

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 I T R A N, 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. ANDREA Q. CARIGMA

(Contact Person)

(632) 8293 3510

(Company Telephone Number)

1 2

Month Day Fiscal Year

3 1

SEC FORM 20-IS

FORM TYPE

1 0

Month

1 0

Day

Annual Meeting

N/A

(Secondary License Type, if Applicable)

CGFD

Dept. Requiring this Doc

N/A

Amended Articles Number/Section

Total Amount of Borrowings

1,856

Total No. of Stockholders

None

Domestic

None

Foreign

To be Accomplished by SEC Personnel Concerned

File Number

Document ID

Document ID

Document ID

LCU

Cashier

STAMPS

Remarks: Please use black ink for canning purposes.

SEC No. **AS092-000798**

File No. _____

THE ORCHARD GOLF & COUNTRY CLUB, INC.
(A NONPROFIT ORGANIZATION)

(Company's Full Name)

**Km. 27 Aguinaldo Highway, Salitran,
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 2026

(Period Ended Date)

N/A

(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:

[x] 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 **AS092-000798**
5. BIR Tax Identification Code **002-829-253**
6. **Km. 27 Aguinaldo Highway, Salitran, 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 **10 October 2026**
Time **10 A.M.**
Place **Orchard Golf & Country Club, Km. 27 Aguinaldo Highway, Salitran, Dasmariñas City, Cavite**
9. Approximate date on which the Information Statement is first to be sent or given to security holders **7 July 2026**
10. In case of Proxy Solicitations:

Name of Person Filing the Statement/Solicitor:
ATTY. ANDREA Q. CARIGMA
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) 8.293.3510
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**

PART I.

INFORMATION REQUIRED IN INFORMATION STATEMENT

A. GENERAL INFORMATION

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

Date : 10 October 2026
Time : 10 A.M.
Place : Presiding at The Orchard Golf & Country Club, Inc., Km. 27
Aguinaldo Highway, Salitran, Dasmariñas City, Cavite
Registrant's Mailing Address : Km. 27 Aguinaldo Highway, Salitran, Dasmariñas City, Cavite
Approximate Date on which Information Statement is First to be Sent or Given to Security Holders : 7 July 2026

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, has a 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 indirect, 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 2026, 3000 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 5 October 2026;
 - (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 5 October 2026, 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 5 October 2026.
- (c) Pursuant to Article VI, Section 6 of the Club's By-Laws, a shareholder may vote during the Annual Shareholders' Meeting either in person or by proxy.

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 2026, 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 & 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. (SLRDI) G/F State Finance Center, Ortigas, Mandaluyong City	Vicente R. Santos Exequiel D. Robles Mariza Santos-Tan	Filipino	211 shares owner of record	11.72%
	SLRDI is the developer of the Club.	The beneficial owners are shareholders and officers of the record owner.			

Class "B"	SLRDI G/F State Finance Center, Ortigas, Mandaluyong City	Vicente R. Santos Exequiel D. Robles Mariza Santos-Tan	Filipino	238 shares owner of record	34.00%
	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	8.7%
	ACL contributed land and cash for the development of the Club	The beneficial owner is a shareholder and officer of the record owner.			
Class "C"	SLRDI G/F State Finance Center, Ortigas, Mandaluyong City	Vicente R. Santos Exequiel D. Robles Mariza Santos-Tan	Filipino	43 shares owner of record	8.60%
	SLRDI is the developer of the Club.	The beneficial owners are shareholders and officers of the record owner			
Total			Class "A"	211 shares	11.72%
			Class "B"	299 shares	42.70%
			Class "C"	43 shares	8.60%

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.

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 2026, 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 & 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	1 Qualifying Share	Filipino	0.05%

	Treasurer/Director			
"A"	Exequiel D. Robles Corporate Secretary/Director	1 Qualifying Share	Filipino	0.05%
"A"	Mariza S. Tan First Asst. Corporate Secretary	1 Qualifying Share 1 Share – Record Owner	Filipino	0.11%
"A"	Julio Felino M. Manalo Independent Director	1 Share – Record Owner	Filipino	0.05%
"A"	Jose S. Gonzales Independent Director	1 Share – Record Owner	Filipino	0.05%
Total		8 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	69	Director and Chairman; Nominee for Director	Filipino	1 year	32 years
Tomas Julio A. Benitez	54	Director and President; Nominee for Director	Filipino	1 year	12 years
Henry T. Cua Loping	89	Director and Treasurer; Nominee for Director	Filipino	1 year	32 years
Exequiel D. Robles	70	Director and Corp. Secretary; Nominee for Director	Filipino	1 year	32 years
Mariza S. Tan	67	Compliance Officer, Director, and Corp. Secretary; Nominee for Director	Filipino	1 year	11 years/ 30 years
Jose S. Gonzales	70	Independent Director; Nominee for Director	Filipino	1 year	9 years
Julio Felino M. Manalo	62	Independent Director; Nominee for Director	Filipino	1 year	Less than 1 year

Name	Age	Position	Citizenship	Term of Service	Length of Service
Jose Ernilo P. Famy	60	General Manager and Chief Operating Officer	Filipino	Reg. Emp.	29 years/ 6 years
Chiles Megan M. Areño	32	Assistant Compliance Officer and Second Asst. Corporate Secretary	Filipino	1 year	2 years

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 and Julio Felino M. Manalo, are hereto attached as Annexes "G" to "H", respectively.

Profiles of Directors, Executive Officers, and Nominees

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

Mr. Vicente R. Santos 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.

He is currently the Chairman of the Club's Board of Directors and the Chairman of Sta. Lucia Land, Inc. He also sits as a director of several companies and owns other businesses related to real estate. He is presently a Director of Federation of Golf Club Philippines, Inc. (FEDGOLF), Eagle Ridge Golf & Country Club, and Summit Point Golf & Country Club. He is also the President of Rancho Palos Verdes Golf & Country Club in Davao.

Mr. Santos is also the current Chairman of the Club's Membership Committee and a member of the Finance Committee.

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

Mr. Tomas Julio A. Benitez has been the managing director of Chubby Conrads Foods Corporation from 2006 to present and the President of PJJ Foods Corporation from 2004 to present.

Mr. Benitez 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.

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

Mr. Henry Cua Loping has been a member of the Board of Directors since the Club's first Annual Shareholders' Meeting in July 1997.

He has been the Executive Vice-President of ACL Development Corporation since 1981 to present, and of Filpak Industries, Inc. from 1978 to present. He has also been 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 Nomination Committee.

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

Mr. Exequiel D. 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 the CREBA 2003 Developer of the Year.

He is likewise a member of the Club's Nomination Committee.

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

Ms. Mariza Santos-Tan has been a member of the Club since 1994. She is an incumbent director of Sta. Lucia Realty & Development, Inc., RS Maintenance & Services Corp., Sta. Lucia East Cinema Corp., Sta. Lucia Waterworks Corp., Rob-San East Trading Corp., Sta. Lucia East Commercial Corp., RS Nighthawk Security, Sta. Lucia East Bowling Center, Inc., Sta. Lucia East Department Store, Inc., Sta. Lucia Supermarket, Express Workshop, Inc., Worlds of Fun, Inc., and Manila Jockey Club, Inc. Ms. Tan also currently holds the position of President of St. Mary's Estate Corporation and Chairman of MJC Investment Corp.

She is likewise a member of the Club's Nomination Committee.

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

Mr. Jose S. Gonzales has been an active member of the Club since 1994, and presently sits as the Chairman Emeritus of the Orchard Senior Golfers' Association.

He retired as the General Manager of Cannon Textile, Inc., a multinational fully integrated textile operations – from spinning to garments in Egypt, UAE, India, Indonesia, and the Philippines. He was also a Lecturer at the Development Academy of the Philippines, a charter member and Treasurer of the Productivity Improvement Circles Association of the Philippines, a two-term president of the Rizal Province Chamber of Commerce and Industry from 1986 to 1987, and a Millennium President of the Rotary Club of Metrowest Triangle, District 3780, Quezon City, and a Plus 3 Paul Harris Fellow.

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

He is the Chairman of the Club's Nomination and Audit Committees.

*JULIO FELINO M. MANALO, Independent Director
Nominee for Independent Director*

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.

He is the Vice-Chairman of the Club's Nomination Committee.

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 Major 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).

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 in Bachelor of Science in Accountancy. She is a Certified Public Accountant and is a member of the Philippine Institute of Certified Public Accountants (PICPA).

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 Mamangun Juco Alamis & Associates and has been in the practice of law for six (6) 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.

A signed copy of the Meeting and Election Guidelines for the 10 October 2026 Annual Shareholders' Meeting is hereto attached as Annex "I" hereof.

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.
Gonzales, Jose S.	Matti, Jose Luis K.	Mr. Matti is not related to Mr. Gonzales.
Manalo, Julio Felino M.	Reunilla, George Christian	Mr. Reunilla is not related to Mr. Manalo.
Robles, Exequiel D.	Dela Cruz, David	Mr. Dela Cruz is not related to Mr. Robles.
Santos, Vicente R.	Dela Cruz, David	Mr. Dela Cruz 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 S. Gonzales
Mr. Vice-Chairman: Mr. Julio Felino M. Manalo
Member: Mr. Exequiel D. Robles
Member: Ms. Mariza S. Tan
Member: Mr. Henry Cua Loping

Election Committee

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

Chairman: Mr. Elpidio C. Jamora, Jr.
Vice-Chairman: Ms. Leleen Lamorana-Bunyi
Member: Mr. Arnold A. Liganor
Member: Mr. Renan R. Osero
Member: Mr. Marion Allam

Audit Committee

The members of the Audit Committee are the following:

Chairman: Mr. Jose S. Gonzales
Member: Atty. Jose Crisostomo, Jr.
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 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)

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 SEC *en banc* issued an order directing the Office of the General Counsel 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”).

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.

Upon the directive of the OGC, the Club filed its position paper on 3 November 2025 and the CGFD likewise filed theirs. As contained in its order, the case is deemed submitted for resolution upon receipt of the parties’ position paper or, if none is filed, the lapse of the period provided therefor.

As of the present, the SEC *en banc* has yet to issue a decision on this case.

(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.

Members			<i>Purchases of Operating Supplies, Equipment and Services</i>	<i>Amounts Owed by the Club</i>
The Turf Company	2025	Noninterest-bearing; on demand and unsecured	2,415,100.00	273,102.00
	2024		8,759,377.00	-
	2023		7,878,907.00	672,804.00

<i>Members</i>			<i>Purchases of Operating Supplies, Equipment and Services</i>	<i>Amounts Owed by the Club</i>
ADY Printing Press	2025	Noninterest-bearing; on demand and unsecured	417,701.00	32,209.00
	2024		397,768.00	-
	2023		535,268.00	-
BNG Transmedia Services	2025	Noninterest-bearing; on demand and unsecured	185,856.00	-
	2024		153,948.00	-
	2023		311,241.00	42,900.00
Omnisource International Trading	2025	Noninterest-bearing; on demand and unsecured	-	-
	2024		-	-
	2023		191,893.00	-
Sanitary Care Products Asia	2025	Noninterest-bearing; on demand and unsecured	349,716.00	77,218.00
	2024		64,731.00	-
	2023		43,436.00	-
Szolare Company Inc.	2025	Noninterest-bearing; on demand and unsecured	35,233.00	23,488.00
	2024		41,105.00	5,872.00
	2023		29,360.00	5,872.00
E.V.Y. Construction Development Cor.	2025	Noninterest-bearing; on demand and unsecured	336,980.00	89,584.00
	2024		174,935.00	92,338.00
	2023		648,888.00	38,396.00
C-Mon Trading	2025	Noninterest-bearing; on demand and unsecured	261,643.00	29,732.00
	2024		32,507.00	-
	2023		21,803.00	-
Gutzvia Enterprise	2025	Noninterest-bearing; on demand and unsecured	1,045,475.00	296,225.00
	2024		485,375.00	-
	2023		64,090.00	-
Total	2025		5,047,704.00	821,558.00
	2024		10,109,746.00	98,210.00
	2023		9,724,886.00	759,972.00

(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, 2025, and 2026 are as follows:

<i>Name & Principal Position</i>	<i>Year</i>	<i>Salary (PHP)</i>	<i>Bonus (PHP)</i>	<i>Other Annual Compensation</i>
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
	2026*	None	None	None

President and all other four Key Management Personnel as a group unnamed	2023	7,691,843.00	2,703,314.00	None
	2024	8,063,515.00	2,905,754.00	None
	2025	8,740,734.00	3,091,348.00	None
	2026*	10,426,861.00	2,860,376.00	None

*The 2026 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 2025 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.

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 2025. Accordingly, the 2025 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
2025	Isla Lipana & Co. (PWC)	PHP 399,575.00
2024	Isla Lipana & Co. (PWC)	PHP 416,462.00

Tax Fees

The following fees were billed by the external auditor for each of the last two (2) fiscal years for professional services for the audit of the Club's annual financial statements:

Year	Tax Services
2025	PHP 42,348.00
2024	PHP 500,000.00

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 other than for the 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 2025 (Annex "A" hereof), which have been included in the Club's 2026 Annual Report, shall be distributed to the shareholders together with this Information Statement. The Interim Financial Statements (17-Q) of the Club for the Quarter Ended 31 March 2026 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 2025 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.

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 2025. Accordingly, the 2025 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 Management;
- 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 11 October 2025, 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 10 October 2025 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 2026 Annual Shareholders' Meeting shall carry the vote.

Voting Method

A shareholder may vote during the Annual Shareholders' Meeting either in person or by proxy.

Shareholders who have successfully registered in person may participate in the Annual Shareholders' Meeting. Proxies may be submitted physically to the Secretariat at <https://theorchardgolf.com/asme-2026/> or by email. The proxy form shall contain the wet or manual signature of the shareholder. Proxies may be revoked on or before 5:00 p.m. of 6 October 2026 (Tuesday).

Shareholders may register from 8:00 A.M. until 9:30 A.M. on 10 October 2026. The registered shareholders or their proxies may vote in person.

Shareholders may vote as soon as they have successfully registered at the Club, upon receipt of the official ballot, no later than 10:30 a.m. on 10 October 2026.

Voting shall be done through the following procedure:

- (a) Upon receipt of the official ballot, the shareholder or proxy may vote on each item on the agenda by manually checking and answering the same.
- (b) The shareholder or proxy has the option to vote "Approved," "Disapproved," or "Abstain" on each agenda item for approval.
- (c) The members of the Board of Directors shall be elected by secret ballot. 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) Each shareholder or his proxy shall vote for a candidate by writing the number of votes opposite the name of each candidate he or she wishes to vote for.
- (e) Each shareholder or proxy shall affix his or her signature on the ballot.
- (f) Each shareholder or his proxy shall fold his or her 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.
- (g) All votes shall be cast no later than 10:30 a.m. on 10 October 2026. Any vote cast thereafter shall not be counted.
- (h) Shareholders may only vote once.

Internal Procedures

The Board of Directors of the Club has adopted a resolution to conduct the 2026 Annual Shareholders Meeting in person.

The registration by the appointing shareholder of his or her personal attendance and intention to vote in person at the ASME shall suspend the proxy for that particular meeting.

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 as soon as they have successfully registered and have received the official ballot, and until **10:30 A.M. on 10 October 2026**, the day of the ASME. 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, submission of proxies, and other information regarding the 2026 ASM are available at <https://theorchardgolf.com/asme-2026/>

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 10 October 2026 Annual Shareholders' Meeting is hereto attached as Annex "E" hereof.

PART II.

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.
2026 PROXY FORM**

This solicitation is being made by The Orchard Golf & Country Club, Inc. (the "Club"), and this proxy will serve to nominate, constitute and appoint:

The Chairman of the Board of Directors of the Club, or in his absence
The President of the Club, or in his absence,
The Corporate Secretary,

as my attorney-in-fact and proxy, to represent me at the Annual Shareholders' Meeting of the Club scheduled on **10 October 2026 at 10 o'clock in the morning at The Orchard Golf & Country Club, Aguinaldo Highway Dasmariñas City, Cavite**, and at any adjournments or postponements thereof, and to vote my share(s) as fully and for all intents and purposes as I might or could have if present and voting in person.

