dispute where Mr. Go, together with his then co-plaintiffs, sought to have the resolution dated 13 December 1994 issued by the Club's Board of Directors (the "Subject Resolution") declared void. The Subject Resolution granted the original stockholders of the Club exemption from paying monthly dues. In its Decision dated 6 January 2023, the RTC ruled that the Subject Resolution was void.

On the other hand, in the Decision dated 30 May 2023, the Court of Appeals reversed the Decision of the RTC and ruled in favor of the validity of the Subject Resolution.

Status:

On 15 July 2024, the Supreme Court issued a Resolution dismissing the Petition for Certiorari filed by Mr. Go on the ground of prescription. According to the Supreme Court, considering that the original complaint filed with the RTC involved an election contest, the same should have been filed within 15 days from the date of the election. Given that the complaint was filed beyond the said period, the Supreme Court ruled that the RTC should have dismissed the complaint outright.

In view of the Supreme Court's Resolution, Mr. Go filed an Omnibus Motion to Refer the Case to En Banc and Motion for Reconsideration dated 29 October 2024 (the "Omnibus Motion"). Consequently, SLRDI and ACL filed an Opposition to the Omnibus Motion on 11 November 2024.

At present, these motions are still pending resolution by the Supreme Court.

- Deogracias L. Cristobal and Vicente D. Pacheco, Jr. v. Francis Montallana, Tomas Julio Benitez, Vicente Santos, Nilo Famy and Noel Canivel  
(CA CV-122043, Court of Appeals)

Claims:

This involves an appeal of the Decision dated 19 April 2023 ("Subject Decision") issued by Branch 275, Regional Trial Court, Las Piñas City ("RTC") which dismissed the petition filed by the petitioners to nullify the 2022 Intraclub Tournament and the decisions of the Tournament Committee, which included a claim for damages seeking to hold the respondents liable for actual damages in the amount of PhP 450,000.00 and attorney's fees of PhP 250,000.00.

While the Club is not a party to the action, because the respondents are all members of the Club's Tournament Committee, the Club intervened in the action considering that it is defraying legal expenses pursuant to the provisions of Article X of its By-Laws.

Status:

On 1 August 2024, the Court of Appeals issued a Notice to File Brief directing the parties to file their respective appeal briefs within 45 days from receipt. On 19 December 2024, the respondents, through counsel, received the petitioner's Appellants' Brief. Thus, within the reglementary period, the respondents filed its Appellees' Brief on 2 February 2025

- The Orchard Golf & Country Club, Inc. v. Corporate Governance and Finance Department, represented by Director Rachel Esther Gumtang-Remalante  
(SEC En Banc Case No. 11-23-531, Securities and Exchange Commission en banc)

Claims:

On 2 March 2021, the Club received a Show Cause Letter dated 30 October 2020 issued by the Corporate Governance and Finance Department ("CGFD") of the Securities and Exchange Commission in connection with the supposed late filing of its 2019 Annual Report or SEC Form 17-A (the "Annual Report"). The Show Cause Letter directed the Club to show cause within ten (10) days from receipt thereof why it should not be held liable for violation of the Securities Regulation Code due to the supposed late filing of the said report.

Thus, on 11 March 2021, the Club responded to the Show Cause Letter through a letter of even date. On 24 August 2021, the Club received the CGFD’s Assessment for Late Filing of the Annual Report dated 12 March 2021 (the “Assessment Letter”). Consequently, on 27 August 2021, the appellant filed a Motion for Reconsideration dated 26 August 2021 seeking the reconsideration of the assessment.

Thereafter, on 3 November 2023, the Club received the CGFD’s Order dated 25 October 2023 (the “CGFD Order”) directing the Club to pay a total assessed penalty of PhP 96,960.00 within ten (10) days from receipt of the same. On 20 November 2023, the Club filed an Appeal Memorandum of even date with the SEC en banc seeking the review and reversal of the CGFD Order or, in the alternative, should the SEC find the Club liable, the penalty to be imposed be further reduced to the amount of PhP 1,000.00 for each day of delay until its actual filing of the Annual Report, in the total amount of PhP 3,000.00.

Status:

On 5 February 2024, the Office of the General Counsel of the SEC issued an Order directing the CGFD to file its Comment to the Club’s Appeal Memorandum within a period of fifteen (15) days from receipt thereof.

On 19 February 2024, the CGFD filed a Motion for Extension of Time to File Comment on Appeal Memorandum (the “Motion”). Thereafter, on 1 March 2024, the Club received the SEC’s Order dated 29 February 2024 directing the Club to file its comment to the CGFD’s Motion. On the same date, the Club received the CGFD’s Comment to the Appeal Memorandum dated 29 February 2024 (the “Comment”).

Thus, on 5 March 2024, the Club filed a Compliance and Manifestation of even date informing the SEC that it posed no objection to the CGFD’s Motion and that the filing of a comment to the Motion has been rendered moot and academic due to the Club’s receipt of the CGFD’s Comment on the same day.

As of the present, the SEC has yet to resolve the Motion and rule on the Club’s appeal.

**(B) Certain Relationships and Related 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. In considering each possible related entity relationship, attention is directed to the substance of the relationship, and not merely the legal form.

<i>Members</i>			<i>Purchases of Operating Supplies, Equipment and Services</i>	<i>Amounts Owed by the Club</i>
The Turf Company	2024		8,759,377.00	-

Members			Purchases of Operating Supplies, Equipment and Services	Amounts Owed by the Club
	2023	Noninterest-bearing; on demand and unsecured	7,878,907.00	P 672,804.00
	2022		11,008,191.00	-
ADY Printing Press	2024	Noninterest-bearing; on demand and unsecured	387,768.00	-
	2023		535,268.00	-
	2022		540,179.00	-
BNG Transmedia Services	2024	Noninterest-bearing; on demand and unsecured	153,948.00	-
	2023		311,241.00	42,900.00
	2022		271,700.00	-
Omnisource International Trading	2024	Noninterest-bearing; on demand and unsecured	-	-
	2023		191,893.00	-
	2022		207,873.00	207,873.00
Sanitary Care Products Asia	2024	Noninterest-bearing; on demand and unsecured	64,731.00	-
	2023		43,436.00	-
	2022		30,729.00	-
Szolare Company Inc.	2024	Noninterest-bearing; on demand and unsecured	41,105.00	5,872.00
	2023		29,360.00	5,872.00
	2022		11,298.00	7,829.00
E.V.Y. Construction Development Cor.	2024	Noninterest-bearing; on demand and unsecured	174,935.00	92,338.00
	2023		648,888.00	38,396.00
	2022		-	-
C-Mon Trading	2024	Noninterest-bearing; on demand and unsecured	32,507.00	-
	2023		21,803.00	-
	2022		58,969.00	10,902.00
Value Metrics, Inc.	2024	Noninterest-bearing; on demand and unsecured	-	-
	2023		-	-
	2022		76,800.00	-
Gutzvia Enterprise	2024	Noninterest-bearing; on demand and unsecured	485,375.00	-
	2023		64,090.00	-
	2022		62,808.00	-
Totals	2024		10,109,746.00	98,210.00
	2023		9,724,886.00	759,972.00
	2022		12,268,547.00	226,604.00

### (C) Disagreements

No Director has resigned or declined to stand for re-election because of any disagreement with the Board of Directors or Management.

### Item 6. Compensation of Directors and Executive Officers

The members of the Board of Directors do not receive regular compensation from the Club. Information as to the compensation of the President and other Officers for 2023, 2024 and 2025 are as follows:

Name & Principal Position	Year	Salary (PhP)	Bonus (PhP)	Other Annual Compensation
Chairman of the Board and all other six members of the Board as a group unnamed	2023	None	None	None
	2024	None	None	None
	2025*	None	None	None
President and all other four Key Management Personnel as a group unnamed	2023	7,691,843	2,703,314	None
	2024	8,063,515	2,905,754	None
	2025*	9,457,567	5,543,521	None

\*The 2025 figures comprise actual amounts from January to May and estimates from June to December.

The Club does not have any other arrangements pursuant to which any director is compensated, directly or indirectly, for any service provided as a director.

#### Item 7. Independent Public Accountants

During the 2024 Annual Shareholders' Meeting, the Club engaged Isla Lipana & Co. (PWC) as its external auditor for the ensuing year. The Club has no disagreements with Isla Lipana & Co. (PWC) on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure.

Previously, during the Club's 2023 Annual Shareholders' Meeting, the Club elected Isla Lipana & Co. (PWC) as its independent auditors.

Ms. Catherine H. Santos, the Club's engagement partner in Isla Lipana & Co. (PWC) performed the audit of the Club's accounts for the year 2024. Accordingly, the 2024 Audited Financial Statement was signed by Ms. Catherine H. Santos.

#### Audit and Audit-Related Fees

The following are the aggregate fees billed for each of the last two (2) fiscal years for professional services rendered by the external auditor for the audit of the Club's annual financial statements and services that are normally provided by the external auditor in connection with statutory filings or engagements:

Year	External Auditor	Fees
2024	Isla Lipana & Co. (PWC)	PhP 323,400.00
2023	Isla Lipana & Co. (PWC)	PhP 343,835.85
2022	Isla Lipana & Co. (PWC)	PhP 359,782.00

#### Tax Fees

The following fees were billed by the external auditor in connection with the 2023 Tax Health Check services:

2024	Sycip Gorres Velayo & Co.	PhP 500,000.00
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## **All Other Fees**

No fees were billed during the last two fiscal years for products and services of the external auditor, other than the services reported under items "Audit and Audit-Related Fees" and "Tax Fees" above.

## **Item 8. Compensation Plans**

There is no action to be taken with respect to any plan to which cash or non-cash compensation may be paid or distributed.

## **C. ISSUANCE AND EXCHANGE OF SECURITIES**

### **Item 9. Authorization or Issuance of Securities Other than for Exchange**

There is no action to be taken with respect to the authorization or issuance of any securities otherwise than for exchange of outstanding securities of the registrant.

### **Item 10. Modification or Exchange of Securities**

There is no action to be taken with respect to the modification of any class of securities of the registrant, or the issuance or authorization of one class of securities of the registrant in exchange for outstanding securities of another class.

### **Item 11. Financial and Other Information**

#### **Financial Statements**

The Audited Financial Statements of the Club for the year ending 31 December 2024 (Annex "A" hereof), which has been included in the Club's 2025 Annual Report, shall be distributed to the shareholders together with this Information Statement. The Interim Financial Statements (17-Q) of the Club for the Quarters Ended 31 March 2025 is also attached hereto as Annex "B."

#### **Management's Discussion and Analysis and Plan of Operation**

The Management Report is separately presented in Annex "C" hereof.

#### **Changes in and Disagreements with Accountants on Accounting and Financial Disclosures**

During the 2024 Annual Shareholders' Meeting, the Club engaged Isla Lipana & Co. (PWC) as its external auditor for the ensuing year. The Club has no disagreements with Isla Lipana & Co. (PWC) on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure.

Previously, during the Club's 2023 Annual Shareholders' Meeting, the Club also elected Isla Lipana & Co. (PWC) as its independent auditors.

Ms. Catherine H. Santos, the Club's engagement partner in Isla Lipana & Co. (PWC) performed the audit of the Club's accounts for the year 2024. Accordingly, the 2024 Audited Financial Statement was signed by Ms. Catherine H. Santos.

## **Item 12. Mergers, Consolidations, Acquisitions and Similar Matters**

There is no action to be taken with respect to merger, consolidation, or acquisition.

## **Item 13. Acquisition or Disposition of Property**

There is no action to be taken with respect to acquisition or disposal of property.

## **Item 14. Restatement of Accounts**

There is no action to be taken with respect to the restatement of any asset, capital, or surplus account of the Club.

## **D. OTHER MATTERS**

### **Item 15. Action with Respect to Reports**

The following items are included in the Agenda for the Annual Shareholders' Meeting for the approval of the shareholders:

- Proof of the required notice of the meeting or waiver of such notice;
- Proof of the presence/absence of a quorum;
- Appointment of inspectors of election to serve until close of the meeting;
- Reading and approval of the minutes of the last meeting;
- Report of the President;
- Election of Directors;
- Unfinished Business;
- Appointment of External Auditors;
- Approval of Acts of Management;
- Other Matters; and
- Adjournment

A summary of matters taken up during the Annual Shareholders' Meeting held on 12 October 2024, and all acts and resolutions of management for ratification by shareholders is provided in Annex "D" hereof.

### **Item 16. Matters Not Required to be Submitted**

There is no action to be taken with respect to any matter which is not required to be submitted to a vote of security holders.

### **Item 17. Amendment of Charter, By-laws or Other Documents**

There are no proposed amendments to the Charter, By-laws or Other Documents of the Club.

### **Item 18. Other Proposed Action**

Other than the approval of the Minutes of the Meeting of the Annual Shareholders' Meeting held on 12 October 2024 and the ratification of all acts of Management, there is no other action to be taken with respect to any matter not specifically referred to above.

### **Item 19. Voting Procedures**

## **Voting Requirement**

- (a) For the Election of Directors

Pursuant to Section 23 of the Revised Corporation Code, candidates receiving the highest number of votes shall be declared elected.

- (b) For the Election of External Auditors

The nominee receiving the highest number of votes shall be declared as elected.

- (c) For the Approval and Ratification of all Acts of Management

A majority vote of the shareholders present or represented at the 2025 Annual Shareholders' Meeting shall carry the vote.

## **Voting Method**

Shareholders who have successfully registered may participate in the Annual Shareholders' Meeting in person or through remote communication via Zoom and shall be notified via email of their log-in details. The registered shareholders or their proxies may vote in person, remotely or *in absentia*.

Shareholders may register from 8 A.M. on 8 October 2025 until 5:00 P.M. of 10 October 2025.

Shareholders may vote in person or through remote communication or in absentia as soon as they have successfully registered and have received the official ballot, and until 10:30 A.M. on 11 October 2025, the day of the meeting. The ballots shall be opened only upon the closing of the meeting and the Election Committee shall immediately convene to canvass the election returns.

Voting may be done through email at orchardasme2025@gmail.com:

- (a) Upon receipt of the official ballot via email, the shareholder may vote on each item on the agenda by printing out a copy of the official ballot and manually checking and answering the same.
- (b) The shareholder has the option to vote "Approved," "Disapproved," or "Abstain" on each agenda item for approval.
- (c) There shall be seven (7) seats on the Board of Directors, and each official ballot shall be entitled to seven (7) votes. The shareholder shall have the option of cumulating his votes in favor of the candidate or candidates he has chosen.
- (d) Once the shareholder has finalized his vote, he may submit the official ballot by sending the same in JPG or PDF format to orchardasme2025@gmail.com no later than 10:30 A.M. on 11 October 2025. Any votes sent and/or received thereafter shall not be counted.
- (e) Shareholders may only vote once.

## **Internal Procedures**

The Board of Directors of the Club has adopted a resolution to allow shareholders to participate in the 2025 Annual Shareholders Meeting via hybrid format and exercise the right to vote *in absentia* in accordance with the Revised Corporation Code and SEC Memorandum Circular No. 6, series of 2020 ("M.C. No. 6"). The "Guidelines for Participating via Remote Communication and Voting in Absentia" is hereto attached as Annex "J".

Pursuant to Section 13 of M.C. No. 6, specifically the requirement to adopt a mechanism to enable all shareholders to vote during the date of the meeting, the Club has enabled shareholders to vote as soon as they have successfully registered for the ASM and upon receipt of the official ballot, but no later than 10:30 am on 11 October 2025. Through this mechanism, the Club shall have sufficient time to canvass and count the votes and avoid prolonging the ASM.

### **Notice of Meeting**

The Notice of the 2025 Annual Shareholders' Meeting shall state:

**"The Orchard Golf & Country Club, Inc.  
NOTICE OF THE ANNUAL SHAREHOLDERS' MEETING OF 2025**

To All Members-Shareholders:

The 2025 Annual Shareholders' Meeting and Election of Directors ("ASME") will be held through a hybrid format which would be **in person and via remote communication through Zoom at 10:00 A.M. on 11 October 2025.**

The following agenda shall be taken up in the meeting:

1. Proof of the required notice of the meeting or waiver of such notice;
2. Proof of the presence of a quorum;
3. Appointment of Inspectors of Election to serve until the close of the meeting;
4. Reading and approval of the minutes of the last meeting;
5. Report of the President;
6. Election of Directors;
7. Unfinished business;
8. Appointment of External Auditors;
9. Approval of Acts of Management;
10. Other matters; and
11. Adjournment.

Your attendance and participation in the meeting is encouraged. **The Registration Period for participation via remote communication shall commence at 8:00 A.M. on 8 October 2025 to 5:00 P.M. on 10 October 2025.**

Shareholders must notify the Corporate Secretary through the Secretariat of their intention to participate in the ASM via remote communication, and to exercise their right to vote *in absentia* by no later than 5:00 P.M. of 10 October 2025, by sending the documentary requirements addressed to the Secretariat via:

- (a) Email to orchardasme2025@gmail.com;
- (b) Special courier to Km. 27 Aguinaldo Highway, Salawag, Dasmariñas City, Cavite;
- (c) Viber through 0917 883 4749 and

(d) Facebook Messenger through direct message Orchard ASME 2025.

In the event that you will be unable to attend the meeting, kindly submit a duly accomplished proxy form, a copy of which is enclosed. Please be advised that all proxies must be submitted to the Club on or before **5 P.M. on 6 October 2025**. Proxies may be submitted physically to the Secretariat, or by email with subject "Proxy – Name of the Shareholder and Name of the Proxy". The proxy form shall contain the wet or manual signature of the shareholder.

Address: The Orchard Election Committee  
c/o The Membership Office  
The Orchard Golf & Country Club  
Km.27 Aguinaldo Highway, Salawag,  
Dasmariñas City, Cavite

Email: billingtheorchard@gmail.com; or  
orchardasme2025@gmail.com

Proxy validation shall be held on 9 October 2025.

The Official Ballot will be given to each regular member in good standing upon registration prior to the meeting. Only Official Ballots issued by the Club shall be recognized.

Shareholders may vote in person, through remote communication or in *absentia* as soon as they have successfully registered and have received the official ballot, and until **10:30 A.M. on 11 October 2025**, the day of the meeting. Any votes sent and/or received thereafter shall not be counted.

Copies of the Club's Financial Statements and By-laws are available upon request at the Membership Office. Guidelines for registration, participation via remote communication and voting in *absentia*, submission of proxies, and other information regarding the 2025 ASM are available at [www.theorchardgolf.com/2025asme](http://www.theorchardgolf.com/2025asme).

Thank you.

CHILES MEGAN AREÑO  
Second Asst. Corporate Secretary

A signed copy of the Notice of the Annual Shareholders' Meeting of the Club for the 11 October 2025 Annual Shareholders' Meeting is hereto attached as Annex "E" hereof.

<b>PART II.</b>
-----------------

**INFORMATION REQUIRED IN A PROXY FORM**

This Form is prepared in accordance with paragraph (5) of SRC Rule 20, as amended.

**Item 1. Identification**

The proxy form shall contain the following information:

**"The Orchard Golf & Country Club, Inc.  
2025 PROXY FORM**



By affixing his/her signature on the space provided below, the undersigned shareholder hereby directs the said proxy to vote on the agenda items set forth above as he/she has expressly indicated by marking the same with an "x", failing which, the said proxy shall exercise full discretion in acting thereon.

### Item 3. Revocability of Proxy

This proxy shall be valid for the Annual Shareholders' Meeting scheduled on 11 October 2025 or any postponements or adjournments thereof, and for Annual Shareholders' Meetings thereafter, for a maximum period of five (5) years. This proxy may be revoked by the undersigned shareholder by: (a) submitting a written instrument containing the wet signature of the undersigned shareholder reflecting his or her intention to revoke this proxy; or (b) submitting a later proxy in favor of another. All documents for the revocation of proxies may be sent to [billingtheorchardgolf@gmail.com](mailto:billingtheorchardgolf@gmail.com) or [orchardasme2025@gmail.com](mailto:orchardasme2025@gmail.com), provided that, the original hard copy of the same is delivered to the Corporate Secretary on or before 5 o'clock in the afternoon of 8 October 2025 for purposes of the Annual Shareholders' Meeting on 11 October 2025, or such other dates as may be prescribed by the Board of Directors for Annual Shareholders' Meetings thereafter. Should the undersigned shareholder register his or her personal attendance and intention to vote in person at the Annual Shareholders' Meeting, this proxy shall be suspended for the particular meeting attended by the undersigned shareholder but shall nonetheless remain valid for succeeding shareholders' meetings within its validity period.

---

Member's Signature over Printed Name

Date

A copy of the Proxy Form is hereto attached as Annex "F".

### Item 4. Persons Making the Solicitation

THIS PROXY IS BEING SOLICITED ON BEHALF OF MANAGEMENT.

There is no director who has informed the Club in writing that he intends to oppose any action to be taken by the Club at the meeting.

Management intends to solicit through Suremail Courier Services, Inc., which will cover Metro Manila and nearby provinces Cavite, Laguna, Rizal, Batangas, Bulacan, and Pampanga.

The estimated cost for postage and freight is PhP 30,000.00.

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

None of the directors or officers of the Club, or any nominee to the Board or any associate of the foregoing persons, has any substantial interest, direct or indirect, by security holdings or otherwise, in any matter to be acted upon during the Annual Shareholders' Meeting. Likewise, there are no persons who have substantial interest, direct or indirectly in any matter to be acted upon other than election to office.

There is no director who has informed the Club in writing that he intends to oppose any action to be taken by the Club at the Annual Shareholders' Meeting.

## Other Matters

(a) Number of Members as of 31 May 2025

<i>Class</i>	<i>Billable Members</i>
"A"	1,240
"B"	337
"C"	812
Lifetime Member	54
TOTAL	2,442

(b) Number of Members in good standing as of 31 May 2025

<i>Class</i>	<i>Billable Members</i>
"A"	1,240
"B"	325
"C"	773
Lifetime Member	52
TOTAL	2,390

(c) Membership fees and monthly maintenance dues collected:

Particulars	Rate	Total Collection
Maintenance Dues	5,500	139,920,337.00
Transfer Fee	200,000	9,250,000.00
Assignment of Playing Rights Fee	125,000	4,000,000.00
Change of Corporate Nominee Fee	150,000	2,750,000.00

(d) Other Membership/Club Fees:

Particulars	Rate	Total Collection
Refundable Deposit	35,000	1,015,000.00
Annual Assignee Fee	25,000	6,766,250.00

\*\* Amounts are based on the actual collection by the Club for the period of January – May 2025.

(e) All projects have been completed.

(f) The real properties of the Club and improvements thereon are situated on a tract of land situated in the City of Dasmariñas, Province of Cavite, Philippines, with an aggregate land area of one million three hundred and seventy-eight thousand one hundred forty-seven (1,378,147) square meters under twenty-three (23) separate Transfer of Title Certificates (T-436143, T-432225, T-432241, T-432236, T-432242, T-432226, T-432232, T-432237, T-432243, T-432227, T-432233, T-432238, T-432244, T-432228, T-432234, T-432239, T-432245, T-432235, T-432240, T-432229, 057-2013002328, 057-2013002329) under the Register of Deeds of Trece Martires City, Cavite,

Philippines. All Transfer of Title Certificates are owned and registered in the name of The Orchard Golf & Country Club.

(g) Appraised/market value of the Club's property:

On 4 February 2025, the Club engaged an independent valuation specialist Value Metrics, Inc. to assess the fair value of its properties. The market value of the 1,378,147 square meter Land, including Buildings, Other Land Improvements, Machinery & Equipment, Kitchen Equipment, Transportation Equipment, Computer Equipment and Furniture, Fixture, Office, and Restaurant Equipment as of 31 December 2024 was revalued at PhP 9,334,326,700.00.

(h) Cancellation period or cooling off period in the purchase of membership shares:

There is no cancellation period or cooling-off period in the purchase of membership shares.

<b>PART III.</b>
------------------

**SIGNATURE PAGE**

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 hereunto duly authorized this 20 June 2025 at Pasig City.

**Undertaking to Provide Annual Report**

THE CLUB SHALL FURNISH ITS SHAREHOLDERS WITH A COPY OF SEC FORM 17-A, FREE OF CHARGE, UPON A WRITTEN REQUEST ADDRESSED TO:

**OFFICE OF THE SECOND ASSISTANT CORPORATE SECRETARY**  
**UNIT 2304 ANTEL CLOBAL CORPORATE CENTER, NO. 3 JULIA VARGAS AVENUE,**  
**ORTIGAS CENTER, PASIG CITY**

THE ORCHARD GOLF & COUNTRY CLUB, INC.

Issuer

By:



CHILES MEGAN M. AREÑO  
Second Asst. Corporate Secretary



# SECURITIES AND EXCHANGE COMMISSION

THE SEC HEADQUARTERS 7907 Makati Avenue, Salcedo Village, Bel-Air, Makati City  
1209 Trunk Line No:02-5322-7696 Email Us:www.sec.gov.ph/lmessagemo@sec.gov.ph

ANNEX "A"



**The following document has been received:**

**Receiving:** ICTD ERMD

**Receipt Date and Time:** May 07, 2025 11:59:45 AM

## Company Information

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**SEC Registration No.:** AS92000798

**Company Name:** ORCHARD GOLF & COUNTRY CLUB, INC.

**Industry Classification:** None

**Company Type:** Stock Corporation

## Document Information

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**Document ID:** OST10507202583279335

**Document Type:** Financial Statement

**Document Code:** FS

**Period Covered:** December 31, 2024

**Submission Type:** Annual

**Remarks:** None

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

# COVER SHEET

for  
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

A	S	0	9	2	0	0	0	7	9	8
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**COMPANY NAME**

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

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

K	M.	2	7		A	G	U	I	N	A	L	D	O		H	I	G	H	W	A	Y,		S	A	L	A	W	A	G,
D	A	S	M	A	R	I	Ñ	A	S		C	I	T	Y,		C	A	V	I	T	E								

Form Type

A	A	F	S
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Department requiring the report

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

Secondary License Type, if Applicable

N	A
---	---

**COMPANY INFORMATION**

Company's Email Address

[togccofficial@gmail.com](mailto:togccofficial@gmail.com)

Company's Telephone Number/s

(02) 8982-2000

Mobile Number

0917-578-5912

No. of Stockholders

1,954

Annual Meeting (Month/Day)

2<sup>nd</sup> SATURDAY OF OCT

Fiscal Year (Month/Day)

12/31

**CONTACT PERSON INFORMATION**

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

Name of Contact Person

Henry Cua Loping

Email Address

[togccofficial@gmail.com](mailto:togccofficial@gmail.com)

Telephone Number/s

(02) 8982-2000

Mobile Number

0917-883-4749

**CONTACT PERSON'S ADDRESS**

Suite 1822, Tytana Center, Plaza Lorenzo Ruiz, Binondo, Manila

**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 deficiencies.

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

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

In preparing the financial statements, management is responsible for assessing the 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.

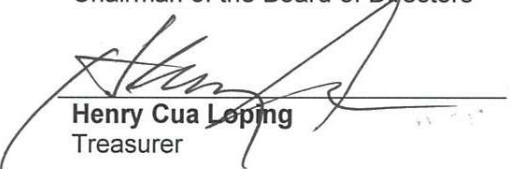
The Board of Directors is responsible for overseeing the Club's financial reporting process.

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

Isla Lipana & Co., the independent auditor, appointed by the stockholders, has audited the financial statements of the Club 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**  
Chairman of the Board of Directors



**Henry Cua Loping**  
Treasurer




**Jose Ernilo P. Famy**  
General Manager & COO

SUBSCRIBED AND SWORN to before this 10 APR 2025 at Imus City, Cavite, affiants exhibiting to me their Tax Identification Numbers:

Name	TIN
Vicente R. Santos	155-810-410
Henry T. Cua Loping	127-189-383
Jose Ernilo P. Famy	107-081-014

Doc. No. 83  
Page No. 11  
Book No. 04  
Series of 2025



**Atty. CRISANTO U. PASCUAL, JR.**  
Notary Public  
NP Case No. 003080-24 Until December 31, 2028  
Roll of Atty. 37506 / TIN 117568655 / MCLE No. VII-0010394  
IBP O.R. 488748 (2) PTR 2432748  
Imus City \* Province of Cavite \* Philippines 4103

# The Orchard Golf & Country Club, Inc.

(A non-profit organization)

**Financial Statements with Supplementary Schedules  
for the Securities and Exchange Commission  
December 31, 2024**

**The Orchard Golf & Country Club, Inc.**  
(A non-profit organization)

Financial Statements with Supplementary  
Schedules for the Securities and Exchange Commission  
December 31, 2024

**Table of Contents**

***First Section***

Statement of Management's Responsibility for the Financial Statements  
Independent Auditor's Report  
Statements of Financial Position  
Statements of Total Receipts and Expenses  
Statements of Changes in Members' Equity  
Statements of Cash Flows  
Notes to Financial Statements

***Second Section***

- I. Independent Auditor's report on Supplementary Schedules
- II. Financial Soundness Indicators
- III. Supplementary Schedules required by Annex 68-E
  - Schedule A. Financial assets
  - Schedule B. Amounts receivables from directors, employees, related parties, and principal stockholders
  - 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
- IV. Reconciliation of retained earnings available for dividend declaration Not applicable\*
- V. A Map showing the relationships among the Group and its Ultimate Parent Company Not applicable\*\*

\* *Based on the Articles of Incorporation of the Club, no profit will inure to the exclusive benefit of any shareholders, hence, no dividends will be declared.*

\*\* *The Club is not a listed company nor an investment house that is part of a conglomerate or group of Companies.*



## Independent Auditor's Report

To the Board of Directors and Members of  
**The Orchard Golf & Country Club, Inc.**  
(A non-profit organization)  
Km 27 Aguinaldo Highway, Salawag  
Dasmariñas City, Cavite

### *Report on the Audits of the Financial Statements*

#### **Our Opinion**

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of The Orchard Golf & Country Club, Inc. (the "Club") as at December 31, 2024 and 2023, and its financial performance and its cash flows for each of the three years in the period ended December 31, 2024 in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

#### *What we have audited*

The financial statements of the Club comprise:

- the statements of financial position as at December 31, 2024 and 2023;
- the statements of total comprehensive income for each of the three years in the period ended December 31, 2024;
- the statements of changes in equity for each of the three years ended December 31, 2024;
- the statements of cash flows for each of the three years in the period ended December 31, 2024; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

#### **Basis for Opinion**

We conducted our audits in accordance with Philippine Standards on Auditing (PSA). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Independence*

We are independent of the Club in accordance with the Code of Ethics for Professional Accountants in the Philippines (the "Code of Ethics"), together with the ethical requirements that are relevant to our audits 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.