This proxy will be voted in the manner as directed herein. If no direction is made, this proxy will be voted **for the approval of the matters in Items 3, 7, & 8 below**, and for my attorney-in-fact and proxy to use his **discretion for Items 4, 5, & 6**.

1. Claim the Notice of Annual Shareholders' Meeting, the Official Ballot and other election materials, and other relevant documents from the Club.
2. Register attendance on my behalf for quorum purposes.
3. Approval of the Minutes of the 2025 Shareholders' Meeting:

Approved Disapproved Abstain

4. Election of External Auditors:

<input type="checkbox"/> Isla Lipana & Co.	<input type="checkbox"/> Abstain from voting
<input type="checkbox"/> Punongbayan & Araullo	<input type="checkbox"/> Nominate and vote for:
<input type="checkbox"/> Sycip Gorres Velayo & Co.	_____.

5. Election of Directors:

To vote for the following candidates in his discretion / according to the authority hereby given.

<input type="checkbox"/> Tomas Julio A. Benitez	<input type="checkbox"/> Exequiel D. Robles
<input type="checkbox"/> Henry Cua Loping	<input type="checkbox"/> Vicente R. Santos
<input type="checkbox"/> Mariza S. Tan	<input type="checkbox"/> Julio Felino M. Manalo***
<input type="checkbox"/> Jose S. Gonzales***	

and to sign and cast the official ballot for and in my behalf.

6. Should any of the foregoing candidates fail to qualify or in any manner be unable to hold the position of director, the proxy is hereby given discretion and authority to choose and vote for a substitute.
7. Approval of Acts of Management

Approved Disapproved Abstain
8. Represent me in other matters at said meeting.

*** *Nominee for Independent Director*

Item 2. Instruction

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 10 October 2026 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 orchardasme2026@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 6 October 2026 (Tuesday) for purposes of the Annual Shareholders' Meeting on 10 October 2026, 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	Membership No.	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 via electronic mail, considering that it is the most efficient means of transmitting information, forms, and other pertinent communications to the members of the Club.

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 indirect, in any matter to be acted upon other than an 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 December 2025

<i>Class</i>	<i>Billable Members</i>
"A"	1,229
"B"	339
"C"	813
Lifetime Member	58
TOTAL	2,439

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

<i>Class</i>	<i>Billable Members</i>
"A"	1,192
"B"	326
"C"	780
Lifetime Member	56
TOTAL	2,354

(c) Membership fees and monthly maintenance dues collected:

Particulars	Rate	Total Collection
Maintenance Dues	5,500	61,801,749.00
Transfer and Assignment Fee	200,000	24,841,667.00

(d) Other Membership/Club Fees:

Particulars	Rate	Total Collection
Refundable Deposit	35,000	595,000.00
Annual Assignee Fee	50,000	10,766,667.00

(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 Martinez 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, furniture, fixtures, office, and restaurant equipment, as of December 31, 2025, was revalued at PHP 9,334,326,700.

(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.

PART III.

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 19 June 2026 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 GLOBAL 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/imessagemo@sec.gov.ph



ANNEX "A"

The following document has been received:

Receiving: ICTD ERMD

Receipt Date and Time: April 24, 2026 10:14:10 AM

Company Information

SEC Registration No.: AS92000798

Company Name: ORCHARD GOLF & COUNTRY CLUB, INC.

Industry Classification:

Company Type: Stock Corporation

Document Information

Document ID: OST104242026811260367

Document Type: Financial Statement

Document Code: FS

Period Covered: December 31, 2025

Submission Type: Annual

Remarks: None

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



THE ORCHARD GOLF & COUNTRY CLUB <togcc.bir@gmail.com>

Your BIR AFS eSubmission uploads were received

1 message

eafs@bir.gov.ph <eafs@bir.gov.ph>

Wed, Apr 22, 2026 at 11:32 AM

To: togcc.bir@gmail.com

Cc: MDJOSE44@gmail.com

Hi THE ORCHARD GOLF AND COUNTRY CLUB, INC.,

Valid files

- EAFS002829253AFSTY122025.pdf
- EAFS002829253TCRTY122025-01.pdf
- EAFS002829253ITRTY122025.pdf
- EAFS002829253OTHTY122025.pdf

Invalid file

- <None>

Transaction Code: **AFS-0-6BAJH9FD0SS3VNWXMN3TVM3V0M4R43ZNY**Submission Date/Time: **Apr 22, 2026 11:32 AM**Company TIN: **002-829-253**

Please be reminded that you accepted the terms and conditions for the use of this portal and expressly agree, warrant and certify that:

- The submitted forms, documents and attachments are complete, truthful and correct based on the personal knowledge and the same are from authentic records;
- The submission is without prejudice to the right of the BIR to require additional document, if any, for completion and verification purposes;
- The hard copies of the documents submitted through this facility shall be submitted when required by the BIR in the event of audit/investigation and/or for any other legal purpose.

This is a system-generated e-mail. Please do not reply.

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	I	T	R	A	N,		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
---	---	---	---

Department requiring the report

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

Secondary License Type, if Applicable

Investment Company/ With Certificate of Permit to Offer Securities for Sale
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COMPANY INFORMATION

Company's Email Address

togccofficial@gmail.com

Company's Telephone Number/s

(02) 8982-2000

Mobile Number

0917-578-5912

No. of Stockholders

1,856

Annual Meeting (Month/Day)

2nd 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

Irene G. Patricio

Email Address

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.



Isla Lipana & Co.

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

**Financial Statements with Supplementary Schedules
for the Securities and Exchange Commission
December 31, 2025**



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

Financial Statements with Supplementary
Schedules for the Securities and Exchange Commission
December 31, 2025

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* 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.

First Section

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

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

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

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

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

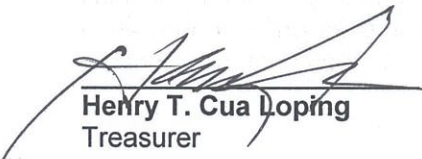
Isla Lipana & Co., the independent auditor, appointed by the stockholders, has audited the financial statements of the company in accordance with Philippine Standards on Auditing, and in its report to the stockholders or members, has expressed its opinion on the fairness of presentation upon completion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



Vicente R. Santos
Chairman of the Board of Directors



Tomas Julio A. Benitez
President



Henry T. Cua Loping
Treasurer



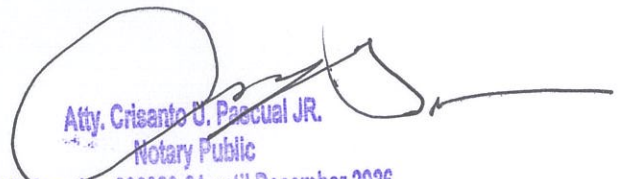
Jose Ernilo P. Famy
General Manager & Chief Operating Officer

Signed this 8th day of April 2026

SUBSCRIBED AND SWORN to before this 10 APR 2026 at IMUS CITY, CAVITE, affiants exhibiting to me their Tax Identification Numbers:

Name	TIN
Vicente R. Santos	155-810-410
Tomas Julio A. Benitez	190-872-271
Henry T. Cua Loping	127-189-383
Jose Ernilo P. Famy	107-081-014

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Book No. 04
Series of 2026


Atty. Crisanto U. Pascual JR.
Notary Public
NP Case No. 003080-24 until December 2026
Roll of Atty. 37305 / TIN: 117568655 / MCLE No. VII-00103
IBP O.R. 466746 (2) PTR 2492748
Imus City, Province of Cavite *Philippines, 4103



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, Salitran,
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, 2025 and 2024, and its financial performance and its cash flows for each of the three years in the period ended December 31, 2025 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, 2025 and 2024;
- the statements of total receipts and expenses for each of the three years in the period ended December 31, 2025;
- the statements of changes in equity for each of the three years in the period ended December 31, 2025;
- the statements of cash flows for each of the three years in the period ended December 31, 2025; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Isla Lipana & Co., 29th Floor, AIA Tower, 8767 Paseo de Roxas,
1226 Makati City, Philippines
+63 (2) 8845 2728

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"), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to our audits of the financial statements of public interest entities in the Philippines. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

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, 2025, 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.

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.

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.



Catherine H. Santos

Partner

CPA Cert. No. 0110097

P.T.R. No. 0011422; issued on January 8, 2026 at Makati City

SEC A.N. (individual) as general auditors 110097-SEC, Category A;

valid to audit 2020 to 2025 financial statements

SEC A.N. (firm) as general auditors 0142-SEC, Category A;

valid to audit 2020 to 2025 financial statements

T.I.N. 211-726-564

BIR A.N. 08-000745-132-2023, issued on May 9, 2023; effective until May 8, 2026

BOA/PRC Reg. No. 0142/P-016, effective until November 14, 2028

Makati City
April 8, 2026



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, Salitran,
Dasmariñas City, Cavite

We have audited the accompanying financial statements of The Orchard Golf & Country Club, Inc. (the "Club") as at and for the year ended December 31, 2025 on which we have rendered the attached report dated April 8, 2026.

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, 2025.

Isla Lipana & Co.

Catherine H. Santos
Partner

CPA Cert. No. 0110097

P.T.R. No. 0011422; issued on January 8, 2026 at Makati City

SEC A.N. (individual) as general auditors 110097-SEC, Category A;
valid to audit 2020 to 2025 financial statements

SEC A.N. (firm) as general auditors 0142-SEC, Category A;
valid to audit 2020 to 2025 financial statements

T.I.N. 211-726-564

BIR A.N. 08-000745-132-2023, issued on May 9, 2023; effective until May 8, 2026

BOA/PRC Reg. No. 0142/P-016, effective until November 14, 2028

Makati City
April 8, 2026

Isla Lipana & Co., 29th Floor, AIA Tower, 8767 Paseo de Roxas,
1226 Makati City, Philippines
+63 (2) 8845 2728

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

Statements of Financial Position
As at December 31, 2025 and 2024
(All amounts in Philippine Peso)

	Notes	2025	2024
Assets			
Current assets			
Cash and cash equivalents	2	128,429,159	136,693,866
Receivables, net	3	20,882,227	20,283,496
Inventories	4	3,772,050	3,872,214
Prepayments and other current assets	5	23,189,067	17,835,264
Total current assets		176,272,503	178,684,840
Non-current assets			
Property and equipment, net	6	460,716,174	467,039,353
Land at revalued amount	7	8,544,511,400	8,544,511,400
Other non-current assets		9,496,977	11,567,138
Total non-current assets		9,014,724,551	9,023,117,891
Total assets		9,190,997,054	9,201,802,731
Liabilities and Members' Equity			
Current liabilities			
Accounts payable and other current liabilities	8	83,829,519	86,007,971
Contract liabilities	9	10,049,489	5,119,235
Deposits from assignees and others	9	13,754,366	14,150,852
Total current liabilities		107,633,374	105,278,058
Non-current liabilities			
Deposits from assignees and others, net of current portion	9	2,170,000	1,855,000
Retirement benefit obligation	15	42,372,982	38,447,788
Deferred income tax liability	16	2,104,258,200	2,104,258,200
Total non-current liabilities		2,148,801,182	2,144,560,988
Total liabilities		2,256,434,556	2,249,839,046
Members' equity			
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	37,290,251	31,419,251
Shares of delinquent members acquired through auctions	11	(52,292,687)	(52,921,687)
Revaluation increments on land, net	7	6,312,774,600	6,312,774,600
Remeasurement on retirement benefits, net	15	(19,044,043)	(8,516,849)
Cumulative excess of expenses over receipts		(427,268,964)	(413,894,971)
Total members' equity		6,934,562,498	6,951,963,685
Total liabilities and members' equity		9,190,997,054	9,201,802,731

(The notes on pages 1 to 35 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, 2025
(All amounts in Philippine Peso)

	Notes	2025	2024	2023
Members' dues and fees				
Membership dues		155,120,709	156,762,697	151,337,066
Transfer and assignment fees		46,439,583	41,008,000	47,898,750
Total members' dues and fees		201,560,292	197,770,697	199,235,816
Revenues from club operations				
Green fees		68,349,131	64,130,686	61,602,473
Golf cart fees		42,751,516	40,671,573	40,282,581
Tournament fees		21,292,103	16,747,205	17,208,828
Concessionaire's fees		11,229,564	10,510,899	10,506,198
Grand raffle event		9,275,536	7,953,570	8,429,155
Facilities rental		6,302,802	5,919,705	5,092,332
Recreational facilities fees		6,085,497	6,020,824	5,804,937
Alcoholic drink sales		4,585,189	4,667,359	4,866,585
Practice range fees		2,915,019	3,054,952	3,130,621
Pro-shop commission		2,509,928	2,552,280	2,855,752
Pro-shop sales		1,549,050	1,800,262	1,699,421
Others		1,821,033	3,287,265	2,642,668
Total revenue from club operations		178,666,368	167,316,580	164,121,551
Total receipts		380,226,660	365,087,277	363,357,367
Cost of goods sold and services	12	(154,508,869)	(155,137,029)	(143,086,678)
Excess of receipts over cost before operating expenses, other income and depreciation expense		225,717,791	209,950,248	220,270,689
Operating expenses other than depreciation	13	(187,488,822)	(191,089,272)	(152,887,231)
Interest income	2	6,343,180	6,768,034	5,699,098
(Provision) Reversal for doubtful accounts, net	3	(4,022,080)	(1,736,750)	58,533
Other income, net	14	4,448,406	5,875,891	13,501,129
Excess of receipts and other income over costs and operating expenses other than depreciation expense		44,998,475	29,768,151	86,642,218
Depreciation expense	6	(56,736,825)	(52,656,102)	(46,439,826)
Excess (Deficiency) of receipts over expenses before income tax		(11,738,350)	(22,887,951)	40,202,392
Income tax expense	16	(1,635,643)	(1,643,032)	(4,785,840)
Excess (Deficiency) of receipts over expenses after income tax for the year		(13,373,993)	(24,530,983)	35,416,552
Other comprehensive income (loss)				
Items that will not be reclassified to profit or loss				
Remeasurement (loss) gain on retirement benefit obligation	15	(10,527,194)	2,074,966	(4,725,434)
Revaluation increment on land, net	7	-	206,722,050	-
Other comprehensive income (loss) for the year		(10,527,194)	208,797,016	(4,725,434)
Total comprehensive income (loss) for the year		(23,901,187)	184,266,033	30,691,118
Basic and diluted earnings (loss) per share	10	(5,017)	(9,208)	13,330

(The notes on pages 1 to 35 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, 2025
(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
Balances as at January 1, 2023	1,083,103,341	4,567,528	(57,869,964)	6,106,052,550	(5,866,381)	(424,780,540)	6,705,206,534
Comprehensive income							
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
Transaction with members							
Re-issuance of shares of delinquent members	-	12,476,723	3,423,277	-	-	-	15,900,000
Balances as at December 31, 2023	1,083,103,341	17,044,251	(54,446,687)	6,106,052,550	(10,591,815)	(389,363,988)	6,751,797,652
Comprehensive income							
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
Transactions with members							
Re-issuance of shares of delinquent members	-	14,375,000	1,525,000	-	-	-	15,900,000
Balances as at December 31, 2024	1,083,103,341	31,419,251	(52,921,687)	6,312,774,600	(8,516,849)	(413,894,971)	6,951,963,685
Comprehensive loss							
Excess of expenses over receipts	-	-	-	-	-	(13,373,993)	(13,373,993)
Other comprehensive loss	-	-	-	-	(10,527,194)	-	(10,527,194)
Total comprehensive loss	-	-	-	-	(10,527,194)	(13,373,993)	(23,901,187)
Transactions with members							
Re-issuance of shares of delinquent members	-	5,871,000	629,000	-	-	-	6,500,000
Balances as at December 31, 2025	1,083,103,341	37,290,251	(52,292,687)	6,312,774,600	(19,044,043)	(427,268,964)	6,934,562,498