Isla Lipana & Co., 29th Floor, AIA Tower, 8767 Paseo de Roxas, 1226 Makati City, Philippines  
T: +63 (2) 8845 2728, [www.pwc.com/ph](http://www.pwc.com/ph)



Independent Auditor's Report  
To the Board of Directors and Members of  
The Orchard Golf & Country Club, Inc.  
Page 2

### **Other information**

Management is responsible for the other information. The other information comprises the information included in the SEC Form 20-IS (Definitive Information System) and SEC Form 17-A for the year ended December 31, 2024, but does not include the financial statements and our auditor's report thereon. The SEC Form 20-IS, and SEC Form 17-A are expected to be made available to us after the date of this auditor's report.

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

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

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

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

In preparing the financial statements, management is responsible for assessing the 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 PSA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



Independent Auditor's Report  
To the Board of Directors and Members of  
The Orchard Golf & Country Club, Inc.  
Page 3

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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.



Independent Auditor's Report  
To the Board of Directors and Members of  
The Orchard Golf & Country Club, Inc.  
Page 4

***Report on the Bureau of Internal Revenue Requirement***

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information in Note 23 to the financial statements is presented for purposes of filing with the Bureau of Internal Revenue (BIR) and is not a required part of the basic financial statements. Such supplementary information is the responsibility of management and has been subjected to the auditing procedures applied in our audits of the basic financial statements. In our opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

**Isla Lipana & Co.**

A handwritten signature in black ink, appearing to read "C Santos", written in a cursive style.

Catherine H. Santos  
Partner  
CPA Cert. No. 0110097  
P.T.R. No. 0011422; issued on January 3, 2025 at Makati City  
T.I.N. 211-726-564  
BIR A.N. 08-000-745-132-2023; issued on May 9, 2023; effective until May 8, 2026  
BOA/PRC Reg. No. 0142, effective until November 14, 2025

Makati City  
March 28, 2025



## **Statement Required by Rule 68 Securities Regulation Code (SRC)**

To the Board of Directors and Members of  
**The Orchard Golf & Country Club, Inc.**  
(A non-profit organization)  
Km 27 Aguinaldo Highway, Salawag  
Dasmariñas City, Cavite

We have audited the financial statements of The Orchard Golf & Country Club, Inc. (the "Club") as at and for the year ended December 31, 2024 on which we have rendered the attached report dated March 28, 2025.

In compliance with SRC Rule 68 and based on the certification received from the Club's corporate secretary, the Club has two (2) shareholders each owning one hundred (100) shares or more as at December 31, 2024.

### **Isla Lipana & Co.**

A handwritten signature in black ink, appearing to read "C. Santos", is written over a faint circular stamp.

Catherine H. Santos  
Partner  
CPA Cert. No. 0110097  
P.T.R. No. 0011422; issued on January 3, 2025 at Makati City  
T.I.N. 211-726-564  
BIR A.N. 08-000-745-132-2023; issued on May 9, 2023; effective until May 8, 2026  
BOA/PRC Reg. No. 0142, effective until November 14, 2025

Makati City  
March 28, 2025

Isla Lipana & Co., 29th Floor, AIA Tower, 8767 Paseo de Roxas, 1226 Makati City, Philippines  
T: +63 (2) 8845 2728, [www.pwc.com/ph](http://www.pwc.com/ph)



## **Statement Required by Rule 68 Securities Regulation Code (SRC)**

To the Board of Directors and Members of  
**The Orchard Golf & Country Club, Inc.**  
(A non-profit organization)  
Km 27 Aguinaldo Highway, Salawag  
Dasmariñas City, Cavite

We have audited in accordance with Philippine Standards on Auditing, the financial statements of The Orchard Golf & Country Club, Inc. as at and for the years ended December 31, 2024 and 2023 and for each of the three years in the period ended December 31, 2024, and have issued our report thereon dated March 28, 2025. Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The Supplementary Schedule on Financial Soundness Indicators, including their definitions, formulas, calculation, and their appropriateness or usefulness to the intended users, are the responsibility of the Club's management. These financial soundness indicators are not measures of operating performance defined by PFRS Accounting Standards and may not be comparable to similarly titled measures presented by other companies. This schedule is presented for the purpose of complying with the Revised Securities Regulation Code Rule 68 issued by the Securities and Exchange Commission and is not a required part of the basic financial statements prepared in accordance with PFRS Accounting Standards. The components of these financial soundness indicators have been traced to the Club's financial statements as at December 31, 2024 and 2023 and for the years then ended and no material exceptions were noted.

### **Isla Lipana & Co.**

A handwritten signature in black ink, appearing to read 'CH Santos', is placed above the printed name of the signatory.

Catherine H. Santos  
Partner  
CPA Cert. No. 0110097  
P.T.R. No. 0011422; issued on January 3, 2025 at Makati City  
T.I.N. 211-726-564  
BIR A.N. 08-000-745-132-2023; issued on May 9, 2023; effective until May 8, 2026  
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Makati City  
March 28, 2025

Isla Lipana & Co., 29th Floor, AIA Tower, 8767 Paseo de Roxas, 1226 Makati City, Philippines  
T: +63 (2) 8845 2728, [www.pwc.com/ph](http://www.pwc.com/ph)

**The Orchard Golf & Country Club, Inc.**  
(A non-profit organization)

Statements of Financial Position  
As at December 31, 2024 and 2023  
(All amounts in Philippine Peso)

	Notes	2024	2023
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	2	136,693,866	141,045,110
Receivables, net	3	20,283,496	19,762,347
Inventories	4	3,872,214	3,508,768
Prepayments and other current assets	5	17,835,264	12,281,455
<b>Total current assets</b>		<b>178,684,840</b>	<b>176,597,680</b>
<b>Non-current assets</b>			
Property and equipment, net	6	467,039,353	472,559,381
Land at revalued amount	7	8,544,511,400	8,268,882,000
Other non-current assets		11,567,138	8,057,560
<b>Total non-current assets</b>		<b>9,023,117,891</b>	<b>8,749,498,941</b>
<b>Total assets</b>		<b>9,201,802,731</b>	<b>8,926,096,621</b>
<b>Liabilities and Members' Equity</b>			
<b>Current liabilities</b>			
Accounts payable and other current liabilities	8	86,007,971	103,238,874
Contract liabilities	9	5,119,235	11,050,329
Deposits from assignees and others	9	14,150,852	11,558,330
<b>Total current liabilities</b>		<b>105,278,058</b>	<b>125,847,533</b>
<b>Non-current liabilities</b>			
Deposits from assignees and others, net of current portion	9	1,855,000	2,420,000
Retirement benefit obligation	15	38,447,788	10,680,586
Deferred income tax liability	7	2,104,258,200	2,035,350,850
<b>Total non-current liabilities</b>		<b>2,144,560,988</b>	<b>2,048,451,436</b>
<b>Total liabilities</b>		<b>2,249,839,046</b>	<b>2,174,298,969</b>
<b>Members' equity</b>			
Share capital	10	1,083,103,341	1,083,103,341
Accumulated excess of proceeds over cost from re-issuance of shares of delinquent members	11	31,419,251	17,044,251
Shares of delinquent members acquired through auctions	11	(52,921,687)	(54,446,687)
Revaluation increments on land, net	7	6,312,774,600	6,106,052,550
Remeasurement on retirement benefits, net	15	(8,516,849)	(10,591,815)
Cumulative excess of expenses over receipts		(413,894,971)	(389,363,988)
<b>Total members' equity</b>		<b>6,951,963,685</b>	<b>6,751,797,652</b>
<b>Total liabilities and members' equity</b>		<b>9,201,802,731</b>	<b>8,926,096,621</b>

(The notes on pages 1 to 34 are an integral part of these financial statements.)

**The Orchard Golf & Country Club, Inc.**  
(A non-profit organization)

Statements of Total Receipts and Expenses  
For each of the three years in the period ended December 31, 2024  
(All amounts in Philippine Peso)

	Notes	2024	2023	2022
Members' dues and fees				
Membership dues		156,762,697	151,337,066	149,442,503
Transfer and assignment fees		41,008,000	47,898,750	37,136,760
<b>Total members' dues and fees</b>		<b>197,770,697</b>	<b>199,235,816</b>	<b>186,579,263</b>
Revenues from club operations				
Green fees		64,130,686	61,602,473	35,701,714
Golf cart fees		40,671,573	40,282,581	36,976,607
Tournament fees		16,747,205	17,208,828	12,557,055
Concessionaire's fees		10,510,899	10,506,198	7,516,656
Grand raffle event		7,953,570	8,429,155	7,851,473
Recreational facilities fees		6,020,824	5,804,937	4,639,906
Facilities rental		5,919,705	5,092,332	2,645,822
Alcoholic drink sales		4,667,359	4,866,585	4,583,982
Practice range fees		3,054,952	3,130,621	2,601,858
Pro-shop commission		2,552,280	2,855,752	2,857,903
Pro-shop sales		1,800,262	1,699,421	1,195,849
Others		3,287,265	2,642,668	2,090,513
<b>Total revenue from club operations</b>		<b>167,316,580</b>	<b>164,121,551</b>	<b>121,219,338</b>
<b>Total receipts</b>		<b>365,087,277</b>	<b>363,357,367</b>	<b>307,798,601</b>
Cost of goods sold and services	12	(155,137,029)	(143,086,678)	(112,634,099)
<b>Excess of receipts over cost before operating expenses, other income and depreciation expense</b>		<b>209,950,248</b>	<b>220,270,689</b>	<b>195,164,502</b>
Operating expenses other than depreciation	13	(191,089,272)	(152,887,231)	(133,932,028)
Interest income	2	6,768,034	5,699,098	876,779
(Provision) Reversal for doubtful accounts, net	3	(1,736,750)	58,533	5,994,243
Other income, net	14	5,875,891	13,501,129	8,220,365
<b>Excess of receipts and other income over costs and operating expenses other than depreciation expense</b>		<b>29,768,151</b>	<b>86,642,218</b>	<b>76,323,861</b>
Depreciation expense	6	(52,656,102)	(46,439,826)	(41,746,221)
<b>Excess of (expenses) receipts over (receipts) expenses before income tax</b>		<b>(22,887,951)</b>	<b>40,202,392</b>	<b>34,577,640</b>
Income tax expense	16	(1,643,032)	(4,785,840)	(591,568)
<b>Excess of (expenses) receipts over (receipts) after income tax for the year</b>		<b>(24,530,983)</b>	<b>35,416,552</b>	<b>33,986,072</b>
<b>Other comprehensive income (loss)</b>				
Items that will not be reclassified to profit or loss				
Remeasurement (loss) gain on retirement benefit obligation	15	2,074,966	(4,725,434)	2,127,441
Revaluation increment on land, net	7	206,722,050	-	723,527,175
<b>Other comprehensive income (loss) for the year</b>		<b>208,797,016</b>	<b>(4,725,434)</b>	<b>725,654,616</b>
<b>Total comprehensive income for the year</b>		<b>184,266,033</b>	<b>30,691,118</b>	<b>759,640,688</b>
<b>Basic and diluted earnings per share</b>	10	<b>(9,208)</b>	<b>13,330</b>	<b>12,844</b>

(The notes on pages 1 to 34 are an integral part of these financial statements.)

**The Orchard Golf & Country Club, Inc.**  
(A non-profit organization)

Statements of Changes in Equity  
For each of the three years in the period ended December 31, 2024  
(All amounts in Philippine Peso)

	Share capital (Note 10)	Accumulated excess of proceeds over cost from re-issuance of shares of delinquent members (Note 11)	Shares of delinquent members acquired through auctions (Note 11)	Revaluation increments on land, net (Note 7)	Remeasurement on retirement benefits, net (Note 15)	Cumulative excess of expenses over receipts	Total
<b>Balances as at January 1, 2022</b>	1,083,103,341	2,812,288	(55,865,843)	5,382,525,375	(7,993,822)	(458,766,612)	5,945,814,727
<b>Comprehensive income</b>							
Excess of receipts over expenses	-	-	-	-	-	33,986,072	33,986,072
Other comprehensive income	-	-	-	723,527,175	2,127,441	-	725,654,616
Total comprehensive income	-	-	-	723,527,175	2,127,441	33,986,072	759,640,688
<b>Transactions with members</b>							
Re-issuance of shares of delinquent members	-	1,755,240	682,260	-	-	-	2,437,500
Shares of delinquent members re-acquired by the Club	-	-	(2,686,381)	-	-	-	(2,686,381)
Total transactions with members	-	1,755,240	(2,004,121)	-	-	-	(248,881)
<b>Balances as at December 31, 2022</b>	1,083,103,341	4,567,528	(57,869,964)	6,106,052,550	(5,866,381)	(424,780,540)	6,705,206,534
<b>Comprehensive income</b>							
Excess of receipts over expenses	-	-	-	-	-	35,416,552	35,416,552
Other comprehensive income	-	-	-	-	(4,725,434)	-	(4,725,434)
Total comprehensive income	-	-	-	-	(4,725,434)	35,416,552	30,691,118
<b>Transaction with members</b>							
Re-issuance of shares of delinquent members	-	12,476,723	3,423,277	-	-	-	15,900,000
Shares of delinquent members re-acquired by the Club	-	-	-	-	-	-	-
Total transactions with members	-	12,476,723	3,423,277	-	-	-	15,900,000
<b>Balances as at December 31, 2023</b>	1,083,103,341	17,044,251	(54,446,687)	6,106,052,550	(10,591,815)	(389,363,988)	6,751,797,652
<b>Comprehensive income</b>							
Excess of expenses over receipts	-	-	-	-	-	(24,530,983)	(24,530,983)
Other comprehensive income	-	-	-	206,722,050	2,074,966	-	208,797,016
Total comprehensive income	-	-	-	206,722,050	2,074,966	(24,530,983)	184,266,033
<b>Transactions with members</b>							
Re-issuance of shares of delinquent members	-	14,375,000	1,525,000	-	-	-	15,900,000
<b>Balances as at December 31, 2024</b>	1,083,103,341	31,419,251	(52,921,687)	6,312,774,600	(8,516,849)	(413,894,971)	6,951,963,685

(The notes on pages 1 to 34 are an integral part of these financial statements.)

**The Orchard Golf & Country Club, Inc.**  
(A non-profit organization)

Statements of Cash Flows  
For each of the three years in the period ended December 31, 2024  
(All amounts in Philippine Peso)

	Notes	2024	2023	2022
<b>Cash flows from operating activities</b>				
Excess of receipts over expenses before income tax		(22,887,951)	40,202,392	34,577,640
Adjustments for:				
Depreciation expense	6	52,656,102	46,439,826	41,746,221
Loss on disposal of property and equipment	14	-	-	25,000
Provision for (reversal of) impairment of receivables	3	1,736,750	(58,534)	(5,994,243)
Retirement benefit cost	15	37,342,167	2,734,867	3,616,839
Interest income	2	(6,768,034)	(5,699,098)	(876,779)
Excess of receipts over expenses before working capital changes		62,079,034	83,619,453	73,094,678
Decrease (increase) in:				
Receivables		(2,257,898)	(1,675,349)	2,677,035
Inventories		(363,446)	(631,613)	152,347
Prepayments and other current assets		(5,553,809)	3,833,377	(3,312,639)
Other non-current assets		(3,509,578)	(4,937,700)	(196,693)
Increase (decrease) in:				
Accounts payable and other current liabilities		(17,230,903)	36,022,611	2,879,394
Contract liabilities		(5,931,094)	2,006,512	(5,060,355)
Deposits from assignees and others		2,027,522	2,097,481	1,847
Cash generated from operations		29,259,828	120,334,772	70,235,614
Income taxes paid		(1,643,032)	(4,785,840)	(591,568)
Interest received		6,768,034	5,699,098	876,779
Contribution made to the retirement fund	15	(7,500,000)	-	(2,500,000)
Retirement benefits paid	15	-	(1,055,102)	(924,009)
Net cash provided by operating activities		26,884,830	120,192,928	67,096,816
<b>Cash flows from investing activities</b>				
Additions to property and equipment	6	(47,136,074)	(72,225,982)	(50,134,228)
Proceeds from sale of property and equipment	6	-	31,250	325,834
Net cash used in investing activities		(47,136,074)	(72,194,732)	(49,808,394)
<b>Cash flow from financing activities</b>				
Re-acquisition of shares of delinquent members of the Club	11	-	-	(2,686,381)
Proceeds from reissuance of Club's shares	11	15,900,000	15,900,000	2,437,500
Net cash provided by (used in) financing activities		15,900,000	15,900,000	(248,881)
<b>Net increase (decrease) in cash</b>		(4,351,244)	63,898,196	17,039,541
Cash and cash equivalents at January 1		141,045,110	77,146,914	60,107,373
<b>Cash and cash equivalents at December 31</b>	2	136,693,866	141,045,110	77,146,914

(The notes on pages 1 to 34 are an integral part of these financial statements.)

**The Orchard Golf & Country Club, Inc.**  
(A non-profit organization)

Notes to the Financial Statements

As at December 31, 2024 and 2023 and for each of the three years  
in the period ended December 31, 2024

(In the notes, all amounts are shown in Philippine Peso unless otherwise stated)

**1 General information**

**1.1 Business information**

The Orchard Golf & Country Club, Inc. (the "Club") was registered with the Philippine Securities and Exchange Commission (SEC) on February 5, 1992. The Club was established to promote social, educational and athletic activities on a non-profit basis among its members, the main objective of which is the maintenance of golf courses and related sports and recreational facilities.

The Club has a permit from the Philippine SEC to offer its securities for sale to the public consisting of 3,000 proprietary certificates, 7 shares of which are founders' certificates while 2,993 shares are regular certificates.

The Club has 134 regular employees as at December 31, 2024 (2023 - 114; 2022 - 99).

The registered office address of the Club is Km. 27 Aguinaldo Highway, Salawag, Dasmariñas City, Cavite.

**1.2 Approval of the Club's financial statements**

These financial statements were authorized and approved for issue by the Club's Board of Directors (BOD) on March 28, 2025.

**2 Cash and cash equivalents**

Cash and cash equivalents as at December 31 consist of:

	2024	2023
Cash on hand	500,000	500,000
Cash in banks	28,307,636	36,307,180
Short-term deposits	107,886,230	104,237,930
	136,693,866	141,045,110

Cash in banks earns interest at the respective bank deposit rates.

Short-term deposits are made for varying periods of up to three months depending on the immediate cash requirements of the Club and earn interest ranging from 1.40% to 4.90%.

Interest income earned from cash in banks and short-term deposits for the year ended December 31, 2024, amounted to P6,619,124 (2023 - P5,478,177; 2022 - P722,954). Other interest income amounting to P148,910 (2023 - P220,921; 2022 - P153,825) is earned from loans provided to officers presented as part of advances to officers and employees (Note 3).

### 3 Receivables, net

Receivables, net as at December 31 consist of:

	2024	2023
Receivables from members	50,717,179	49,753,929
Allowance for doubtful accounts	(47,509,110)	(46,007,209)
	3,208,069	3,746,720
Advances to officers and employees	3,329,679	3,676,662
Receivable from concessionaires	2,953,228	528,658
Receivable from credit card companies	534,204	1,648,021
Others	10,258,316	10,162,286
	20,283,496	19,762,347

Receivables from members are non-interest-bearing and have a 30 days' term subject to 3% penalty per month for unpaid amounts. Late payment charges amounting to P2,961,354 (2023 - P3,739,554; 2022 - P5,461,968) are recognized in profit or loss within other income (Note 14).

Advances to officers for car loans, are interest-bearing at an annual rate of 12% and are repaid through salary deductions over three (3) years. Advances to employees are non-interest-bearing and are repaid through equal salary deductions over a period of one (1) to two (2) years, depending on the agreed terms.

Receivable from concessionaires is non-interest-bearing and normally have a credit term of 30 days.

Other receivables consist mainly of sponsorships for Founders' Cup tournament which are non-interest-bearing.

The movements in the allowance for impairment of receivables for the years ended December 31 are as follows:

	2024	2023	2022
At January 1	46,007,209	46,088,742	52,227,242
Provision for impairment of receivables	2,208,130	1,123,480	-
Reversal	(471,380)	(1,182,014)	(5,994,243)
Write-off	(234,849)	(22,999)	(144,257)
At December 31	47,509,110	46,007,209	46,088,742

The Club reversed the provision for impairment of receivables amounting to P471,380 for the receivables from seriously delinquent members whose shares were sold through auction.

#### *Critical accounting estimates and assumptions: Expected credit losses (ECL) on receivables*

Provision for impairment of receivables is maintained at a level considered adequate to provide for uncollectible receivables. Provision for impairment is calculated using expected credit losses (ECLs). ECLs are unbiased probability-weighted estimates of credit losses which are determined by evaluating a range of possible outcomes and taking into account past events, current conditions and assessment of future economic conditions.

The Club used relevant historical information and loss experience to determine the probability of default of the receivables and incorporated forward-looking information, which involved significant estimates and judgements.

The Club also evaluates specific account of members, customers, and other counterparties who are unable to meet their financial obligations. In these cases, management uses judgment and assessment based on the best available facts, including but not limited to, the debtor's payment history and the result of the Club's follow-up action to recover overdue debts. Any change in the Club's assessment of the collectability of receivables could impact the recorded carrying amount of receivables and related provision for impairment.

Management believes that the recorded allowance as at each reporting period is sufficient to cover the receivables that are impaired and assessed to be uncollectible.

#### **4 Inventories**

Inventories at cost as at December 31 consist of:

	2024	2023
Golf operations and maintenance supplies	1,524,355	1,332,702
Pro-shop items	650,688	851,229
Office and computer supplies	582,439	499,077
Club maintenance supplies	476,810	431,472
Alcoholic drinks	235,326	143,931
Other supplies	402,596	250,357
	<b>3,872,214</b>	<b>3,508,768</b>

The total cost of alcoholic drinks and pro-shop goods sold by the Club are disclosed in Note 12.

#### **5 Prepayments and other current assets**

Prepayments and other current assets as at December 31 consist of:

	2024	2023
Prepaid taxes	10,306,005	9,514,644
Prepaid insurance	260,285	259,258
Prepaid others	7,268,974	2,507,553
	<b>17,835,264</b>	<b>12,281,455</b>

Prepaid taxes mostly pertain to real property taxes paid by the Club in advance for the next calendar year.

Prepaid insurance covers payments for auto insurance and various club insurance policies.

Prepaid others primarily consist of advances to suppliers for various golf course maintenance projects such as bunker renovation, sprinkler replacement, and satellite controller upgrade.

## 6 Property and equipment, net

Details of and movements in property and equipment, net as at and for the years ended December 31 are as follows:

	Land improvements	Buildings and structures	Facilities and equipment	Furniture and fixtures	Kitchen equipment	Construction-in-progress	Total
<b>Cost</b>							
At January 1, 2023	608,069,332	376,361,887	483,925,093	21,956,225	2,121,657	9,369,507	1,501,803,701
Additions	-	24,021,501	47,939,694	-	-	264,787	72,225,982
Retirement	-	-	(5,204,410)	(100,628)	-	-	(5,305,038)
At December 31, 2023	608,069,332	400,383,388	526,660,377	21,855,597	2,121,657	9,634,294	1,568,724,645
Additions	-	917,341	41,227,662	-	-	4,991,071	47,136,074
Transfers	-	-	3,395,008	-	-	(3,395,008)	-
Retirement	-	(46,229)	(9,110,294)	-	-	-	(9,156,523)
At December 31, 2024	608,069,332	401,254,500	562,172,753	21,855,597	2,121,657	11,230,357	1,606,704,196
<b>Accumulated depreciation</b>							
At January 1, 2023	(420,446,013)	(209,408,514)	(401,805,724)	(21,217,318)	(2,121,657)	-	(1,054,999,226)
Depreciation	(10,253,214)	(13,999,230)	(21,694,959)	(492,423)	-	-	(46,439,826)
Retirement	-	-	5,173,160	100,628	-	-	5,273,788
At December 31, 2023	(430,699,227)	(223,407,744)	(418,327,523)	(21,609,113)	(2,121,657)	-	(1,096,165,264)
Depreciation	(10,253,214)	(14,659,190)	(27,580,735)	(162,963)	-	-	(52,656,102)
Retirement	-	46,229	9,110,294	-	-	-	9,156,523
At December 31, 2024	(440,952,441)	(238,020,705)	(436,797,964)	(21,772,076)	(2,121,657)	-	(1,139,664,843)
<b>Net carrying values</b>							
At December 31, 2023	177,370,105	176,975,644	108,332,854	246,484	-	9,634,294	472,559,381
At December 31, 2024	167,116,891	163,233,795	125,374,789	83,521	-	11,230,357	467,039,353

*Critical accounting estimates and assumptions: Depreciation of property and equipment*

Depreciation of property and equipment is based on the estimated useful lives of the assets or the period over which the assets are expected to be available for use. The estimated useful lives of property and equipment are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the assets. Such estimation is based on a collective assessment of the practices of similar businesses and experiences with similar assets.

Based on management's assessment, there is no change in estimated useful lives of property and equipment during the reporting periods. Actual results, however, may vary due to changes in estimates brought about by changes in factors discussed in the foregoing.

It is possible that future results of operations could be materially affected by changes in the amounts and timing of recorded expenses brought about by the change in the factors mentioned above. A reduction in the estimated useful life of any property and equipment would increase the recorded expenses and decrease non-current assets.

*Critical accounting judgment: Determination of impairment of non-financial assets*

Non-financial assets including property and equipment, and land at revalued amount are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. An impairment loss would be recognized whenever evidence exists that the carrying value is not recoverable.

Management believes that there are no events or changes in circumstances which indicate that the carrying amount of its non-financial assets may be impaired as at each reporting period.

## **7 Land at revalued amount**

Details of land at revalued amount and cumulative revaluation increment as at December 31 are as follows:

	2024	2023	2022
Balance at January 1	8,268,882,000	8,268,882,000	7,304,179,100
Revaluation increment during the year recognized in other comprehensive income	275,629,400	-	964,702,900
Balance at December 31	8,544,511,400	8,268,882,000	8,268,882,000
Less: Historical cost of land	127,478,600	127,478,600	127,478,600
Gross revaluation increment on land	8,417,032,800	8,141,403,400	8,141,403,400

The fair value of the land as at December 31, 2024 was based on the appraisal report dated February 4, 2025 determined by Value Metrics, Inc. using market (data) approach.

The land is carried at fair value as appraised on various dates as follows:

	Date of appraisal	Appraisal value
2024	February 4, 2025	8,544,511,400
2022	January 9, 2023	8,268,882,000
2020	November 30, 2020	7,304,179,100

The cumulative fair value gain on land recognized in the statements of total receipts and expenses and in the statements of changes in equity for each of the three years in the period ended December 31, 2024 follows:

	Gross amount	Deferred income tax (Note 16)	Net amount
Revaluation increment on land			
At January 1, 2022	7,176,700,500	1,794,175,125	5,382,525,375
Revaluation gain for the year	964,702,900	241,175,725	723,527,175
At December 31, 2022	8,141,403,400	2,035,350,850	6,106,052,550
Revaluation gain for the year	-	-	-
At December 31, 2023	8,141,403,400	2,035,350,850	6,106,052,550
Revaluation gain for the year	275,629,400	68,907,350	206,722,050
At December 31, 2024	8,417,032,800	2,104,258,200	6,312,774,600

#### Valuation techniques

Taking into account the most recent independent valuations, the Club updates their assessment of the fair value of the land.

Description of the valuation techniques and key inputs to the valuation of land at revalued amount are as follows:

*As at December 31 2024:*

Valuation technique	Significant unobservable inputs	Range
Market (data) approach	Selling price of identical piece of land	15,000 per square meter
	External factor adjustments	-50% to -54%
	Internal factor adjustments	-15%
	Average fair value after internal and external adjustments	6,200 per square meter

*As at December 31 2022:*

Valuation technique	Significant unobservable inputs	Range
Sales comparison approach	Selling price of identical piece of land	12,000 to 15,000 per square meter
	External factor adjustments	-50%
	Internal factor adjustments	-10% to -15%
	Average fair value after internal and external adjustments	6,000 per square meter

The Club determines that the said properties were valued within a range of reasonable fair value estimates where all resulting fair value estimates are categorized as fair value measurements using significant unobservable inputs (Level 3).

Valuations are performed with sufficient regularity at least once every two (2) years enough to ensure that the fair value of the revalued asset does not differ significantly from its carrying value.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

*Critical accounting estimates and assumptions: Fair value estimation of land*

Land is measured at revalued amount, which approximates its fair value at the date of the revaluation less any accumulated impairment losses. In determining the fair value of land, the Club, through the professional services of an independent external appraiser, utilized a sales comparison approach. The technique of this approach requires comparison of properties with similar characteristics that are offered for sale or have been sold recently.

When a valuation is obtained, management reviews the key inputs, assesses valuation movements and holds discussions with the valuer as part of the process. Discussions about the valuation processes and results are held between the management and the Club's Board of Directors.

The sensitivity of the land at revalued amount to changes in the significant unobservable inputs as at December 31 is as follows:

	Change in price per square meter	Impact on	
		Land	OCI, net of tax
2024	+/- 5%	+/- 427,225,570	+/- 320,419,178
2022	+/- 5%	+/- 413,444,100	+/- 310,083,075

## **8 Accounts payable and other current liabilities**

Accounts payable and other current liabilities as at December 31 consist of:

	2024	2023
Trade payables:		
Third parties	30,010,812	28,387,670
Due to members	7,106,360	14,917,981
Related parties	98,210	759,972
Accrued expenses:		
Professional fees	5,769,114	5,804,362
Outside services	3,587,381	3,540,352
Utilities	489,197	532,903
Others	5,699,810	2,038,757
Deposit for reacquired shares	9,500,000	22,250,000
Consignment and due to concessionaires	8,971,615	8,154,614
Payable to government agencies	4,913,921	5,050,960
Others	9,861,551	11,801,303
	<b>86,007,971</b>	<b>103,238,874</b>

Trade payables to third parties are non-interest-bearing and are normally on 15 to 30 days' terms.

Due to members account pertains to player's payment of golfers' insurance fee and hole-in-one fund. These are amounts paid by the members every time they play in the Club in anticipation of a hole-in-one and fund in case of accidents relating to the insurance.

Accrued expenses are non-interest-bearing and have an average term of one month. Accrued others pertain to maintenance expense of bowling equipment and insurance expense.

Deposit for reacquired shares pertains to payments received for the sale of re-acquired shares which are awaiting the issuance of the related stock certificates to new owners.

Consignment and due to concessionaires account pertain to unremitted sales to consignors and concessionaires. These are all collections by the Club, made through its point-of-sale system, which shall be operated and maintained exclusively by the Club, after the deduction of the appropriate concession fee and cash advances which are remitted to the concessionaires on the thirtieth (30th) day of each month.

Other payables which mainly pertain to liabilities from environment fees, tournament fees and other expenses are non-interest-bearing and are normally on 30 to 90 days' terms.

## 9 Contract liabilities; deposits from assignees and others

Contract liabilities pertain to advances received from members and customers for food and beverage, golf rentals, and other Club facilities, which are recognized as part of revenue upon satisfaction of performance obligations, normally within one year upon receipt of advances. As at December 31, 2024 contract liabilities amounted to P5,119,234 (2023 - P11,050,329).

Deposits from assignees pertain to initial deposits from members' assignees related to the playing rights and are refundable at the end of the contract term. Deposits from others pertain to deposits for guest fees which are refundable at the end of each use of the facilities. Deposits from assignees and others as at December 31 are as follows:

	2024	2023
Current	14,150,852	11,558,330
Non-Current	1,855,000	2,420,000
	16,005,852	13,978,330

## 10 Share capital, club membership and basic earnings (loss) per share

Details of share capital as at December 31, 2024 and 2023 are as follows:

	Authorized		Issued, subscribed and outstanding	
	Number of shares	Amount	Number of shares	Amount
Class A	1,800	448,455,086	1,800	448,455,086
Class B	700	296,074,144	700	296,074,144
Class C	500	338,574,111	500	338,574,111
	3,000	1,083,103,341	3,000	1,083,103,341

Founders' shares and Class "A" shares may be sold to citizens of the Philippines or to partnerships, corporations or associations, of which at least sixty percent (60%) of the outstanding share capital and entitled to vote is owned or controlled by citizens of the Philippines.

Class "B" shares may be sold to any individual, corporation, partnership, or association, irrespective of their nationality.

Class "C" shares are special corporate shares which may be sold to corporations irrespective of their nationality or citizenship.

Ownership of a share shall entitle the registered owner to the use of all the sports and other facilities of the Club. The ownership of all shares of stock is however, subject to the following restrictive conditions, among others:

- a. No transfer of shares of stocks of the Club which will reduce the stock ownership of Filipino citizens to less than the minimum percentage of the outstanding share capital 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;
- b. No profit shall inure to the exclusive benefit of any of the shareholder, hence, no dividends shall be declared in their favor. Shareholders shall be entitled only to a pro-rata share of the assets of the Club at the time of the dissolution or liquidation;
- c. In case of foreclosure by the pledgee or mortgagee of the shares of shareholders in the Club, the pledgee/mortgagee shall, in the event of inability of the pledgor or mortgagor to meet the obligation of such pledgor or mortgagor under the terms of the pledge or chattel mortgage, notify the Club in writing of the date, time and place of foreclosure sale and of the nature and amount of obligation secured by the pledge or mortgage, which sale shall be conducted not earlier than 15 days from the date the Club received written notice thereof. The Club shall have the right to purchase the auctioned shares within 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;
- d. Shareholders and members of the Club shall be subjected to the payment of monthly dues in an 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. Such dues together with all other obligations of the shareholders to the Club, shall constitute a first lien on the shares, second only to any lien in favor of the national or local government and in the event of delinquency, such shares may be ordered sold by the BOD in the manner provided in the by-laws to satisfy said dues or other obligations of the shareholders;
- e. In case any shareholder violates 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 shareholders, 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 shareholder may be expelled by the BOD in the manner provided in the by-laws upon proper notice and hearing, and he shall then cease to be a shareholder, and shall have no right with respect to his share except the right to demand payment therefore in accordance with the by-laws. The Club shall have a period of 30 days from the expulsion of the shareholder to make payment of his share, and upon such payment the shareholder shall forthwith transfer and assign the share held by him as directed by the Club.

Membership in 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.

- *Assignee Members*

Assignee members are natural persons who are entitled to use all facilities and privileges of the Club, except the right to vote, the right to hold office, and the right to the assets and property of the Club.

- *Honorary Members*

Honorary membership shall be automatically extended to the President of the Philippines, the Governor of Cavite, the Congressman and Mayor of the City of Dasmariñas, Cavite.

- *Founding Members*

Founding members shall be composed of the original incorporators or subscribers of the Club who are holders of Founders' shares.

- *Non-activated shares*

On December 13, 1994, the BOD of the Club approved the resolution that no membership dues shall be charged to the original holders' non-activated shares, unless they transfer or sell their share or assign the playing rights. Non-activated shares refer to those shares that have not been applied for membership and the monthly dues of which are not being paid. Original shareholders refer to Sta. Lucia Realty Development Inc., AFP-Retirement and Separation Benefits Systems, ACL Development Corporation and Helena Benitez. They were given shares of stock in the Club as compensation for their respective investments constituting land and development costs.

Notwithstanding the non-payment of fees and dues, holders of non-activated shares shall still have the right to vote in accordance with the right of a regular member in good standing.

Thus, in the case of original shareholders of non-activated shares, the nonpayment of fees, dues and assessments do not constitute delinquent shares and therefore are still entitled to vote.

- *Basic and diluted Earnings (Loss) Per Share*

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

	2024	2023	2022
Excess of receipts (expenses) over expenses (receipts) after income tax	(24,530,985)	35,416,552	33,986,071
Number of shares (excluding shares of delinquent members)	2,664	2,657	2,646
Basic and diluted earnings (loss) per share	(9,208)	13,330	12,844

Basic and diluted earnings (loss) per share are equal as the Club does not have any dilutive potential ordinary shares in 2024, 2023 and 2022.

## 11 Shares of delinquent members acquired through auctions

This represents the following shares of delinquent members which were acquired through auctions pursuant to the Club By-laws as settlement of their long outstanding accounts.

Movements in shares of delinquent members acquired through auctions as at December 31 are as follows:

	2024		2023		2022	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
At January 1						
Class A	243	32,440,048	247	33,674,446	248	33,854,446
Class B	54	8,518,734	57	9,182,734	58	9,332,734
Class C	46	13,487,905	50	15,012,784	46	12,678,663
	343	54,446,687	354	57,869,964	352	55,865,843
Shares of delinquent members re-acquired by the Club						
Class A	-	-	-	-	-	-
Class B	-	-	-	-	-	-
Class C	-	-	-	-	5	2,686,381
	-	-	-	-	5	2,686,381
Shares re-issued during the year						
Class A	(1)	(371,000)	(4)	(1,234,398)	(1)	(180,000)
Class B	(4)	(540,000)	(3)	(664,000)	(1)	(150,000)
Class C	(2)	(614,000)	(4)	(1,524,879)	(1)	(352,260)
	(7)	(1,525,000)	(11)	(3,423,277)	(3)	(682,260)
At December 31						
Class A	242	32,069,048	243	32,440,048	247	33,674,446
Class B	50	7,978,734	54	8,518,734	57	9,182,734
Class C	44	12,873,905	46	13,487,905	50	15,012,784
	336	52,921,687	343	54,446,687	354	57,869,964

The related amounts outstanding from delinquent members were fully provided with allowance for impairment of receivables in prior years (Note 3).

The movement and details for the accumulated proceeds from re-issuance of shares of delinquent members as at December 31 are as follows:

	2024	2023	2022
Balance at January 1	17,044,251	4,567,528	2,812,288
Transactions during the year		-	
Proceeds from re-issuance	15,900,000	15,900,000	2,437,500
Costs	1,525,000	3,423,277	682,260
Excess of proceeds over cost	14,375,000	12,476,723	1,755,240
	31,419,251	17,044,251	4,567,528

## 12 Cost of goods sold and services

The components of cost of goods sold and services for the years ended December 31 are as follows:

	Note	2024	2023	2022
Repairs and maintenance		53,666,835	55,396,322	45,496,505
Salaries, wages, and employee benefits		29,426,099	24,115,329	22,582,060
Retirement cost		17,277,719	1,151,523	1,607,484
Tournament expenses		12,674,382	16,916,272	9,794,981
Utilities		12,252,082	11,995,261	9,825,190
Grand raffle event		6,080,319	8,933,380	7,007,040
Operating supplies		5,402,217	5,259,906	3,684,993
Janitorial and messenger services		2,954,621	2,801,393	1,916,749
Cost of alcoholic drinks	4	2,611,616	2,725,646	2,450,203
SSS, GSIS, Philhealth, HDMF and other contributions		2,465,499	1,975,314	1,628,312
Member relations		1,954,738	1,745,614	1,369,284
Professional fees		1,517,049	1,856,065	1,872,306
Cost of pro-shop inventories	4	1,285,884	1,212,773	863,075
Taxes and licenses		827,143	641,901	399,993
Representation		502,184	415,253	319,072
Linen and laundry		396,636	54,474	34,175
Communication		258,605	184,537	251,962
Others		3,583,401	5,705,715	1,530,715
		155,137,029	143,086,678	112,634,099

Member relations are expenses incurred in relation to members activities.

Others include the BIR processing fee, rental equipment, dues and subscriptions, and miscellaneous expenses.

### 13 Operating expenses other than depreciation

The components of operating expenses other than depreciation for the years ended December 31 are as follows:

	2024	2023	2022
Salaries, wages and employee benefits	60,653,068	52,838,201	45,603,383
Security services	20,437,371	18,485,727	15,153,880
Retirement cost	20,064,448	1,583,344	2,009,355
Repairs and maintenance	20,051,181	16,221,663	15,551,667
Input VAT written-off	12,563,766	9,441,987	9,368,058
Janitorial and messengerial services	10,591,742	9,625,992	8,116,246
Taxes and licenses	10,569,673	10,251,084	10,279,270
Operating supplies	7,228,790	7,634,110	4,573,982
Utilities	6,960,899	6,512,230	5,443,778
Credit and Collection	3,611,860	3,472,889	2,741,702
Professional fees	3,192,765	1,356,289	2,327,406
SSS, GSIS, Philhealth, HDMF and other contributions	3,175,844	2,689,430	1,997,588
Representation	2,660,175	3,313,127	3,742,336
Communication	2,293,636	2,721,738	2,619,047
Provision for general contingency	2,000,000	2,000,000	1,644,000
Linen and laundry	1,961,757	1,827,217	808,020
Insurance	1,759,702	1,418,152	1,289,734
Others	1,312,595	1,494,051	662,576
	191,089,272	152,887,231	133,932,028

Collection fees pertain to commissions for the members' payments using credit cards or electronic payment channels.

Other operating expenses other than depreciation is comprised of dues and subscription, and expenses relating to promotional, advertising, and recruitment activities of the Club.

### 14 Other income, net

The components of other income, net for the years ended December 31 are as follows:

	Note	2024	2023	2022
Late payment charges	3	2,961,354	3,739,554	5,461,968
Foreign exchange gain (loss), net		22,789	(2,142)	65,791
Loss on sale from disposal of property		-	-	(25,000)
Miscellaneous		2,891,748	9,763,718	2,717,605
		5,875,891	13,501,130	8,220,364

In 2024, miscellaneous income is primarily composed of the collection of registration fees and sponsorship for Philippine Golf Course Management Conference (2023 - reversal of the unutilized golfers' insurance and hole-in-one contribution, and collection of registration fees for Philippine Golf Course Management Conference; 2022 - reversal of unclaimed playing rights deposit and long outstanding payables).

## 15 Retirement benefit obligation

The Club has a funded, non-contributory defined benefits retirement plan, administered by a trustee, covering all of its regular and full-time employees. The Club recognizes the amount of retirement benefits that must be accrued in accordance with its new retirement policy, effective July 2024.

- A. Loyalty/Gratuity Pay - an employee who is at least 45 years old and served for at least 15 years will receive as part of the final pay an amount equivalent to fifty percent (50%) of the one-month salary per year of service.
- B. Early Retirement Pay - an employee may file an application for early retirement provided that the employee is at least 50 years old and rendered at least 20 years; the tax-free amount will be equivalent to one hundred percent (100%) of the monthly rate for each year of service.
- C. Normal Retirement Benefit - available to employees who are 60 years old; retirement amount(tax-free) will vary on the years of service, as follows:

Years of service	Percentage
10 to 14 years	100%
15 to 19 years	125%
20 to 24 years	150%
25 to 29 years	175%
30 years and up	200%

An independent actuary conducted an actuarial valuation of the funded defined benefit plan using the projected unit credit cost method based on the provisions of the Act. The plan provides for lump sum benefit payment upon retirement. Contributions and costs are determined in accordance with the actuarial study made for the plan.

Actuarial valuation is performed by an independent actuary using the projected unit credit method on an annual basis and based on retirement age of 60. The most recent actuarial valuation was sought from an independent actuary as at December 31, 2024.

The reconciliation of the present value of the defined benefits obligation and the fair value of the plan assets is as follows:

	2024	2023
Present value of obligation	100,726,240	62,870,342
Fair value of plan assets	(62,278,452)	(52,189,756)
	38,447,788	10,680,586

Movements in the present value of defined benefit obligation for the years ended December 31 is as follows:

	2024	2023
At January 1	62,870,342	54,059,544
Current service cost	3,287,539	2,440,292
Interest cost	3,784,795	3,724,703
Past service cost	33,411,656	-
Benefits paid	-	(1,055,102)
Remeasurement loss from:		
Experience adjustment	8,236,482	404,609
Financial assumptions	(10,864,574)	3,296,296
At December 31	100,726,240	62,870,342

Movements in the fair value of plan assets for the years ended December 31 is as follows:

	2024	2023
At January 1	52,189,756	49,784,157
Contributions	7,500,000	-
Interest income	3,141,823	3,430,128
Remeasurement loss	(553,127)	(1,024,529)
At December 31	62,278,452	52,189,756

The Club's best estimate of contributions to be paid to the plan for the year ending December 31, 2025 is P11,358,614 at lower limit and P44,553,500 at upper limit.

Retirement benefit expense recognized in the statements of total receipts and expenses for the years ended December 31 consist of:

	2024	2023	2022
Current service cost	3,287,539	2,440,292	3,299,509
Past service cost	33,411,656	-	-
Interest on the net liability	642,972	294,575	317,330
	37,342,167	2,734,867	3,616,839

The movement in the net retirement benefit obligation in the statement of financial position is as follows:

	2024	2023
At January 1	10,680,586	4,275,387
Retirement benefit expense	37,342,167	2,734,867
Remeasurement (loss) gain	(2,074,965)	4,725,434
Contributions to the plan asset	(7,500,000)	-
Benefits directly paid by the Club	-	(1,055,102)
At December 31	38,447,788	10,680,586

The movements in the reserve for remeasurement of retirement benefits on the statements of financial position for the years ended December 31 are as follows:

	2024	2023
Balance at January 1	10,591,815	5,866,381
Remeasurement loss (gain) for the year	(2,074,966)	4,725,434
Balance at December 31	8,516,849	10,591,815

The Club's retirement fund is maintained and managed by a trustee bank.

The major categories of the fair value of the plan assets as at December 31 are as follows:

	2024	2023
Assets:		
Unit investment trust fund	62,350,632	52,252,520
Cash in bank	6,014	3,049
Liability:		
Accrued trust fee payable	(78,194)	(65,813)
	62,278,452	52,189,756

Retirement benefits are payable in the event of termination of employment due to: (i) early, normal, or late retirement; (ii) physical disability; or (iii) involuntary separation from service. For plan members retiring under normal, early or late terms, retirement benefit is equal to a percentage of final monthly salary for every year of credited service.

The principal assumptions used to determine pension obligations are as follows:

	2024	2023	2022
Discount rate	6.13%	6.02%	6.89%
Salary increase rate	3.00%	6.00%	6.00%

*(a) Discount rate*

The discount rate is determined by reference to yields on long-term Philippine Treasury Bonds and adjusted to reflect the term similar to the estimated term of the benefit obligation as determined by the actuary as at the end of the reporting period as there is no deep market in high quality corporate bonds in the Philippines.

All expected benefit payments are discounted 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.

*(b) Salary rate increases*

This is the expected long-term average rate of salary increase taking into account inflation, seniority, promotion and other market factors. Salary increases comprise of the general inflationary increases plus a further increase for individual productivity, merit and promotion. The future salary increase rates are set by reference over the period over which benefits are expected to be paid.

*(c) Demographic assumptions*

Actuarial assumptions also include turnover rates of the Club's employees which are generally based on Group Annuity Mortality Table prepared by the actuary.

Assumptions regarding mortality experience are set based on advice from published statistics and experience.

*(d) Expected maturity analysis*

	2024	2023
Less than 1 year	17,123,514	5,376,164
Between 1 year to 2 years	25,609,179	6,806,515
Between 2 year to 5 years	34,975,751	29,954,744
Between 6 years to 10 years	43,267,891	34,245,260
	120,976,335	76,382,683

The average duration of the defined benefits obligation as at December 31, 2024 is 16 years (2023 - 12; 2022 - 10 years).

*Critical accounting estimates and assumptions: Retirement benefit obligation*

The present value of the retirement benefit obligation depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost for retirement benefit include the discount rate and future salary increases. Any changes in these assumptions will impact the carrying amount of retirement benefit obligation.

The Club determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the retirement benefit obligation. In determining the appropriate discount rate, the Club considers the interest rates of government bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related retirement benefit obligation and related retirement benefit expense.

Other key assumptions in determining retirement benefit obligation are based in part on current market conditions.

The sensitivities regarding the principal assumptions used to measure the net defined benefit liability is as follows:

	Impact on defined benefit obligation		
	Change in assumption	Increase in assumption	Decrease in assumption
<i>December 31, 2024</i>			
Discount rate	+/-1%	(5,063,913)	5,434,924
Salary increase rate	+/-1%	5,787,130	(5,676,479)
<i>December 31, 2023</i>			
Discount rate	+/-1%	(3,763,266)	4,246,171
Salary increase rate	+/-1%	4,175,971	(3,827,611)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the retirement liability recognized within the statements of financial position.

## 16 Income tax

The Club's provision for income tax for the year ended December 31, 2024 amounted to P1,643,032 (2023 - P4,785,840, 2022 - P591,568).

In accordance with the Supreme Court (SC) ruling dated June 26, 2019 in the case of non-profit club organization versus Commissioner of Internal Revenue (CIR) (G.R. No.228539), the SC declared that membership fees, assessment dues, and fees of similar nature collected by the clubs which are organized and operated exclusively for pleasure, recreation, and other non-profit purposes do not constitute as income of recreational clubs from whatever source that are subject to income tax and part of the gross receipts of recreational clubs that are subject to value added tax (VAT). Accordingly, Revenue Memorandum Circular No. 35-2012 should be interpreted in accordance with this decision.

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

On March 26, 2021, the Corporate Recovery and Tax Incentives for Enterprises Act (CREATE) bill was signed into law by the President of the Philippines. This resulted in the reduction of the corporate income tax to 25% for domestic corporations with assets amounting to P100,000,000 and above, and with taxable income equivalent to P5,000,000 and above. The minimum corporate income tax (MCIT) rate was also reduced to one percent (1%) of gross income as defined under the regulation effective July 1, 2020 until June 30, 2023, and shall be reverted back to two percent (2%) effective July 1, 2023.

### (b) Deferred income tax liability

The Club's deferred income tax liabilities as at December 31, 2024 pertain to 25% income tax effects of its revaluation increment on land (Note 7). The deferred income tax liability of the Club as of December 31, 2024 amounted to P2,104,258,200 (2023 and 2022 - P2,035,350,850)

(c) *Unrecognized deferred income tax assets*

DIT assets have not been recognized since the management assesses that the Club may not have sufficient taxable income in the future for it to be able to realize the benefits of the related deferred income tax assets:

	2024	2023
To profit or loss:		
Allowance for doubtful accounts	11,877,278	11,501,802
Past service cost	1,701,007	2,313,433
Carryforward benefits of MCIT	1,117,255	892,108
Retirement benefit obligation, net of remeasurement	7,482,734	1,322,000
Others	1,354,932	22,193
	23,533,206	16,051,536
To other comprehensive income (OCI)		
Remeasurement loss on retirement plan	2,129,212	2,647,954
	25,662,418	18,699,490

In compliance with the tax regulations, the Club shall pay the greater of MCIT and regular corporate income tax (RCIT), starting 2021. Any excess of MCIT over the RCIT shall be carried forward for the next three consecutive taxable years immediately following the year such MCIT was paid.

Details of the Club's excess of MCIT over RCIT are as follows:

Year incurred	Year of expiry	2024	2023
2020	2023	-	445,302
2021	2024	300,540	300,540
2022	2025	591,568	591,568
2024	2027	525,688	-
		1,417,796	1,337,410
Expired/Applied during the year		(300,540)	(445,302)
		1,117,256	892,108

The reconciliation of the benefit from income tax computed at the statutory income tax rate to the provision for income tax for the years ended December 31 as shown in profit or loss are as follows:

	2024	2023	2022
Income tax at statutory income tax rates	(5,721,988)	10,050,598	8,644,410
Adjust for income tax effects of:			
Non-deductible expenses	50,789,435	45,840,370	42,936,453
Change in unrecognized DIT assets	7,378,197	73,371	(4,163,741)
Expired MCIT	300,540	-	-
Non-taxable receipts	(49,442,674)	(49,808,954)	(46,644,816)
Income subject to final tax	(1,660,478)	(1,369,545)	(180,738)
	1,643,032	4,785,840	591,568

*Critical accounting judgment: Recognition of deferred income tax assets*

PFRS Accounting Standards require the recognition of DIT assets to the extent that it is probable that future taxable income will be available against which the temporary differences can be utilized. Determining the realizability of DIT assets requires the estimation of profits expected to be generated from operations when the temporary differences are expected to reverse or to be utilized.

As at each reporting period, management assessed that the Club will not generate sufficient future taxable profits to realize the DIT assets.

## 17 Related party transactions

Related party transactions and outstanding balances of the Club represent transactions and balances with key management personnel which are considered related parties under PAS 24, Related Party Disclosures.

Key management compensation for the years ended December 31 consists of:

	Terms and conditions	2024	2023	2022
Salaries and wages	Key management compensation covering salaries, wages and other short-term benefits are determined based on contract of employment and payable in accordance with the Club's payroll period.	18,552,092	17,163,512	15,696,639
Retirement benefit expense		1,666,638	942,060	1,209,685
		20,218,730	18,105,572	16,906,324

The Club has not provided share-based payment, termination benefits and other long-term employee benefits, except for retirement benefits, to its key management personnel for the years ended December 31, 2024, 2023 and 2022.

## 18 Contingencies

The Club is currently a party to certain lawsuits arising from the ordinary course of business. The estimate of the probable costs for the resolution of these claims has been developed in a consultation with outside counsels handling the defense in these matters and is based upon an analysis of potential results. The Club's management and its legal counsel believe that the lawsuit and claims will not have material effect on the Club's financial position and performance. Further, the Club has assessed that it is not probable that an outflow of resources will be required to settle the obligation. Accordingly, no provision for probable losses arising from legal contingencies was recognized in the financial statements as at December 31, 2024 and 2023.

### *Critical accounting estimates and assumptions: Contingencies*

The Club is currently involved in legal proceedings. Estimates of the probable costs for the resolution of these claims, if any, has been developed in consultation with internal and external legal counsels handling the Club's defense in these matters and is based upon the probability of potential results. The Club's management currently believes that these proceedings will not have a material effect on the consolidated financial statements considering terms of contracts and agreements with previous shareholders as discussed above. It is possible, however, that future results of operations could be materially affected depending on the actual outcome of the proceedings.

## 19 Critical accounting estimates, assumptions and judgments

Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Club makes estimates, assumptions and judgments concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates, assumptions and judgments 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.

### a) *Critical accounting estimates and assumptions*

- Expected credit loss (ECL) on receivables (Note 3)
- Depreciation of property and equipment (Note 6)
- Fair value estimation of land (Note 7)
- Retirement benefit obligation (Note 15)
- Contingencies (Note 18)

b) *Critical judgments in applying the Club's accounting policies*

- Determination of impairment of non-financial assets (Note 6)
- Recognition of deferred income tax assets (Note 16)

## 20 Financial risk and capital management

The Club's activities expose it to a number of financial risks and those activities involve the analysis, evaluation, acceptance and management of some degree of risk or a combination of risks. The Club's objective is to achieve an appropriate balance between risk and return and minimize potential adverse effects on the Club's financial performance.

Risk management is carried out by management under the direction of the Club's Board of Directors (BOD). The BOD, through the recommendation of the Finance Committee, reviews and approves written principles for overall risk management, as well as written policies and procedures covering specific areas, such as credit risk and liquidity risk. These policies and procedures enable management to make strategic and informed decisions with regard to the operations of the Club.

### *Components of financial assets and financial liabilities and related risk factors*

Details of the Club's financial assets at amortized cost at December 31 are as follows:

	Notes	2024	2023
Cash and cash equivalents	2	136,693,866	141,045,110
Receivables, gross of allowance	3	67,792,606	65,769,556
		204,486,472	206,814,666

Prepayments and other current assets and other non-current assets as at December 31, 2024 amounting to P17,835,264 and P11,567,138, respectively, are considered as non-financial assets (2023 - P12,281,455 and P8,057,560, respectively).

Details of financial liabilities at amortized cost as at December 31 are as follows:

	Notes	2024	2023
Accounts payable and other current liabilities	8	71,574,050	75,937,914
Deposit from assignees and others	9	16,005,852	13,978,330
		87,579,902	89,916,244

Accounts payable and other liabilities as at December 31, 2024 exclude payable to government agencies amounting to P4,913,921 (2023 - P5,050,960) and deposit for reacquired shares amounting to P9,500,000 (2023 - P22,250,000) as these are not considered as financial liabilities. Contract liabilities as at December 31, 2024 amounting to P5,119,234 (2023 - P11,050,328) which pertain to advances received from members for the monthly dues.

The carrying values of cash, receivables, accounts payable and other liabilities (excluding payable to government agencies and deposit for re-acquired shares), approximate fair values due to its relatively short-term maturity.

### 20.1 Credit risk

The principal financial risk faced by the Club is credit risk from its cash and receivables. Credit risk arises when a customer or counterparty fails to discharge an obligation and causes the Club to incur a financial loss. The maximum exposure to credit risk at reporting periods is the carrying value of financial assets.

The Club applies the PFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for trade receivables and the general approach is applied for cash and non-trade other receivables.

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:

	Notes	2024	2023
Cash and cash equivalents*	2	136,193,866	140,545,110
Receivables:	3		
Receivable from members		50,717,179	49,753,929
Advances to officers and employees		3,329,679	3,676,662
Receivable from credit card companies		2,953,228	1,648,021
Receivable from concessionaires		534,204	528,658
Others		10,258,316	10,162,286
<b>Total credit risk exposure</b>		<b>203,986,472</b>	<b>206,314,666</b>

\*Excluding cash on hand amounting to P500,000.

The analysis of financial assets are as follows:

	Neither past due nor impaired	1-30 days	31-60 days	Impaired	Total
<b>2024</b>					
Cash and cash equivalents*	136,193,866	-	-	-	136,193,866
Receivables from members	2,571,781	1,441,235	2,664,177	44,039,986	50,717,179
Advances to officers and employees	3,288,867	-	-	40,812	3,329,679
Credit card	2,626,214	-	-	327,014	2,953,228
Concessionaire	534,204	-	-	-	534,204
Others	769,935	2,927,390	3,459,693	3,101,298	10,258,316
	<b>145,984,867</b>	<b>4,368,625</b>	<b>6,123,870</b>	<b>47,509,110</b>	<b>203,986,472</b>
<b>2023</b>					
Cash and cash equivalents*	140,545,110	-	-	-	140,545,110
Receivables from members	3,296,005	1,476,934	2,397,976	42,583,014	49,753,929
Advances to officers and employees	3,637,805	-	-	38,857	3,676,662
Credit card	1,321,007	-	-	327,014	1,648,021
Concessionaire	528,658	-	-	-	528,658
Others	6,284,157	466,230	353,575	3,058,324	10,162,286
	<b>155,612,742</b>	<b>1,943,164</b>	<b>2,751,551</b>	<b>46,007,209</b>	<b>206,314,666</b>

\*Excluding cash on hand amounting to P500,000.

It is the Club's policy that any individual or corporation who wishes to become a member or assignee be subjected to strict membership qualification screening. Receivables are monitored on an ongoing basis and it is the Club's policy that receivables from members outstanding for more than 90 days be provided with 100% allowance for impairment. Shares with substantial delinquent balances are being auctioned in accordance with the Club's policy.

The table below shows the credit quality of the Club's receivables based on their historical experience with the corresponding third parties.

	Neither past due nor impaired - high	Past due but not impaired - standard	Impaired	Total
<b>2024</b>				
Cash and cash equivalents*	136,193,866	-	-	136,193,866
Receivable from members	2,571,781	4,105,412	44,039,986	50,717,179
Advances to officers and employees	3,288,867	-	40,812	3,329,679
Credit card	2,626,214	-	327,014	2,953,228
Concessionaire	534,204	-	-	534,204
Others	769,935	6,387,083	3,101,298	10,258,316
	<b>145,984,867</b>	<b>10,492,495</b>	<b>47,509,110</b>	<b>203,986,472</b>
<b>2023</b>				
Cash and cash equivalents*	140,545,110	-	-	140,545,110
Receivable from members	3,296,005	3,874,910	42,583,014	49,753,929
Advances to officers and employees	3,637,805	-	38,857	3,676,662
Credit card	1,321,007	-	327,014	1,648,021
Concessionaire	528,658	-	-	528,658
Others	6,284,157	819,805	3,058,324	10,162,286
	<b>155,612,742</b>	<b>4,694,715</b>	<b>46,007,209</b>	<b>206,314,666</b>

Receivables classified as "high" grade are those with high probability of collection. "Standard" grade covers accounts with customers having unpredictable and irregular payment behavior and those with pending payment negotiations.

Cash and cash equivalents are deposited in top ten banks in the Philippines, hence, considered high grade.

## 20.2 Liquidity Risk

Liquidity risk arises from the possibility that the Club may encounter difficulties in raising funds to meet or settle its obligations at a reasonable price.

The Club monitors its risk to a shortage of funds through monitoring of financial assets and projected cash flows from operations. 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 financial position strength and quality where debt-to-equity ratio should not exceed 1:1. The Club also maintains a financial strategy that the scheduled debts are well within the Club's ability to generate cash from its business operations.

The table below summarizes the maturity profile of the Club's financial liabilities based on contractual undiscounted payments:

	Notes	Carrying amount	Within 12 months	Beyond 12 months
<i>At December 31, 2024</i>				
Trade payables:	8			
Third parties		30,010,812	30,010,812	-
Due to members		7,106,360	7,106,360	-
Related parties		98,210	98,210	-
Deposit from assignees and others	9	16,005,852	14,150,852	1,855,000
Accrued expenses	8	15,545,502	15,545,502	-
Consignment and due to concessionaires	8	8,971,615	8,971,615	-
Others	8	9,861,551	9,861,551	-
		87,599,902	85,744,902	1,855,000
<i>At December 31, 2023</i>				
Trade payables:	8			
Third parties		28,387,670	28,387,670	-
Related parties		759,972	759,972	-
Due to members		14,917,981	14,917,981	-
Deposit from assignees and others	9	13,978,330	11,558,330	2,420,000
Accrued expenses	8	11,916,374	11,916,374	-
Consignment and due to concessionaires	8	8,154,614	8,154,614	-
Others	8	11,801,303	11,801,303	-
		89,916,244	87,496,244	2,420,000

## 20.3 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 service to its members and benefits for other stakeholders.