(The notes on pages 1 to 35 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, 2025
(All amounts in Philippine Peso)

	Notes	2025	2024	2023
Cash flows from operating activities				
Excess (Deficiency) of receipts over expenses before income tax		(11,738,350)	(22,887,951)	40,202,392
Adjustments for:				
Depreciation expense	6	56,736,825	52,656,102	46,439,826
Retirement benefit cost	15	6,105,712	37,342,167	2,734,867
Provision for (reversal of) impairment of receivables	3	4,022,080	1,736,750	(58,534)
Loss on retirement of property and equipment	14	3,438	-	-
Interest income	2	(6,343,180)	(6,768,034)	(5,699,098)
Excess of receipts over expenses before working capital changes		48,786,525	62,079,034	83,619,453
Decrease (increase) in:				
Receivables		(4,620,811)	(2,257,898)	(1,675,349)
Inventories		100,164	(363,446)	(631,613)
Prepayments and other current assets		(3,426,628)	(5,553,809)	3,833,377
Other non-current assets		2,070,161	(3,509,578)	(4,937,700)
Increase (decrease) in:				
Accounts payable and other current liabilities		(4,951,635)	(17,230,903)	36,022,611
Contract liabilities		4,930,254	(5,931,094)	2,006,512
Deposits from assignees and others		(81,486)	2,027,522	2,097,481
Cash generated from operations		42,806,544	29,259,828	120,334,772
Contribution made to the retirement fund	15	(10,000,000)	(7,500,000)	-
Retirement benefits paid	15	(2,707,712)	-	(1,055,102)
Income taxes paid		(2,778,466)	(1,643,032)	(4,785,840)
Interest received		6,343,180	6,768,034	5,699,098
Net cash provided by operating activities		33,663,546	26,884,830	120,192,928
Cash flows from investing activities				
Additions to property and equipment	6	(48,428,253)	(47,136,074)	(72,225,982)
Proceeds from sale of property and equipment		-	-	31,250
Net cash used in investing activities		(48,428,253)	(47,136,074)	(72,194,732)
Cash flow from financing activities				
Proceeds from reissuance of Club's shares	11	6,500,000	15,900,000	15,900,000
Net cash provided by financing activities		6,500,000	15,900,000	15,900,000
Net increase (decrease) in cash		(8,264,707)	(4,351,244)	63,898,196
Cash and cash equivalents at January 1		136,693,866	141,045,110	77,146,914
Cash and cash equivalents at December 31	2	128,429,159	136,693,866	141,045,110

(The notes on pages 1 to 35 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, 2025 and 2024 and for each of the three years

in the period ended December 31, 2025

(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 138 regular employees as at December 31, 2025 (2024 - 134; 2023 - 114).

The registered office address and principal place of business of the Club is Km. 27 Aguinaldo Highway, Salitran, 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 April 8, 2026.

2 Cash and cash equivalents

Cash and cash equivalents as at December 31 consist of:

	2025	2024
Cash on hand	500,000	500,000
Cash in banks	23,093,094	28,307,636
Short-term deposits	104,836,065	107,886,230
	128,429,159	136,693,866

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 4.60% (2024 and 2023 - 1.40% to 4.90%).

Interest income earned from cash in banks and short-term deposits for the year ended December 31, 2025, amounted to P6,227,814 (2024 - P6,619,124; 2023 - P5,478,177). In 2025, other interest income amounting to P115,366 (2024 - P148,910; 2023 - P220,921) 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:

	2025	2024
Receivables from members	58,185,330	50,717,179
Allowance for doubtful accounts	(48,286,170)	(44,039,986)
	9,899,160	6,677,193
Advances to officers and employees	4,234,216	3,329,679
Receivable from credit card companies	2,210,666	2,953,228
Receivable from concessionaires	353,292	534,204
Others	7,250,734	10,258,316
	14,048,908	17,075,427
Allowance for doubtful accounts	(3,065,841)	(3,469,124)
	10,983,067	13,606,303
Receivables, net	20,882,227	20,283,496

Receivables from members are non-interest-bearing and have a 30-day term, subject to 3% penalty per month for unpaid amounts. In 2025, Late payment charges amounting to P2,024,679 (2024 - P2,961,354; 2023 - P3,739,554) 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 has a credit term of 30 days.

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

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

	2025	2024	2023
At January 1	47,509,110	46,007,209	46,088,742
Provision for impairment of receivables	4,022,080	2,208,130	1,123,481
Reversal	-	(471,380)	(1,182,014)
Write-off	(179,179)	(234,849)	(22,999)
At December 31	51,352,011	47,509,110	46,007,210

No reversal of the provision for impairment of receivables was recognized in 2025, as there was no auction of shares from seriously delinquent members. In 2024, the Club reversed P471,380 (2023 - P1,182,014) of the provision related to receivables from 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 that are determined by evaluating a range of possible outcomes and considering past events, current conditions, and an 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 judgments.

The Club also evaluates specific accounts 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:

	2025	2024
Golf operations and maintenance supplies	1,858,731	1,524,355
Office and computer supplies	557,447	582,439
Club maintenance supplies	536,849	476,810
Proshop	428,869	650,689
Alcoholic drinks	171,206	235,326
Other supplies	218,948	402,595
	3,772,050	3,872,214

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

5 Prepayments and other current assets

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

	2025	2024
Prepaid taxes	11,449,388	10,306,005
Prepaid insurance	301,935	260,285
Prepaid others	11,437,744	7,268,974
	23,189,067	17,835,264

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
Cost							
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)
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
Additions	-	8,074,028	36,858,056	-	-	5,485,000	50,417,084
Transfers	-	-	6,632,143	-	-	(6,632,143)	-
Retirement	-	-	(13,670,042)	-	-	-	(13,670,042)
At December 31, 2025	608,069,332	409,328,528	591,992,910	21,855,597	2,121,657	10,083,214	1,643,451,238
Accumulated depreciation							
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
At December 31, 2024	(440,952,441)	(238,020,705)	(436,797,964)	(21,772,076)	(2,121,657)	-	(1,139,664,843)
Depreciation	(10,253,214)	(14,224,339)	(32,195,764)	(63,508)	-	-	(56,736,825)
Retirement	-	-	13,666,604	-	-	-	13,666,604
At December 31, 2025	(451,205,655)	(252,245,044)	(455,327,124)	(21,835,584)	(2,121,657)	-	(1,182,735,064)
Net carrying values							
At December 31, 2024	167,116,891	163,233,795	125,374,789	83,521	-	11,230,357	467,039,353
At December 31, 2025	156,863,677	157,083,484	136,665,786	20,013	-	10,083,214	460,716,174

In 2025, the increase in prepayments and payables relating to property and equipment amounted to P784,352 and P2,773,183, respectively. These relate mainly to ongoing capital projects and equipment acquisitions recognized under construction-in-progress. No movements in prepayments and payables for 2024 and 2023.

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 the 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 indicative 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:

	2025	2024	2023
Balance at January 1	8,544,511,400	8,268,882,000	8,268,882,000
Revaluation increment during the year recognized in other comprehensive income	-	275,629,400	-
Balance at December 31	8,544,511,400	8,544,511,400	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	8,417,032,800	8,141,403,400

The fair value of the land as at December 31, 2025 and 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, 2025, follows:

	Gross amount	Deferred income tax (Note 16)	Net amount
Revaluation increment on land			
At January 1, 2023	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
Revaluation gain for the year	-	-	-
At December 31, 2025	8,417,032,800	2,104,258,200	6,312,774,600

Valuation techniques

Considering the most recent independent valuations, the Club updates its 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 an 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 an 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:

	Impact on		
	Change in price per square meter	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:

	2025	2024
Trade payables		
Third parties	37,378,931	30,010,812
Due to members	3,728,691	7,106,360
Payable to associated supplier	821,558	98,210
Accrued expense		
Professional fees	7,740,227	5,769,114
Outside services	5,533,853	3,587,381
Utilities	545,387	489,197
Others	8,464,444	5,699,810
Payable to government agencies	6,965,456	4,913,921
Deposit for reacquired shares	3,000,000	9,500,000
Consignment and due to concessionaires	2,790,295	8,971,615
Others	6,860,677	9,861,551
	83,829,519	86,007,971

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

Due to members accounts consist of golfers' insurance and hole-in-one fees, which are collected from members upon each play to cover potential insurance claims and hole-in-one distributions. These amounts are non-interest-bearing and are normally settled within 30 days.

Accrued expenses are non-interest-bearing and have a one-month average term. The accrued others account's balance mainly pertains to bowling equipment maintenance, cost of 3D laser scanning, sweeper equipment and insurance expenses.

Deposits for reacquired shares represent payments received for the sale of delinquent shares reacquired by the Club, pending the issuance of stock certificates to the new owners.

Consignment and due to concessionaire account balances pertain to unremitted sales collected through the Club-operated point-of-sale system. Net proceeds, after deducting applicable concession fees and cash advances, are remitted to concessionaires on the 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, 2025, contract liabilities amounted to P10,049,489 (2024 - P5,119,235).

Deposits from assignees consist of initial security deposits for playing rights, which are refundable upon the expiration of the lease agreement. Deposits from others represent reservation fees and deposits for private golf tournaments and banquet events, which are refundable following the conclusion of the event.

Deposits from assignees and others as of December 31 consist of the following:

	2025	2024
Current	13,754,366	14,150,852
Non-current	2,170,000	1,855,000
	15,924,366	16,005,852

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

10.1 Share capital

Details of share capital as at December 31, 2025 and 2024 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 that 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:

- 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;
- 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 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 Articles of Incorporation, the By-laws, Club rules, or resolutions promulgated by the Board of Directors (BOD) or shareholders, or engages in conduct deemed injurious to the interests or objectives of the Club, the BOD may expel such shareholder following proper notice and a hearing. Upon expulsion, the individual shall cease to be a shareholder and forfeit all rights, except the right to demand payment for their share in accordance with the By-laws. The Club shall have 30 days from the date of expulsion to settle the payment, after which the shareholder must immediately transfer and assign the share 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 shares 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 does not constitute delinquent shares, and therefore, still entitled to vote.

10.2 Basic and diluted Earnings (Loss) Per Share

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

	2025	2024	2023
Excess of receipts (expenses) over expenses (receipts) after income tax	(13,373,993)	(24,530,985)	35,416,552
Number of shares (excluding shares of delinquent members)	2,666	2,664	2,657
Basic and diluted earnings (loss) per share	(5,017)	(9,208)	13,330

Basic and diluted earnings (loss) per share are equal as the Club does not have any dilutive potential ordinary shares in 2025, 2024, and 2023.

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:

	2025		2024		2023	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
At January 1						
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
Shares reissued during the year						
Class A	(1)	(352,000)	(1)	(371,000)	(4)	(1,234,398)
Class B	-	-	(4)	(540,000)	(3)	(664,000)
Class C	(1)	(277,000)	(2)	(614,000)	(4)	(1,524,879)
	(2)	(629,000)	(7)	(1,525,000)	(11)	(3,423,277)
At December 31						
Class A	241	31,717,048	242	32,069,048	243	32,440,048
Class B	50	7,978,734	50	7,978,734	54	8,518,734
Class C	43	12,596,905	44	12,873,905	46	13,487,905
	334	52,292,687	336	52,921,687	343	54,446,687

There were no shares of delinquent members reacquired by the Club for each of the three years for the period ended December 31, 2025.

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:

	2025	2024	2023
Balance at January 1	31,419,251	17,044,251	4,567,528
Transactions during the year			-
Proceeds from re-issuance	6,500,000	15,900,000	15,900,000
Costs	629,000	1,525,000	3,423,277
Excess of proceeds over cost	5,871,000	14,375,000	12,476,723
	37,290,251	31,419,251	17,044,251

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:

	Notes	2025	2024	2023
Repairs and maintenance		58,865,723	53,666,835	55,396,322
Salaries, wages, and employee benefits		32,254,362	29,426,099	24,145,329
Tournament expenses		17,023,164	12,674,382	16,916,272
Utilities		12,323,704	12,252,082	11,995,261
Grand raffle event		7,183,444	6,080,319	8,933,380
Operating supplies		6,313,777	5,402,217	5,259,906
Janitorial and messengerial services		3,542,003	2,954,621	2,801,393
SSS, GSIS, Philhealth, HDMF, and other contributions		2,911,153	2,465,499	1,975,314
Retirement cost	15	2,787,390	17,277,719	1,151,523
Cost of alcoholic drinks	4	2,731,901	2,611,616	2,725,646
Member relations		1,839,704	1,954,738	1,745,614
Taxes and licenses		1,693,977	2,974,035	4,040,583
Professional Fees		1,266,984	1,517,049	1,856,065
Cost of pro-shop inventories	4	1,103,128	1,285,884	1,212,773
Communication		509,685	258,605	184,537
Representation		491,906	502,184	415,253
Others		1,666,864	1,833,145	2,331,507
		154,508,869	155,137,029	143,086,678

Member relations are expenses incurred in relation to members' activities.

Others include the linen & laundry, 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:

	Note	2025	2024	2023
Salaries, wages, and employee benefits		66,462,216	60,653,068	52,838,201
Security services		22,084,959	20,437,371	18,485,727
Repairs and maintenance		21,355,452	20,051,181	16,221,663
Input VAT written-off		12,576,768	12,563,766	9,441,987
Janitorial and messengerial services		11,823,357	10,591,742	9,625,992
Taxes and licenses		10,834,907	10,569,673	10,251,084
Operating supplies		8,937,711	7,228,790	7,634,110
Utilities		7,413,542	6,960,899	6,512,230
Credit and collection		4,006,244	3,611,860	3,472,889
SSS, GSIS, Philhealth, HDMF, and other contributions		3,746,981	3,175,844	2,689,430
Retirement cost	15	3,318,322	20,064,448	1,583,344
Representation		2,948,906	2,660,175	3,313,127
Professional fees		2,669,632	3,192,765	1,356,289
Linen and laundry		2,095,825	1,961,757	1,827,217
Provision for probable losses		2,000,000	2,000,000	2,000,000
Communication		1,875,282	2,293,636	2,721,738
Insurance		1,809,439	1,759,702	1,418,152
Others		1,529,279	1,312,595	1,494,051
		187,488,822	191,089,272	152,887,231

Credit and collection pertains to commissions for the members' payments using credit cards or electronic payment channels.

Other operating expenses, excluding depreciation, are comprised of dues, subscriptions, and costs related to the Club's promotional, advertising, and recruitment activities.

14 Other income, net

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

	Note	2025	2024	2023
Late payment charges	3	2,024,679	2,961,354	3,739,554
Foreign exchange gain (loss), net		12,368	22,789	(2,142)
Loss on retirement of property and equipment		3,438	-	-
Miscellaneous		2,407,921	2,891,748	9,763,718
		4,448,406	5,875,891	13,501,130

Miscellaneous income for 2025 and 2024 mainly comprises sponsorship and registration fees for the Philippine Golf Course Management Conference. In 2023, miscellaneous income included a reversal of unutilized golfers' insurance and hole-in-one contributions in addition to conference registration fees.

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, 2025.

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

	2025	2024
Present value of obligation	118,449,639	100,726,240
Fair value of plan assets	(76,076,657)	(62,278,452)
	42,372,982	38,447,788

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

	2025	2024
At January 1	100,726,240	62,870,342
Current service cost	3,748,862	3,287,539
Interest cost	6,174,519	3,784,795
Past service cost	-	33,411,656
Benefits paid directly paid by the Club	(2,707,712)	-
Remeasurement gain (loss) from:		
Experience adjustment	4,319,181	8,236,482
Financial assumptions	6,188,549	(10,864,574)
At December 31	118,449,639	100,726,240

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

	2025	2024
At January 1	62,278,452	52,189,756
Contributions	10,000,000	7,500,000
Interest income	3,817,669	3,141,823
Remeasurement loss	(19,464)	(553,127)
At December 31	76,076,657	62,278,452

The Club's best estimate of contributions to be paid to the plan for the year ending December 31, 2026 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:

	Notes	2025	2024	2023
Current service cost		3,748,862	3,287,539	2,440,292
Past service cost		-	33,411,656	-
Interest on the net liability		2,356,850	642,972	294,575
	12,13	6,105,712	37,342,167	2,734,867

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

	2025	2024
At January 1	38,447,788	10,680,586
Retirement benefit expense	6,105,712	37,342,167
Remeasurement (loss) gain	10,527,194	(2,074,965)
Contributions to the plan asset	(10,000,000)	(7,500,000)
Benefits directly paid by the Club	(2,707,712)	-
At December 31	42,372,982	38,447,788

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:

	2025	2024
Balance at January 1	8,516,849	10,591,815
Remeasurement loss (gain) for the year	10,527,194	(2,074,966)
Balance at December 31	19,044,043	8,516,849

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:

	2025	2024
Assets:		
Unit investment trust fund	76,157,644	62,350,632
Cash in bank	14,363	6,014
Liability:		
Accrued trust fee payable	(95,350)	(78,194)
	76,076,657	62,278,452

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:

	2025	2024	2023
Discount rate	6.06%	6.13%	6.02%
Salary increase rate	4.00%	3.00%	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

	2025	2024
Less than 1 year	41,147,060	17,123,514
Between 1 year to 2 years	1,235,176	25,609,179
Between 2 year to 5 years	45,150,334	34,975,751
Between 6 years to 10 years	50,737,484	43,267,891
	138,270,054	120,976,335

The average duration of the defined benefits obligation as at December 31, 2025 is 10 years (2024 - 16 years; 2023 - 12 years).

Critical accounting estimates and assumptions: Retirement benefit obligation

The present value of the retirement benefit obligation depends on several 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, 2025</i>			
Discount rate	+/-1%	(5,513,144)	6,227,370
Salary increase rate	+/-1%	6,347,236	(5,826,061)
<i>December 31, 2024</i>			
Discount rate	+/-1%	(5,063,913)	5,455,610
Salary increase rate	+/-1%	5,787,130	(5,640,554)

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 income tax expense for the year ended December 31, 2025, amounted to P1,635,643 (2024 - P1,643,032; 2023 - P4,785,840).

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 revert back to two percent (2%) effective July 1, 2023.

(b) Deferred income tax liability

The Club's deferred income tax liability as at December 31, 2025 amounting to P2,104,258,200 (2024 - P2,104,258,200; 2023 - P2,035,350,850) pertains to the tax effect of cumulative revaluation increment on land (Note 7).

(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:

	2025	2024
Deferred income tax assets		
Expected to be recovered within 12 months		
Allowance for doubtful accounts	12,838,003	11,877,278
Unamortized excess contribution over expenses	2,648,987	1,701,007
Others	1,854,932	1,354,932
	17,341,922	14,933,217
Expected to be recovered after 12 months		
Carryforward benefits of MCIT	2,161,331	1,117,255
Retirement benefit obligation, net of rereasurement	5,832,234	7,482,734
Remeasurement loss on retirement plan	4,761,011	2,129,212
Net operating loss carry-over (NOLCO)	984,144	-
	13,738,720	10,729,201
	31,080,642	25,662,418

In 2025, the Club incurred NOLCO amounting to P984,144 which will expire in three years. There were no NOLCO incurred in 2024 and 2023.

In compliance with the tax regulations, the Club shall pay the greater of MCIT and regular corporate income tax (RCIT), starting in 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	2025	2024
2021	2024	-	300,540
2022	2025	591,568	591,568
2024	2027	525,688	525,688
2025	2028	1,635,643	-
		2,752,899	1,417,796
Expired/Applied during the year		(591,568)	(300,540)
		2,161,331	1,117,256

The reconciliation of the income tax expense (benefit) computed at the statutory income tax rate to the effective income tax expense for the years ended December 31, as shown in profit or loss are as follows:

	2025	2024	2023
Income tax at statutory income tax rates	(2,934,587)	(5,721,988)	10,050,598
Adjust for income tax effects of:			
Non-deductible expenses	53,142,355	50,789,435	45,840,370
Change in unrecognized DIT assets	2,786,425	7,378,197	73,371
Expired MCIT	591,568	300,540	-
Non-taxable receipts	(50,390,073)	(49,442,674)	(49,808,954)
Income subject to final tax	(1,560,045)	(1,660,478)	(1,369,545)
	1,635,643	1,643,032	4,785,840

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	2025	2024	2023
Salaries and wages	Key management compensation covering salaries, wages, and other short-term benefits is determined based on the contract of employment and payable in accordance with the Club's payroll period.	20,561,689	18,552,092	17,163,512
Retirement benefit expense		1,807,354	1,666,638	942,060
		22,369,043	20,218,730	18,105,572

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, 2025, 2024, and 2023.

18 Contingencies

The Club is currently a party to various lawsuits arising in the ordinary course of business. Management's estimate of the probable costs for these claims was developed in consultation with outside counsel and is based on an analysis of potential outcomes. Management and legal counsel believe these matters will not have a material effect on the Club's financial position or performance. As the Club has assessed that an outflow of resources is not probable, provision for probable losses was recognized as at December 31, 2025 and 2024.

Critical accounting estimates and assumptions: Contingencies

The Club is currently involved in certain legal proceedings. Estimates of the probable costs for the resolution of these claims have been developed in consultation with internal and external legal counsel and are based on the probability of potential outcomes. Management believes these proceedings will not have a material effect on the financial statements, especially considering the contract terms with previous shareholders. It is possible, however, that future results of operations could be materially affected by the actual outcome of these matters.

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 several 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	2025	2024
Cash and cash equivalents	2	128,429,159	136,693,866
Receivables, gross of allowance	3	72,234,238	67,792,606
		200,663,397	204,486,472

Prepayments and other current assets and other non-current assets as at December 31, 2025, amounting to P23,189,067 and P9,496,977, respectively, are considered as non-financial assets (2024 - P17,835,264 and P11,567,138, respectively).

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

	Notes	2025	2024
Accounts payable and other current liabilities	8	73,864,063	71,574,050
Deposit from assignees and others	9	15,924,366	16,005,852
		89,788,429	87,579,902

Accounts payable and other liabilities as at December 31, 2025, exclude payable to government agencies amounting to P6,965,456 (2024 - P4,913,921) and deposit for reacquired shares amounting to P3,000,000 (2024 - P9,500,000) as these are not considered as financial liabilities. Contract liabilities as at December 31, 2025, amounting to P10,049,489 (2024 - P5,119,234), 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 deposits for reacquired shares) approximate fair values due to their relatively short-term maturity.

20.1 Credit risk

The principal financial risk faced by the Club is credit risk associated with its cash and receivables. This risk arises should a customer or counterparty fail to discharge an obligation, thereby causing the Club to incur a financial loss. The Club's maximum exposure to credit risk at the end of each reporting period is represented by the carrying value of its 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 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	2025	2024
Cash and cash equivalents*	2	127,929,159	136,193,866
Receivables:	3		
Receivable from members		58,185,330	50,717,179
Advances to officers and employees**		2,274,436	2,574,329
Receivable from credit card companies		2,210,666	2,953,228
Receivable from concessionaires		353,292	534,204
Others		7,250,734	10,258,316
Total credit risk exposure		198,203,617	203,231,122

*Excluding cash on hand amounting to P500,000.

**Excluding car loans amounting to P1,959,780 (2024 - P755,350)

The analysis of financial assets are as follows:

	Neither past due nor impaired	1-30 days	31-60 days	Impaired	Total
2025					
Cash and cash equivalents*	127,929,159	-	-	-	127,929,159
Receivables from members	5,202,720	1,657,375	3,039,065	48,286,170	58,185,330
Advances to officers and employees**	2,273,022	-	-	1,414	2,274,436
Credit card	1,883,652	-	-	327,014	2,210,666
Concessionaire	353,292	-	-	-	353,292
Others	964,006	3,431,466	117,849	2,737,413	7,250,734
	138,605,851	5,088,841	3,156,914	51,352,011	198,203,617
2024					
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**	2,533,517	-	-	40,812	2,574,329
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
	145,229,517	4,368,625	6,123,870	47,509,110	203,231,122

*Excluding cash on hand amounting to P500,000.

**Excluding car loans amounting to P1,959,780 (2024 - P755,350)

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
2025				
Cash and cash equivalents*	127,929,159	-	-	127,929,159
Receivable from members	5,202,720	4,696,440	48,286,170	58,185,330
Advances to officers and employees**	2,273,022	-	1,414	2,274,436
Credit card	1,883,652	-	327,014	2,210,666
Concessionaire	353,292	-	-	353,292
Others	964,006	3,549,315	2,737,413	7,250,734
	138,605,851	8,245,755	51,352,011	198,203,617
2024				
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**	2,533,517	-	40,812	2,574,329
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
	145,229,517	10,492,495	47,509,110	203,231,122

*Excluding cash on hand amounting to P500,000.

**Excluding car loans amounting to P1,959,780 (2024 - P755,350)

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, 2025</i>				
Trade payables:	8			
Third parties		37,378,931	37,378,931	-
Due to members		3,728,691	3,728,691	-
Related parties		821,558	821,558	-
Deposit from assignees and others	9	15,924,366	13,754,366	2,170,000
Accrued expenses	8	22,283,911	22,283,911	-
Consignment and due to concessionaires	8	2,790,295	2,790,295	-
Others	8	6,860,677	6,860,677	-
		89,788,429	87,618,429	2,170,000
<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

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:

	2025	2024
Total current liabilities	107,633,374	105,278,058
Total non-current liabilities	2,148,801,182	2,144,560,988
Total liabilities (a)	2,256,434,556	2,249,839,046
Total equity (b)	6,934,562,498	6,951,963,685
Debt-to-equity ratio (a/b)	0.33:1.00	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, 2025 and 2024 follows:

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

The carrying value of the Club's financial assets and liabilities approximate their fair values as at December 31, 2025 and 2024 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 the 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 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 19.

22.2 Changes in accounting policies and disclosures

(a) New and amended standards adopted by the Club

The Club has applied the following amendment for the first time for its annual reporting period commencing January 1, 2025:

- Lack of Exchangeability - Amendments to PAS 21

In August 2023, the IASB amended IAS 21 to add requirements to help entities to determine whether a currency is exchangeable into another currency, and the spot exchange rate to use where it is not, which were subsequently adopted locally as PAS 21. Prior to these amendments, PAS 21 set out the exchange rate to use when exchangeability is temporarily lacking, but not what to do when lack of exchangeability is not temporary.

The amendment outlined above apply to the Club and have not affected the financial amounts recognized in the current or prior periods. There are no other new standards, amendments, and interpretations to existing standards effective January 1, 2025, that are considered to be relevant on the Club's financial statements.

(b) New and amended standards and interpretation not yet adopted

Certain new accounting standards, and amendments and interpretations to accounting standards have been published that are not mandatory for December 31, 2025 reporting periods and have not been early adopted by the Club. The Club's assessment of the impact of these new standards and amendments applicable to the Club is set out below:

- 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)

In May 2024, the IASB issued targeted amendments to IFRS 9 and IFRS 7 relating to the classification, measurement, and derecognition of financial instruments, which were subsequently adopted locally as PFRS 9 and PFRS 7, to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities. 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).

In September 2025, the PIC issued PIC Q&A No. 2025-03, which provides interpretative guidance on the application of the amendments in PFRS 9 and PFRS 7 in the Philippine setting, particularly for financial assets and financial liabilities settled through electronic payment systems. The amendments clarify:

- the timing of recognition and derecognition of financial assets and financial liabilities;
- the derecognition date of financial liabilities, which is generally the settlement date; and
- an accounting policy option allowing entities, under specified conditions, to derecognize financial liabilities settled through electronic fund transfers (e.g., PESONet, InstaPay) on the payment initiation date, rather than on the settlement date.

The guidance also clarifies the accounting treatment for:

- trade receivables and trade payables settled through electronic fund transfers, cheques, and manager's cheques;
- cash in transit and receivables from financial intermediaries arising from electronic settlements; and
- the circumstances under which such amounts may be classified as cash and cash equivalents.

The Club has not yet decided whether – and, if so, to what extent – it will elect to derecognize financial liabilities before the settlement date where they are settled in cash using an electronic cash transfer system eligible for this election. The Club is currently assessing whether the election should be applied to any of its electronic transfer payment systems.

The rest of these amendments are not expected to have a material impact on the financial statements of the Club.

- Annual Improvements to PFRS Accounting Standards – Volume 11 (effective for annual periods beginning on or after January 1, 2026)

These amendments include clarifications, simplifications, corrections and changes aimed at improving the consistency of several PFRS Accounting Standards. The amended Standards are:

- PFRS 1 First-time Adoption of International Financial Reporting Standards;
- PFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing PFRS 7;
- PFRS 9 Financial Instruments;
- PFRS 10 Consolidated Financial Statements; and
- PAS 7 Statement of Cash Flows.

The Club does not expect these amendments to have a material impact on its operations or separate 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 Club'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 Club 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.
- 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, 2025 and 2024. 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 substantially transferred 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).

22.3.2 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 deposits 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 based on 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.

A 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 an 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, 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	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 put into operational use.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal at which time the cost and the related accumulated depreciation are removed from the accounts. Any gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognized in profit or loss in the year the property and equipment is derecognized.

Land at revalued amount

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

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 considered, 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 an 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 the 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 expenses in profit or loss. Past service costs are recognized when a plan amendment or curtailment occurs. These amounts are calculated periodically by an 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 an 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 Articles of Incorporation and By-laws in settlement of members' long outstanding receivables.

(c) Cumulative excess of expenses over receipts

Cumulative excess of expenses over members' contributions 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 is 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 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 the registration of the 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 the 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 the point in time when the customer obtains control of the goods, which coincides with the receipt and acknowledgment by 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 is 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 all the risks and benefits of ownership of the asset substantially 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 basis 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 establishes 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 the 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 the 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, 2025 and the gross revenues upon which the same was based consist of:

	Gross amount of revenues	Output VAT declared
Subject to 12% VAT	173,655,961	20,838,715
Exempt	201,151,867	-
Zero rated	425,308	-
Total	375,233,136	20,838,715

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, 2025, is as follows:

	Amount
At January 1	
Current year's domestic purchases:	
Domestic purchases	23,297,135
Capital goods subject to amortization	215,163
	23,512,298
Less deductions from input VAT:	
Input Tax on Purchases of Capital Goods subject to amortization	(42,081)
Input tax allocated to exempt sales	(12,576,769)
Application against output VAT	(10,893,448)
At December 31	-

(c) Importations

The Club has no importations for the year ended December 31, 2025, 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, 2025 consist of:

Transfer of shares	7,094
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(f) All other local and national taxes

All other local and national taxes paid for the year ended December 31, 2025 consist of:

	Amount
Real property taxes	8,839,341
Licenses and permit fees	1,104,933
Processing and brokerage	744,000
Documentary stamp taxes	7,094
	10,695,368

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

(g) Withholding taxes

Withholding taxes accrued and paid as at and for the year ended December 31, 2025 consists of:

	Paid	Accrued	Total
Withholding tax on compensation	5,095,688	554,122	5,649,810
Expanded withholding tax	1,530,078	330,438	1,860,516
Fringe benefit tax	1,383,168	450,348	1,833,516
Final withholding tax	567,635	567,321	1,134,956
	8,576,569	1,902,229	10,478,798

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

(h) Tax assessments

No tax assessment was settled during the year. Likewise, the Club did not receive any Final Assessment Notice for the year ended December 31, 2025.