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 not exceeding 1:1. The debt-to-equity ratio is as follows:

	2024	2023
Total current liabilities	105,278,058	125,847,533
Total non-current liabilities	2,144,560,988	2,048,451,436
Total liabilities (a)	2,249,839,046	2,174,298,969
Total equity (b)	6,951,963,685	6,751,797,652
Debt-to-equity ratio (a/b)	0.32:1.00	0.32:1.00

The Club is not subject to externally imposed capital requirements. The Club's capital is represented by the total members' equity as presented in the statement of financial position

## 21 Fair value measurement

Details of the Club's asset measured at fair value as at December 31, 2024 and 2023 follows:

Land	Total	Level 1	Level 2	Level 3
		Quoted Prices in Active Markets	Significant Observable Input	Significant Unobservable Input
2024	8,544,511,400	-	-	8,544,511,400
2023	8,268,882,000	-	-	8,268,882,000

The carrying value of the Club's financial assets and liabilities approximate their fair values as at December 31, 2024 and 2023 due to the short-term nature of these financial instruments.

## 22 Summary of material accounting policy information

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

### 22.1 Basis of preparation

These financial statements of the Club have been prepared in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards. PFRS Accounting Standards comprise the following authoritative literature:

- PFRS Accounting Standards,
- PAS Standards, and
- Interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC), Philippine Interpretations Committee (PIC), and Standing Interpretations Committee (SIC) as approved by the Financial and Sustainability Reporting Standards Council (FSRSC) and the Board of Accountancy (BOA) and adopted by the Securities and Exchange Commission (SEC).

The financial statements have been prepared on a historical cost basis of accounting, except for the following:

- land which is measured at the revalued amount; and
- net retirement benefits liability which is measured at the present value of defined benefits obligation less the fair value of the plan assets.

The preparation of financial statements in conformity with PFRS Accounting Standards require the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Club's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are summarized in Note 19.

## 22.2 Changes in accounting policies and disclosures

### *(a) New and amended standards adopted by the Club*

The Club has applied the following standards and amendments for the first time for its annual reporting period commencing January 1, 2024:

- Classification of liabilities as current or non-current and non-current liabilities with covenants - Amendments to PAS 1

The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current. The amendments include clarifying the classification requirements for debt a company might settle by converting it into equity.

The amendments clarify, not change, existing requirements, and so are not expected to affect companies' financial statements significantly. However, they could result in companies reclassifying some liabilities from current to non-current, and vice versa; this could affect a company's loan covenants.

The amendments outlined above are applicable to the Club and have not affected the financial amounts recognized in the current or prior periods. There are no other new standards, and amendments and interpretations to existing standards effective January 1, 2024 that are considered to be relevant on the Club's financial statements.

### *(b) New standards and interpretations not yet adopted*

Certain new accounting standards and amendments to accounting standards have been published that are not mandatory for December 31, 2024 reporting periods and have not been early adopted by the Company. The Company's assessment of the impact of these new standards and amendments applicable to the Club is set out below:

- Amendments to PAS 21 - Lack of Exchangeability (effective for annual periods beginning on or after January 1, 2025)

This amended PAS 21 to help entities to determine whether a currency is exchangeable into another currency, and which spot exchange rate to use when it is not. The Club does not expect these amendments to have a material impact on its operations or financial statements.

- Amendments to the Classification and Measurement of Financial Instruments - Amendments to PFRS 9 and PFRS 7 (effective for annual periods beginning on or after January 1, 2026)

These amendments:

- clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- add new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and
- update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

The Company does not expect these amendments to have a material impact on its operations or financial statements.

- PFRS 18 *Presentation and Disclosure in Financial Statements* (effective for annual periods beginning on or after January 1, 2027)

PFRS 18 will replace PAS 1 *Presentation of financial statements*, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though PFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements.

Management is currently assessing the detailed implications of applying the new standard on the Company's financial statements. From the high-level preliminary assessment performed, the following potential impacts have been identified:

- Although the adoption of PFRS 18 will have no impact on the Club's net profit, the Company expects that grouping items of income and expenses in the statement of profit or loss into the new categories will impact how operating profit is calculated and reported. From the high-level impact assessment that the Club has performed, the following items might potentially impact operating profit:
  - Foreign exchange differences currently aggregated in the line item 'other income and other gains/(losses) - net' in operating profit might need to be disaggregated, with some foreign exchange gains or losses presented below operating profit.
- The line items presented on the primary financial statements might change as a result of the application of the concept of 'useful structured summary' and the enhanced principles on aggregation and disaggregation.
- The Club does not expect there to be a significant change in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/disaggregation principles. In addition, there will be significant new disclosures required for:
  - management-defined performance measures;
  - a break-down of the nature of expenses for line items presented by function in the operating category of the statement of profit or loss - this break-down is only required for certain nature expenses; and
  - for the first annual period of application of PFRS 18, a reconciliation for each line item in the statement of profit or loss between the restated amounts presented by applying PFRS 18 and the amounts previously presented applying PAS 1.
- From a cash flow statement perspective, there will be changes to how interest received, and interest paid are presented. Interest paid will be presented as financing cash flows and interest received as investing cash flows, which is a change from current presentation as part of operating cash flows.

The Club will apply the new standard from its mandatory effective date of January 1, 2027. Retrospective application is required, and so the comparative information for the financial year ending December 31, 2026 will be restated in accordance with PFRS 18.

## 22.3 Financial assets

### 22.3.1 Classification and presentation

#### (a) Classification

The Club classifies its financial assets in the following measurement categories:

- a. those measured subsequently at fair value [either through OCI (FVOCI) or through profit or loss (FVTPL); and
- b. those measured at amortized cost.

The classification depends on the Club's business model for managing the financial assets and the contractual terms of the cash flows. The Club did not hold financial assets under category (a) during and as at December 31, 2024 and 2023. The Club's financial assets under category (b) includes cash and cash equivalents (Note 2) and receivables (Note 3).

*(b) Recognition and subsequent measurement*

The Club recognizes a financial asset in the statements of financial position when the Club becomes a party to the contractual provisions of the instrument. Regular-way purchases and sales of financial assets are recognized on trade date - the date on which the Club commits to purchase or sell the asset.

At initial recognition, the Club measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

Subsequently, assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method.

*(c) Impairment*

The Club assesses on a forward-looking basis the expected credit loss associated with its financial assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Loss allowances of the Club are measured on either of the following bases:

- 12-month expected credit losses (ECLs) - these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime ECLs - these are ECLs that result from all possible default events over the expected life of a financial instrument or contract asset.

*(d) Simplified approach*

The Club applies the simplified approach to provide for ECLs for all trade receivables. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

A loss allowance for full lifetime expected credit losses is required for a financial instrument if the credit risk of that financial instrument has increased significantly since initial recognition, as well as to contract assets or trade receivables that do not constitute a financing transaction in accordance with PFRS 15.

Additionally, the Club elects an accounting policy to recognize full lifetime expected losses for all contract assets and/or all trade receivables that do constitute a financing transaction in accordance with PFRS 15.

*(e) General approach*

The Club applies the general approach to provide for ECLs on non-trade receivables. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the Club assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Club considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Club's historical experience and informed credit assessment and includes forward-looking information.

The Club considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Club in full, without recourse by the Club to actions such as realizing security (if any is held); or
- the financial asset is more than 360 days past due.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Club is exposed to credit risk.

*(f) Derecognition*

Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Club has transferred substantially all the risks and rewards of ownership. Any gain or loss arising on derecognition is recognized directly in the statements of total comprehensive income and presented in other gains/(losses).

### 22.3.3 Credit-impaired financial assets

At each reporting date, the Club assesses whether financial assets carried at amortized cost are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the counterparty;
- a breach of contract such as actual default; or
- it is probable that the borrower will enter bankruptcy or other financial reorganization.

## 22.4 Financial liabilities

*(a) Classification*

The Club classifies its financial liabilities in the following categories: (i) financial liabilities at fair value through profit or loss and (ii) financial liabilities at amortized cost. The classification depends on the purpose for which the financial liabilities were incurred. Management determines the classification of its financial liabilities at initial recognition.

Financial liabilities at fair value through profit or loss have two sub-categories: (i) financial liabilities classified as held for trading; and (ii) financial liabilities designated by the Club as at fair value through profit or loss upon initial recognition.

The Club does not have financial liabilities at fair value through profit or loss.

The Club's financial liabilities at amortized cost consist mainly of accounts payable and other liabilities (except payable to government agencies and deposit for reacquired shares) (Note 8) and deposits from assignees and others (Note 9).

*(b) Recognition and measurement*

Financial liabilities at amortized cost are recognized at fair value in the statements of financial position when, and only when the Club becomes a party to the contractual provisions of the instrument.

Other financial liabilities at amortized cost are initially measured at fair value plus transaction cost, which normally equal its nominal amount. These are subsequently measured at amortized cost using the effective interest rate method.

### (c) Derecognition

Financial liabilities at amortized cost are derecognized when it is extinguished, that is, when the obligation specified in a contract is discharged or cancelled, or when the obligation has expired.

## 22.5 Fair value measurement

### *Non-financial assets*

For non-financial assets, the Club uses valuation techniques that are appropriate in the circumstances and applies the technique consistently. Commonly used valuation techniques are as follows:

- Market approach - A valuation technique that uses prices and other relevant information generated by market transactions involving identical or comparable (i.e., similar) assets, liabilities or a group of assets and liabilities, such as a business.
- Income approach - Valuation techniques that convert future amounts (e.g., cash flows or income and expenses) to a single current (i.e., discounted) amount. The fair value measurement is determined on the basis of the value indicated by current market expectations about those future amounts.
- Cost approach - A valuation technique that reflects the amount that would be required currently to replace the service capacity of an asset (often referred to as current replacement cost).

The fair value of a non-financial asset is measured based on its highest and best use. The asset's current use is presumed to be its highest and best use.

Significant non-financial asset of the Club is land which is carried at fair value under Level 3 hierarchy.

The Club has no other significant non-financial assets and liabilities carried at fair value.

## 22.6 Cash and cash equivalents

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 from the date of acquisition and that are subject to an insignificant risk of change in value.

## 22.7 Receivables

Receivables arising from regular service, with average credit term of 30 to 90 days, are initially recognized at transaction price and subsequently measured at amortized cost less provision for impairment, if any.

Other receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less any provision for impairment, if any.

The relevant policies on classification, recognition, measurement, impairment and derecognition are further disclosed in Note 22.

## 22.8 Property and equipment

Property and equipment are carried at cost less accumulated depreciation and amortization and impairment losses, if any. Such cost includes the cost of replacing part of the equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

Land is not depreciated. Depreciation is computed using the straight-line method over the following estimated useful lives of the assets:

Asset class	Estimated useful lives in years
Land improvements	5 to 10 buildings and structures
Buildings	47
Facilities and equipment	3 to 10
Furniture and fixtures	05
Kitchen equipment	5

The residual values, useful lives and depreciation method are reviewed and adjusted if appropriate, at each financial year end 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.

Construction in-progress represents properties under construction and is stated at cost. This includes costs of construction and other direct costs. Construction in-progress is not depreciated until such time as the relevant assets are completed and are put into operational use.

#### *Land at revalued amount*

Land is initially measured at cost which consist of the purchase price and any directly attributable cost.

Land is subsequently measured at revalued amount less any accumulated impairment in value and subsequently measured using the revaluation method. Land is not depreciated.

Revalued amounts are determined through the appraisal of an external, independent and SEC-accredited appraisal company. Revaluations are made in every two years to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

The net appraisal increment resulting from the revaluation was credited to "Revaluation increment on land" account shown in the members' equity section of the statement of financial position and the statement of changes in members' equity.

Any decrease in the carrying amount resulting from a revaluation is recognized in profit or loss. However, the decrease shall be recognized in other comprehensive income to the extent of any credit balance existing in the revaluation surplus in respect of that asset. The decrease recognized in other comprehensive income (OCI) also reduces the "Revaluation increment on land" account in the members' equity section of the statement of financial position.

### **22.9 Impairment of non-financial assets**

The Club assesses at each reporting date whether there is an indication that an asset (e.g., land at revalued amount, property and equipment) may be impaired. If any indication exists, or when annual impairment testing for an asset is required, 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 fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators. Impairment losses are recognized in the statement of comprehensive income in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each reporting period 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.

After such a reversal, the depreciation and amortization charge are 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.

## **22.10 Contract liabilities and deposits from assignees and others**

### *(a) 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 a 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 also include payments received by the Club from the customer for which revenue recognition has not yet commenced.

### *(b) Deposits from assignees and others*

Deposits from assignees and others represent refundable deposits from assignees for playing rights and deposits from food and beverage concessionaires. Deposits from assignees are being recognized by the Club once the member assigned its playing rights to the assignee. These are refundable at the end of assignment term.

## **22.11 Employee Benefits**

### *Net retirement benefits liability*

The net defined benefits liability is the aggregate of the present value of the defined benefits obligation (DBO) at the end of the reporting date reduced by the fair value of plan assets, adjusted for any effect of limiting a net defined benefits asset to the asset ceiling. The asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The cost of providing benefits under the defined benefits plans is actuarially determined using the projected unit credit method.

Defined benefits costs comprise the following:

- (a) Service cost
- (b) Net interest on the net defined benefits liability or asset
- (c) Remeasurements of net defined benefits liability or asset

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.

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

Remeasurements comprising actuarial gains and losses and any change in the effect of the asset ceiling (excluding net interest on defined benefit liability) are recognized immediately in other comprehensive income in the period in which they arise.

## 22.12 Share capital

Share capital has no par value. Incremental costs directly attributable to the issuance of common shares are recognized as a deduction from equity, net of any tax effects.

Proceeds and/or fair value of consideration received are recognized as share capital.

### *(a) Excess of proceeds over cost from re-issuance of shares of delinquent members*

Excess of proceeds over cost from re-issuance of shares of delinquent members is the excess between the consideration received and the cost of reacquired shares from delinquent members.

### *(b) Shares of delinquent members acquired through auctions*

This represents the shares of delinquent members which were acquired by the Club through auctions pursuant to the Club's Article of Incorporation and By-laws in settlement of member's long outstanding receivables.

### *(c) Cumulative excess of expenses over receipts*

Cumulative excess of expenses over members' contribution and fees includes current and prior years' results, net of transactions with shareholders, if any.

### *(d) Other comprehensive income (OCI)*

Other comprehensive income comprises items of income and expense that are not recognized in profit or loss for the year in accordance with PFRS Accounting Standards.

## 22.13 Revenue recognition

### *Revenue from contracts with customers*

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Club expects to be entitled in exchange for those goods or services, excluding amounts collected on behalf of third parties. Revenue is recognized when the Club satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognized is the amount allocated to the satisfied performance obligation.

The amount of revenue recognized is the amount allocated to the satisfied performance obligation.

The Club assesses its revenue against specific criteria in order to determine if it is acting as principal or agent. The Club has concluded that, 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 risks.

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

*Membership Dues.* Membership dues are billed one month in advance and are recognized over time when earned and when no significant doubt as to its collectability exists. Advance collection of membership dues is recognized as "Contract liabilities" account in the statement of financial position.

*Assignment fees.* Assignment fees are revenue related to playing rights being transferred from a member to an assignee for a period of time. These are recognized at a point in time when services related to the assignment of playing rights are rendered.

*Transfer Fees.* Transfer fees represent income from registration of transfer of ownership of a golf share in the Club's stock and transfer book. Revenues are recognized at a point in time when services related to the transfer of ownership are rendered.

*Green Fees.* Revenue from the use of the Club's golf course by non-members is recognized at a point in time when the golf course is used.

*Tournament fees.* Tournament fees represent income from the use of the Club's golf course and amenities and are recognized at a point in time when the golf course and amenities are used.

*Grand raffle tickets.* Revenue is recognized at point in time when the customers receive raffle tickets which coincides with the receipt and acknowledgement of the customer on the same day of the grand raffle event.

*Recreational Facilities Fees and Facilities Rental.* Revenue from the use of the Club's facilities is recognized at a point in time when facilities are used.

*Pro Shop Sales and Pro Shop Commission.* Revenue is recognized at point in time when customer obtains control of the goods which coincides with the receipt and acknowledgment of the customer of the goods. Commission is computed as a certain percentage of the consignor's selling price.

*Concessionaire's Fee.* Income derived from entities allowed to do business within the Club premises are recognized in accordance with the terms of the agreement. Commission is recognized over time and is computed as a certain percentage of the sales of the concessionaire.

*Interest Income.* Revenue is recognized as the interest accrues and collection is reasonably assured.

*Miscellaneous Income.* Revenue is recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

## **22.14 Leases**

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset even if the right is not explicitly specified in the arrangement.

### *Club as a Lessor*

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

## **22.15 Current and deferred income tax**

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishing provisions where appropriate on the basis of amounts to be paid to tax authorities.

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

- where the deferred income tax liability arises from the initial recognition of goodwill or 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 profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where 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 for all deductible temporary differences, carry forward benefits of unused tax credits from excess minimum corporate income tax (MCIT) and net operating loss carryover (NOLCO), to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and NOLCO can be utilized.

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

## **22.16 Provisions**

Provisions are recognized when the Club has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provisions are not recognized for future operating losses.

Where that Club expects a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

Provisions are reviewed at each reporting date and adjusted to reflect management's current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed and derecognized from the statement of financial position.

## **22.17 Contingencies**

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

## 23 Supplementary information required by the Bureau of Internal Revenue (BIR)

The following information is presented for purposes of filing with the Bureau of Internal Revenue (BIR) and is not a required part of the basic financial statements

### 23.1 Revenue regulation (RR) No. 15-2010

Below is the additional information required by RR No. 15-2010. This information is presented for purposes of filing with the Bureau of Internal Revenue (BIR) and is not a required part of the basic financial statements.

#### (a) Output VAT

Output VAT declared for the year ended December 31, 2024 and the gross revenues upon which the same was based consist of:

	Gross amount of revenues	Output VAT declared
Subject to 12% VAT	163,423,082	19,610,770
Sale to government	-	-
Exempt	45,201	-
Zero rated	193,203,868	-
Total	356,672,151	19,610,770

Zero-rate and exempt sales pertain to transactions under G.R. No.228539 of the Supreme Court (SC) ruling.

#### (b) Input VAT

Movement in input VAT for the year ended December 31, 2024 is as follows:

	Amount
At January 1	-
Current year's domestic purchases:	
Purchases of Capital Goods not exceeding 1 million	-
Purchases of Capital Goods exceeding 1 million	4,733,412
Domestic purchases of goods other than capital goods	7,111,264
Domestic purchase of services	11,401,958
Capital goods subject to amortization	518,710
	23,765,344
Less deductions from input VAT:	
Input Tax on Purchases of Capital Goods subject to amortization	(215,163)
Input tax allocated to exempt sales	(12,563,766)
Application against output VAT	(10,986,415)
At December 31	-

#### (c) Importations

The Club has no importations for the year ended December 31, 2024, hence no tariffs and custom duties paid.

#### (d) Excise taxes

The Club is not engaged in the manufacture or production of certain specified goods or articles subject to excise tax for domestic sale or consumption or for any other disposition.

#### (e) Documentary stamp taxes

Documentary stamp taxes paid for the year ended December 31, 2024 consists of:

Transfer of shares	338
--------------------	-----

*(f) All other local and national taxes*

All other local and national taxes paid for the year ended December 31, 2024 consists of:

	Amount
Real property taxes	8,839,341
Licenses and permit fees	1,011,714
Documentary stamp taxes	338
	<u>9,851,393</u>

The amounts above are accounted in under taxes and licenses in operating expenses other than depreciation as presented in the statement of total receipt and expenses.

*(g) Withholding taxes*

Withholding taxes accrued and paid as at and for the year ended December 31, 2024 consists of:

	Paid	Accrued	Total
Withholding tax on compensation	4,434,954	562,474	4,997,428
Expanded withholding tax	3,208,945	322,072	3,531,017
Fringe benefit tax	1,214,177	331,584	1,545,761
Final withholding tax	825,563	627,500	1,453,063
	<u>9,683,639</u>	<u>1,843,630</u>	<u>11,527,269</u>

Fringe benefit tax is included under taxes and licenses in operating expenses other than depreciation as presented in the statement of total receipt and expenses.

*(h) Tax assessments*

The Club settled outstanding tax assessment for taxable year 2021 amounting to P2,038,136.

Other than the above, the Club did not receive any Final Assessment Notice for the year ended December 31, 2024.

*(i) Tax cases*

The Club did not have any outstanding tax cases under preliminary investigation, litigation and/or prosecution in courts or bodies outside the BIR as at December 31, 2024.

## **23.2 BIR Revenue Regulation (RR) 34-2020**

On December 18, BIR issued RR No. 34-2020, Prescribing the Guidelines and Procedures for the Submission of BIR Form No. 1709, Transfer Pricing Documentation (TPD) and other Supporting Documents, Amending for this Purpose the Pertinent Provisions of RR Nos. 19-2020 and 21-2002, as amended by RR No. 15-2010, to streamline the guidelines and procedures for the submission of BIR Form No. 1709, TPD and other supporting documents by providing safe harbors and materiality thresholds. Section 2 of the RR provides the list of taxpayers that are required to file and submit the RPT Form, together with the Annual Income Tax Return.

The Club is not covered by the requirements and procedures for related party transactions provided under this RR as it does not meet any criteria of taxpayers prescribed in Section 2 of the RR.

As at December 31, 2024, the Club has no outstanding tax cases under preliminary investigation, litigation and/or prosecution in courts or bodies outside of the BIR.



## **Statement Required by Rule 68 Securities Regulation Code (SRC)**

To the Board of Directors and Members of  
**The Orchard Golf & Country Club, Inc.**  
(A non-profit organization)  
Km 27 Aguinaldo Highway, Salawag  
Dasmariñas City, Cavite

We have audited the accompanying financial statements of The Orchard Golf & Country Club, Inc. as at and for the year ended December 31, 2024, on which we have rendered the attached report dated March 28, 2025. The supplementary information shown in Schedules A, B, C, D, E, F, and G, as additional components required by SRC Rule 68, are presented for purposes of filing with the Securities and Exchange Commission and are not required parts of the basic financial statements. Such supplementary information are the responsibility of management and have been subjected to the auditing procedures applied in the audit of the basic financial statements. In our opinion, the supplementary information have been prepared in accordance with SRC Rule 68.

### **Isla Lipana & Co.**

A handwritten signature in black ink, appearing to read 'C. Santos', is written over a faint, circular watermark or stamp.

Catherine H. Santos  
Partner  
CPA Cert. No. 0110097  
P.T.R. No. 0011422; issued on January 3, 2025 at Makati City  
T.I.N. 211-726-564  
BIR A.N. 08-000-745-132-2023; issued on May 9, 2023; effective until May 8, 2026  
BOA/PRC Reg. No. 0142, effective until November 14, 2025

Makati City  
March 28, 2025

Isla Lipana & Co., 29th Floor, AIA Tower, 8767 Paseo de Roxas, 1226 Makati City, Philippines  
T: +63 (2) 8845 2728, [www.pwc.com/ph](http://www.pwc.com/ph)

**The Orchard Golf & Country Club, Inc.**  
(A non-profit organization)  
Schedule of Financial Soundness Indicator  
December 31, 2024 and 2023

Ratio	Formula	2024	2023
Current Ratio	Total current assets	178,684,840	176,597,680
	Divided by: Total current liabilities	105,278,058	125,847,533
	Current ratio	1.70	1.40
Acid test ratio	Total current assets	178,684,840	176,597,680
	Less: Other current assets	21,707,478	15,790,223
	Quick assets	156,977,362	160,807,457
	Divided by: Total current liabilities	105,278,058	125,847,533
	Acid test ratio	1.49	1.28
Solvency ratio	Profit (loss) after tax	(24,530,983)	35,416,552
	Add: Depreciation expense	52,656,102	46,439,826
	Income after tax, before depreciation	28,125,119	81,856,379
	Divided by: Total liabilities	2,249,839,046	2,174,298,969
	Solvency ratio	0.013	0.038
Debt-to-equity ratio	Total liabilities	2,249,839,046	2,174,298,969
	Divided by: Total equity	6,951,963,685	6,751,797,652
	Debt-to-equity ratio	0.32	0.32
Asset-to-equity ratio	Total assets	9,201,802,731	8,926,096,621
	Divided by: Total equity	6,951,963,685	6,751,797,652
	Asset-to-equity ratio	1.32	1.32
Interest rate coverage ratio	Profit (loss) before interest and tax	(22,887,951)	40,202,392
	Divided by: Interest expenses	-	-
	Interest rate coverage ratio	N/A	N/A
Return on equity	Profit (loss) after tax	(24,530,983)	35,416,552
	Divided by: Average total equity	6,851,880,669	6,728,502,093
	Return on equity	(0.36%)	0.53%
Return on asset	Profit (loss) after tax	(24,530,983)	35,416,552
	Divided by: Average total assets	9,063,949,676	8,879,535,162
	Return on asset	(0.27%)	0.40%
Net profit margin	Profit (loss) after tax	(24,530,951)	35,416,552
	Divided by: Net revenue	365,087,277	363,357,367
	Net profit margin	(6.72%)	9.75%

**The Orchard Golf & Country Club, Inc.**  
(A non-profit organization)

Schedule A - Financial Assets  
As at December 31, 2024  
(All amounts in Philippine Peso)

Title of Issue	Number of shares or principal amount of bonds and notes	Amount shown in the statement of financial position	Value based on market quotation at end of reporting period	Income received and accrued
Cash on hand	Not applicable	500,000	Not applicable	-
Cash in banks				
Bank of Commerce	Not applicable	884,921	Not applicable	980
BDO Unibank, Inc.	Not applicable	14,459,852	Not applicable	6,788
China Banking Corporation	Not applicable	8,996,430	Not applicable	6,221
Bank of the Philippine Islands	Not applicable	3,966,434	Not applicable	2,935
Short-term deposits				
Bank of Commerce	Not applicable	20,000,000	Not applicable	706,265
BDO Unibank, Inc.	Not applicable	28,964,153	Not applicable	2,503,450
China Banking Corporation	Not applicable	26,751,326	Not applicable	1,326,697
Bank of the Philippine Islands	Not applicable	32,170,750	Not applicable	2,065,788
Total cash and cash equivalents		136,693,866		6,619,124
Receivables	Not applicable	20,283,496	Not applicable	3,110,264
Total financial assets		156,977,362		9,729,388

**The Orchard Golf & Country Club, Inc.**  
(A non-profit organization)

Schedule B - Amounts Receivable from Directors, Officers, Employees, Related Parties  
and Principal Shareholders (other than Related Parties)  
As at December 31, 2024  
(All amounts in Philippine Peso)

Name and designation of debtor	Balance at beginning of year	Additions	Amounts collected	Amounts written off	Current	Non-current	Balance at end of year
Various officers and employees	3,676,662	4,694,374	5,041,357	-	3,329,679	-	3,329,679

**The Orchard Golf & Country Club, Inc.**  
(A non-profit organization)

Schedule C - Amounts Receivable from Related Parties which are eliminated  
during the consolidation of financial statements  
As at December 31, 2024

Name and designation of debtor	Balance at beginning of year	Additions	Amounts collected	Amounts written off	Current	Non-current	Balance at end of year
Not applicable							

**The Orchard Golf & Country Club, Inc.**  
(A non-profit organization)

Schedule D - Long-Term Debt  
As at December 31, 2024

Title of Issue and type of obligation	Amount authorized by indenture	Amount shown under "Borrowing, current portion" in the statement of financial position	Amount shown under "Borrowing, net of current portion" in the statement of financial position
Not applicable			

**The Orchard Golf & Country Club, Inc.**  
(A non-profit organization)

Schedule E - Indebtedness to Related Parties  
As at December 31, 2024

Name of related party	Balance at beginning of year	Balance at end of year
Various related parties	759,972	98,210

**The Orchard Golf & Country Club, Inc.**  
(A non-profit organization)

Schedule F - Guarantees of Securities of Other Issuers  
As at December 31, 2024

Name of issuing entity of securities guaranteed by the company for which this statement is filed	Title of issue of each class of securities guaranteed	Total amount of guaranteed and outstanding	Amount owed by person for which statement is filed	Nature of guarantee
Not applicable				

**The Orchard Golf & Country Club, Inc.**  
(A non-profit organization)

Schedule G - Capital Stock  
As at December 31, 2024

Title of issue	Number of shares authorized	Number of shares issued and outstanding shown under related balance sheet caption	Number of shares reserved for options, warrants, conversion and other rights	Number of shares held by related parties	Directors, officers and employees	Others
Class A	1,800	1,800	-	-	7	1,793
Class B	700	700	-	-	-	700
Class C	500	500	-	-	-	500
	3,000	3,000	-	-	7	2,993

**The Orchard Golf & Country Club, Inc.**  
(A non-profit organization)

**Schedule H**  
**Supplementary Schedule of External Auditor Fee-Related Information**  
For the years ended December 31, 2024 and 2023  
(All amounts in Philippine Peso)

	Current Year	Prior Year
<b>Total audit fees*</b>	304,000	288,750
Non-audit services fees:	-	-
Other assurance services	78,864	-
Tax services	-	-
All other services	-	-
<b>Total non-audit fees</b>	-	-
<b>Total audit and non-audit fees</b>	382,864	288,750

*\*Amounts presented are net of value-added tax (VAT)*

**Audit and non-audit fees of other related entities**

	Current Year	Prior Year
Audit fees	-	-
Non-audit services fees:	-	-
Other assurance services	-	-
Tax services	-	-
All other services	-	-
<b>Total audit and non-audit fees of other related entities</b>	-	-

**SECURITIES AND EXCHANGE COMMISSION**

THE SEC HEADQUARTERS 7907 Makati Avenue, Salcedo Village, Bel-Air, Makati City  
1209 Trunk Line No:02-5322-7696 Email Us:www.sec.gov.ph/lmessagemo@sec.gov.ph



**The following document has been received:**

**Receiving:** DONNA ENCARNADO

**Receipt Date and Time:** May 07, 2025 11:52:28 AM

## Company Information

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**SEC Registration No.:** AS92000798

**Company Name:** ORCHARD GOLF & COUNTRY CLUB, INC.

**Industry Classification:** None

**Company Type:** Stock Corporation

## Document Information

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**Document ID:** OST10507202583279155

**Document Type:** Quarterly Report

**Document Code:** SEC\_Form\_17-Q

**Period Covered:** March 31, 2025

**Submission Type:** Original Filing

**Remarks:** None

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

# COVER SHEET

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SEC Registration Number

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(	A		N	O	N	P	R	O	F	I	T		O	R	G	A	N	I	Z	A	T	I	O	N	)			

(Company's Full Name)

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S	A	L	A	W	A	G	,		D	A	S	M	A	R	I	Ñ	A	S		C	I	T	Y	,			
C	A	V	I	T	E																						

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

<b>ATTY. CHILES MEGAN M. AREÑO</b>
------------------------------------

(Contact person)

<b>7919-4643</b>
------------------

(Company Telephone Number)

0	3
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Month  
(Fiscal Year)

3	1
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Day

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Form Type

1	0
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Month

1	2
---	---

Day

(Annual Meeting)

<b>Not Applicable</b>
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(Secondary License Type, If Applicable)

<b>CFD</b>
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Dept. Requiring this Doc.