(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, 2025.

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.

Second Section



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, Salitran,
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, 2025, on which we have rendered the attached report dated April 8, 2026. 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.

Catherine H. Santos

Partner

CPA Cert. No. 0110097

P.T.R. No. 0011422; issued on January 8, 2026 at Makati City

SEC A.N. (individual) as general auditors 110097-SEC, Category A;

valid to audit 2020 to 2025 financial statements

SEC A.N. (firm) as general auditors 0142-SEC, Category A;

valid to audit 2020 to 2025 financial statements

T.I.N. 211-726-564

BIR A.N. 08-000745-132-2023, issued on May 9, 2023; effective until May 8, 2026

BOA/PRC Reg. No. 0142/P-016, effective until November 14, 2028

Makati City
April 8, 2026

Isla Lipana & Co., 29th Floor, AIA Tower, 8767 Paseo de Roxas,
1226 Makati City, Philippines
+63 (2) 8845 2728



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, Salitran,
Dasmariñas City, Cavite

We have audited in accordance with Philippine Standards on Auditing, the accompanying financial statements of The Orchard Golf & Country Club, Inc. as at December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025, and have issued our report thereon dated April 8, 2026. 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, 2025 and 2024 and for the years then ended and no material exceptions were noted.

Isla Lipana & Co.

Catherine H. Santos
Partner

CPA Cert. No. 0110097

P.T.R. No. 0011422; issued on January 8, 2026 at Makati City

SEC A.N. (individual) as general auditors 110097-SEC, Category A;
valid to audit 2020 to 2025 financial statements

SEC A.N. (firm) as general auditors 0142-SEC, Category A;
valid to audit 2020 to 2025 financial statements

T.I.N. 211-726-564

BIR A.N. 08-000745-132-2023, issued on May 9, 2023; effective until May 8, 2026

BOA/PRC Reg. No. 0142/P-016, effective until November 14, 2028

Makati City
April 8, 2026

Isla Lipana & Co., 29th Floor, AIA Tower, 8767 Paseo de Roxas,
1226 Makati City, Philippines
+63 (2) 8845 2728

The Orchard Golf & Country Club, Inc.
(A non-profit organization)
Schedule of Financial Soundness Indicator
December 31, 2025 and 2024

Ratio	Formula	2025	2024
Current Ratio	Total current assets	176,272,503	178,684,840
	Divided by: Total current liabilities	107,633,374	105,278,058
	Current ratio	1.64	1.70
Acid test ratio	Total current assets	176,272,503	178,684,840
	Less: Other current assets	26,961,117	21,707,478
	Quick assets	149,311,386	156,977,362
	Divided by: Total current liabilities	107,633,374	105,278,058
	Acid test ratio	1.39	1.49
Solvency ratio	Profit (loss) after tax	(13,373,993)	(24,530,983)
	Add: Depreciation expense	56,736,825	52,656,102
	Income after tax, before depreciation	43,362,832	28,125,119
	Divided by: Total liabilities	2,256,434,556	2,249,839,046
	Solvency ratio	0.019	0.013
Debt-to-equity ratio	Total liabilities	2,256,434,556	2,249,839,046
	Divided by: Total equity	6,934,562,498	6,951,963,685
	Debt-to-equity ratio	0.33	0.32
Asset-to-equity ratio	Total assets	9,190,997,054	9,201,802,731
	Divided by: Total equity	6,934,562,498	6,951,963,685
	Asset-to-equity ratio	1.33	1.32
Interest rate coverage ratio	Profit (loss) before interest and tax	(11,738,350)	(22,887,951)
	Divided by: Interest expenses	-	-
	Interest rate coverage ratio	N/A	N/A
Return on equity	Profit (loss) after tax	(13,373,993)	(24,530,983)
	Divided by: Average total equity	6,943,263,092	6,851,880,669
	Return on equity	(0.19%)	(0.36%)
Return on asset	Profit (loss) after tax	(13,373,993)	(24,530,983)
	Divided by: Average total assets	9,196,399,893	9,063,949,676
	Return on asset	(0.15%)	(0.30%)
Net profit margin	Profit (loss) after tax	(13,373,993)	(24,530,983)
	Divided by: Net revenue	380,226,661	365,087,277
	Net profit margin	(3.52%)	(6.72%)

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

Schedule A - Financial Assets
As at December 31, 2025
(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	697,248	Not applicable	1,604
BDO Unibank, Inc.	Not applicable	14,014,978	Not applicable	4,906
China Banking Corporation	Not applicable	5,876,492	Not applicable	5,639
Bank of the Philippine Islands	Not applicable	2,504,376	Not applicable	3,318
Short-term deposits				
Bank of Commerce	Not applicable	16,000,000	Not applicable	1,058,940
BDO Unibank, Inc.	Not applicable	28,398,301	Not applicable	2,151,502
China Banking Corporation	Not applicable	37,792,062	Not applicable	1,727,736
Bank of the Philippine Islands	Not applicable	22,645,702	Not applicable	1,274,169
Total cash and cash equivalents		128,429,159		6,227,814
Receivables	Not applicable	20,882,226	Not applicable	115,366
Total financial assets		149,311,385		6,343,180

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, 2025
(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	3,329,679	8,601,548	7,697,011	-	4,234,216	-	4,234,216

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, 2025

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, 2025

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, 2025

Name of related party	Balance at beginning of year	Balance at end of year
Not applicable		

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

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

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, 2025

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, 2025 and 2024
(All amounts in Philippine Peso)

	2025	2024
Total audit fees*	379,525	337,498
Non-audit services fees:		
Other assurance services	-	-
Tax services	-	-
All other services	20,050	78,964
Total non-audit fees	20,050	78,964
Total audit and non-audit fees	399,575	416,462

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

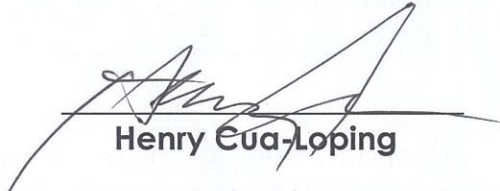
Audit and non-audit fees of other related entities

	2025	2024
Audit fees	-	-
Non-audit services fees:		
Other assurance services	-	-
Tax services	42,348	500,000
All other services	-	-
Total audit and non-audit fees of other related entities	42,348	500,000

TREASURER CERTIFICATE

I, Henry Cua-Loping, of legal age, and with office address at Suite 1822 Tytana Center, Plaza Lorenzo Ruiz, Binondo, Manila, after being duly sworn in accordance with law, depose and say:

1. That I am duly appointed Treasurer of The Orchard Golf and Country Club, Inc., a corporation duly organized and existing by virtue of the laws of the Republic of the Philippines, with principal office at Km.27 Aguinaldo Highway, Salitran, Dasmariñas City, Cavite.
2. That the Financial Statements compact disc as of December 31, 2025 has the basic and material data in the audited Financial Statements;
3. That this certification is executed to comply with the submission of the Securities and Exchange Commission reportorial requirement.


Henry Cua-Loping

SUBSCRIBED AND SWORN to before me this APR 10 2026 day of _____, 2026 at Dasmariñas, Cavite affiant exhibiting to me his Tax Identification No.127-189-383.

Doc. No. 117
Page No. 25
Book No. 47
Series of 2026.

ATTY. CHERRY LOU T. REYES-NUÑEZ
Not. Corp. No. DC-181-25 valid until 31 December 2028
3F Unit 4, MBT Building, South Promenade, Molino Rd.
Salawag, Dasmariñas City, Cavite
Roll of Attorneys No. 61224; IBP No. 563077 (CY 2026)
MCLE Compliance No. VIII-0038943; until 14 April 2028
PTR No. CD-4234953; 5 January 2026; Dasmariñas, Cavite
ULAS Compliance NO.: NA





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 "B"

The following document has been received:

Receiving: DONNA ENCARNADO

Receipt Date and Time: April 30, 2026 04:29:40 PM

Company Information

SEC Registration No.: AS92000798

Company Name: ORCHARD GOLF & COUNTRY CLUB, INC.

Industry Classification:

Company Type: Stock Corporation

Document Information

Document ID: OST104302026811289051

Document Type: Quarterly Report

Document Code: SEC_Form_17-Q

Period Covered: March 31, 2026

Submission Type: Original Filing

Remarks: None

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
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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	.																					
(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)

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

ATTY. CHILES MEGAN M. AREÑO

(Contact person)

7919-4643

(Company Telephone Number)

0 3	3 1
-----	-----

Month Day
(Fiscal Year)

1 7 - Q	
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Form Type

1 0	1 1
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Month Day
(Annual Meeting)

Investment Company/ With Certificate of Permit to Offer Securities for Sale
--

(Secondary License Type, If Applicable)

CFD

Dept. Requiring this Doc.

N/A

Amended Articles Number/Section

1,856

Total No. of Stockholders

Total Amount of Borrowings

None	None
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Domestic Foreign

To be accomplished by SEC Personnel concerned

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File Number

LCU

--

Document ID

Cashier

STAMPS

Remarks: Please use BLACK ink for scanning purposes

SEC Number

AS092-000798

File Number

COVER SHEET

THE ORCHARD GOLF & COUNTRY CLUB, INC.

(A NONPROFIT ORGANIZATION)

(Company's Full Name)

**Km. 27 Aguinaldo Highway, Salitran,
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, 2026

Period Ended Date

(Secondary License Type and File Number)

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

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

1. For the quarterly period ended **March 31, 2026.**
2. Commission identification number **AS092-000798** 3. BIR Tax Identification No. **002-829-253**
4. Exact name of issuer as specified in its charter **The Orchard Golf & Country Club, Inc.**
5. Province, country or other jurisdiction of incorporation or organization **Philippines**
6. Industry Classification Code: (SEC Use Only)
7. **Km. 27 Aguinaldo Highway, Salitran, Dasmariñas City, Cavite** **4114**
Address of issuer's principal office Postal Code
8. **(02) 8982-2000**
Issuer's telephone number, including area code
9. **Not Applicable**
Former name, former address and former fiscal year, if changed since last report
10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

<u>Title of each Class</u>	<u>Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding</u>
Class "A"	1,800
Class "B"	700
Class "C"	500

11. Are any or all of the securities listed on a Stock Exchange?

Yes [] No []

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

12. Indicate by check mark whether the registrant:

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

Yes [] No []

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

Yes [] No []

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

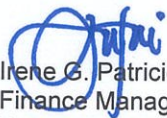
Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

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: April 29, 2026



Irene G. Patricio
Finance Manager
Date: April 29, 2026

SUBSCRIBED AND SWORN to before me this 30 APR 2026 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.: 128
Page No.: 24
Book No.: 65
Series of 2026


Atty. Crisanto U. Pascual JR.
Notary Public
NP Case No. 003080-24 until December 2026
Roll of Atty. 37535 / TIN: 117566655 / MCLE No. VII-001036
IBP O.R. 486746 (2) PTR 2482748
Imus City, Province of Cavite *Philippines, 4103

THE ORCHARD GOLF & COUNTRY CLUB, INC.

(A non-profit organization)

Financial Statements

As of March 31, 2026 (Unaudited) and December 31, 2025 (Audited)
And for the quarters ended March 31, 2026, and 2025 (Unaudited)

THE ORCHARD GOLF & COUNTRY CLUB, INC.

(A non-profit organization)

STATEMENTS OF FINANCIAL POSITION

(All amounts in Philippine Peso)

		(Unaudited) March 31, 2026	(Audited) December 31, 2025
	Note		
<u>ASSETS</u>			
Current assets			
Cash and cash equivalents	2	191,396,007	128,429,159
Receivables, net	3	16,909,394	20,882,227
Inventories	4	4,773,803	3,772,050
Prepayments and other current assets	5	22,174,650	23,189,067
Total current assets		235,253,854	176,272,503
Non-current assets			
Property and equipment, net	6	460,236,988	460,716,175
Land at revalued amount	7	8,544,511,400	8,544,511,400
Other non-current assets		15,315,987	9,496,977
Total non-current assets		9,020,064,375	9,014,724,552
Total assets		9,255,318,229	9,190,997,055
<u>LIABILITIES AND EQUITY</u>			
Current liabilities			
Accounts payable and other current liabilities	8	77,443,513	83,829,519
Contract liabilities	9	74,833,468	10,049,490
Deposits from assignees and others	9	14,699,933	13,754,366
Total current liabilities		166,976,914	107,633,375
Non-current liabilities			
Deposits from assignees and others, net of current portion	9	2,170,000	2,170,000
Retirement benefit obligation	15	43,939,672	42,372,982
Deferred income tax liability		2,104,258,200	2,104,258,200
Total non-current liabilities		2,150,367,872	2,148,801,182
Total liabilities		2,317,344,786	2,256,434,557
Members' equity			
Share capital		1,083,103,341	1,083,103,341
Accumulated excess of proceeds over cost from re-issuance of shares of delinquent members		37,290,251	37,290,251
Shares of delinquent members acquired through auctions	11	(52,292,687)	(52,292,687)
Revaluation increments on land, net		6,312,774,600	6,312,774,600
Remeasurement on retirement benefits, net		(19,044,043)	(19,044,043)
Cumulative excess of expenses over receipts		(423,858,019)	(427,268,964)
Total members' equity		6,937,973,443	6,934,562,498
Total liabilities and members' equity		9,255,318,229	9,190,997,055

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

STATEMENTS OF COMPREHENSIVE INCOME
(All amounts in Philippine Peso)

	Note	(Unaudited)	
		Quarters Ended March 31	
		2026	2025
Members' dues and fees			
Membership dues		36,714,000	36,800,500
Transfer and assignment fees		18,893,873	14,489,167
Total members' dues and fees		55,607,873	51,289,667
Revenues from club operations			
Green fees		20,481,244	23,309,857
Golf cart fees		13,096,621	11,476,311
Concessionaire's fee		3,119,033	2,969,060
Facilities rental		2,102,603	1,822,952
Tournament fees		2,006,476	1,637,415
Recreational facilities fees		1,751,829	960,645
Alcoholic drink sales		1,210,247	1,209,415
Practice range fees		965,174	829,530
Proshop commission		679,031	562,423
Proshop sales		263,757	464,467
Others-net		1,380,729	427,989
Total revenue from club operations		47,056,744	45,670,064
Total receipts		102,664,617	96,959,731
Cost of goods sold and services	12	(36,485,808)	(31,694,100)
Excess of receipts over cost before operating expenses, other income and depreciation expense		66,178,809	65,265,631
Operating expenses other than depreciation	13	(46,063,181)	(40,303,895)
Interest income	2	1,316,242	1,609,169
Provision for doubtful accounts, net	3	(3,953,038)	(2,496,225)
Other income, net	14	1,115,662	861,185
Excess of receipts and other income over costs and operating expenses other than depreciation expense		18,594,494	24,935,865
Depreciation expense	6	(14,933,550)	(13,830,504)
Excess of receipts over expenses before income tax		3,660,944	11,105,361
Income tax expense		(250,000)	(250,000)
Excess of receipts over expenses after income tax for the year		3,410,944	10,855,361
Basic and diluted earnings per share	10	1,279	4,075

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	2026	2025
Share capital		1,083,103,341	1,083,103,341
Excess of proceeds over cost from re-issuance of shares of delinquent members		37,290,251	31,419,251
Shares of delinquent members acquired through auctions	11	(52,292,687)	(52,921,687)
Revaluation increment on land - net		6,312,774,600	6,312,774,600
Remeasurement on retirement benefits - net		(19,044,043)	(8,516,849)
Cumulative excess of expenses over members' contributions and fees		(423,858,019)	(403,039,609)
Total members' equity		6,937,973,443	6,962,819,047

THE ORCHARD GOLF & COUNTRY CLUB, INC.

(A non-profit organization)

STATEMENTS OF CASH FLOWS

(All amounts in Philippine Peso)

		(Unaudited)	
		Quarters Ended March 31	
	Note	2026	2025
Cash flows from operating activities			
Excess of receipts over expenses before income tax		3,660,944	11,105,361
Adjustments for:			
Depreciation expense	6	14,933,550	13,830,504
Provision for impairment of receivables	3	3,953,038	2,496,225
Retirement benefit cost	15	1,566,690	904,281
Interest income	2	-	(1,609,169)
Excess of receipts over expenses before working capital changes		24,114,222	26,727,202
Decrease (increase) in:			
Receivables	3	19,795	3,835,215
Inventories	4	(1,001,753)	(139,824)
Prepayments and other current assets	5	1,014,417	(5,485)
Other non-current assets		(5,819,010)	1,462,942
Increase (decrease) in:			
Accounts payable and other current liabilities	8	(6,636,006)	(5,473,689)
Contract liabilities	9	64,783,979	63,013,785
Deposits from assignees and others	9	945,567	520,611
Cash generated from operations		77,421,211	89,940,757
Interest received	2	-	1,609,169
Contributions	15	-	(2,500,000)
Retirement benefits paid	15	-	(1,691,872)
Net cash provided by operating activities		77,421,211	87,358,054
Cash flows from investing activities			
Additions to property and equipment	6	(14,454,363)	(22,711,914)
Net cash used in investing activities		(14,454,363)	(22,711,914)
Net increase in cash		62,966,848	64,646,140
Cash and cash equivalents at beginning of the year		128,429,159	136,693,866
Cash and cash equivalents at end of the period		191,396,007	201,340,006

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, comprising 3,000 proprietary certificates, of which 7 are founders’ certificates, and 2,993 are regular certificates.

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

Note 2 – Cash and cash equivalents

Cash and cash equivalents as at March 31, 2026 and December 31, 2025 consist of:

	March 31, 2026	December 31, 2025
Cash on hand	750,000	500,000
Cash in banks	42,668,161	23,093,094
Short-term deposits	147,977,846	104,836,065
	191,396,007	128,429,159

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% to 7.75%.

Interest income earned from cash in banks and short-term deposits for the quarter ended March 31, 2026 amounted to P1,316,242 (December 31, 2025 – P6,343,180). Other interest income amounting to P56,672 (December 31, 2025 – P115,366) 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, 2026 and December 31, 2025 consist of:

	March 31, 2026	December 31, 2025
Receivables from members	56,379,382	58,185,330
Advances to officers and employees	4,347,025	4,234,217
Receivable from credit card companies	462,680	2,210,665
Receivable from concessionaires	432,060	353,292
Others	8,197,297	7,250,734
	69,818,444	72,234,238
Allowance for doubtful accounts	(52,909,050)	(51,352,011)
	16,909,394	20,882,227

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, 2026 amounting to P1,031,487 (December 31, 2025 – P2,024,679) 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, 2026 and year ended December 31, 2025 are as follows:

	March 31, 2026	December 31, 2025
Beginning of the year	51,352,011	47,509,110
Provision for impairment of receivables	3,953,039	4,022,080
Write-off	(2,396,000)	(179,179)
Reversal	-	-
End of the year	52,909,050	51,352,011

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 that 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 judgments.

The Club also evaluates specific accounts 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, 2026 and December 31, 2025 consist of:

	March 31, 2026	December 31, 2025
Golf operations and maintenance supplies	1,869,104	1,858,731
Proshop items	605,892	428,869
Alcoholic Drinks	564,023	171,206
Clubhouse maintenance supplies	533,899	536,849
Office and computer supplies	519,908	557,447
Other supplies	680,977	218,948
	4,773,803	3,772,050

Note 5 – Prepayments and other current assets

Prepayments and other current assets as at March 31, 2026 and December 31, 2025 consist of:

	March 31, 2026	December 31, 2025
Prepaid taxes	9,794,781	11,449,388
Prepaid licenses	862,749	-
Prepaid insurance	297,922	301,935
Prepaid others	11,219,198	11,437,744
	22,174,650	23,189,067

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 and sprinkler replacement.

Note 6 – Property and equipment, net

Details of and movements in property and equipment, net at March 31, 2026 and December 31, 2025 are as follows:

	Land improvements	Buildings and structures	Facilities and equipment	Furniture and fixtures	Kitchen equipment	Construction-in-progress	Total
Cost							
At January 1, 2025	608,069,332	401,254,500	562,172,753	21,855,597	2,121,657	11,230,357	1,606,704,196
Additions	-	8,074,028	36,858,056	-	-	5,485,000	50,417,084
Transfers	-	-	6,632,143	-	-	(6,632,143)	-
Retirement	-	-	(13,670,042)	-	-	-	(13,670,042)
At December 31, 2025	608,069,332	409,328,528	591,992,910	21,855,597	2,121,657	10,083,214	1,643,451,238
Additions	-	-	14,454,363	-	-	-	14,454,363
Retirement	-	-	-	-	-	-	-
At March 31, 2026	608,069,332	409,328,528	606,447,273	21,855,597	2,121,657	10,083,214	1,657,905,601
Accumulated depreciation							
At January 1, 2025	(440,952,441)	(238,020,705)	(436,797,964)	(21,772,076)	(2,121,657)	-	(1,139,664,843)
Depreciation	(10,253,214)	(14,224,338)	(32,195,764)	(63,508)	-	-	(56,736,824)
Retirement	-	-	13,666,604	-	-	-	13,666,604
At December 31, 2025	(451,205,655)	(252,245,043)	(455,327,124)	(21,835,584)	(2,121,657)	-	(1,182,735,063)
Depreciation	(2,563,303)	(3,644,214)	(8,726,033)	-	-	-	(14,933,550)
Retirement	-	-	-	-	-	-	-
At March 31, 2026	(453,768,958)	(255,889,257)	(464,053,157)	(21,835,584)	(2,121,657)	-	(1,197,668,613)
Net carrying values							
At December 31, 2025	156,863,677	157,083,485	136,665,786	20,013	-	10,083,214	460,716,175
At March 31, 2026	154,300,374	153,439,271	142,394,116	20,013	-	10,083,214	460,236,988

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 the 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 that 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, 2026 and December 31, 2025 are as follows:

	March 31, 2026	December 31, 2025
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
Balance at end of year	8,544,511,400	8,544,511,400
Less: Historical cost of the land	127,478,600	127,478,600
Gross revaluation increment on land	8,417,032,800	8,417,032,800

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

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 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, 2026 and December 31, 2025 consist of:

	March 31, 2026	December 31, 2025
Trade payables:		
Third parties	25,020,334	37,378,931
Due to members	11,092,625	3,728,691
Payable to associated supplier	2,006,980	821,558
Accrued expenses:		
Professional fees	8,215,227	7,740,227
Outside services	2,661,026	5,533,853
Utilities	744,809	545,387
Others	10,569,191	8,464,444
Consignment and due to concessionaires	6,334,075	2,790,295
Deposit for reacquired shares	3,000,000	3,000,000
Payable to government agencies	1,097,322	6,965,456
Others	6,701,924	6,860,677
	77,443,513	83,829,519

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

Due to members account pertains to payments made by players for golfers' insurance fees and the hole-in-one fund. These amounts are collected each time members play at the Club, serving as contributions toward potential hole-in-one payouts and coverage for accidents under the insurance program.

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-day 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, 2026 contract liabilities amounted to P74,833,467 (December 31, 2025 – P10,049,490).

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, 2026 and December 31, 2025 are as follows:

	March 31, 2026	December 31, 2025
Current	14,699,933	13,754,366
Non-current	2,170,000	2,170,000
	16,869,933	15,924,366

Note 10 – Capital stock, club membership and basic earnings (loss) per share

Details of share capital as at March 31, 2026 and December 31, 2025 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
	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 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 that 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 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 shares 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

	March 31, 2026	December 31, 2025
Excess (Deficiency) of receipts over expenses after income tax	3,410,944	(13,373,992)
Number of shares	2,666	2,666
Basic and diluted earnings (loss) per share	1,279	(5,017)

Basic and diluted earnings (loss) per share are equal as the Club does not have any dilutive potential ordinary shares in March 31, 2026, and December 31, 2025.

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.

	March 31, 2026	December 31, 2025
Class A	241	241
Class B	50	50
Class C	43	43
	334	334

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:

	2026	2025
Repairs and maintenance	15,104,313	12,751,127
Salaries, wages, and employee benefits	8,060,130	7,188,812
Utilities	4,529,963	3,447,856
Tournament expenses	3,198,239	2,256,640
Operating supplies	1,264,271	1,663,425
Janitorial and messengerial services	875,685	677,650
SSS, GSIS, Philhealth, HDMF & other contributions	732,734	690,833
Cost of sales – alcoholic drinks	681,527	780,519
Retirement cost	649,327	395,478
Taxes and licenses	388,808	571,245
Member relations	291,166	282,594
Professional fees	233,850	223,076
Cost of sales – proshop	193,726	324,044
Representation	123,561	121,735
Communication	65,990	154,077
Others	92,518	164,989
	36,485,808	31,694,100

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:

	2026	2025
Salaries, wages, and employee benefits	16,461,985	15,830,183
Repairs and maintenance	6,967,268	4,376,565
Security services	5,598,054	5,291,672
Janitorial and messengerial services	3,531,544	2,708,284
Operating supplies	2,927,797	1,745,347
Taxes and licenses	2,278,897	2,273,689
Utilities	1,456,209	1,361,879
Credit & collection	1,137,671	1,079,741
SSS, GSIS, Philhealth, HDMF & other contributions	947,487	873,985
Retirement cost	917,363	508,803
Professional fees	676,919	757,677
Linen and laundry	588,843	799,189
Representation	571,337	750,915
Provision for general contingency	500,000	500,000
Insurance	476,324	505,346
Communication	435,731	447,772
Others	589,752	492,848
	46,063,181	40,303,895

Note 14 – Other income, net

The components of other income, net for the three months ended March 31 are as follows:

	2026	2025
Late payment charges	1,031,487	747,866
Foreign exchange gain (loss) - net	15,367	(5,669)
Miscellaneous	68,808	118,988
	1,115,662	861,185

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 has 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; the tax-free retirement amount 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, 2026 and December 31, 2025 are as follows:

	March 31, 2026	December 31, 2025
Balance at the beginning of the year	42,372,982	38,447,788
Retirement benefit expense	1,566,690	6,105,712
Remeasurement loss	-	10,527,194
Contributions to the plan asset	-	(10,000,000)
Benefits paid	-	(2,707,712)
Balance at end of the year	43,939,672	42,372,982

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 benefits include the discount rate and future salary increases. Any changes in these assumptions will impact the carrying amount of the 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 the 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 Club has applied the following standards and amendments for the first time for its annual reporting period commencing January 1, 2025:

- Lack of Exchangeability – Amendments to PAS 21

In August 2023, the IASB amended IAS 21 to add requirements to help entities determine whether a currency is exchangeable into another currency, and the spot exchange rate to use where it is not, which were subsequently adopted locally as PAS 21. Prior to these amendments, PAS 21 set out the exchange rate to use when exchangeability is lacking, but not what to do when the lack of exchangeability is not temporary.

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, amendments, and interpretations to accounting standards have been published that are not mandatory for December 31, 2025 reporting periods and have not been early adopted by the Club. The Club's assessment of the impact of these new standards and amendments applicable to the Club is set out below:

- 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)

In May 2024, the IASB issued targeted amendments to IFRS 9 and IFRS 7 relating to the classification, measurement, and derecognition of financial instruments, which were subsequently adopted locally as PFRS 9 and PFRS 7, to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities. 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).

In September 2025, the PIC issued PIC Q&A No. 2025-03, which provides interpretative guidance on the application of the amendments in PFRS 9 and PFRS 7 in the Philippine setting, particularly for financial assets and financial liabilities settled through electronic payment systems. The amendments clarify:

- the timing of recognition and derecognition of financial assets and financial liabilities;
- the derecognition date of financial liabilities, which is generally the settlement date; and

- an accounting policy option allowing entities, under specified conditions, to derecognize financial liabilities settled through electronic fund transfers (e.g., PESONet, InstaPay) on the payment initiation date, rather than on the settlement date.

The guidance also clarifies the accounting treatment for:

- trade receivables and trade payables settled through electronic fund transfers, cheques, and manager's cheques;
- cash in transit and receivables from financial intermediaries arising from electronic settlements; and
- the circumstances under which such amounts may be classified as cash and cash equivalents.

The Club has not yet decided whether – and, if so, to what extent – it will elect to derecognize financial liabilities before the settlement date, where they are settled in cash using an electronic cash transfer system eligible for this election. The Club is currently assessing whether the election should be applied to any of its electronic transfer payment systems.

The rest of these amendments are not expected to have a material impact on the financial statements of the Club.

- Annual Improvements to PFRS Accounting Standards – Volume 11 (effective for annual periods beginning on or after January 1, 2026)

These amendments include clarifications, simplifications, corrections, and changes aimed at improving the consistency of several PFRS Accounting Standards. The amended Standards are:

- PFRS 1 First-time Adoption of International Financial Reporting Standards;
- PFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing PFRS 7;
- PFRS 9 Financial Instruments;
- PFRS 10 Consolidated Financial Statements; and
- PAS 7 Statement of Cash Flows.

The Club does not expect these amendments to have a material impact on its operations or separate 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 to the Club'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 Club 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.
- 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 breakdown of the nature of expenses for line items presented by function in the operating category of the statement of profit or loss – this breakdown 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 the current presentation as part of operating cash flows.*

The Club will apply the new standard from its mandatory effective date of January 1, 2027. A 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, 2026 and December 31, 2025. The Club's financial assets under category (b) include 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 for 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 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, the 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, amortization, and impairment losses, if any. Such costs include 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 consists of the purchase price and any directly attributable costs.

Land is subsequently measured at the 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 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 the "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 an 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 for which 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 has assigned its playing rights to the assignee. These are refundable at the end of the 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 expenses in profit or loss. Past service costs are recognized when a plan amendment or curtailment occurs. These amounts are calculated periodically by an 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 the 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 Articles of Incorporation and By-laws in settlement of members' long outstanding receivables.

Cumulative excess of expenses over receipts

Cumulative excess of expenses over members' contributions 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 is 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 a "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 the registration of the 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 the 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 the point in time when the customer obtains control of the goods, which coincides with the receipt and acknowledgment by 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 is 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 all the risks and benefits of ownership of the asset substantially 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 basis 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 based on 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 regulations are subject to interpretation and establishes 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 the 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 the 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, 2026

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, 2026 and December 31, 2025. 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, 2026 (Unaudited) vs. December 31, 2025 (Audited)

Total assets as of March 31, 2026 amounted to P9,255.3 million, surpassing the December 31, 2025 balance of P9,191 million by P64.3 million or 1%. The substantial growth in current assets by P59 million was primarily driven by an increase in cash and cash equivalents, which rose by P63 million or 49%, largely due to the collection of annual dues for 2026. Meanwhile, the receivables balance decreased by P4 million or 19% following the collection of tournament-related dues and adjustments to members' outstanding balances due to the termination of playing rights. Non-current assets also grew by P5.3 million or 0.1%, reflecting the net effect of a P5.8 million or 61% increase in other non-current assets related to course rewiring and central control upgrading, and rainbird sprinkler nozzle replacement, and a P479 thousand or 0.1% decline in property and equipment attributable to depreciation for the three months.

Total liabilities as of March 31, 2026 amounted to P2,317.3 million, surpassing the December 31, 2025 balance of P2,256.4 million by P60.9 million or 3%. This growth was driven by a rise in current liabilities by P59.3 million or 55%, along with a modest increase in non-current liabilities by P1.6 million or 0.1%. The increment in current liabilities is primarily attributed to contract liabilities, recording an increase of P64.8 million or 645%, which relates to the collection of annual dues for 2026. Meanwhile, the decrease in accounts payable and other current liabilities by P6.4 million or 8% refers to the payment of expenditures to third parties. As for the non-current liabilities, the increase of P1.6 million was mainly due to the accruals of retirement costs for three months.