<b>N/A</b>
------------

Amended Articles Number/Section

<b>1,954</b>
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Total No. of Stockholders

<b>None</b>
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Domestic

<b>None</b>
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Foreign

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To be accomplished by SEC Personnel concerned

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File Number

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Remarks: Please use BLACK ink for scanning purposes

SEC Number  
File Number

**AS092-000798**

## COVER SHEET

### THE ORCHARD GOLF & COUNTRY CLUB, INC.

(A NONPROFIT ORGANIZATION)

(Company's Full Name)

**Km. 27 Aguinaldo Highway, Salawag,  
Dasmariñas City, Cavite 4114**

(Company's Address)

**(02) 8982-2000**

(Telephone Number)

**December 31**

(Year Ending)  
(Month & day)

**SEC FORM 17-Q**

Form Type

**SEC FORM 17-Q**

Amendment Designation (if applicable)

**March 31, 2025**

Period Ended Date

(Secondary License Type and File Number)



## **PART I-FINANCIAL INFORMATION**

### **Item 1. Financial Statements.**


Statements of Financial Position  
Statements of Comprehensive Income  
Statements of Changes in Equity  
Statements of Cash Flow  
Notes to Financial Statements


### **Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.**

**SIGNATURES**

Pursuant to the requirements of the Securities Regulation Code, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Registrant: THE ORCHARD GOLF & COUNTRY CLUB, INC.

Signature and Title:   
Jose Ernilo P. Famy  
General Manager & Chief Operating Officer  
Date: May 2, 2025

  
Irene G. Patricio  
Finance Manager  
Date: May 2, 2025

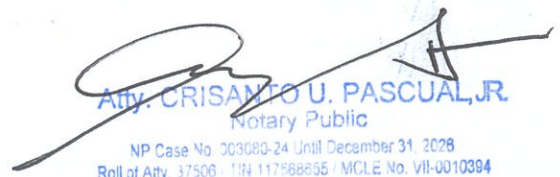
**06 MAY 2025**

SUBSCRIBED AND SWORN to before me this \_\_\_\_\_ at Imus City, Cavite  
affiants exhibiting to me their respective Tax Identification Numbers, to wit:

Jose Ernilo P. Famy  
Irene G. Patricio

TIN No. 107-081-014  
TIN No. 305-589-772

Doc. No.: 474  
Page No.: 80  
Book No.: OU  
Series of 2025

  
**Atty. CRISANTO U. PASCUAL, JR.**  
Notary Public  
NP Case No. 003080-24 Until December 31, 2028  
Roll of Atty. 37506 | TIN 117588855 | MCLE No. VII-0010394  
IBP O.R. 486746 (2) PTR 2482746  
Imus City \* Province of Cavite \* Philippines 4103

# **THE ORCHARD GOLF & COUNTRY CLUB, INC.**

(A non-profit organization)

## **Financial Statements**

As of March 31, 2025 (Unaudited) and December 31, 2024 (Audited)  
And for the quarters ended March 31, 2025 and 2024 (Unaudited)

**THE ORCHARD GOLF & COUNTRY CLUB, INC.**  
(A non-profit organization)

STATEMENTS OF FINANCIAL POSITION  
(All amounts in Philippine Peso)

		(Unaudited) March 31, 2025	(Audited) December 31, 2024
	Note		
<b><u>ASSETS</u></b>			
<b>Current assets</b>			
Cash and cash equivalents	2	201,340,006	136,693,866
Receivables, net	3	13,952,056	20,283,496
Inventories	4	4,012,038	3,872,214
Prepayments and other current assets	5	17,840,749	17,835,264
Total current assets		237,144,849	178,684,840
<b>Non-current assets</b>			
Property and equipment, net	6	475,920,764	467,039,353
Land at revalued amount	7	8,544,511,400	8,544,511,400
Other non-current assets		10,104,196	11,567,138
Total non-current assets		9,030,536,360	9,023,117,891
<b>Total assets</b>		<b>9,267,681,209</b>	<b>9,201,802,731</b>
<b><u>LIABILITIES AND EQUITY</u></b>			
<b>Current liabilities</b>			
Accounts payable and other current liabilities	8	80,784,282	86,007,971
Contract liabilities	9	68,133,020	5,119,235
Deposits from assignees and others	9	14,671,463	14,150,852
Total current liabilities		163,588,765	105,278,058
<b>Non-current liabilities</b>			
Deposits from assignees and others, net of current portion	9	1,855,000	1,855,000
Retirement benefit obligation	15	35,160,197	38,447,788
Deferred income tax liability		2,104,258,200	2,104,258,200
Total non-current liabilities		2,141,273,397	2,144,560,988
Total liabilities		2,304,862,162	2,249,839,046
<b>Members' equity</b>			
Share capital		1,083,103,341	1,083,103,341
Accumulated excess of proceeds over cost from re-issuance of shares of delinquent members		31,419,251	31,419,251
Shares of delinquent members acquired through auctions	11	(52,921,687)	(52,921,687)
Revaluation increments on land, net		6,312,774,600	6,312,774,600
Remeasurement on retirement benefits, net		(8,516,849)	(8,516,849)
Cumulative excess of expenses over receipts		(403,039,609)	(413,894,971)
Total members' equity		6,962,819,047	6,951,963,685
<b>Total liabilities and members' equity</b>		<b>9,267,681,209</b>	<b>9,201,802,731</b>

# THE ORCHARD GOLF & COUNTRY CLUB, INC.

(A non-profit organization)

## STATEMENTS OF COMPREHENSIVE INCOME

(All amounts in Philippine Peso)

		(Unaudited)	
		Quarters Ended March 31	
	Note	2025	2024
Members' dues and fees			
Membership dues		36,800,500	36,410,500
Transfer and assignment fees		14,489,167	17,172,167
Total members' dues and fees		51,289,667	53,582,667
Revenues from clubhouse operations			
Green fees		23,309,857	20,374,213
Golf cart fees		11,476,311	10,868,932
Concessionaire's fee		2,969,060	2,469,795
Facilities rental		1,822,952	1,155,071
Tournament fees		1,637,415	1,565,985
Alcoholic drink sales		1,209,415	1,233,815
Recreational facilities fees		960,645	1,337,600
Practice range fees		829,530	812,567
Proshop commission		562,423	607,544
Proshop sales		464,467	437,353
Others-net		427,989	564,764
Total revenue from clubhouse operations		45,670,064	41,427,639
<b>Total receipts</b>		<b>96,959,731</b>	<b>95,010,306</b>
Cost of goods sold and services	12	(31,694,100)	(30,668,168)
<b>Excess of receipts over cost before operating expenses, other income and depreciation expense</b>		<b>65,265,631</b>	<b>64,342,138</b>
Operating expenses other than depreciation	13	(40,303,895)	(38,476,862)
Interest income	2	1,609,169	1,719,801
Provision for doubtful accounts	3	(2,496,225)	(1,650,396)
Other income, net	14	861,185	784,945
<b>Excess of receipts and other income over costs and operating expenses other than depreciation expense</b>		<b>24,935,865</b>	<b>26,719,626</b>
Depreciation expense	6	(13,830,504)	(12,762,201)
<b>Excess of receipts over expenses before income tax</b>		<b>11,105,361</b>	<b>13,957,425</b>
Income tax expense		(250,000)	(187,500)
<b>Excess of receipts over expenses after income tax for the year</b>		<b>10,855,361</b>	<b>13,769,925</b>
<b>Basic and diluted earnings per share</b>	10	4,075	5,183

**THE ORCHARD GOLF & COUNTRY CLUB, INC.**  
*(A non-profit organization)*

STATEMENTS OF CHANGES IN EQUITY  
 (All amounts in Philippine Peso)

(Unaudited)			
Quarters Ended March 31			
	Note	2025	2024
Share capital		1,083,103,341	1,083,103,341
Excess of proceeds over cost from re-issuance of shares of delinquent members		31,419,251	17,044,251
Shares of delinquent members acquired through auctions	11	(52,921,687)	(54,446,687)
Revaluation increment on land - net		6,312,774,600	6,106,052,550
Remeasurement on retirement benefits - net		(8,516,849)	(10,591,815)
Cumulative excess of expenses over members' contributions and fees		(403,039,609)	(375,594,064)
<b>Total members' equity</b>		<b>6,962,819,047</b>	<b>6,765,567,576</b>

**THE ORCHARD GOLF & COUNTRY CLUB, INC.**

(A non-profit organization)

## STATEMENTS OF CASH FLOWS

(All amounts in Philippine Peso)

	Note	(Unaudited)	
		Quarters Ended March 31	
		2025	2024
<b>Cash flows from operating activities</b>			
Excess of receipts over expenses before income tax		11,105,361	13,957,425
Adjustments for:			
Depreciation expense	6	13,830,504	12,762,201
Provision for impairment of receivables	3	2,496,225	1,650,396
Retirement benefit cost	15	904,281	841,352
Interest income	2	(1,609,169)	(1,719,801)
Excess of receipts over expenses before working capital changes		26,727,202	27,491,573
Decrease (increase) in:			
Receivables	3	3,835,215	660,830
Inventories	4	(139,824)	(176,879)
Prepayments and other current assets	5	(5,485)	(71,130)
Other non-current assets		1,462,942	(5,502,644)
Increase (decrease) in:			
Accounts payable and other current liabilities	8	(5,473,689)	(5,247,283)
Contract liabilities	9	63,013,785	60,338,951
Deposits from assignees and others	9	520,611	873,121
Cash generated from operations		89,940,757	78,366,539
Interest received	2	1,609,169	1,719,801
Contributions	15	(2,500,000)	(5,000,000)
Retirement benefits paid	15	(1,691,872)	-
Net cash from operating activities		87,358,054	75,086,340
<b>Cash flows from investing activities</b>			
Additions to property and equipment	6	(22,711,914)	(14,656,025)
Net cash used in investing activities		(22,711,914)	(14,656,025)
<b>Net increase in cash</b>			
Cash and cash equivalents at beginning of the year		136,693,866	141,045,110
<b>Cash and cash equivalents at end of the period</b>		<b>201,340,006</b>	<b>201,475,425</b>

**THE ORCHARD GOLF & COUNTRY CLUB, INC.**  
(A Nonprofit Organization)

NOTES TO FINANCIAL STATEMENTS  
(In the notes, all amounts are shown in Philippine Peso unless otherwise stated)

**Note 1 – General information**

The Orchard Golf & Country Club, Inc. (the “Club”) was registered with the Philippine Securities and Exchange Commission (SEC) on February 5, 1992. The Club was established to promote social, educational and athletic activities on a non-profit basis among its members, the main objective of which is the maintenance of golf courses and related sports and recreational facilities.

The Club has a permit from the Philippine SEC to offer its securities for sale to the public consisting of 3,000 proprietary certificates, 7 shares of which are founders’ certificates while 2,993 shares are regular certificates.

The registered office address of the Club is Km. 27 Aguinaldo Highway, Salawag, Dasmariñas City, Cavite.

**Note 2 – Cash and cash equivalents**

Cash and cash equivalents as at March 31, 2025 and December 31, 2024 consist of:

	<b>March 31, 2025</b>	<b>December 31, 2024</b>
Cash on hand	500,000	500,000
Cash in banks	36,573,155	28,307,636
Short-term deposits	164,266,851	107,886,230
	<b>201,340,006</b>	<b>136,693,866</b>

Cash in banks earns interest at the respective bank deposit rates.

Short-term deposits are made for varying periods of up to three months depending on the immediate cash requirements of the Club and earn interest ranging from 4.30% to 4.90%.

Interest income earned from cash in banks and short-term deposits for the quarter ended March 31, 2025 amounted to P1,588,741 (December 31, 2024 – P6,619,124). Other interest income amounting to P20,428 (December 31, 2024 – P148,910) is earned from loans provided to officers presented as part of advances to officers and employees.

**Note 3 – Receivables, net**

Receivables, net as at March 31, 2024 and December 31, 2023 consist of:

	<b>March 31, 2025</b>	<b>December 31, 2024</b>
Receivables from members	52,288,238	50,717,179
Advances to officers and employees	3,094,073	3,329,679
Receivable from credit card companies	837,564	2,953,228
Receivable from concessionaires	453,013	534,204
Others	7,284,503	10,258,316
	63,957,391	67,792,606
Allowance for doubtful accounts	(50,005,335)	(47,509,110)
	<b>13,952,056</b>	<b>20,283,496</b>

Receivables from members are non-interest-bearing and have a 30 days' term subject to 3% penalty per month for unpaid amounts. Late payment charges for the quarter ended March 31, 2025 amounting to P747,866 (December 31, 2024 – P2,961,354) are recognized in profit or loss within other income.

Advances to officers for car loans, are interest-bearing at an annual rate of 12% and are repaid through salary deductions over three (3) years. Advances to employees are non-interest-bearing and are repaid through equal salary deductions over a period of one (1) to two (2) years, depending on the agreed terms.

Receivable from concessionaires is non-interest-bearing and normally have a credit term of 30 days.

Other receivables are non-interest-bearing and normally have 30 to 90 days term.

The movements in the allowance for impairment of receivables for the quarter ended March 31, 2025 and year ended December 31, 2024 are as follows:

	<b>March 31, 2025</b>	<b>December 31, 2024</b>
Beginning of the year	46,007,209	46,088,742
Provision for impairment of receivables	3,820,903	1,123,480
Write-off	500,000	(22,999)
Reversal	(971,380)	(1,182,014)
End of the year	<b>49,356,732</b>	<b>46,007,209</b>

*Critical accounting estimates and assumptions: Expected credit losses (ECL) on receivables*

Provision for impairment of receivables is maintained at a level considered adequate to provide for uncollectible receivables. Provision for impairment is calculated using expected credit losses (ECLs). ECLs are unbiased probability-weighted estimates of credit losses which are determined by evaluating a range of possible outcomes and taking into account past events, current conditions and assessment of future economic conditions.

The Club used relevant historical information and loss experience to determine the probability of default of the receivables and incorporated forward-looking information, which involved significant estimates and judgements.

The Club also evaluates specific account of members, customers, and other counterparties who are unable to meet their financial obligations. In these cases, management uses judgment and assessment based on the best available facts, including but not limited to, the debtor's payment history and the result of the Club's follow-up action to recover overdue debts. Any change in the Club's assessment of the collectability of receivables could impact the recorded carrying amount of receivables and related provision for impairment.

Management believes that the recorded allowance as at each reporting period is sufficient to cover the receivables that are impaired and assessed to be uncollectible.

**Note 4 – Inventories**

Inventories at cost as at March 31, 2025 and December 31, 2024 consist of:

	<b>March 31, 2025</b>	<b>December 31, 2024</b>
Golf operations and maintenance supplies	1,569,732	1,524,355
Proshop items	718,436	650,688
Office and computer supplies	524,911	582,439
Clubhouse maintenance supplies	477,319	476,810
Alcoholic Drinks	432,776	235,326
Other supplies	288,864	402,596
	<b>4,012,038</b>	<b>3,872,214</b>

**Note 5 – Prepayments and other current assets**

Prepayments and other current assets as at March 31, 2025 and December 31, 2024 consist of:

	<b>March 31, 2025</b>	<b>December 31, 2024</b>
Prepaid taxes	8,584,633	10,306,005
Prepaid licenses	768,483	-
Prepaid insurance	444,219	260,285
Prepaid others	8,043,414	7,268,974
	<b>17,840,749</b>	<b>17,835,264</b>

Prepaid taxes mostly pertain to real property taxes paid by the Club in advance for the next calendar year.

Prepaid insurance covers payments for auto insurance and various club insurance policies.

Prepaid others primarily consist of advances to suppliers for various golf course maintenance projects such as bunker renovation, sprinkler replacement, satellite controller upgrade.

**Note 6 – Property and equipment, net**

Details of and movements in property and equipment, net at March 31, 2025 and December 31, 2024 are as follows:

	Land improvements	Buildings and structures	Facilities and equipment	Furniture and fixtures	Kitchen equipment	Construction-in-progress	Total
<b>Cost</b>							
At January 1, 2024	608,069,332	400,383,388	526,660,377	21,855,597	2,121,657	9,634,294	1,568,724,645
Additions	-	917,341	41,227,662	-	-	4,991,071	47,136,074
Transfers	-	-	3,395,008	-	-	(3,395,008)	-
Retirement	-	(46,229)	(9,110,294)	-	-	-	(9,156,523)
<b>At December 31, 2024</b>	<b>608,069,332</b>	<b>401,254,500</b>	<b>562,172,753</b>	<b>21,855,597</b>	<b>2,121,657</b>	<b>11,230,357</b>	<b>1,606,704,196</b>
Additions	-	-	22,711,914	-	-	-	22,711,914
Retirement	-	-	(7,537,447)	-	-	-	(7,537,447)
<b>At March 31, 2025</b>	<b>608,069,332</b>	<b>401,254,500</b>	<b>577,347,220</b>	<b>21,855,597</b>	<b>2,121,657</b>	<b>11,230,357</b>	<b>1,621,878,663</b>
<b>Accumulated depreciation</b>							
At January 1, 2024	(430,699,227)	(223,407,744)	(418,327,523)	(21,609,113)	(2,121,657)	-	(1,096,165,264)
Depreciation	(10,253,214)	(14,659,190)	(27,580,735)	(162,963)	-	-	(52,656,102)
Retirement	-	46,229	9,110,294	-	-	-	9,156,523
<b>At December 31, 2024</b>	<b>(440,952,441)</b>	<b>(238,020,705)</b>	<b>(436,797,964)</b>	<b>(21,772,076)</b>	<b>(2,121,657)</b>	<b>-</b>	<b>(1,139,664,843)</b>
Depreciation	(2,563,303)	(3,557,623)	(7,693,093)	(16,484)	-	-	(13,830,503)
Retirement	-	-	7,537,447	-	-	-	7,537,447
<b>At March 31, 2025</b>	<b>(443,515,744)</b>	<b>(241,578,328)</b>	<b>(436,953,610)</b>	<b>(21,788,560)</b>	<b>(2,121,657)</b>	<b>-</b>	<b>(1,145,957,899)</b>
<b>Net carrying values</b>							
<b>At December 31, 2024</b>	<b>167,116,891</b>	<b>163,233,795</b>	<b>125,374,789</b>	<b>83,521</b>	<b>-</b>	<b>11,230,357</b>	<b>467,039,353</b>
<b>At March 31, 2025</b>	<b>164,553,588</b>	<b>159,676,172</b>	<b>140,393,610</b>	<b>67,037</b>	<b>-</b>	<b>11,230,357</b>	<b>475,920,764</b>

Critical accounting estimates: Estimated useful life of property and equipment

The Club estimates the useful lives of property and equipment based on the period over which the assets are expected to be available for use. The estimated useful lives of property and equipment are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the assets. Such estimation is based on a collective assessment of the practices of similar businesses and experiences with similar assets.

Based on management's assessment, there is no change in estimated useful lives of property and equipment during the reporting periods. Actual results, however, may vary due to changes in estimates brought about by changes in factors discussed in the foregoing.

It is possible that future results of operations could be materially affected by changes in the amounts and timing of recorded expenses brought about by the change in the factors mentioned above. A reduction in the estimated useful life of any property and equipment would increase the recorded expenses and decrease non-current assets.

Critical accounting judgment: Determination of impairment of non-financial assets

Non-financial assets including property and equipment, and land at revalued amount are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. An impairment loss would be recognized whenever evidence exists that the carrying value is not recoverable.

Management believes that there are no events or changes in circumstances which indicate that the carrying amount of its non-financial assets may be impaired as at each reporting period.

**Note 7 – Land at revalued amount**

Details of land at revalued amount and cumulative revaluation increment as at March 31, 2025 and December 31, 2024 are as follows:

	<b>March 31, 2025</b>	<b>December 31, 2024</b>
Balance at beginning of year	8,544,511,400	8,268,882,000
Revaluation increment during the year recognized in other comprehensive income	-	275,629,400
<b>Balance at end of year</b>	<b>8,544,511,400</b>	<b>8,544,511,400</b>
Less: Historical cost of the land	127,478,600	127,478,600
<b>Gross revaluation increment on land</b>	<b>8,417,032,800</b>	<b>8,417,032,800</b>

Description of the valuation techniques and key inputs to the valuation of land at revalued amount are as follows:

<b>Valuation technique</b>	<b>Significant unobservable inputs</b>	<b>Range</b>
Market (data) approach	Selling price of identical piece of land	15,000 per square meter
	External factor adjustments	-50% to -54%
	Internal factor adjustments	-15%
	Average fair value after internal and adjustments	6,200 per square meter external factor

The Club determines that the said properties were valued within a range of reasonable fair value estimates where all resulting fair value estimates are categorized as fair value measurements using significant unobservable inputs (Level 3).

Valuations are performed with sufficient regularity at least once every two (2) years enough to ensure that the fair value of the revalued asset does not differ significantly from its carrying value.

Critical accounting estimates: Fair value estimation of land

Land at revalued amount is measured at revalued amount, which approximates its fair value at the date of the revaluation less any accumulated impairment losses. In determining the fair value of land, the Club, through the professional services of an independent external appraiser, utilized a sales comparison approach. The technique of this approach requires comparison of properties with similar characteristics that are offered for sale or have been sold recently.

When a valuation is obtained, management reviews the key inputs, assesses valuation movements and holds discussions with the valuer as part of the process. Discussions about the valuation processes and results are held between the management and the Club's Board of Directors.

**Note 8 – Accounts payable and other current liabilities**

Accounts payable and other current liabilities as at March 31, 2025 and December 31, 2024 consist of:

	March 31, 2025	December 31, 2024
Trade payables:		
Third parties	21,160,642	30,010,812
Due to members	13,714,124	7,106,360
Related parties	689,665	98,210
Accrued expenses:		
Professional fees	6,352,714	5,769,114
Outside services	2,891,259	3,587,381
Utilities	623,806	489,197
Others	8,358,061	5,699,810
Deposit for reacquired shares	9,500,000	9,500,000
Consignment and due to concessionaires	6,994,773	8,971,615
Payable to government agencies	910,838	4,913,921
Others	9,588,400	9,861,551
	<b>80,784,282</b>	<b>86,007,971</b>

Trade payables to third parties are non-interest-bearing and are normally on 15 to 30 days' terms.

Due to members account pertains to player's payment of golfers' insurance fee and hole-in-one fund. These are amounts paid by the members every time they play in the Club in anticipation of a hole-in-one and fund in case of accidents relating to the insurance.

Accrued expenses are non-interest-bearing and have an average term of one month.

Deposit for reacquired shares pertains to payments received for the sale of re-acquired shares which are awaiting issuance of the related stock certificates to new owners.

Consignment and due to concessionaires account pertain to unremitted sales to consignors and concessionaires. These are all collections by the Club, made through its point-of-sale system, which shall be operated and maintained exclusively by the Club, after the deduction of the appropriate concession fee and cash advances which are remitted to the concessionaires at the end of each month.

Other payables which mainly pertain to liabilities from environment fees, tournament fees and other expenses are non-interest-bearing and are normally on 30 to 90 days' terms.

**Note 9 – Contract liabilities; deposits from assignees and others**

Contract liabilities pertain to advances received from members for membership dues, which are recognized as part of revenue upon satisfaction of performance obligations, normally within one year upon receipt of advances. As at March 31, 2025 contract liabilities amounted to P68,133,020 (December 31, 2024 – P5,119,235).

Deposits from assignees pertain to initial deposits from members' assignees related to the playing rights and are refundable at the end of the contract term. Deposits from others pertain to deposits for guest fees which are refundable at the end of each use of the facilities. Deposits from assignees and others as at March 31, 2025 and December 31, 2024 are as follows:

	<b>March 31, 2025</b>	<b>December 31, 2024</b>
Current	14,671,463	14,150,852
Non-current	1,855,000	1,855,000
	<b>16,526,463</b>	<b>16,005,852</b>

**Note 10 – Capital stock, club membership and basic earnings (loss) per share**

Details of share capital as at March 31, 2025 and December 31, 2024 are as follows:

	Authorized		Issued, subscribed and outstanding	
	Amount	Number of shares	Amount	Number of shares
Class A	1,800	448,455,086	1,800	448,455,086
Class B	700	296,074,144	700	296,074,144
Class C	500	338,574,111	500	338,574,111
	<b>3,000</b>	<b>1,083,103,341</b>	<b>3,000</b>	<b>1,083,103,341</b>

Founders' shares and Class "A" shares may be sold to citizens of the Philippines or to partnerships, corporations or associations, of which at least sixty percent (60%) of the outstanding capital stock and entitled to vote is owned or controlled by citizens of the Philippines.

Class "B" shares may be sold to any individual, corporation, partnership, or association, irrespective of their nationality.

Class "C" shares are special corporate shares which may be sold to corporations irrespective of their nationality or citizenship.

Ownership of a share shall entitle the registered owner to the use of all the sports and other facilities of the Club. The ownership of all shares of stock is however, subject to the following restrictive conditions, among others:

- a. No transfer of shares of stocks 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;
- b. No profit shall inure to the exclusive benefit of any of the shareholder, hence, no dividends shall be declared in their favor. Shareholders shall be entitled only to a pro-rata share of the assets of the Club at the time of the dissolution or liquidation;
- c. In case of foreclosure by the pledgee or mortgagee of the shares of shareholders in the Club, the pledgee/mortgagee shall, in the event of inability of the pledgor or mortgagor to meet the obligation of such pledgor or mortgagor under the terms of the pledge or chattel mortgage, notify the Club in writing of the date, time and place of foreclosure sale and of the nature and amount of obligation secured by the pledge or mortgage, which sale shall be conducted not earlier than 15 days from the date the Club received written notice thereof. The Club shall have the right to purchase the auctioned shares within 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;
- d. Shareholders and members of the Club shall be subjected to the payment of monthly dues in an 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. Such dues together with all other obligations of the shareholders to the Club, shall constitute a first lien on the shares, second only to any lien in favor of the national or local government and in the event of delinquency, such shares may be ordered sold by the BOD in the manner provided in the by-laws to satisfy said dues or other obligations of the shareholders;
- e. In case any shareholder violates 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 shareholders, 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 shareholder may be expelled by the BOD in the manner provided in the by-laws upon proper notice and hearing, and he shall then cease to be a shareholder, and shall have no right with respect to his share except the right to demand payment therefore in accordance with the by-laws. The Club shall have a period of 30 days from the expulsion of the shareholder to make payment of his share, and upon such payment the shareholder shall forthwith transfer and assign the share held by him as directed by the Club.

Membership in 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.

#### *Assignee Members*

Assignee members are natural persons who are entitled to use all facilities and privileges of the Club, except the right to vote, the right to hold office, and the right to the assets and property of the Club.

#### *Honorary Members*

Honorary membership shall be automatically extended to the President of the Philippines, the Governor of Cavite, the Congressman and Mayor of the City of Dasmariñas, Cavite.

### *Founding Members*

Founding members shall be composed of the original incorporators or subscribers of the Club who are holders of Founders' shares.

### *Non-activated shares*

On December 13, 1994, the BOD of the Club approved the resolution that no membership dues shall be charged to the original holders' non-activated shares, unless they transfer or sell their share or assign the playing rights. Non-activated shares refer to those shares that have not been applied for membership and the monthly dues of which are not being paid. Original shareholders refer to Sta. Lucia Realty Development Inc., AFP-Retirement and Separation Benefits Systems, ACL Development Corporation and Helena Benitez. They were given shares of stock in the Club as compensation for their respective investments constituting land and development costs.

Notwithstanding the non-payment of fees and dues, holders of non-activated shares shall still have the right to vote in accordance with the right of a regular member in good standing.

Thus, in the case of original shareholders of non-activated shares, the nonpayment of fees, dues and assessments do not constitute delinquent shares and therefore are still entitled to vote.

### *Basic and diluted earnings (loss) per share*

	<b>March 31, 2025</b>	<b>December 31, 2024</b>
Excess (Deficiency) of receipts over expenses after income tax	10,855,361	(24,530,985)
Number of shares	2,664	2,664
<b>Basic and diluted earnings (loss) per share</b>	<b>4,075</b>	<b>(9,208)</b>

Basic and diluted earnings (loss) per share are equal as the Club does not have any dilutive potential ordinary shares in March 31, 2025 and December 31, 2024.

### **Note 11 – Shares of delinquent members acquired through auctions**

This represents the following shares of delinquent members which were acquired through auctions pursuant to the Club By-laws as settlement of their long outstanding accounts.

	<b>March 31, 2025</b>	<b>December 31, 2024</b>
Class A	242	242
Class B	50	50
Class C	44	44
	<b>336</b>	<b>336</b>

**Note 12 – Cost of goods sold and services**

The components of cost of goods sold and services for the three months ended March 31 are as follows:

	2025	2024
Repairs and maintenance	12,751,127	12,415,409
Salaries, wages and employee benefits	7,188,812	6,668,257
Utilities	3,447,857	3,939,680
Tournament expenses	2,256,640	1,896,376
Operating supplies	1,663,425	1,203,193
Cost of sales - alcoholic drinks	780,519	692,608
SSS, GSIS, Philhealth, HDMF & other contributions	690,833	569,935
Janitorial and messengerial services	677,650	808,070
Retirement cost	395,478	357,273
Cost of sales - proshop	324,044	300,949
Member relations	282,594	563,967
Professional fees	223,076	238,734
Taxes and licenses	230,933	212,875
Communication	154,076	45,109
Representation	121,734	133,863
Others	505,302	621,870
	<b>31,694,100</b>	<b>30,668,168</b>

**Note 13 – Operating expenses other than depreciation**

The components of operating expenses other than depreciation for the three months ended March 31 are as follows:

	2025	2024
Salaries, wages and employee benefits	15,830,183	14,500,575
Security services	5,291,672	4,942,079
Repairs and maintenance	4,376,565	4,630,227
Janitorial and messengerial services	2,708,284	2,351,248
Taxes and licenses	2,273,688	2,290,582
Operating supplies	1,745,347	2,088,732
Utilities	1,361,879	1,554,877
Credit & collection	1,079,741	944,951
SSS, GSIS, Philhealth, HDMF & other contributions	873,986	755,544
Linen and laundry	799,189	389,220
Professional fees	757,677	746,798
Representation	750,915	651,465
Retirement cost	508,803	484,079
Insurance	505,346	495,159
Provision for general contingency	500,000	500,000
Communication	447,772	738,433
Others	492,848	412,893
	<b>40,303,895</b>	<b>38,476,862</b>

#### **Note 14 – Other income, net**

The components of other income, net for the three months ended March 31 are as follows:

	<b>2025</b>	<b>2024</b>
Late payment charges	747,866	833,717
Foreign exchange gain (loss) - net	(5,669)	6,693
Miscellaneous	118,988	(55,465)
	<b>861,185</b>	<b>784,945</b>

#### **Note 15 – Retirement benefit obligation**

The Club has a funded, non-contributory defined benefits retirement plan, administered by a trustee, covering all of its regular and full-time employees. The Club recognizes the amount of retirement benefits that must be accrued in accordance with its new retirement policy, effective July 2024.

- A. Loyalty/Gratuity Pay – an employee who is at least 45 years old and served for at least 15 years will receive as part of the final pay an amount equivalent to fifty percent (50%) of the one-month salary per year of service.
- B. Early Retirement Pay – an employee may file an application for early retirement provided that the employee is at least 50 years old and rendered at least 20 years; the tax-free amount will be equivalent to one hundred percent (100%) of the monthly rate for each year of service.
- C. Normal Retirement Benefit – available to employees who are 60 years old; retirement amount (tax-free) will vary on the years of service, as follows:

Years of service	Percentage
10 – 14 years	100%
15 – 19 years	125%
20 – 24 years	150%
25 – 29 years	175%
30 years and up	200%

Movements in the present value of defined benefit obligation as of March 31, 2025 and December 31, 2024 are as follows:

	<b>March 31, 2025</b>	<b>December 31, 2024</b>
Balance at the beginning of the year	38,447,788	10,680,586
Retirement benefit expense	904,281	37,342,167
Remeasurement loss	-	(2,074,965)
Contributions to the plan asset	(2,500,000)	(7,500,000)
Benefits paid	(1,691,872)	-
Balance at end of the year	<b>35,160,197</b>	<b>38,447,788</b>

#### **Critical accounting estimates: Retirement benefit obligation**

The present value of the retirement benefit obligation depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost for retirement benefit include the discount rate and future salary increases. Any changes in these assumptions will impact the carrying amount of retirement benefit obligation.

The Club determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the retirement benefit obligation. In determining the appropriate discount rate, the Club considers the interest rates of government bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related retirement benefit obligation and related retirement benefit expense.

Other key assumptions in determining retirement benefit obligation are based in part on current market conditions.

#### **Note 16 – Critical accounting estimates, assumptions and judgments**

Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Club makes estimates, assumptions and judgments concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates, assumptions and judgments 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.

- a) Critical accounting estimates and assumptions
  - *Expected credit loss (ECL) on receivables (Note 3)*
  - *Estimating useful life of property and equipment (Note 6)*
  - *Fair value estimation of land (Note 7)*
  - *Retirement benefit obligation (Note 15)*
- b) Critical judgments in applying the Club's accounting policies
  - *Determination of impairment of property and equipment (Note 6)*

#### **Note 17 – Summary of material accounting policy information**

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **17.1 Basis of Preparation**

These financial statements of the Club have been prepared in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards. PFRS Accounting Standards comprise the following authoritative literature:

- PFRS Accounting Standards,
- PAS Standards, and
- Interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC), Philippine Interpretations Committee (PIC), and Standing Interpretations Committee (SIC) as approved by the Financial and Sustainability Reporting Standards Council (FSRSC) and the Board of Accountancy (BOA) and adopted by the Securities and Exchange Commission (SEC).

The financial statements have been prepared on a historical cost basis of accounting, except for the following:

- land which is measured at the revalued amount; and
- net retirement benefits liability which is measured at the present value of defined benefits obligation less the fair value of the plan assets.

The preparation of financial statements in conformity with PFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Club's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are summarized in Note 16.

## **17.2 Changes in accounting policies and disclosures**

### *(a) New and amended standards adopted by the Company*

The Company has applied the following standards and amendments for the first time for its annual reporting period commencing January 1, 2024:

- Classification of liabilities as current or non-current and non-current liabilities with covenants - Amendments to PAS 1

The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current. The amendments include clarifying the classification requirements for debt a company might settle by converting it into equity.

The amendments clarify, not change, existing requirements, and so are not expected to affect companies' financial statements significantly. However, they could result in companies reclassifying some liabilities from current to non-current, and vice versa; this could affect a company's loan covenants.

The above amendments did not have any impact on the amounts recognized in current and prior periods and are not expected to significantly affect future periods.

### *(b) New standards and interpretations not yet adopted*

Certain new accounting standards and amendments to accounting standards have been published that are not mandatory for December 31, 2024 reporting periods and have not been early adopted by the Company. The Company's assessment of the impact of these new standards and amendments is set out below:

- Amendments to PAS 21 - Lack of Exchangeability (effective for annual periods beginning on or after January 1, 2025)

This amended PAS 21 to help entities to determine whether a currency is exchangeable into another currency, and which spot exchange rate to use when it is not. The Club does not expect these amendments to have a material impact on its operations or financial statements.

- Amendments to the Classification and Measurement of Financial Instruments - Amendments to PFRS 9 and PFRS 7 (effective for annual periods beginning on or after January 1, 2026)

These amendments:

- clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the sole payments of principal and interest (SPPI) criterion;
- add new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and

- update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

The Company does not expect these amendments to have a material impact on its operations or financial statements.

- PFRS 18 Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after January 1, 2027)

PFRS 18 will replace PAS 1 Presentation of financial statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though PFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements.

Management is currently assessing the detailed implications of applying the new standard on the Company's financial statements. From the high-level preliminary assessment performed, the following potential impacts have been identified:

- Although the adoption of PFRS 18 will have no impact on the Club's net profit, the Company expects that grouping items of income and expenses in the statement of profit or loss into the new categories will impact how operating profit is calculated and reported. From the high-level impact assessment that the Club has performed, the following items might potentially impact operating profit:
  - Foreign exchange differences currently aggregated in the line item 'other income and other gains/(losses) - net' in operating profit might need to be disaggregated, with some foreign exchange gains or losses presented below operating profit.
- The line items presented on the primary financial statements might change as a result of the application of the concept of 'useful structured summary' and the enhanced principles on aggregation and disaggregation.
- The Club does not expect there to be a significant change in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/disaggregation principles. In addition, there will be significant new disclosures required for:
  - management-defined performance measures;
  - a break-down of the nature of expenses for line items presented by function in the operating category of the statement of profit or loss - this break-down is only required for certain nature expenses; and
  - for the first annual period of application of PFRS 18, a reconciliation for each line item in the statement of profit or loss between the restated amounts presented by applying PFRS 18 and the amounts previously presented applying PAS 1.
- From a cash flow statement perspective, there will be changes to how interest received, and interest paid are presented. Interest paid will be presented as financing cash flows and interest received as investing cash flows, which is a change from current presentation as part of operating cash flows.

The Club will apply the new standard from its mandatory effective date of January 1, 2027. Retrospective application is required, and so the comparative information for the financial year ending December 31, 2026 will be restated in accordance with PFRS 18.

## 17.3 Financial assets

### *Classification and presentation*

#### 17.3.1 Classification

The Club classifies its financial assets in the following measurement categories:

- (a) those measured subsequently at fair value either through OCI (FVOCI) or through profit or loss (FVTPL); and
- (b) those measured at amortized cost.

The classification depends on the Club's business model for managing the financial assets and the contractual terms of the cash flows. The Club did not hold financial assets under category (a) during and as at March 31, 2025 and December 31, 2024. The Club's financial assets under category (b) includes cash and cash equivalents (Note 2) and receivables (Note 3).

#### 17.3.2 Impairment

The Club assesses on a forward-looking basis the expected credit loss associated with its financial assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Loss allowances of the Club are measured on either of the following bases:

- 12-month expected credit losses (ECLs) - these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime ECLs - these are ECLs that result from all possible default events over the expected life of a financial instrument or contract asset.

#### *Simplified approach*

The Club applies the simplified approach to provide for ECLs for all trade receivables. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

A loss allowance for full lifetime expected credit losses is required for a financial instrument if the credit risk of that financial instrument has increased significantly since initial recognition, as well as to contract assets or trade receivables that do not constitute a financing transaction in accordance with PFRS 15.

Additionally, the Club elects an accounting policy to recognize full lifetime expected losses for all contract assets and/or all trade receivables that do constitute a financing transaction in accordance with PFRS 15.

#### *General approach*

The Club applies the general approach to provide for ECLs on non-trade receivables. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the Club assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Club considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Club's historical experience and informed credit assessment and includes forward-looking information.

The Club considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Club in full, without recourse by the Club to actions such as realizing security (if any is held); or
- the financial asset is more than 360 days past due.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Club is exposed to credit risk.

### *17.3.3 Credit-impaired financial assets*

At each reporting date, the Club assesses whether financial assets carried at amortized cost are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the counterparty;
- a breach of contract such as actual default; or
- it is probable that the borrower will enter bankruptcy or other financial reorganization.

## **17.4 Financial liabilities**

### *Classification*

The Club classifies its financial liabilities in the following categories: (i) financial liabilities at fair value through profit or loss and (ii) financial liabilities at amortized cost. The classification depends on the purpose for which the financial liabilities were incurred. Management determines the classification of its financial liabilities at initial recognition.

Financial liabilities at fair value through profit or loss have two sub-categories: (i) financial liabilities classified as held for trading; and (ii) financial liabilities designated by the Club as at fair value through profit or loss upon initial recognition.

The Club does not have financial liabilities at fair value through profit or loss.

The Club's financial liabilities at amortized cost consist mainly of accounts payable and other liabilities (except payable to government agencies and liabilities from special assessments) (Note 8) and deposits from assignees and others (Note 9).

## **17.5 Fair value measurement**

### *Non-financial assets*

For non-financial assets, the Club uses valuation techniques that are appropriate in the circumstances and applies the technique consistently. Commonly used valuation techniques are as follows:

- Market approach - A valuation technique that uses prices and other relevant information generated by market transactions involving identical or comparable (i.e., similar) assets, liabilities or a group of assets and liabilities, such as a business.
- Income approach - Valuation techniques that convert future amounts (e.g., cash flows or income and expenses) to a single current (i.e., discounted) amount. The fair value measurement is determined on the basis of the value indicated by current market expectations about those future amounts.
- Cost approach - A valuation technique that reflects the amount that would be required currently to replace the service capacity of an asset (often referred to as current replacement cost).

The fair value of a non-financial asset is measured based on its highest and best use. The asset's current use is presumed to be its highest and best use.

Significant non-financial asset of the Club is land which is carried at fair value under Level 3 hierarchy.

The Club has no other significant non-financial assets and liabilities carried at fair value.

#### **17.6 Cash and cash equivalents**

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 from the date of acquisition and that are subject to an insignificant risk of change in value.

#### **17.7 Receivables**

Receivables arising from regular service, with average credit term of 30 to 90 days, are initially recognized at transaction price and subsequently measured at amortized cost less provision for impairment, if any.

Other receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less any provision for impairment, if any.

The relevant policies on classification, recognition, measurement, impairment and derecognition are further disclosed in Note 17.3.

#### **17.8 Property and equipment**

Property and equipment are carried at cost less accumulated depreciation and amortization and impairment losses, if any. Such cost includes the cost of replacing part of the equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

Land is not depreciated. Depreciation is computed using the straight-line method over the following estimated useful lives of the assets:

	Number of years
Land improvements	5 to 10 buildings and structures
Buildings	47
Facilities and equipment	3 to 10
Furniture and fixtures	5
Kitchen equipment	5

The residual values, useful lives and depreciation method are reviewed and adjusted if appropriate, at each financial year end 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.

Construction in-progress represents properties under construction and is stated at cost. This includes costs of construction and other direct costs. Construction in-progress is not depreciated until such time as the relevant assets are completed and are put into operational use.

#### *Land at revalued amount*

Land is initially measured at cost which consist of the purchase price and any directly attributable cost.

Land is subsequently measured at revalued amount less any accumulated impairment in value and subsequently measured using the revaluation method. Land is not depreciated.

Revalued amounts are determined through the appraisal of an external, independent and SEC-accredited appraisal company. Revaluations are made in every two years to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

The net appraisal increment resulting from the revaluation was credited to "Revaluation increment on land" account shown in the members' equity section of the statement of financial position and the statement of changes in members' equity.

Any decrease in the carrying amount resulting from a revaluation is recognized in profit or loss. However, the decrease shall be recognized in other comprehensive income to the extent of any credit balance existing in the revaluation surplus in respect of that asset. The decrease recognized in other comprehensive income (OCI) also reduces the "Revaluation increment on land" account in the members' equity section of the statement of financial position.

### **17.9 Impairment of non-financial assets**

The Club assesses at each reporting date whether there is an indication that an asset (e.g., land at revalued amount, property and equipment) may be impaired. If any indication exists, or when annual impairment testing for an asset is required, 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 fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators. Impairment losses are recognized in the statement of comprehensive income in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each reporting period 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.

After such a reversal, the depreciation and amortization 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.

#### **17.10 Contract liabilities and deposits from assignees and others**

##### *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 a 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 also include payments received by the Club from the customer for which revenue recognition has not yet commenced.

##### *Deposits from assignees and others*

Deposits from assignees and others represent refundable deposits from assignees for playing rights and deposits from food and beverage concessionaires. Deposits from assignees are being recognized by the Club once the member assigned its playing rights to the assignee. These are refundable at the end of assignment term.

#### **17.11 Employee Benefits**

##### *Net retirement benefits liability*

The net defined benefits liability is the aggregate of the present value of the defined benefits obligation (DBO) at the end of the reporting date reduced by the fair value of plan assets, adjusted for any effect of limiting a net defined benefits asset to the asset ceiling. The asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The cost of providing benefits under the defined benefits plans is actuarially determined using the projected unit credit method.

Defined benefits costs comprise the following:

- (a) Service cost
- (b) Net interest on the net defined benefits liability or asset
- (c) Remeasurements of net defined benefits liability or asset

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.

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

Remeasurements comprising actuarial gains and losses and any change in the effect of the asset ceiling (excluding net interest on defined benefit liability) are recognized immediately in other comprehensive income in the period in which they arise.

### **17.12 Capital stock**

Capital stock has no par value. Incremental costs directly attributable to the issuance of common shares are recognized as a deduction from equity, net of any tax effects.

Proceeds and/or fair value of consideration received are recognized as capital stock.

#### *Excess of proceeds over cost from re-issuance of shares of delinquent members*

Excess of proceeds over cost from re-issuance of shares of delinquent members is the excess between the consideration received and the cost of reacquired shares from delinquent members.

#### *Shares of delinquent members acquired through auctions*

This represents the shares of delinquent members which were acquired by the Club through auctions pursuant to the Club's Article of Incorporation and By-laws in settlement of member's long outstanding receivables.

#### *Cumulative excess of expenses over receipts*

Cumulative excess of expenses over members' contribution and fees includes current and prior years' results, net of transactions with shareholders, if any.

#### *Other comprehensive income (OCI)*

Other comprehensive income comprises items of income and expense that are not recognized in profit or loss for the year in accordance with PFRS.

### **17.13 Revenue recognition**

#### *Revenue from contracts with customers*

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Club expects to be entitled in exchange for those goods or services, excluding amounts collected on behalf of third parties. Revenue is recognized when the Club satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognized is the amount allocated to the satisfied performance obligation.

The amount of revenue recognized is the amount allocated to the satisfied performance obligation.

The Club assesses its revenue against specific criteria in order to determine if it is acting as principal or agent. The Club has concluded that, 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 risks.

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

### *Membership dues*

Membership dues are billed one month in advance and are recognized over time when earned and when no significant doubt as to its collectability exists. Advance collection of membership dues is recognized as "Contract liabilities" account in the statement of financial position.

### *Assignment fees*

Assignment fees are revenue related to playing rights being transferred from a member to an assignee for a period of time. These are recognized upon transfer of playing rights to the assignee. These are recognized at a point in time when services related to the assignment of playing rights are rendered.

### *Transfer fees*

Transfer fees represent income from registration of transfer of ownership of a golf share in the Club's stock and transfer book. Revenues are recognized upon transfer of ownership to the buyer. Revenues are recognized at a point in time when services related to the transfer of ownership are rendered.

### *Green fees, Golf cart fees, Tournament fees, Practice range fees, Recreational facilities fees, Facilities rental*

Revenue from the use of the Club's golf course and other amenities and availment of the Club's services are recognized when services are rendered, and amenities are used.

### *Alcoholic drink sales, Proshop sales, Proshop commission*

Revenue is recognized at point in time when customer obtains control of the goods which coincides with the receipt and acknowledgment of the customer of the goods. Commission is computed as a certain percentage of the consignor's selling price.

### *Concessionaire's fee*

Income derived from entities allowed to do business within the Club premises are recognized in accordance with the terms of the agreement. Commission is recognized over time and is computed as a certain percentage of the sales of the concessionaire.

### *Interest income*

Revenue is recognized as the interest accrues and collection is reasonably assured.

### *Miscellaneous income*

Revenue is recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

## **17.14 Leases**

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset even if the right is not explicitly specified in the arrangement.

### *Club as a Lessor*

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

### **17.15 Current and deferred income tax**

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishing provisions where appropriate on the basis of amounts to be paid to tax authorities.

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

- where the deferred income tax liability arises from the initial recognition of goodwill or 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 profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where 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 for all deductible temporary differences, carry forward benefits of unused tax credits from excess minimum corporate income tax (MCIT) and net operating loss carryover (NOLCO), to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and NOLCO can be utilized.

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

### **17.16 Provisions**

Provisions are recognized when the Club has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provisions are not recognized for future operating losses.

Where that Club expects a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the

risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

Provisions are reviewed at each reporting date and adjusted to reflect management's current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed and derecognized from the statement of financial position.

#### **17.17 Contingencies**

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

# THE ORCHARD GOLF & COUNTRY CLUB, INC.

## SEC FORM 17-Q

For the period ended March 31, 2025

### ITEM 2 - MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of financial condition and results of operations should be read in conjunction with the financial statements and related notes as of March 31, 2025 and December 31, 2024. This discussion contains forward-looking statements, which involve risks and uncertainties that may differ materially from actual results, indicating the current views with respect to future events and future financial performance.

#### **Overview**

##### ***Financial Condition***

*March 31, 2025 (Unaudited) vs. December 31, 2024 (Audited)*

Total assets as of March 31, 2025 amounted to P9,267.7 million, surpassing the December 31, 2024 balance of P9,201.8 million by P65.9 million or 1%. The substantial growth in current assets by P58.5 million was primarily driven by an increase in cash and cash equivalents, which rose by P64.6 million or 47%, largely due to the collection of annual dues for 2025. Meanwhile, the receivables balance decreased by P6.3 million or 31% following the collection of tournament-related dues. Non-current assets also grew by P7.4 million or 0.1%, reflecting the net effect of an P8.9 million or 2% increase in property and equipment, and a P1.5 million or 13% decrease in other current assets, both related to the Club's ongoing golf cart re-fleeting program.

Total liabilities as of March 31, 2025 amounted to P2,304.9 million, surpassing the December 31, 2024 balance of P2,249.8 million by P55 million or 2%, which consists of the increase in current liabilities by P58.3 million or 55% and decrease in non-current liabilities by P3.3 million or 0.2%. The increment in current liabilities is primarily attributed to contract liabilities, recording an increase of P63 million or 1,231%, which is related to the collection of annual dues for 2025. Meanwhile, the decrease in accounts payable and other current liabilities by P5.2 million or 6% refers to the payment of expenditures to third parties. As for the non-current liabilities, the decrease of P3.3 million refers to the contribution paid for the Club's retirement plan, and benefits paid to the Club's employee.

Total members' equity as of March 31, 2025 amounted to P6,962.7 million, surpassing the December 31, 2024 balance of P6,952 million by P10.9 million or 0.2%, which represents the excess of receipts over expenses, net of tax for the first three months of 2025.

## **Results of Operations**

*Quarter Ended March 31, 2025 vs. Quarter Ended March 31, 2024 (Unaudited)*

Excess of expenses over receipts, net of tax for the quarter ended March 31, 2025 amounted to P10.9 million, which significantly declined by P2.9 million or 21% from P13.8 million excess of receipts over expenses, net of tax reported in the same quarter of the previous year. The decrease was driven by the following:

- The upsurge in cost of goods sold and services by P1 million or 3% was primarily attributed to higher salaries, wages and employee benefits resulting from the increase in manpower complement following the implementation of 5-day workweek, as well as increased repairs and maintenance costs to support the continuous preservation and upkeep of the courses, clubhouse and other facilities.
- Operating expenses and other depreciation grew by P1.8 million or 5%. The increment was due to higher manpower complement, which lead to increased payroll-related expenses, and DOLE-mandated minimum wage adjustment, which resulted in higher security and janitorial costs.

Earnings per share for the quarter ended March 31, 2025 reached P4,075, which is below than the P5,183 earnings per share recorded last year.

Management made no changes in its estimates in prior financial year and current financial year, nor made changes in the amount of estimates previously reported that has a material effect in the current interim period. There were no subsequent events to the end of the interim period that could materially affect the interim report. The Club is not involved in any business combination nor does it have subsidiaries nor maintain long-term investment. There are no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the Club with unconsolidated entities or other persons created during the reporting period.

## **Key Performance Indicators**

The top four (4) key performance indicators of the Club are as follows: (1) current ratio; (2) earnings before interests, taxes, depreciation and amortization (EBITDA); (3) dues-paying members; and (4) golf rounds, trends and efficiency ratios.

	<b>(Unaudited)</b>	
	<b>Three Months ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Current ratio	<b>1.45:1</b>	1.29:1
EBITDA	<b>P23.3 million</b>	P25 million
Dues-paying members	<b>2,433</b>	2,423
Golf rounds	<b>29,974</b>	29,314

### ***Current ratio***

Current ratio is a primary test of solvency to meet current obligations from current assets as a going concern. It also measures the adequacy of working capital. As of March 31, 2025, the Club has a current ratio of 1.45:1, which is higher than the 1.29:1 current ratio reported in the same period last year.

### ***EBITDA***

EBITDA measures the company's overall financial performance. It focuses on the financial outcome by eliminating the impact of non-operating management decisions. As of March 31, 2025, EBITDA amounted to P23.3 million, lower than March 2024's P25 million by P1.7 million or 7%.

### ***Dues-paying members***

Dues-paying members refer to shareholders of the Club that are subject to the payment of monthly maintenance dues in such amount as may be prescribed by resolution of the Board of Directors to meet the expenses for the general operations of the Club, and maintenance and improvement of its premises and facilities. As of March 31, 2025, the number of dues-paying members increased to 2,433 from 2,423 in March 31, 2024.

### ***Golf rounds, trends and efficiency ratios***

Golf rounds, trends and efficiency ratios refer to the number of golf rounds in comparison with other selected golf clubs within the industry. As of March 31, 2025, the Club recorded total golf rounds of 29,974 with a member-guest ratio of 77:23, which is lower by mere 660 rounds as compared to the same period in 2024 with total golf rounds of 29,314 and member-guest ratio of 78:22.

## **Operating Plan**

The Club remains steadfast in its commitment to becoming a premier golf and country club in the country and the preferred destination for prestigious golf tournaments and events. This vision continues to guide all strategic and operational efforts, with a focus on delivering the best possible experience to members and guests.

For the rest of the year, Management will continue to prioritize the upkeep and improvement of the Club's two golf courses, both of which have been recognized by Golf Digest as among the best in the country. Maintaining these courses in excellent condition is essential to the Club's identity and value. Ongoing efforts include completing the bunker renovation program, upgrading the irrigation system with new satellite controllers and sprinklers to improve water efficiency, and continuing the golf cart replacement program to enhance player comfort and convenience.

In addition to course maintenance, Management remains focused on enhancing the overall experience for members and guests. The Club's plans and programs are focused on improvements in customer service, clubhouse facilities, and the introduction of services that add value and enjoyment to all members and stakeholders.

Financial responsibility continues to be a key priority. The Club will operate within the approved 2025 budget and business plan, with capital expenditures of up to PHP 60 million allocated to projects that support service quality and operational efficiency. Careful management of resources is expected to maintain financial stability while advancing the Club's goals.

The Club also remains committed to long-term development. Planned improvements are intended not only to meet current needs but to ensure continued growth and excellence in the years ahead, reinforcing the Club's reputation as a top-tier golf and country club.

As of this report, there are no known issues that could affect the Club's operations, finances, or future plans. Management moves forward with clear direction and strong dedication to upholding the high standards that define the Club, to the benefit of all members and guests.

**THE ORCHARD GOLF & COUNTRY CLUB, INC.****MANAGEMENT REPORT****Management's Discussion and Analysis or Plan of Operation**

The following discussion and analysis of the Club's financial condition and results of operations should be read in conjunction with the audited financial statements and the related notes as and for the years December 31, 2024, 2023, and 2022 included in this Annual Report. This discussion contains forward-looking statements that reflect Management's current views with respect to future events and the Club's future financial performance. These statements involve risks and uncertainties, and actual results may differ materially from those anticipated and these forward-looking statements.

**(1) Key Performance Indicators**

The Club considers top four (4) key performance indicators, as follows: (1) current ratio; (2) earnings before interests, taxes, depreciation, and amortization (EBITDA); (3) dues-paying members; and (4) golf rounds, trends and efficiency ratios.

Current ratio is a primary test of solvency. It measures an entity's ability to meet current obligations from current assets, thus, the ability to continue as a going concern. It also measures the adequacy of working capital. EBITDA, which refers to net income with interest, taxes, depreciation, and amortization added back in, is used to analyze profitability because it eliminates the effects of financing and accounting decisions. Dues paying members refer to shareholders of the Club that are subject to the payment of monthly maintenance dues, in such amount as may be prescribed by resolution of the Board of Directors to meet the expenses for the general operations of the Club, and the maintenance and improvement of its premises and facilities. Golf rounds, trends and efficiency ratios refer to the number of golf rounds in comparison with other selected premier golf clubs within the industry.

As of December 31, 2024, the Club's current ratio improved to 1.70:1, compared to 1.40:1 in 2023 and 1.32:1 in 2022. This increment was primarily driven by the significant decrease in current liabilities due to the reclassification of proceeds received from the sale of 7 previously reacquired shares, following the release of the stock certificate to the new owner.

EBITDA, including members' contributions and fees, for the year amounted to P23 million, recording a decline of P57.9 million or 72% and P52.4 million or 70% from P80.9 million and P75.4 million in 2023 and 2022, respectively. The decrease was mainly due to the recognition of past service cost resulting from changes in the Club's retirement plan policy.

The number of dues paying members likewise improved, from 2,389 in 2022 and 2,421 in 2023 to 2,436 in 2024.

The Club registered total golf rounds of 107,992 in 2024, slightly lower than 2023's 110,752 rounds but higher than 2022's 102,807. The member ratio improved to 80%, up from 78% in 2023 but lower than 81% in 2022. Meanwhile, the guest ratio dropped to 17%, compared to 19% both in 2023 and 2022's 19%. The visitor ratio remained unchanged at 3%.

## (2) Plan of Operation

The Club's operating plan for the succeeding year will still focus on maintaining the pristine condition of the courses, as this is the core business of the Club. Improving the Club's financial condition is also one of Management's top priorities. Management will continue to operate in accordance with the approved budget and business plan for the period. The Club's capital expenditures will be maximized up to P60 million to serve as a catalyst in improving our services to members and guests.

Investment in capital projects will continue to drive growth, with Management prioritizing the enhancement of the golfing experience for both members and guests. Maintaining the courses in pristine condition remains a paramount objective. Key initiatives in course maintenance encompass a bunker renovation program, replacement of satellite controllers and sprinklers to establish a centralized irrigation control system. Furthermore, Management is actively pursuing the golf cart re-fleeting program.

As of this report, Management has no known material events and uncertainties that would affect past operations and have an impact on future operations, and on the Club's liquidity, planned capital expenditures, net sales, revenues and income.

### 2024 Capital Projects

The Club allocated P47.1 million budget for capital improvements for the year 2024 with the objective of improving further the quality of our services to members and guests. The Club's capital projects as of December 31, 2024, are as follows:

Golf course improvements and equipment	38,269,566.00
Building/furniture & fixtures and house maintenance equipment	917,340.00
Auto and light truck	2,816,429.00
Office equipment/F&B equipment/computer hardware and software	141,668.00
Construction in progress	4,991,071.00
<b>Total</b>	<b><u>47,136,074.00</u></b>

The Club expects to have no problem in liquidity and cash flow. The Club's cash and cash equivalents account is expected to remain stable, giving Management full confidence that the Club will be able to meet its obligations with its suppliers.

For the year 2025, Management projects no trends, events or uncertainties that will have a material impact on revenues or income from continuing operations, knows no significant elements of income or loss that did not arise from the continuing operations and anticipates no seasonal aspects that had a material effect on the financial condition or result of operation.

## (3) Management's Discussion and Analysis

### Financial Condition

#### (a) Full Fiscal Year

The following table shows the Club's balance sheets as of the years ended December 31, 2024, 2023, and 2022:

	2024	2023	2022
<b>Assets</b>			
Total current assets	178,684,840.00	176,597,680	114,167,367
Total non-current assets	9,023,117,891.00	8,749,498,941	8,718,806,335
<b>Total</b>	<b>9,201,802,731.00</b>	<b>8,926,096,621</b>	<b>8,832,973,702</b>
<b>Liabilities and Members' Equity</b>			
Total current liabilities	105,278,058.00	125,847,533	86,690,930
Total non-current liabilities	2,144,560,988.00	2,048,451,436	2,041,076,238
Total members' equity	6,951,963,685.00	6,751,797,652	6,705,206,534
<b>Total</b>	<b>9,201,802,731.00</b>	<b>8,926,096,621</b>	<b>8,832,973,702</b>

Total assets in 2024 amounted to P9,201.8 million, surpassing 2023's P8,926.1 million by P275.7 million or 3%. The net increase in current assets by P2.1 million is mainly due to substantial growth in prepayments by P5.6 million, which is attributed to golf course maintenance projects such as bunker renovation, satellite controller upgrade, and sprinkler replacement. Furthermore, this is offset by the decrease in cash and cash equivalents by P4.4 million, driven by the lower receipts in operating activities due to policy changes that restricted the acceptance of private tournaments which also affected other revenue streams such as food & beverage and room rentals. Moreover, a plateau in demand for golf shares in the market led to a significant decline in membership turnover. For the non-current assets, the increment of P273.6 million is primarily attributed to the appreciation of land value, from P6,000 per sqm to P6,200 per sqm, which translates to a total value of P8,544.5 billion for the entire land area of 1,378,147 sqm.