Total members' equity as of March 31, 2026 amounted to P6,938 million, surpassing the December 31, 2025 balance of P6,934.6 million by P3.4 million or 0.1%, which represents the excess of receipts over expenses, net of tax for the first three months of 2026.

Results of Operations

Quarter Ended March 31, 2026 vs. Quarter Ended March 31, 2025 (Unaudited)

Excess of expenses over receipts, net of tax, for the quarter ended March 31, 2026 amounted to P3.4 million, which significantly declined by P7.4 million or 69% from P10.9 million excess of receipts over expenses, net of tax, reported in the same quarter of the previous year.

Total receipts increased by P5.7 million or 6%, driven mainly by higher members' dues and fees. This was primarily due to the increase in assignee fees, which doubled from P25 thousand to P50 thousand effective July 2025. In addition, 20 corporate assignees were reclassified from corporate nominees. Revenue from the transfer of shares likewise improved, with transactions increasing from 28 in the prior year to 35 in the current year.

However, these increases were offset by higher costs and expenses, as follows:

- The upsurge in cost of goods sold and services by P4.8 million, or 15%, was primarily attributed to higher contract costs with Golforce for grounds maintenance, as well as increased expenses for equipment maintenance, chemicals, and electricity to support the preservation of both courses. Cart maintenance costs also rose due to the replacement of lithium battery units and chargers for golf carts, aimed at maintaining the golf carts in good condition and ensuring reliable service for members. Member tournament expenses also contributed to the increase, largely due to costs associated with the PAL Interclub and Sta. Lucia Golf Tournament practice held in Vietnam. Additionally, salaries, wages, and employee benefits rose due to the filling of previously vacant positions, as well as increases mandated under the CBA and merit-based adjustments following employee annual performance evaluations.
- Operating expenses, excluding depreciation, increased by P5.8 million or 14%. This growth was mainly attributable to higher repairs and maintenance expenses to support the preservation of the clubhouse and other facilities. In addition, payroll-related expenses rose due to an increase in manpower complement, while the DOLE-mandated minimum wage adjustment led to higher security and janitorial service contract costs.

Earnings per share for the quarter ended March 31, 2026 reached P1,279, which is below the P4,075 earnings per share recorded last year.

Management made no changes in its estimates in the prior financial year and current financial year, nor made changes in the amount of estimates previously reported that have 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 or maintain long-term investments. 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.

	(Unaudited)	
	Three Months ended March 31	
	2026	2025
Current ratio	1.41:1	1.45:1
EBITDA	P17.3 million	P23.3 million
Dues-paying members	2,436	2,433
Golf rounds	30,623	29,974

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, 2026, the Club has a current ratio of 1.41:1, which is lower than the 1.45:1 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, 2026, EBITDA amounted to P17.3 million, lower than March 2025's P23.3 million by P6 million or 26%.

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, 2026, the number of dues-paying members increased to 2,436 from 2,433 on March 31, 2025.

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, 2026, the Club recorded total golf rounds of 30,623 with a member-guest ratio of 78:22, which is higher by a mere 649 rounds as compared to the same period in 2025 with total golf rounds of 29,974 and a member-guest ratio of 77:23.

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. Key initiatives include the completion of the bunker renovation program, the upgrade of the irrigation system, particularly the central control and sprinklers to improve water efficiency, and the continuation of 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 2026 budget and business plan, with capital expenditures of up to PHP 50 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 31 December 2025, 2024, and 2023 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 31 December 2025, the Club’s current ratio declined to 1.64:1, compared to 1.70:1 in 2024 and 1.40:1 in 2023. This decline was primarily driven by a significant reduction in current assets due to the acquisition of property, plant and equipment (PPE) amounting to P50.4 million. In addition, total current liabilities increased due to higher deposits from assignees and others, following the increase in the assignee rate from P25,000 to P35,000 which took effect in July 2025.

EBITDA, including members’ contributions and fees, for the year amounted to P38.6 million in 2025, recording P23 million in 2024 and P80.9 million in 2023. The increase in 2025 relative to 2024 was mainly attributable to higher clubhouse revenues, primarily driven by the increased number of private tournaments held during the year. Furthermore, cost of sales decreased due to lower retirement expense, as 2024 included a one-time past service cost arising from a change in retirement policy.

The number of dues paying members likewise improved, from 2,421 in 2023 and 2,436 in 2024 to 2,439 in 2025.

The Club registered total golf rounds of 113,056 in 2025, higher than 107,992 in 2024 and 110,752 in 2023. The member ratio slightly declined to 79% in 2025, compared with 80% in 2024 but higher than 78% in 2023. Meanwhile, the guest ratio improved to 18% in 2025, compared to 17% in 2024, though slightly lower than 19% in 2023. 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 PHP 50 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.

2025 Capital Projects

The Club allocated PHP 50.4 Million budget for capital improvements for the year 2025 with the objective of improving further the quality of our services to members and guests. The Club's capital projects as of 31 December 2025, are as follows:

Golf course improvements and equipment	37,577,786.00
Building/furniture & fixtures and house maintenance equipment	1,834,742.00
Auto and light truck	3,884,555.00
Office equipment/F&B equipment/computer hardware and software	1,635,000.00
Construction in progress	5,485,000.00
Total	<u>50,417,083.00</u>

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 2026, 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 31 December 2025, 2024, and 2023:

	2025	2024	2023
Assets			
Total current assets	176,272,503.00	178,684,840.00	176,597,680
Total non-current assets	9,014,724,551.00	9,023,117,891.00	8,749,498,941
Total	9,190,997,054.00	9,201,802,731.00	8,926,096,621
Liabilities and Members' Equity			
Total current liabilities	107,633,374.00	105,278,058.00	125,847,533
Total non-current liabilities	2,148,801,182.00	2,144,560,988.00	2,048,451,436
Total members' equity	6,934,562,498.00	6,951,963,685.00	6,751,797,652
Total	9,190,997,054.00	9,201,802,731.00	8,926,096,621

Total assets in 2025 amounted to P9,191.0 million, lower than 2024's P9,201.8 million by P10.8 million or 0.1%. The net decrease in current assets by P2.4 million was primarily due to P8.3 million decline in cash and cash equivalents mainly attributable to the Club's capital expenditure (CAPEX) projects, as reflected in property, plant and equipment additions increasing from P47 million in 2024 to P50.4 million in 2025, which is partially offset by the increase in prepayments and deposits by P5.4 million attributable to advance payments for maintenance and operational requirements. Meanwhile, the decline in non-current assets was primarily attributable to the decrease in property, plant and equipment, driven by higher depreciation expense, which amounted to P56.7 million in 2025 compared to P52.6 million in 2024.

Total liabilities in 2025 amounted to P2,256.4 million, higher than 2024's P2,249.8 million by P6.6 million or 0.3%. The net increase in current liabilities by P2.4 million is primarily attributable to the increase in contract liabilities by P4.9 million, partially offset by slight

decreases in accounts payable and deposits from assignees and others. On the other hand, the increment in non-current liabilities by P4.2 million is mainly due to the increase in retirement liability.

Total members' equity in 2025 reached P6,934.6 million, lower than 2024's P6,952.0 million by P17.4 million or 0.3%.

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, 2025, 2024, and 2023. 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.

<i>Receipts</i>	2025	2024	2023
Membership dues	155,120,709	156,762,697	151,337,066
Green fees	68,349,131	64,130,686	61,602,473
Transfer and assignment fees	46,439,583	41,008,000	47,898,750
Golf cart fees	42,751,517	40,671,573	40,282,581
Tournament fees	21,292,103	16,747,205	17,208,828
Concessionaire's fees	11,229,564	10,510,899	10,506,198
Grand raffle tickets	9,275,536	7,953,570	8,429,155
Interest income	6,343,180	6,768,034	5,699,098
Facilities rental	6,302,802	5,919,705	5,092,332
Recreational facilities fees	6,085,497	6,020,824	5,804,937
Alcoholic drink sales	4,585,189	4,667,359	4,866,585
Practice range fees	2,915,019	3,054,952	3,130,621
Proshop commission	2,509,928	2,552,280	2,855,752
Proshop sales	1,549,050	1,800,262	1,699,421
Others	6,269,439	9,163,156	16,143,798
Total	391,018,247	377,731,202	382,557,595

2025 Compared to 2024

In 2025, total receipts reached P391.0 million, which is higher by P13.3 million or 4% from prior year's P377.7 million. The growth was primarily driven by the higher number of private golf tournaments held during the year, which increased from 43 in 2024 to 60 in 2025, following the lifting of the Club's restrictions on accepting private-only tournaments. The growth contributed to higher activity levels across several revenue streams. Green fees increased by P4.2 million, driven by the rise in guest rounds from 19,797 in 2024 to 21,548 in 2025. Golf cart fees also increased by P2.1 million, supported by higher cart covers which

grew from 69,177 in 2024 to 72,792 in 2025. Facilities rental increased by P383 thousand, driven by the higher number of banquet events from 189 in 2024 to 199 in 2025. Moreover, tournament fees increased by P4.5 million, primarily due to the higher entry fee for the Founders Cup tournament, which increased from P20,000 in 2024 to P22,000 in 2025, coupled with the increase in the number of participants from 745 in 2024 to 866 in 2025.

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.

<i>Expenses</i>	<i>2025</i>	<i>2024</i>	<i>2023</i>
Salaries, wages and employee benefits	98,716,578	90,079,167	76,983,530
Repairs and Maintenance	80,221,175	73,718,017	71,617,985
Depreciation Expense	56,736,825	52,656,102	46,439,826
Security Services	22,084,959	20,437,371	18,485,727
Utilities	19,737,246	19,212,981	18,507,492
Tournament Expenses	17,023,164	12,674,382	16,916,272
Janitorial and Messengerial Services	15,365,360	13,546,363	12,427,385

<i>Expenses</i>	<i>2025</i>	<i>2024</i>	<i>2023</i>
Operating supplies	15,251,488	12,631,009	12,894,016
Input VAT written-off	12,576,768	12,563,765	9,441,987
Taxes and Licenses	10,695,369	11,997,948	12,982,659
Grand raffle event	7,183,444	6,080,319	8,933,380
SSS, GSIS, Philhealth, HDMF & Other Contributions	6,658,134	5,641,343	4,664,744
Retirement Cost	6,105,712	37,342,167	2,734,867
Credit & Collection	4,006,244	3,611,860	3,472,889
Provision for (Reversal of) Doubtful Accounts	4,022,080	1,736,750	(58,533)
Professional Fees	3,936,616	4,709,815	3,212,354
Representation & Entertainment	3,440,812	3,162,359	3,728,379
Cost of Sales - Alcoholic Drinks	2,731,901	2,611,616	2,725,646
Communication	2,384,967	2,552,240	2,906,274
Provision for General Contingency	2,000,000	2,000,000	2,000,000
Member Relations	1,839,704	1,954,738	1,745,614
Fringe Benefits	1,833,516	1,545,761	1,309,007
Insurance	1,809,439	1,759,702	1,418,152
Cost of Sales - Proshop	1,103,128	1,285,884	1,212,773
Others	5,291,966	5,107,495	5,652,776
Total	402,756,595	400,619,154	342,355,201

2025 Compared to 2024

In 2025, total expenses reached P402.8 million, reflecting a P2.1 million or 1% increase from prior year's P400.6 million. The growth was driven by higher salaries, wages and employee benefits by P8.6 million or 10% increase due to an expanded manpower complement following the implementation of a 5-day workweek, as well as 7% adjustment from both the CBA and performance-based salary increases. Additionally, depreciation expenses grew by P4.1 million or 8% due to completed capital expenditures of the Club. Conversely, retirement

cost declined significantly by P31.2 million or 84%, as no past service cost was recognized in 2025 unlike in 2024.

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.

	2025	2024	2023
Excess of receipts over expenses before depreciation	44,998,476	29,768,150	86,642,220
Depreciation	56,736,825	52,656,102	46,439,826
Excess (Deficiency) of receipts over expenses before income tax	(11,738,349)	(22,887,952)	40,202,394
Income tax	1,635,643	1,643,032	4,785,840
Excess (Deficiency) of receipts over expenses after income tax	(13,373,992)	(24,530,984)	35,416,554

2025 Compared to 2024

In 2025, the Club recorded a deficiency, net of tax amounting to P13.4 million, an increase of P11.1 million or 45% from 2024's deficiency of P24.5 million. The growth was driven by the increase in total receipts by P15.2 million or 51%. Additionally, total expenses decreased by P2.3 million or 6%, further contributing to the improvement in the Club's result.

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.

Plans and Prospects

The Finance and Audit Committees reviewed the Club's 2026 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 2026 with critical assumptions below:

- Total golf rounds are projected to reach 113,000 rounds for the year, with a member-guest ratio of 75:25. This includes 5,560 private tournament rounds, and 3,800 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 72,900 for the year, with a ratio of 1:1.55. A P100 rate adjustment per category, effective January 1, 2026 has been approved.
- Total number of billable members at the beginning of 2026 is estimated at 2,439 (regular members - 2,032; playing rights assignees - 350; lifetime members - 57), with 2 new regular members and 1 lifetime member every month. Moreover, no increase in monthly dues is projected during the year.
- No auction of shares is planned for 2026 for shares reacquired by the Club, in view of the increase in the Club's share price.
- Manpower complement is projected at 152, and a 7% merit increase, inclusive of CBA mandated increase, will be given to eligible employees.
- CAPEX is budgeted at P50 million.

Proposed Operating Budget

<i>Highlights of Operating Budget</i>		
	2026	2025
	Budget	Actual
Revenue		
Membership	208,329,400	201,560,292

<i>Highlights of Operating Budget</i>		
	2026	2025
	Budget	Actual
Golf	160,416,325	139,858,980
Miscellaneous	26,697,911	22,126,679
Food and Beverage	22,006,161	21,878,166
Sports	5,890,948	5,593,264
Total	423,340,745	391,017,382
Expenses (excluding Depreciation)		
MQFEX, Admin & Engineering	161,933,563	153,782,882
Golf	138,680,772	125,744,297
Miscellaneous	23,785,025	25,395,068
Taxes & Insurance	11,923,736	11,648,781
Utilities	10,690,172	10,610,966
Food and Beverage	9,183,025	8,812,009
Sports	6,759,667	5,082,073
Membership	5,297,979	5,942,832
Total	368,253,938	347,018,907
Gross Operating Profit	55,086,807	43,998,475
Capital Expenditures	50,000,000	52,992,543
Net Cash Flow	5,086,807	(8,994,069)

Total revenue is projected to improve by P32.3 million or 8%, driven by positive growth in golf, membership, miscellaneous, food and beverage, and sports revenue. Membership revenue is expected to increase by P6.8 million or 3%, while golf revenue is projected to grow by P20.6 million or 15%. Food and beverage, including concessionaire's fee and room rental, is anticipated to rise by P4.6 million or 21%. Meanwhile, miscellaneous income is estimated to grow modestly by P128 thousand or 1% and sports revenue is projected to post a minimal increase of P298 thousand or 5 %.

Total expenses are projected to increase by P20.2 million or 6%, mainly due to the projected increase in golf and administration expenses. Golf expenses are projected to increase by P12.9 million or 10% from P125.7 million in 2025 to P138.6 million in 2026. Administration expense is like projected to increase by P8.1 million or 5%. On the other hand, miscellaneous expense is expected to decrease by P1.6 million or 6%.

Gross operating profit is projected at P55.1 million, enough to sustain our capital budget of P50 million. Net cash flow is projected to be at P5.1 million, which is significantly higher than 2024's negative cash flow of P9 million.