Total liabilities in 2024 amounted to P2,249.8 million, surpassing 2023's P2,174.3 million by P75.5 million or 3%. The net decrease in current liabilities by P20.6 million or 16% pertains to the reclassification of the proceeds received from the sale of 7 previously reacquired shares following the release of stock certificates under the new owners' name. On the other hand, the increment in non-current liabilities by P96.1 million is primarily attributed to the increase in deferred tax liability by P68.9 million due to land revaluation, and recognition of past service cost of P33.4 million due to changes in the Club's retirement plan policy.

Total members' equity in 2024 reached P6,952 million, surpassing 2023's P6,751.8 million by P200.2 million or 3%. The substantial growth is attributed to the revaluation increment on land, net of tax.

#### Summary Results of Operations

The following table shows the contribution by each of our major accounts to our total receipts and expenses for each of the years ended December 31, 2024, 2023, and 2022. Receipts are mostly derived from the members contributions & fees and green fees, while the total expenses are mainly composed of payroll-related expenses and repairs & maintenance.

<b>Receipts</b>	2024	2023	2022
Membership dues	156,762,697	151,337,066	149,442,503
Green fees	64,130,686	61,602,473	35,701,714
Transfer and assignment fees	41,008,000	47,898,750	37,136,760
Golf cart fees	40,671,573	40,282,581	36,976,607
Tournament fees	16,747,205	17,208,828	12,557,055

<b>Receipts</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>
Concessionaire's fees	10,510,899	10,506,198	7,516,656
Grand raffle tickets	7,953,570	8,429,155	7,851,473
Interest income	6,768,034	5,699,098	876,779
Recreational facilities fees	6,020,824	5,804,937	4,639,906
Facilities rental	5,919,705	5,092,332	2,645,822
Alcoholic drink sales	4,667,359	4,866,585	4,583,982
Practice range fees	3,054,952	3,130,621	2,601,857
Proshop commission	2,552,280	2,855,752	2,857,903
Proshop sales	1,800,262	1,699,421	1,195,849
Others	9,163,156	16,143,798	10,310,878
<b>Total</b>	<b>377,731,202</b>	<b>382,557,595</b>	<b>316,895,744</b>

#### 2024 Compared to 2023

In 2024, total receipts reached P377.7 million, which is lower by P4.8 million or 1% from prior year's P382.5 million. The decline was primarily driven by stagnant demand for golf shares in the market, which led to a significant decline in membership turnover, and restrictions set by the management in terms of private tournaments affecting various revenue streams of the Club.

#### 2023 Compared to 2022

A substantial increase of P65.7 million or 21% in total receipts was driven by the re-opening of the economy and growing popularity of golf as a lifestyle sport. Income from green fees and tournament fees improved by P25.9 million or 73% and P4.7 million or 37%, respectively, following the green fee rate adjustment effective June 1, 2023, and additional tee time slots, which led to 4,402 more guest rounds. Moreover, transfer and assignment fees grew by P10.8 million or 29%, as a result of the increased membership fees implemented on January 1, 2023. The increase in concessionaire's fee and facilities rental by P2.9 million or 30% and P2.4 million or 92%, respectively, was due to the resumption of monthly buffets and heightened demand for dine-in services and venues for banquet functions. Interest income grew by P4.8 million or 550% due to higher time deposits and increased interest rates. Lastly, the Philippine Golf Course Management Conference contributed an additional P5.8 million or 57% increase in other operating income.

#### 2022 Compared to 2021

The Club recorded a swift growth of P74.1 million or 30% mainly due to the government's more relaxed COVID- related restrictions, which positively impacted various revenue streams. Key contributors include a P17.1 million or 92% increase in green fees, a P16.8 million or 82% increase in transfer and assignment fees, a P4.3 million or 130% increase in concessionaire's fees, and a P3.9 million or 494% increase in recreational facilities fees. Moreover, the resumption of Founders Cup tournament and Grand Raffle event made a huge impact in the Club's revenue growth.

<b>Expenses</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>
Salaries, wages and employee benefits	90,079,167	76,983,530	68,185,443

<b>Expenses</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>
Repairs and Maintenance	73,718,017	71,617,985	61,048,172
Depreciation Expense	52,656,102	46,439,826	41,746,221
Retirement Cost	37,342,167	2,734,867	3,616,839
Security Services	20,437,371	18,485,727	15,153,880
Utilities	19,212,981	18,507,492	15,268,968
Janitorial and Messengerial Services	13,546,363	12,427,385	10,032,995
Tournament Expenses	12,674,382	16,916,272	9,794,981
Operating supplies	12,631,009	12,894,016	8,258,975
Input VAT written-off	12,563,765	9,441,987	9,368,058
Taxes and Licenses	9,851,055	9,583,977	9,482,924
Grand raffle event	6,080,319	8,933,380	7,007,040
SSS, GSIS, Philhealth, HDMF & Other Contributions	5,641,343	4,664,744	3,625,900
Professional Fees	4,709,815	3,212,354	4,199,712
Credit & Collection	3,611,860	3,472,889	2,741,702
Representation & Entertainment	3,162,359	3,728,379	4,061,408
Cost of Sales - Alcoholic Drinks	2,611,616	2,725,646	2,450,203
Communication	2,552,240	2,906,274	2,871,009
Linen & Laundry	2,358,392	1,881,691	842,196
Provision for General Contingency	2,000,000	2,000,000	1,644,000
Member Relations	1,954,738	1,745,614	1,369,284
Insurance	1,759,702	1,418,152	1,289,734
Provision for (Reversal of) Doubtful Accounts	1,736,750	(58,533)	(5,994,243)
Fringe Benefits	1,545,761	1,309,007	1,196,340
Cost of Sales - Proshop	1,285,884	1,212,773	863,075
Others	4,895,996	7,169,767	2,193,292
<b>Total</b>	<b>400,619,154</b>	<b>342,355,201</b>	<b>282,318,108</b>

### 2024 Compared to 2023

In 2024, total expenses reached P400.6 million, reflecting a P58.3 million or 17% increase from prior year's P342.3 million. The growth was mainly driven by changes in the Club's retirement plan policy, resulting in an increase of P34.6 million or 1,265%. Likewise, the increase in the manpower complement due to the implementation of 5-day workweek, and CBA negotiations such as mandated salary increase of P1,000 and bonus of P10,000 per eligible employee made an impact of P13.1 million or 17% increase in salaries, wages, and employee benefits. Moreover, depreciation expenses grew by P6.2 million or 13% due to completed capital expenditures of the Club.

### 2023 Compared to 2022

The Club recorded a significant increase in expenses amounting to P60 million or 21% compared to 2022. Due to the continuous upkeep of the golf course and clubhouse facilities, repairs and maintenance grew by P10.6 million or 17%. Moreover, with the Club returning to normal operations. The need for additional workforce, along with the annual merit increase, contributed to an increase of P8.8 million or 13% in salaries, wages, and employee benefits. Furthermore, the resumption of tournaments resulted in a P7.1 million or 73% increase in tournament expenses.

### 2022 Compared to 2021

The increase of P43.7 million or 18% was primarily due to the government's more relaxed COVID-related restrictions, which allowed the resumption of tournaments and events. As a result, the return of Founders Cup and Grand raffle event led to a P16.8 million increase in expenses. Moreover, repairs and maintenance grew by P6.9 million or 13%, while salaries, wages and employee benefits grew by P6.7 million or 11%.

	<b>2024</b>	<b>2023</b>	<b>2022</b>
Excess of receipts over expenses before depreciation	29,768,150	86,642,220	76,323,857
Depreciation	52,656,102	46,439,826	41,746,221
<b>Excess (Deficiency) of receipts over expenses before income tax</b>	<b>(22,887,952)</b>	<b>40,202,394</b>	<b>34,577,636</b>
Income tax	1,643,032	4,785,840	591,568
<b>Excess (Deficiency) of receipts over expenses after income tax</b>	<b>(24,530,984)</b>	<b>35,416,554</b>	<b>33,986,068</b>

### 2024 Compared to 2023

In 2024, the Club recorded a deficiency, net of tax amounting to P24.5 million, a significant decrease of P60 million or 169% from 2023's surplus of P35.4 million. The decline was driven by the increase in total expenses and decrease in total receipts.

### 2023 Compared to 2022

The excess of receipts over costs and expenses recorded a growth of P5.6 million or 16% due to the significant increase in total receipts by P65.7 million, surpassing the increase in total expenses of P60 million. Furthermore, income tax increased by P4.2 million or 709%, leading to an improved net income after tax of P1.4 million or 4% compared to 2022.

### 2022 Compared to 2021

There was a swift growth in the excess of receipts over costs and expenses by P30.3 million or 715% due to the substantial increase in total receipts by P74.1 million, which outpaced the increase in total expenses of P43.7 million. In addition, the minimal increase in income tax by P291 thousand or 97%, resulted in higher net income after tax of P30 million or 762% compared to 2021.

### Plans and Prospects

The Finance and Audit Committees reviewed the Club's 2025 annual operating budget and business plan and recommended the approval of the same to the Board.

Consistent with the Club's vision statement of making the Club the most environmentally responsible and the best value golf and country club in the Philippines, the Club prepared the following operating budget for 2025 with critical assumptions below:

- Total golf rounds are projected to reach 112,000 rounds for the year, with a member-guest ratio of 82:18. This includes 3,000 private tournament rounds, and 3,000 tourist rounds from Full Moon House Corporation. Moreover, no projected increase in green fees, tournament fees, and other golf rates during the year.
- Golf cart covers are projected to reach 74,667 for the year, with a ratio of 1:1.50.
- Total number of billable members at the beginning of 2025 is estimated at 2,436 (regular members - 2,085; playing rights assignees - 306; lifetime members - 45), with 2 new regular members and 1 lifetime member every month. Moreover, no increase in monthly dues is projected during the year.
- 3 seriously delinquent shares are expected to be auctioned in 2025.
- Manpower complement is projected at 150, and a 7% merit increase, inclusive of CBA mandated increase, will be given to eligible employees.
- CAPEX is budgeted at P60 million.

Proposed Operating Budget

<i>Highlights of Operating Budget</i>		
	<b>2025</b>	<b>2024</b>
	<b>Budget</b>	<b>Actual</b>
<b>Revenue</b>		
Membership	205,904,068	197,770,698
Golf	136,580,328	129,362,047
Miscellaneous	28,077,896	23,913,926
Food and Beverage	24,460,556	21,114,473
Sports	6,448,914	5,615,734
<b>Total</b>	<b>401,471,762</b>	<b>377,776,878</b>
<b>Expenses (excluding Depreciation)</b>		
MOFEX, Admin & Engineering	151,775,142	157,110,801
Golf	124,496,421	124,374,324
Miscellaneous	22,438,800	22,225,431
Taxes & Insurance	11,598,548	12,242,075
Utilities	10,455,735	10,337,238
Food and Beverage	8,202,949	8,994,973
Sports	5,611,777	6,964,379
Membership	5,413,666	7,402,538
<b>Total</b>	<b>339,993,038</b>	<b>349,651,759</b>
<b>Gross Operating Profit</b>	<b>61,478,724</b>	<b>28,125,119</b>
Capital Expenditures	60,000,000	47,131,438
<b>Net Cash Flow</b>	<b>1,478,724</b>	<b>(19,006,319)</b>

Total revenue is projected to improve by P23.7 million or 6%, driven by positive growth in golf, membership, miscellaneous, food and beverage, and sports revenue. Membership revenue is expected to increase by P8.1 million or 4%, while golf revenue is projected to grow by P7.2 million or 6%. Miscellaneous income is estimated to increase by P4.2 million or 17%, and food and beverage, including concessionaire's fee and room rental, is anticipated to rise

by P3.3 million or 163%. Lastly, sports revenue is estimated to have a minimal increase of P833 thousand or 15 %.

Total expenses are projected to decrease by P9.7 million or 3%, primarily due to the recognition of past service cost in 2024 following a change in the Club's retirement plan policy. As no past service costs will be recorded in 2025, this contributes to the overall reduction in expenses.

Gross operating profit is projected at P61.5 million, enough to sustain our capital budget of P60 million. Net cash flow is projected to be at P1.5 million, which is significantly higher than 2024's negative cash flow of P19 million.

(b) Interim Periods

2025 First Quarter Results

Unaudited Statements of Revenues and Expenses and Accumulated Excess (Deficiency) of Revenues over Expenses for the first quarter of the year are as follows:

	<b>2025</b>	<b>2024</b>
Members' dues and fees		
Maintenance dues	36,800,500	36,410,500
Assignment and transfer fees	14,489,167	17,172,167
Total members' dues and fees	51,289,667	53,582,667
Clubhouse operations:		
Green fees	23,309,857	20,374,213
Golf cart fees	11,476,311	10,868,932
Concessionaire's fees	2,969,060	2,469,795
Facilities rental	1,822,952	1,155,071
Tournament fees	1,637,415	1,565,985
Alcoholic drink sales	1,209,415	1,233,815
Recreational facilities fees	960,645	1,337,600
Practice range fees	829,530	812,567
Proshop commission	562,423	607,544
Proshop sales	464,467	437,353
Others-net	427,989	564,764

	<b>2025</b>	<b>2024</b>
Total revenue from clubhouse operations	45,670,064	41,427,639
<b>Total receipts</b>	<b>96,959,731</b>	<b>95,010,306</b>
Cost of goods sold and services	(31,694,100)	(30,668,168)
<b>Excess of receipts over cost before operating expense, other income and depreciation expense</b>	<b>65,265,631</b>	<b>64,342,138</b>
Operating expenses other than depreciation	(40,303,895)	(38,476,862)
Interest income	1,609,169	1,719,801
Provision for doubtful accounts	(2,496,225)	(1,650,396)
Other income, net	861,185	784,945
<b>Excess of receipts and other income over costs and operating expense other than depreciation expense</b>	<b>24,935,865</b>	<b>26,719,626</b>
Depreciation expense	(13,830,504)	(12,762,201)
<b>Excess of receipts over expenses before income tax expenses</b>	<b>11,105,361</b>	<b>13,957,425</b>
Provision for current income tax	(250,000)	(187,500)
<b>NET INCOME</b>	<b>10,855,361</b>	<b>13,769,925</b>

The Club's total receipts for the first quarter increased by P2 million or 2%, mainly driven by the green fees due to a higher number of guest rounds recorded this 2025 compared to the same period last year (Q1 2025: 7,027 vs. Q1 2024: 6,414).

Meanwhile, the Club's total cost of goods sold & services and other operating expenses other than depreciation registered an increase amounting to P1 million or 3% and P1.8 million or 5%, respectively. The increment was primarily attributed to the payroll-related expenses as a result of the increase in manpower complement following the 5-day workweek implementation, and CBA-mandated increase.

With the increase in receipts and expenses, the Club's first quarter income before income tax is at P11.1 million, which is P2.9 million or 20% lower than prior year's first quarter income before income tax of P14 million.

#### **Market for Issuer's Common Equity and Related Stockholders Matters**

##### (1) Market Information

The common equity of the Club is not traded in any Stock Exchange, and there is no established public trading market for the said shares.

The shares of the Club are traded sporadically. The frequency of the sale or exchange or transfer of the said shares within the last three fiscal years is as follows:

<i>Period</i>	<i>Class</i>	<i>2024</i>	<i>2023</i>	<i>2022</i>
1 <sup>st</sup> Quarter	A	42	27	5
	B	22	4	2
	C	11	8	2
2 <sup>nd</sup> Quarter	A	31	20	23
	B	32	3	4
	C	6	8	6
3 <sup>rd</sup> Quarter	A	23	45	7
	B	19	37	4
	C	8	15	2
4 <sup>th</sup> Quarter	A	9	14	9
	B	5	7	1
	C	2	6	2
Total		210	194	67

<i>Period</i>	<i>Class "A"</i>	<i>Class "B"</i>	<i>Class "C"</i>
January to December 14, 1996	P1.9M	P2.0M	P2.2M
As of 31 December 2024	P3.6M	P3.8M	P4.6M

(2) Holders

Top Twenty (20) Shareholders

The top twenty (20) Shareholders of the Club as of 31 May 2025 are as follows:

<i>Shareholders</i>	<i>Class, Number and Percentage of Shares Held Per Class</i>		
	<i>Class</i>	<i>Number</i>	<i>Percentage</i>
1. Sta. Lucia Realty & Development Inc.	Class "A"	211	16.41%
	Class "B"	238	
	Class "C"	43	
2. ACL Development Corporation	Class "A"	53	3.93%
	Class "B"	61	
	Class "C"	4	
3. AFP-RSBS	Class "A"	30	1.17%
	Class "B"	5	
4. Mango Orchard Development Corporation	Class "A"	25	1.03%
	Class "B"	2	
	Class "C"	4	
5. Helena Z. Benitez	Class "A"	21	1.20%
	Class "B"	15	
6. David M. Dela Cruz	Class "A"	6	0.20%
7. Caltex Philippines Inc.	Class "C"	4	0.13%
8. Liberato D. Robles	Class "A"	4	0.13%

9. San Miguel Corporation	Class "C"	4	0.13%
10. Hongkong and Shanghai Banking Corp. Ltd.	Class "C"	3	0.10%
11. First Asia Venture Capital Inc.	Class "C"	3	0.10%
12. Francona Development Corporation	Class "C"	3	0.10%
13. Jolly Lim Ting & Lourdes G. Ting	Class "A"	3	0.10%
14. Epson Precision (Philippines), Inc.	Class "C"	3	0.10%
15. Sunflare Properties & Realty International, Inc.	Class "B"	2	0.10%
	Class "C"	1	
Total – Top 20 Stockholders		748	24.93%
Others – Shareholders with Less than Three Shares	Class "A"	1,447	75.07%
	Class "B"	377	
	Class "C"	428	
Total other shareholders		2,252	
		3,000	100.00%

#### Percentage of Total Shares Outstanding Held by Top 20 Shareholders

Computed at 748 shares/3,000 outstanding shares, the shareholdings of the Top 20 Shareholders of the Club constitute 24.93% of the total outstanding shares in the Club's authorized capital stock.

The Club has not registered any of its shares within the preceding year and no registration statement was filed with respect thereto.

#### (3) Dividends

In accordance with its By-Laws, the Club has not declared dividends for the past 25 years.

Specifically, Article XII, Section 1 of the Club's By-Laws states that no profit shall inure to the exclusive benefit of any shareholder. As such, no dividends may be declared in their favor. Shareholders are entitled only to a pro-rata share in the assets of the Club in the event of its dissolution or liquidation.

#### (4) Recent Sales of Unregistered or Exempt Securities

All of the shares in the capital stock of the Club have been registered pursuant to the then Revised Securities Act. Hence, no share that is unregistered or exempt has been sold within the past 25 years.

### External Audit Fees

#### (1) Audit and Audit Fees

The following are the aggregate fees billed for each of the last two fiscal years for professional services rendered by the external auditor for:

- (a) The audit of the registrant's annual financial statements or services that are normally provided by the external auditor in connection with statutory filings or engagements:

Year	External Auditor	Fees
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2024	Isla Lipana & Co. (PWC)	PhP 323,400.00
2023	Isla Lipana & Co. (PWC)	PhP 343,835.85
2022	Isla Lipana & Co. (PWC)	PhP 359,782.00

(b) Other assurance and related services by the external auditor that are reasonably related to the performance of the audit or review of the registrant's financial statements: NONE

(2) Tax Fees billed by the external auditor related to 2023 Tax Health Check services

2024	Sycip Gorres Velayo & Co.	PhP 500,000.00
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(3) All Other Fees

There were no fees billed in each of the last two fiscal years for products and services provided by the external auditor, other than the services reported under items (a) & (b) above.

(4) The Audit Committee's Approval Policies and Procedures for the Above Services in Section 2, Article III of the Charter of the Audit Committee provides:

Internal and External Auditors. — The Committee shall have direct supervision over the internal and external auditors of the Club, including the duty to:

- Review and appraise the activities of the internal and external auditors;
- Review reports and written communications from the external auditor on all critical accounting policies and practices used, all alternative treatments of financial information within Generally Accepted Accounting Principles that have been discussed with management, the ramifications of the use of such treatments, and the treatments preferred by the external auditor;
- Evaluate and determine non-audit work performed by external auditors in relation to their significance and to the total expenditures on consultancy services;
- Disclose non-audit work performed by external auditors in the Annual Report of the Club;
- Review and pre-approve all audit plans, scope, and frequency within one (1) month before the conduct of internal and external audit;
- Provide an open avenue of communication among the external and internal auditors, financial and senior management, and the Board of Directors;
- Elevate to international standards the accounting and auditing processes, practices and methodologies employed by the Club, including the development of a definitive timetable within which the accounting system of the Club will be one hundred percent International Accounting Standards compliant, and an accountability system that will specifically identify officers and/or personnel directly responsible for the accomplishment of such task; and
- Develop a transparent financial management system that will ensure the integrity of internal control activities throughout the Club through a step-by-step procedures and policies handbook that will be used by the Club.

The accounting firm of Isla Lipana & Co. (PWC), with address at 29/F, Philamlife Tower, 8767 Paseo de Roxas, Makati, 1227 Metro Manila, has been the Club's Auditors and Reporting Accountants for the last three (3) years of audit.

## Directors and Officers

Principal occupation or employment of each such person; Name and Principal Business of any organization by which such person is employed.

Name	Position in Club	Principal Employment/ Occupation	Name and Principal Business of Organization by Which Such Person is Employed
Vincente R. Santos	Director and Chairman; Nominee for Director	Businessman	Sta. Lucia Realty & Development Inc. and Sta. Lucia Land, Inc.
Tomas Julio A. Benitez	Director and President/CEO Nominee for Director	Businessman	Self-Employed/Entrepreneur
Henry T. Cua Loping	Director and Treasurer; Nominee for Director	Businessman	ACL Development Corporation
Exequiel D. Robles	Director and Corp. Secretary; Nominee for Director	Businessman	Sta. Lucia Realty & Development Inc. and Sta. Lucia Land, Inc.
Philip L. Go	Independent Director Nominee for Independent Director	Businessman	Builders 2000 and Specificque Garment Manufacturing Inc.
Jose Arturo M. Tugade	Independent Director	Businessman	Perry's Fuel Distribution Inc.
Jose S. Gonzales	Independent Director; Nominee for Independent Director	Retired	
Jose Emilio P. Famy	General Manager & COO	Accountant	The Orchard Golf & Country Club, Inc.
Chiles Megan M. Areño	Assistant Compliance Officer; Second Asst. Corp. Secretary	Lawyer	Lu Mamañgun Juco & Alamis Law Office
Irene G. Patricio	Finance Manager & Principal Accounting Officer	Accountant	The Orchard Golf & Country Club Inc.

## Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

During the 2024 Annual Shareholders' Meeting, the Club engaged Isla Lipana & Co. (PWC) as its external auditor for the ensuing year. The Club has no disagreements with Isla Lipana & Co. (PWC) on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure.

## Discussion on Compliance with Leading Practices on Corporate Governance

- (1) The Club filed its Revised Manual on Corporate Governance (the "Manual") with the Securities and Exchange Commission pursuant to the Revised Code of Corporate Governance. Management has already taken steps to ensure that the major requirements of the Manual are met, such as the creation of a Board Risk Oversight Committee, the passage of the Code of Ethics and Business Conduct, and certain enhancements in the functions and roles of the existing Election Committee and Finance Committee.
- (2) The Board of Directors of the Club approved the charter of the Board Risk Oversight Committee, Audit Committee and the Code of Ethics and Business Conduct. Internal audit functions are being performed by the Internal Audit Department which reports directly to the Audit Committee.
- (3) There are no major deviations from the Revised Manual on Corporate Governance.
- (4) To improve corporate governance, management has created a Nomination Committee, one member of which shall be an independent director.

**THE ORCHARD GOLF & COUNTRY CLUB, INC.**

**SUMMARY OF MATTERS TAKEN UP DURING  
THE 2024 ANNUAL SHAREHOLDERS' MEETING**

The 2024 Annual Shareholder's Meeting of The Orchard Golf and Country Club, Inc. (the "Club") was held in person and via remote communication through videoconferencing and live streaming on 12 October 2024.

The following matters, acts and resolutions were discussed and adopted during the 2024 Annual Shareholders' Meeting:

**I. INTRODUCTION**

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.

**II. READING AND APPROVAL OF THE MINUTES OF THE 2023 ANNUAL SHAREHOLDERS' MEETING**

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.

**III. REPORTS OF THE PRESIDENT AND THE GENERAL MANAGER**

The President & CEO, Mr. Tomas Julio A. Benitez, reported on the following matters:

- 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 cost efficiency by producing turf varieties such as Tiff Eagle, Paspalum, and Zoysia in-house. These were used extensively for course repairs and enhancements.
- The Club harvested a total of 4,042 square meters (sq. m.) of Tiff Eagle, 200 sq. m. of Paspalum, and 14,327 sq. m. of Zoysia for various turf improvements across both Palmer and Player courses. Despite high usage, both courses remain in excellent condition due to the efforts of the Agronomy, Environmental, and Irrigation Departments.
- He also reported progress on the Palmer greens contamination mitigation, with 45% of key hole sodding completed. Renovation of 14 Palmer and 2 Player bunkers has brought total bunker renovation completion to 34%. Significant irrigation system upgrades were also undertaken, including satellite controller and sprinkler replacements, with 84% of controller upgrades completed and 161 sprinklers replaced. The centralized irrigation system, targeted for full completion in 2025, aims to further enhance efficiency and sustainability.

- The Club invested in essential maintenance equipment totaling over PhP 9 Million, including greens rollers, mowers, a bunker rake, and multi-cab vehicles. Additionally, 30 new electric golf carts were acquired for PhP 9.6 Million as part of the regular re-fleeting program.
- The following key improvements and upgrade plans were highlighted as well: (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.
- The Club conducted or participated in the following notable programs and activities: The Philippine Golf Course Management Conference; ISO 9001-2015 Certification; and Valued recognition from the Department of Natural Resources Environmental Management Bureau for the Club's efforts in collecting garbage in the Club's property and waterways.

The General Manager, Mr. Jose Ernilo P. Famy, then reported on the following matters:

- The Club had remained faithful in its commitment to becoming a premier golf club in the Philippines and 2023 was the Club's first full year of uninterrupted operations since the pandemic, achieving a strong recovery and surpassing its record-breaking performance in 2022.
- The Club's share prices have significantly increased over the years and in-house share prices are now selling at an all-time high of PhP 4 Million, PhP 4.5 Million and PhP 6 Million for Class "A," "B," and "C" shares, respectively.
- 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.
- 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 recorded a total of 24,297 guest rounds which is higher by 23% than the previous year.
- The Club's membership demographic continue to change. What used to be the dominant age bracket of 60 years old and above is now down to 39%. As of August 2024, majority or 50% of the Club's members are 40 to 59 years old.
- The Club's active golf players remain at 1,406 members or 58% of the Club total membership.
- The Club engaged in a total of 235 membership transactions, which includes 137 transfer of shares, 66 assignments of playing rights, and 50 changes in corporate nominees.
- The Club's financial position remained solid and stable with a steady PhP 93 Million increase in total assets; a 7% or PhP 47 Million increase in members' equity; an 83% or PhP 64 Million increase in cash balance; a 18% increase in gross revenue; a 20% increase in expenses; and gross profit increased by 14%.
- The Club's gross profit of PhP 86.6 Million allowed the funding of capital expenditure requirements during the year, which totaled to PhP 72.2 Million.
- The Club is expected to achieve more milestones in the succeeding year.
- The Club's 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 is projected to reach PhP 386 Million, while operating expenses are projected to be at PhP 320.8 Million.
- The Club’s total cash balance which, as of 31 August 2024, stood at PhP 176.4 Million, 11% higher than the previous year of the same month.
- The consolidated efforts and initiatives of the Club, its employees, and members paved the way for the noted significant improvements in the Club’s performance.

IV. APPOINTMENT OF EXTERNAL AUDITOR

Isla Lipana & Co. (PWC) was appointed as the Club’s external auditor for the ensuing fiscal year.

V. ACTS OF MANAGEMENT AND RESOLUTIONS OF BOARD OF DIRECTORS

All acts and resolutions of the Board of Directors and all acts of Management from the Annual Shareholders’ Meeting held on 14 October 2023 until the present meeting were duly approved and ratified.

VI. AMENDMENTS TO THE BY-LAWS

Section 2, Article VIII and Section 3(a)(ii) and (iii), Article II of the By-laws were proposed to be amended in order to make the provisions clearer and compliant with t

The proposed amendment on Section 2, Article VIII of the By-laws to make the provision consistent and compliant with the Revised Corporation Code, which requires a director to be a registered shareholder of the corporation and to clarify that a Corporate Nominee, being a director or executive officer, may vote the share held by the juridical entity he is representing was duly approved and ratified.

The proposed amendments on Section 3(a)(ii) and (iii), Article II to clarify that the juridical entity must be the registered shareholder and not the Corporate Nominee or Corporate Assignee were also duly approved and ratified.

VII. 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

VIII. ADJOURNMENT

There being no other business to transact or matter to discuss, and on motion duly made and seconded, the Chairman of the Board of Directors, Mr. Vicente R. Santos, declared the meeting adjourned.



The Orchard Golf & Country Club  
NOTICE OF THE ANNUAL SHAREHOLDERS' MEETING OF 2025

To All Members-Shareholders:

The 2025 Annual Shareholders' Meeting and Election of Directors ("ASME") will be held through a hybrid format which would be **in person and via remote communication through Zoom at 10:00 A.M. on 11 October 2025.**

The following agenda shall be taken up in the meeting:

1. Proof of the required notice of the meeting or waiver of such notice;
2. Proof of the presence of a quorum;
3. Appointment of Inspectors of Election to serve until the close of the meeting;
4. Reading and approval of the minutes of the last meeting;
5. Report of the President;
6. Election of Directors;
7. Unfinished business;
8. Appointment of External Auditors;
9. Approval of Acts of Management;
10. Other matters; and
11. Adjournment.

Your attendance and participation in the meeting is encouraged. **The Registration Period for participation via remote communication shall commence at 8:00 A.M. on 8 October 2025 to 5:00 P.M. on 10 October 2025.**

Shareholders must notify the Corporate Secretary through the Secretariat of their intention to participate in the ASM via remote communication, and to exercise their right to vote *in absentia* by no later than 5:00 P.M. of 10 October 2025, by sending the documentary requirements addressed to the Secretariat via:

- (a) Email to [orchardasme2025@gmail.com](mailto:orchardasme2025@gmail.com);
- (b) Special courier to Km. 27 Aguinaldo Highway, Salawag, Dasmariñas City, Cavite;
- (c) Viber through 0917 883 4749 and
- (d) Facebook Messenger through direct message Orchard ASME 2025.

In the event that you will be unable to attend the meeting, kindly submit a duly accomplished proxy form, a copy of which is enclosed. Please be advised that all proxies must be submitted to the Club on or before **5 P.M. on 6 October 2025.** Proxies may be submitted physically to the Secretariat, or by email with subject "Proxy – Name of the Shareholder and Name of the Proxy". The proxy form shall contain the wet or manual signature of the shareholder.

Address: The Orchard Election Committee

c/o The Membership Office  
The Orchard Golf & Country Club  
Km.27 Aguinaldo Highway, Salawag,  
Dasmariñas City, Cavite

Email: billingtheorchard@gmail.com; or  
orchardasme2025@gmail.com

Proxy validation shall be held on 9 October 2025.

The Official Ballot will be given to each regular member in good standing upon registration prior to the meeting. Only Official Ballots issued by the Club shall be recognized.

Shareholders may vote in person, through remote communication or in *absentia* as soon as they have successfully registered and have received the official ballot, and until **10:30 A.M. on 11 October 2025**, the day of the meeting. Any votes sent and/or received thereafter shall not be counted.

Copies of the Club's Financial Statements and By-laws are available upon request at the Membership Office. Guidelines for registration, participation via remote communication and voting in *absentia*, submission of proxies, and other information regarding the 2025 ASM are available at [www.theorchardgolf.com/2025asme](http://www.theorchardgolf.com/2025asme).

Thank you.

  
CHILES MEGAN AREÑO  
Second Asst. Corporate Secretary



CERTIFICATION OF INDEPENDENT DIRECTOR

I, JOSE S. GONZALES, Filipino, of legal age, and with residence at 308 Lychee Street, Orchard Townhomes, Dasmariñas City, Cavite, after having been duly sworn to in accordance with law, do hereby declare that:

- 1. I am a nominee for Independent Director of The Orchard Golf & Country Club, Inc., (the "Club) for its Annual Shareholders Meeting and Election of Directors to be held on 11 October 2025, or any postponement thereof.
2. I have been an Independent Director of the Club since 2019.
3. I am affiliated with the following companies, organizations, entities and institutions (including government-owned and controlled corporations):

Table with 3 columns: COMPANY/ORGANIZATION, POSITION/RELATIONSHIP, PERIOD OF SERVICE. Rows include The Orchard Golf & Country Club, Inc., Orchard Seniors Golfers Association, Inc., and Rotary Club of Bacoor.

4. I possess all of the qualifications and none of the disqualifications to serve as an Independent Director of the Club, as provided for in Section 38 of the Securities Regulation Code, its Implementing Rules and Regulations, and other SEC issuances.

5. I am not related to any director, officer, or substantial shareholder of the Club, and/or its subsidiaries and/or affiliates, other than the relationship provided under Rule 38.2.3 of the Securities Regulation Code.

6. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding.

7. 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.

8. I shall inform the Corporate Secretary of the Club of any changes in the abovementioned information within five (5) days from its occurrence.

Done this JUN 04 2025 2025 at Pasig City

Signature of JOSE S. GONZALES

SUBSCRIBED AND SWORN to before me this JUN 04 2025 2025 at Pasig City, affiant personally appeared before me and whom I identified through his Senior Citizen ID No. 23900 issued at Dasmariñas City, Cavite, on 30 September 2010.

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Series of 2025



ATTY. HANNAM A. CACERES
Notary Public for Pasig City and Municipality of Pateros
Appointment No. 233 (2025-2026)
IBP OR No. 499907; 06 January 2025; Quezon City
PTR OR No. 6986083; 06 January 2025; Pasig City
MCLE Compliance No. VIII-0016280; 26 November 2024
2304 Antel Global Corporate Center,
3 Julia Vargas Ave. San Antonio, Pasig City

**CERTIFICATION OF INDEPENDENT DIRECTOR**

I, **PHILIP L. GO**, Filipino, of legal age, and with residence at No. 38 Rosario Drive, Cubao, Quezon City, after having been duly sworn to in accordance with law, do hereby declare that:

1. I am a nominee for Independent Director of The Orchard Golf & Country Club, Inc., (the "Club") for its Annual Shareholders Meeting and Election of Directors to be held on 11 October 2025, or any postponement thereof.

2. I have been an Independent Director of the Club since 2023.

3. I am affiliated with the following companies, organizations, entities and institutions (including government-owned and controlled corporations):

COMPANY/ORGANIZATION	POSITION/RELATIONSHIP	PERIOD OF SERVICE
Free Masonry Philippines	Member	1980 to Present
The Orchard Golf & Country Club, Inc.	Member	1995 to Present
Asiawealth Properties, Inc.	Chairman and Treasurer	1995 to Present
Builders 2000, Inc.	Chairman	1993 to Present
Triple Capricorn, Inc.	President	1995 to Present
Monterazas Homeowners' Association, Inc.	Homeowner Treasurer	1983 to Present 2024
Valle Verde Country Club, Inc.	Member	2001 to Present
Southwoods Golf & Country Club, Inc.	Member	2000 to Present

4. I possess all of the qualifications and none of the disqualifications to serve as an Independent Director of the Club, as provided for in Section 38 of the Securities Regulation Code, its Implementing Rules and Regulations, and other SEC issuances.

5. I am not related to any director, officer, or substantial shareholder of the Club, and/or its subsidiaries and/or affiliates, other than the relationship provided under Rule 38.2.3 of the Securities Regulation Code.

6. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding.

7. 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.

8. I shall inform the Corporate Secretary of the Club of any changes in the abovementioned information within five (5) days from its occurrence.

Done this JUN 04 2025 day of 2025 at Pasig City.

**PHILIP L. GO**

JUN 04 2025

SUBSCRIBED AND SWORN to before me this JUN 04 2025 day of 2025 at Pasig City, affiant personally appeared before me and whom I identified through his Senior Citizen ID No. 21146.

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Series of 2025.

**ATTY. HANNAHA A. CACERES**  
Notary Public for Pasig City and Municipality of Pateros  
Appointment No. 233 (2025-2026)  
IBP OR No. 499907; 06 January 2025; Quezon City  
PTR OR No. 6986083; 06 January 2025; Pasig City  
MCLE Compliance No. VIII-0016280; 26 November 2024  
2304 Antel Global Corporate Center,  
3 Julia Vargas Ave. San Antonio, Pasig City



**CERTIFICATION OF INDEPENDENT DIRECTOR**

I, **JULIO FELINO M. MANALO**, Filipino, of legal age, and with residence at No. 127 Pili Drive, Ayala Alabang, Muntinlupa City, after having been duly sworn to in accordance with law, do hereby declare that:

1. I am a nominee for Independent Director of The Orchard Golf & Country Club, Inc., (the "Club") for its Annual Shareholders Meeting and Election of Directors to be held on 11 October 2025, or any postponement thereof.

2. I am affiliated with the following companies, organizations, entities and institutions (including government-owned and controlled corporations):

COMPANY/ORGANIZATION	POSITION/RELATIONSHIP	PERIOD OF SERVICE
The Orchard Golf and Country Club, Inc.	Member	2017 to present

3. I possess all of the qualifications and none of the disqualifications to serve as an Independent Director of the Club, as provided for in Section 38 of the Securities Regulation Code, its Implementing Rules and Regulations, and other SEC issuances.

4. I am not related to any director, officer, or substantial shareholder of the Club, and/or its subsidiaries and/or affiliates, other than the relationship provided under Rule 38.2.3 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 proceeding.

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 the Club of any changes in the abovementioned information within five (5) days from its occurrence.


Done this        day of JUN 04 2025 2025 at Pasig City.

  
**JULIO FELINO M. MANALO**

SUBSCRIBED AND SWORN to before me this        day of JUN 04 2025 2025 at Pasig City, affiant personally appeared before me and whom I identified through his Philippine Passport P8221520A.

Doc No. 83  
 Page No. 19  
 Book No. 1  
 Series of 2025.



  
**ATTY. HANNAH A. DACERES**  
 Notary Public for Pasig City and Municipality of Pateros  
 Appointment No. 233 (2025-2026)  
 IBP OR No. 499907; 06 January 2025; Quezon City  
 PTR OR No. 6986083; 06 January 2025; Pasig City  
 MCLE Compliance No. VIII-0016280; 26 November 2024  
 2304 Antel Global Corporate Center,  
 3 Julia Vargas Ave. San Antonio, Pasig City

**THE ORCHARD GOLF & COUNTRY CLUB, INC.  
2025 ANNUAL SHAREHOLDERS' MEETING  
11 October 2025, 10:00 A.M.**

**GUIDELINES FOR HYBRID FORMAT**

**Section 1. Registration**

- 1.1 The 2025 Annual Shareholders' Meeting and Election of Directors ("ASME") will be held in person and via remote communication at 10:00 A.M. on 11 October 2025 through Zoom Webinar.
- 1.2 The deadline for the payment of delinquencies and the record date for determining a shareholders' good standing shall be at 5:00 P.M. on 6 October 2025.
- 1.3 The Registration Period for participation via remote communication shall commence at 8:00 A.M. on 8 October 2025 and end at 5:00 P.M. of 10 October 2025.
  - (a) Individual shareholders who wish to attend via remote communication shall submit the following registration documents to the Corporate Secretary through the Secretariat:
    - (i) A clear copy of the shareholder's valid government-issued ID (including, but not limited to, passport, driver's license, unified multipurpose ID, professional driver's license) showing the shareholder's photo, signature and personal details, preferably with his residential address;
    - (ii) Active email address and contact number of the shareholder.
  - (b) Corporate Shareholders who wish to attend via remote communication shall submit the following registration documents to the Corporate Secretary through the Secretariat:
    - (i) A duly notarized Secretary's Certificate of the board resolution appointing and authorizing the named representative as its nominee to attend the ASME;
    - (ii) Valid government-issued ID of the authorized nominee; and
    - (iii) Active email address and contact number of the nominee.
  - (c) Shareholders attending by proxy shall submit the following to the Corporate Secretary through the Secretariat:
    - (i) The proxy form duly signed by the shareholder;
    - (ii) Valid government-issued ID of the proxy; and

(iii) Active email address and contact number of the proxy.

- 1.4 The Registration Period for physical or in-person attendance shall be until 10:00 A.M. of 11 October 2025, the day of the ASME.
- 1.5 All registration documents shall be sent to and **MUST BE RECEIVED** by the Corporate Secretary through the Secretariat by 5:00 P.M. of 10 October 2025 via:
  - (a) Email to orchardasme2025@gmail.com;
  - (b) Special courier to Km. 27 Aguinaldo Highway, Salawag, Dasmariñas City, Cavite;
  - (c) Viber through 0917 883 4749 and
  - (d) Facebook Messenger through direct message Orchard ASME 2025.
- 1.6 If sending via email, attachments should be clear copies in JPG or PDF format.
- 1.7 Shareholders or proxies will receive an email from the Secretariat (whether the registration documents were sent by the shareholder via email, special courier, Viber, or Facebook Messenger). The Secretariat's email will either confirm successful registration or require submission of deficient documents. Upon successful registration, the shareholder or proxy shall receive the official ballot form and the link to the Zoom Webinar of the ASM. Shareholders who do not receive an email reply may call the following telephone numbers: (632) 8 982 2000 loc. 2121 or 0917 883 4749.
- 1.8 Emails sent after 5:00 P.M. on any given day shall be considered as having been sent on the next succeeding day for the purpose of document validation.
- 1.9 The documents shall be validated by the Office of the Corporate Secretary through the Secretariat, in coordination with and under the supervision of the Election Committee.

## **Section 2. Proxies**

- 2.1 The period for the solicitation of proxies, which will begin on 1 July 2025 and end at 5 P.M. on 6 October 2025. The Election Committee shall meet on 9 October 2025 to validate the proxies.
- 2.2 Proxies may be submitted physically to the Secretariat, or by email to billingtheorchardgolf@gmail.com or orchardasme2025@gmail.com with the subject "Proxy – Name of the Shareholder and Name of the Proxy". The proxy form shall contain the wet or manual signature of the shareholder.
- 2.3 Proxies may be revoked on or before 5:00 P.M. of 8 October 2025 by sending an email to billingtheorchardgolf@gmail.com or orchardasme2025@gmail.com with the subject

“Proxy Revocation – Name of Shareholder”. The revocation may be in the form of an attached scanned printout which shall contain the wet signature of the shareholder or proxy, or a typewritten letter with the electronic signature of the shareholder. In both cases, the documents must be in either JPG or PDF format.

### **Section 3. Quorum**

- 3.1 Only those shareholders who registered in accordance with these Guidelines, together with shareholders who issued valid proxies, will be counted for the purpose of determining a quorum.
- 3.2 The presence of shareholders, in person, by remote communication, or by proxy, representing:
  - (a) at least twenty percent (20%) of the outstanding capital stock shall constitute a quorum to transact business;
  - (b) at least a majority of the outstanding capital stock shall constitute a quorum for the election of directors and the amendment of the By-Laws; and
  - (c) at least two-thirds of the outstanding capital stock shall constitute a quorum for the amendment of the Articles of Incorporation.

### **Section 4. Livestream**

- 4.1 The ASME shall be broadcasted live. Shareholders who have registered may participate via remote communication through videoconferencing. Details of the meeting shall be sent to shareholders or proxies as provided in Section 1.7 hereof. Instructions on how to access the livestream will also be posted at [www.theorchardgolf.com](http://www.theorchardgolf.com).
- 4.2 Video recordings of the ASME will be adequately maintained by the Club and will be made available to participating shareholders upon request. Hard Drives, USBs, and other data storage devices must be provided by the shareholder requesting the video recording files.

### **Section 5. Eligibility to Vote**

- 5.1 Any shareholder may vote in the election of directors provided that such shareholder possesses all of the following qualifications:
  - (a) The shareholder must be a registered owner of at least one (1) share of stock;
  - (b) In the case of a juridical entity, a duly notarized Secretary’s Certificate attesting to the adoption of a board resolution appointing the representative authorized to

vote on behalf of such juridical entity must be received by the Corporate Secretary of the Club through the Secretariat on or before 5 P.M. on 6 October 2025;

- (c) The shareholder must be a member in good standing as of 5 P.M. on 6 October 2025; and
- (d) In the case of proxies, a duly accomplished proxy instrument with the required supporting documents must be received by the Secretariat not later than 5 P.M. on 6 October 2025.

5.2 In determining the eligibility of a shareholder to vote and be voted in the election of directors, the following guidelines will be observed:

- (a) A Corporate Nominee as defined in the By-Laws may vote, provided that he possesses the appropriate proxy from the Corporate Nominator, but cannot be elected;
- (b) A Corporate Assignee as defined in the By-Laws may vote, provided that he possesses the appropriate proxy from the Corporate Assignor, but cannot be elected;
- (c) An Assignee Member as defined in the By-Laws may vote, provided that he possesses the appropriate proxy from his Assignor Member, but cannot be elected; and
- (d) An Assignor Member may vote but cannot be elected.

5.3 Each qualified share of stock shall be entitled to one (1) ballot.

5.4 The eligibility or ineligibility of a shareholder to vote shall be determined as of 5 P.M. on 8 October 2025.

5.5 To properly apprise all shareholders of their eligibility (or ineligibility) to vote, the Nomination Committee, in coordination with the Secretariat, shall post the Official List of Delinquent Members together with the Official List of Candidates at the Clubhouse Bulletin Board not later than 9 October 2025.

## **Section 6. *In Absentia* Voting Procedure**

6.1 Shareholders who have successfully registered shall be notified via email of their log-in details for the ASME. These registered shareholders or their proxies may vote remotely or in absentia.

6.2 Shareholders may vote as soon as they have successfully registered for the ASME and upon receipt of the official ballot, but no later than 10:30 A.M. on 11 October 2025.

6.3 Voting may be done through email at orchardasme2025@gmail.com:

- (a) Upon receipt of the official ballot via email, the shareholder may vote on each item on the agenda by printing out a copy of the official ballot and manually checking and answering the same.
- (b) The shareholder has the option to vote "Approved," "Disapproved," or "Abstain" on each agenda item for approval.
- (c) There shall be seven (7) seats on the Board of Directors, and each official ballot shall be entitled to seven (7) votes. The shareholder shall have the option of cumulating his votes in favor of the candidate or candidates he has chosen.
- (d) Once the shareholder has finalized his vote, he may submit the official ballot by sending the same in JPG or PDF format to orchardasme2025@gmail.com no later than 10:30 A.M. on 11 October 2025. Any votes sent and/or received thereafter shall not be counted.
- (e) Shareholders may only vote once.

## **Section 7. Official Ballot**

7.1 The preparation of the official ballots shall be governed by the following guidelines:

- (a) The official ballots shall contain, in alphabetical order, the names of the candidates set out in the Official List of Candidates.
- (b) The official ballots shall be numbered consecutively and bear the signature of the Chairman of the Election Committee.

7.2 Official ballots shall be given:

- (a) upon registration if a shareholder or his/her proxy is attending in person; or
- (b) in accordance with Section 6 hereof if a shareholder is attending via remote communication.

## **Section 8. Proxies**

8.1 Shareholders may be represented by proxies in the ASME provided that all the following requirements are present:

- (a) The proxy instrument shall be in writing and shall comply with the requirements of the Revised Corporation Code, the Securities Regulation Code and the Securities and Exchange Commission (SEC).
- (b) The proxy instrument shall be signed by the shareholder.

- (c) The proxy instrument, as validated by the Election Committee, shall be submitted by the Secretariat to the Corporate Secretary before the meeting.
- (d) The proxy instrument need not be notarized; provided that, in the case of a juridical entity, the authority of the nominee to execute a proxy shall be indicated in a duly notarized Secretary's Certificate.
- (e) The proxy instrument may indicate that it shall be valid until the next meeting or until a quorum therefor is obtained, but in no case shall exceed a period of five (5) years from the date of its issuance.
- (f) In executing the proxy instrument, a shareholder shall have the option to authorize his proxy to take delivery of all election materials and required notices, and to exercise discretion to vote for and on behalf of the said shareholder.
- (g) The proxy instrument shall, as far as practicable, substantially comply with all of the requirements set forth in the By-Laws.
- (h) A proxy holder cannot withdraw a proxy instrument submitted to the Secretariat, except upon a duly notarized instrument from his principal conferring authority to withdraw such proxy.

8.2 The following rules, as set forth in SEC Memorandum Circular No. 5, series of 1996, shall be observed:

- (a) Where a proxy is given to two or more persons in the alternative in one instrument, the proxy designated as an alternate can only act as proxy in the event of the non-attendance of the other designated person.
- (b) Where the same shareholder gives two or more proxies, the latest one given is to be deemed to revoke all former proxies.
- (c) A proxy shall be valid only for a meeting for which it is intended, unless otherwise indicated in the proxy.
- (d) Executors, administrators, receivers and other legal representatives duly appointed by the court may attend and vote on behalf of a shareholder without need of any written proxy.
- (e) In case of shares of stock owned jointly by two or more persons, the consent of all co-owners shall be necessary to appoint or revoke a proxy.
- (f) For persons owning shares in an "and/or" capacity, one of them may appoint and revoke a proxy.
- (g) There shall be a presumption of regularity in the execution of proxies, and a proxy shall be accepted if it has the appearance of *prima facie* authenticity in the absence of a timely and valid challenge.

- 8.3 The provisions of the Securities Regulation Code and its Implementing Rules and Regulations relating to the validity and appreciation of proxies shall be deemed incorporated herein by reference.

### **Section 9. Inspectors of Election**

- 9.1 The Chairman, may, at his option, appoint two (2) persons to act as Inspectors of Election at the ASME.
- 9.2 The Inspectors of Election shall assist the Election Committee in the conduct of the election.

### **Section 10. Manner of Voting and Canvassing of Ballots**

- 10.1 The members of the Board of Directors shall be elected by secret ballot.
- 10.2 Each shareholder or his proxy shall cast his vote by writing the number of votes opposite the name of each candidate he wishes to vote for.
- 10.3 Except when voting in *absentia* in accordance with these Guidelines, each shareholder or his proxy shall fold his ballot and drop the same in a ballot box prescribed for the purpose. The ballot box shall be opened only after the Election Committee has convened to canvass the election returns in the presence of the Inspectors of Election, if any has been appointed by the Chairman.
- 10.4 Upon closing of the voting period, the Election Committee shall immediately convene to canvass the election returns.
- 10.5 Any protest regarding the conduct of the election must be made before the start of the canvass.
- 10.6 Any protest in connection with the canvassing must be made before the proclamation of the winning candidates.
- 10.7 Protests maybe made verbally but must be recorded by the Election Committee, which must forthwith issue a ruling. In case of a tie, the Election Committee shall break the tie by drawing of lots.
- 10.8 Protests made beyond the periods provided herein shall not be entertained by the Election Committee. All irregularities not raised during the prescribed period shall be deemed waived.

- 10.9 After the Election Committee has completed the canvassing of the ballots and has ruled on all the issues presented to it, the seven (7) candidates with the most number of votes shall be proclaimed as winners.
- 10.10 The foregoing shall be subject to such rules and regulations as the Board of Directors and the Election Committee may prescribe in connection with attendance via remote communication and voting in *absentia*.

### **Section 11. Appreciation of Ballots**

- 11.1 Cumulative voting shall be allowed.
- 11.2 There shall be seven (7) seats in the Board of Directors. Each ballot shall be entitled to seven (7) votes. Each member shall have the option of cumulating his votes in favor of the candidate or candidates he has chosen.
- 11.3 Only the votes cast in favor of those candidates whose names appear in the official ballot shall be tabulated and counted.
- 11.4 Only official ballots with the signature of the shareholder or his proxy shall be counted. Official ballots which do not bear the signature of the member or proxy concerned shall be invalidated.
- 11.5 If a shareholder or proxy votes for one (1) candidate only and the number of corresponding votes is not indicated, seven (7) votes shall be credited to the said candidate.
- 11.6 If a shareholder or proxy votes for one (1) candidate only and the number of the corresponding votes indicated exceed seven (7), only seven (7) votes will be credited in favor of the said candidate.
- 11.7 If a shareholder or proxy votes for one (1) candidate only and the corresponding votes indicated does not exceed seven (7), said candidate shall be credited with such number of votes indicated.
- 11.8 If a shareholder or proxy votes for exactly seven (7) candidates, each chosen candidate shall be credited with one (1) vote.
- 11.9 If a shareholder or proxy votes for more than seven (7) candidates, the ballot shall be invalidated, and no vote shall be counted in favor of any candidate.

- 11.10 If a shareholder or proxy 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.
- 11.11 If a shareholder or proxy votes for more than one (1) candidate and the number of corresponding votes indicated does not exceed seven (7), each chosen candidate shall be credited with such number of votes indicated.
- 11.12 If a shareholder or proxy votes for more than one (1) candidate and the number of votes allocated to the chosen candidates exceed seven (7), each chosen candidate shall be credited with one (1) vote only.
- 11.13 The foregoing rules shall be without prejudice to the application of existing jurisprudence or case law in the appreciation of ballots.

## **Section 12. Questions about Agenda Items**

- 12.1 The Club shall allot a maximum of thirty (30) minutes at the ASME to answer questions raised by the shareholders or proxies in person, through email or chat box.
- 12.2 The Chairman, or the appointed moderator, will read queries sent via email or chat box. The Club will endeavor to answer as many of the questions from shareholders as time will allow, preferably the first ten (10) unique questions raised in person or sent through email or chat box. Each question must come from distinct or different shareholders or proxies.
- 12.3 Shareholders may email their questions regarding any item on the agenda ahead of time to orchardasme2025@gmail.com. The email shall be marked with the subject "ASM 2025 – [Name of Shareholder] Inquiry/Comment". The deadline for these inquiries shall be at 5:00 P.M. of 9 October 2025.
- 12.4 Questions which are received but cannot be read and provided with an answer during the meeting due to time constraints will be answered separately by the Club through email.

*For any inquiries or concerns regarding the above Guidelines, please contact the Club's Secretariat at (632) 8 982 2000 loc. 2121 / 0917 883 4749 or via email at orchardasme2025@gmail.com.*

*For complete information on the annual meeting, please visit [www.theorchardgolf.com/2025asme](http://www.theorchardgolf.com/2025asme).*



# SECURITIES AND EXCHANGE COMMISSION

THE SEC HEADQUARTERS 7907 Makati Avenue, Salcedo Village, Bel-Air, Makati City  
1209 Trunk Line No:02-5322-7696 Email Us:www.sec.gov.ph/imessagemo@sec.gov.ph

ANNEX "K"



**The following document has been received:**

**Receiving:** RICHMOND CARLOS AGTARAP

**Receipt Date and Time:** June 20, 2025 09:17:19 AM

## Company Information

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**SEC Registration No.:** AS92000798

**Company Name:** ORCHARD GOLF & COUNTRY CLUB, INC.

**Industry Classification:** None

**Company Type:** Stock Corporation

## Document Information

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**Document ID:** OST10620202583521131

**Document Type:** Current Report

**Document Code:** SEC\_Form\_17-C

**Period Covered:** June 17, 2025

**Submission Type:** Original Filing

**Remarks:** None

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

COVER SHEET

A S 0 9 2 - 0 0 0 7 9 8

SEC Registration Number

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

(Company's Full Name)

K M . 2 7 A G U I N A L D O H I G H W A Y S A L A W A G , D A S M A R I Ñ A S C I T Y C A V I T E

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

ATTY. MEGAN M. AREÑO

(Contact Person)

(632) 8.293.3510

(Company Telephone Number)

1 2

Month

3 1

Day

Fiscal Year

SEC FORM 17-C

FORM TYPE

October 11, 2025

Month Day

Annual Meeting

(Secondary License Type, if Applicable)

Dept. Requiring this Doc

Amended Articles Number/Section

Total No. of Stockholders

Domestic

Foreign

To be Accomplished by SEC Personnel Concerned

File Number

Document ID

LCU

Cashier

STAMPS

Remarks: Please use black ink for canning purposes.



of 2009 of the Securities and Exchange Commission ("Commission"), otherwise known as the "Revised Code of Corporate Governance," states that all covered companies shall have at least two (2) independent directors or such number of independent directors that constitutes twenty percent (20%) of the members of the Board of Directors ("Board"), whichever is lesser, but in no case less than two (2).

In this regard, as Mr. Tugade's resignation does not impact the Board's ability to achieve a quorum and the current composition remains compliant with the Commission's requirement for independent directors, the Board has resolved not to fill the vacant seat at this time. This decision takes into account the upcoming Annual Shareholders' Meeting and Election of Directors scheduled for 11 October 2025.

### **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 hereunto duly authorized.

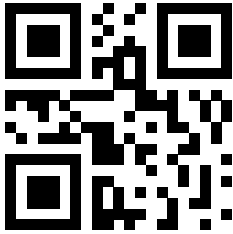
**THE ORCHARD GOLF & COUNTRY CLUB, INC.**

Issuer

By:

Date **17 June 2025**

  
**CHILES MEGAN M. AREÑO**  
Second Asst. Corporate Secretary



Machine Validation:

**VALID UNTIL: JULY 18, 2025**



Republic of the Philippines

DEPARTMENT OF FINANCE  
SECURITIES AND EXCHANGE COMMISSION  
The SEC Headquarters  
7907 Makati Avenue, Salcedo Village,  
Barangay Bel-Air, Makati City, 1209



**PAYMENT ASSESSMENT FORM**

No. 20250603-12864215

<b>DATE</b> 06/03/2025	<b>RESPONSIBILITY CENTER</b> CGFD
<b>PAYOR:</b> THE ORCHARD GOLF AND COUNTRY CLUB, INC. CAVITE	

NATURE OF COLLECTION	QUANTITY	ACCOUNT CODE	AMOUNT
Information Statement (Reporting Co.)		4020199099 (678)	7,500.00
Legal Research Fee (A0823)		2020105000 (131)	75.00
----NOTHING FOLLOWS----			
<b>TOTAL AMOUNT TO BE PAID</b>			<b>Php 7,575.00</b>

Assessed by: jjcañasis	<b>Amount in words:</b> SEVEN THOUSAND FIVE HUNDRED SEVENTY FIVE PESOS AND 00/100
<b>Remarks:</b>	

**PAYMENT OPTIONS**

- Online payment thru eSPAYSEC at
  - <https://espaysec.sec.gov.ph>
- Over the Counter Payments at any LandBank branch nationwide **from 8:30 am up to 3:00 pm only**

**BREAKDOWN SUMMARY**

FUND ACCOUNT	AMOUNT	ACCOUNT #
SEC SRC Current Account	7,500.00	0552-2222-88
SEC BTR Account - LRF	75.00	3402-2319-20
<b>TOTAL</b>	<b>Php 7,575.00</b>	

**NOTES:**

- The Payment Assessment Form (PAF) is valid until JULY 18, 2025.
- Accepted modes of payment at Landbank branches:
  - Cash
  - Manager's/Cashier's Check payable to the Securities and Exchange Commission
- For check payment, please prepare separate Manager's checks per fund account as indicated on the breakdown summary.
- For over the counter payment at LandBank:
  - Print 2 copies of PAF, 1 Client Copy, 1 LandBank copy
  - Accomplish the onColl Payment slip per fund account as indicated on the breakdown summary. Use the correct Fund Account and Account No. and provide the below information:
    - Reference Number 1 - PAF No.
    - Reference Number 2 - Name of Payor appearing on the PAF
  - Present OnColl Payment Slip, together with the PAF, to the LandBank Teller
- You may generate the electronic official receipt (eOR) by visiting <https://espaysec.sec.gov.ph/eor>
  - Payment thru ESPAYSEC – eOR available upon payment
  - LandBank OTC - eOR available within two (2) business days after the payment
- ANY ALTERATIONS WILL INVALIDATE THIS FORM

**VALID UNTIL: JULY 18, 2025**



SEC Main Office  
The SEC Headquarters  
7907 Makati Avenue, Salcedo Village, Barangay Bel-Air, Makati City , 1209

## electronic Official Receipt

### Transaction Details

<b>eOR Number</b>	20250605-PM-0070590-24
<b>Transaction Number</b>	20250605121212800110170930973519071
<b>Payment Date</b>	June 05, 2025 05:19 PM
<b>Payment Scheme</b>	gcash
<b>Status</b>	COMPLETED
<b>Payment Status</b>	PAYMENT_SUCCESS

### Payment Assessment Details

<b>PAF No.</b>	20250603-12864215
<b>PAF Date</b>	2025-06-03 17:55:54
<b>Payor Name</b>	THE ORCHARD GOLF AND COUNTRY CLUB, INC.
<b>Payor Address</b>	CAVITE

#	Nature of Collection	Account Code	Amount
1	Information Statement (Reporting Co.)	4020199099(678)	7,500.00
2	Legal Research Fee (A0823)	2020105000(131)	75.00
<b>TOTAL</b>			<b>7,575.00</b>

Total amount indicated herein does not include the convenience/service fee of the selected payment channel.