(b) Interim Periods

2026 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:

	2026	2025
Members' dues and fees		
Maintenance dues	36,714,000	36,800,500
Assignment and transfer fees	18,893,873	14,489,167
Total members' dues and fees	55,607,873	51,289,667
Clubhouse operations:		
Green fees	20,481,244	23,309,857
Golf cart fees	13,096,621	11,476,311
Concessionaire's fees	3,119,033	2,969,060
Facilities rental	2,102,603	1,822,952
Tournament fees	2,006,476	1,637,415
Alcoholic drink sales	1,210,247	1,209,415
Recreational facilities fees	1,751,829	960,645
Practice range fees	965,174	829,530
Proshop commission	679,031	562,423
Proshop sales	263,757	464,467
Others-net	1,380,729	427,989
Total revenue from clubhouse operations	47,056,744	45,670,064
Total receipts	102,664,617	96,959,731
Cost of goods sold and services	(36,485,808)	(31,694,100)
Excess of receipts over cost before operating expense, other income and depreciation expense	66,178,809	65,265,631
Operating expenses other than depreciation	(46,063,181)	(40,303,895)
Interest income	1,316,242	1,609,169
Provision for doubtful accounts	(3,953,038)	(2,496,225)
Other income, net	1,115,662	861,185
Excess of receipts and other income over costs and operating expense other than depreciation expense	18,594,494	24,935,865
Depreciation expense	(14,933,550)	(13,830,504)
Excess of receipts over expenses before income tax expenses	3,660,944	11,105,361
Provision for current income tax	(250,000)	(250,000)
NET INCOME	3,410,944	10,855,361

The Club's total receipts for the first quarter increased by P5.7 million or 6%, mainly driven by the increase in assignment and transfer fees recorded this 2026 compared to the same period last year.

Meanwhile, the Club's total cost of goods sold & services and other operating expenses other than depreciation registered an increase amounting to P4.8 million or 15% and P5.8 million or 14%, 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 P3.7 million, which is P7.4 million or 67% lower than prior year's first quarter income before income tax of P11.1 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>2025</i>	<i>2024</i>	<i>2023</i>
1 st Quarter	A	19	42	27
	B	5	22	4
	C	5	11	8
2 nd Quarter	A	10	31	20
	B	5	22	3
	C	4	7	8
3 rd Quarter	A	26	23	45
	B	6	19	37
	C	7	8	15
4 th Quarter	A	11	9	14
	B	4	5	7
	C	5	2	6
Total		107	201	194

Period	Class "A"	Class "B"	Class "C"
January to December 14, 1996	P1.9M	P2.0M	P2.2M
As of 31 December 2025	P2.9M	P3.4M	P3.7M

(2) Holders

Top Twenty (20) Shareholders

The top twenty (20) Shareholders of the Club as of 31 December 2025 are as follows:

Shareholders	Class, Number and Percentage of Shares Held Per Class		
	Class	Number	Percentage
1. Sta. Lucia Realty & Development Inc.	Class "A"	210	16.37%
	Class "B"	238	
	Class "C"	43	
2. ACL Development Corporation	Class "A"	52	3.80%
	Class "B"	58	
	Class "C"	4	
3. Helena Z. Benitez	Class "A"	21	1.20%
	Class "B"	15	
4. AFP-RSBS	Class "A"	28	1.10%
	Class "B"	5	
5. Mango Orchard Development Corporation	Class "A"	25	0.97%
	Class "C"	4	
6. David M. Dela Cruz	Class "A"	7	0.24%
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. Trans-Global Consolidators Inc.	Class "A"	1	0.13%
	Class "C"	3	
11. First Asia Venture Capital Inc.	Class "C"	3	0.10%
12. Francona Development Corporation	Class "C"	3	0.10%
13. Total Information Management	Class "C"	3	0.10%
14. OTHERS – HZB Shares under Different Names	Class "C"	3	0.10%
15. Jolly Lim Ting & Lourdes G. Ting	Class "A"	3	0.10%
16. Epson Precision (Philippines), Inc.	Class "C"	3	0.10%
17. Sunflare Properties & Realty International, Inc.	Class "B"	2	0.10%
	Class "C"	1	
Total – Top 20 Stockholders		747	24.90%
Others – Shareholders with Less than Three Shares	Class "A"	1,449	75.10%
	Class "B"	382	
	Class "C"	422	
Total - Shareholders with Less than Three Shares		2,253	
Total Shareholders		3,000	100.00%

Percentage of Total Shares Outstanding Held by Top 20 Shareholders

Computed at 747 shares/3,000 outstanding shares, the shareholdings of the Top 20 Shareholders of the Club constitute 24.9% 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.

Directors and Officers

ANNEX "C-1"

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 Sta. Lucia Realty & Development Inc. and Sta. Lucia Land, Inc.
Exequiel D. Robles	Director and Corp. Secretary; Nominee for Director	Businessman	Sta. Lucia Realty & Development Inc. and Sta. Lucia Land, Inc.
Juilo Felino M. Manalao	Independent Director Nominee for	Retired	

Jose S. Gonzales	Independent Director 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.

Discussion on Compliance with Leading Practices on Corporate Governance **ANNEX “C-2”**

- 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 2025 ANNUAL SHAREHOLDERS’ MEETING

The 2025 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 11 October 2025.

The following matters, acts and resolutions were discussed and adopted during the 2025 Annual Shareholders’ Meeting:

I. INTRODUCTION

To obtain more participation from shareholders, the Club conducted the 2025 Annual Shareholders’ Meeting and Election of Directors (“ASME”) both in person and via remote communication through videoconferencing and live streaming.

All attendees were informed that the Club’s Remote Communication Guidelines, Election Guidelines, the Minutes of the 2024 Annual Shareholders’ Meeting, and the reports for the preceding year had been uploaded to the Club’s website and made available for download.

II. READING AND APPROVAL OF THE MINUTES OF THE 2024 ANNUAL SHAREHOLDERS’ MEETING

A motion was made asking that the reading of the minutes of the Annual Shareholders’ Meeting held on 12 October 2024 be dispensed with, given that copies thereof have been distributed to all shareholders prior to the meeting. With the motion duly seconded and no objections raised thereto, the same was approved, and the reading of last year’s minutes was dispensed with.

On further motion, which was likewise duly seconded, the minutes of the Annual Shareholders’ Meeting held on 12 October 2024 were approved as presented.

III. REPORTS OF THE PRESIDENT AND THE GENERAL MANAGER

The President & CEO, Mr. Tomas Julio A. Benitez, thereafter warmly welcomed the Club’s members, incumbent directors, shareholders, stakeholders, managers, and employees to the 2025 Annual Shareholders’ Meeting.

- The Club reaffirmed its commitment to continuous improvement and its objective of becoming one of the premier golf and country clubs in the Philippines through sustained investments in facilities, operations, and member experience.
- In 2024, the Club generated a gross profit of PHP 28.1 Million, bringing its cumulative gross profit over the past ten (10) years to approximately PHP 427 Million. Despite fluctuations in annual performance, the Club has consistently reinvested earnings into the enhancement of its courses and facilities.

- From 2015 to 2024, the Club invested approximately PHP 380 Million in capital expenditures for golf course infrastructure, irrigation systems, turf nurseries, equipment acquisitions, and clubhouse improvements.
- The 2025 capital expenditure program amounts to PHP 60 Million, of which nearly PHP 50 Million has already been utilized, including approximately PHP 31 Million for completed projects and more than PHP 19 Million for ongoing and committed works.
- Golf course maintenance remained the Club's foremost operational priority. The bunker renovation program continued as planned, with 24 bunkers renovated during the year at a cost of PHP 5.8 Million, bringing total completion to 98 of 187 bunkers across both courses.
- The Club advanced major irrigation improvement projects, including the upgrade of all 61 satellite controllers across the Palmer and Player Courses, replacement of 10 controllers during the year (PHP 3.7 Million), completion of the Palmer Front 9 power line rewiring (PHP 3.9 Million), and replacement of 1,114 of 1,530 sprinklers (73%) across both courses.
- To support course maintenance operations, the Club acquired two (2) RM5610 Reel Mowers valued at PHP 6.4 Million and one (1) MP1750 sprayer worth PHP 2.4 Million.
- The Nursery Program produced 20,423 square meters of turfgrass, supporting greens restoration, turf correction, tee patching, course transitions, and practice range rehabilitation. The program enables the Club to address turf requirements promptly, reduce external sourcing costs, and maintain course quality and playability.
- The Club continued to enhance member facilities through the acquisition of 40 GranSportivo electric golf carts (PHP 12.2 Million), procurement of additional service vehicles (PHP 1.6 Million), renovation of the ladies' comfort and locker rooms (PHP 893 Thousand), replacement of the bowling scoring system for lanes 1 and 2 (PHP 835 Thousand), and construction of storm houses at Palmer 16 and Player 13 (PHP 714 Thousand).
- The Club received national recognition from Golf Digest, with the Palmer Course ranked 2nd and the Player Course ranked 3rd among the best golf courses in the Philippines.
- Member engagement initiatives were expanded through a three-day Members Monthly Tournament, the inaugural Ladies Intraclub Tournament, and the continued conduct of the Junior Golf Clinic to encourage participation and develop future golfers.
- The Club hosted the Philippine Golf Course Management Conference (PGCMC) for the 10th time, attracting a record 183 participants from 40 golf clubs nationwide and reinforcing the Club's contribution to the development of the Philippine golf industry.
- The Club continued the Conrado Benitez II Educational Assistance Program, funded through Grand Raffle proceeds, which provides annual educational assistance of PHP 50,000.00 each to four (4) children of the Club's caddies.
- The Club received recognition from the Department of Environment and Natural Resources (DENR) for its support of the Adopt-an-Estero Program and other environmental initiatives promoting waste reduction and resource recovery.

- As part of its five- to seven-year strategic vision, the Club is preparing a proposed Grand Masterplan covering clubhouse and golf operations, including the redesign of the Golf Registration Area and Pro Shop, upgrading of the Golfers' Lounge and Golf Office, relocation and renovation of the Bag Drop Area, and transformation of the Practice Range into a modern technology-enabled training facility.
- The proposed Grand Masterplan is intended to enhance member and guest experience, strengthen the Club's prestige, increase membership and share value, and support the Club's long-term objective of remaining among the leading golf and country clubs in the Philippines and internationally.

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

- The Club recorded 107,992 rounds in 2024, slightly lower than the 110,752 rounds posted in 2023, while maintaining an average of nearly 9,000 rounds per month. Members accounted for 80% of total rounds, up from 78% in 2023, reflecting the Club's continued emphasis on prioritizing member access and enjoyment.
- The Club received international recognition in December 2024 when Golf Digest ranked the Palmer Course second and the Player Course third among the best golf courses in the Philippines, affirming the quality of course conditions and operational standards.
- Membership activity remained strong in 2024, with 204 transactions involving share transfers, playing rights assignments, and corporate nominee changes. Billable membership increased to 2,436 from 2,421 in 2023, while Lifetime Membership grew to 46. In-house share values also appreciated, with Class A, Class B, and Class C shares closing at PHP 4.5 Million, PHP 5.0 Million, and PHP 6.0 Million, respectively.
- The Club posted a gross operating profit of PHP 28.1 Million in 2024, compared to PHP 81.9 Million in 2023. The decrease was primarily attributable to measures adopted to prioritize members in tee time allocation, which reduced revenues from green fees, food and beverage operations, and venue rentals. To support member engagement, the Club expanded family-oriented, recreational, educational, and community programs throughout the year.
- Despite lower revenues, the Club continued to invest in long-term infrastructure projects, including bunker renovations, centralized irrigation systems, and golf course improvements. Capital expenditures for 2024 totaled PHP 47.1 Million, bringing cumulative capital investments over the last ten years to more than PHP 380 Million.
- The Club maintained a strong financial position as of year-end 2024. Total assets increased to PHP 9.20 Billion, up by PHP 276 Million or 3%, primarily due to higher land valuations and capital investments. Total liabilities rose to PHP 2.25 Billion, while current liabilities declined by PHP 21 Million or 16%. Shareholders' equity increased to PHP 6.95 Billion, liquidity improved with a current ratio of 1.70:1, and the debt-to-equity ratio remained conservative at 1:0.32.
- From January to August 2025, the Club recorded 75,915 rounds, exceeding the 73,691 rounds posted during the same period in 2024 and averaging 9,489 rounds per month. Full-year rounds were projected at approximately 112,615. Membership activity remained robust with 153 transactions, dues-paying membership increased to 2,438, Lifetime Membership reached 56, and members accounted for 82% of total rounds. Delinquency remained low at 2.67%.

- For the period January to August 2025, total revenues reached PHP 245.21 Million, slightly higher than the PHP 244.16 Million recorded during the same period in 2024. Operating expenses increased by 4% to PHP 208.16 Million due to inflation and higher maintenance costs. After depreciation of PHP 37.72 Million, the Club posted a net loss of PHP 670 Thousand, compared to a net income of PHP 9.96 Million during the same period in 2024. Capital expenditures totaled PHP 30.93 Million, resulting in positive net operating cash flow of PHP 6.12 Million.
- As of 31 August 2025, total assets stood at PHP 9.22 Billion, representing a 3% increase largely attributable to land revaluation. Total liabilities increased by 4% to PHP 2.27 Billion, while current liabilities decreased by PHP 16 Million or 11%, improving the current ratio to 1.56:1. Shareholders' equity increased to PHP 6.95 Billion, and the debt-to-equity ratio remained low at 1:0.33.
- The Club's operational and financial indicators demonstrated continued financial stability, strong membership engagement, increasing rounds played, and the capacity to sustain operations and future capital investments despite reduced profitability resulting from its member-first policies.
- The Club reaffirmed its commitment to enhancing member value through continued investments in facilities, service quality, family-oriented activities, and community engagement programs designed to improve the overall member experience.

IV. APPOINTMENT OF EXTERNAL AUDITOR

Isla Lipana & Co. (PwC) duly appointed as the Club's external auditor for the ensuing 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 12 October 2024 until the present meeting were duly approved and ratified.

VI. ELECTION OF DIRECTORS

Since the guidelines for the conduct of the election of directors and for the validation of ballots had 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 then proceeded to announce the results of the final canvass of votes garnered by each candidate, as follows:

(a)	Mr. Exequiel D. Robles	-	2,047 votes
(b)	Mr. Vicente R. Santos	-	2,023 votes
(c)	Mr. Tomas Julio A. Benitez	-	1,976 votes
(d)	Ms. Mariza S. Tan	-	1,941 votes
(e)	Mr. Henry Cua Loping	-	1,935 votes
(f)	Mr. Julio Felino M. Manalo	-	1,815 votes
(g)	Mr. Jose S. Gonzales	-	1,321 votes

VII. ADJOURNMENT

There being no further business to transact or matters to discuss, on a motion duly made and seconded the Chairman of the Board of Directors, Mr. Vicente R. Santos, declared the Annual Shareholders' Meeting duly adjourned.



The Orchard Golf & Country Club, Inc.
NOTICE OF THE ANNUAL SHAREHOLDERS' MEETING OF 2026

ANNEX "E"

To All Members-Shareholders:

The 2026 Annual Shareholders' Meeting and Election of Directors ("ASME") will be held **in person** at **10:00 A.M. on 10 October 2026**.

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. **Registration shall begin at 8:00 A.M. until 9:30 A.M. of 10 October 2026 (Saturday), the day of the ASME.**

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 **5:00 p.m. on 5 October 2026**. 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: orchardasme2026@gmail.com

The registration by the appointing shareholder of his or her personal attendance and intention to vote in person at the ASME shall suspend the proxy for that particular meeting.

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 as soon as they have successfully registered and have received the official ballot, and until **10:30 A.M. on 10 October 2026**, the day of the ASME. 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, submission of proxies, and other information regarding the 2026 ASM are available at www.theorchardgolf.com/2026asme.

Thank you.

CHILES MEGAN AREÑO
Second Asst. Corporate Secretary

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **JOSE S. GONZALES**, Filipino, of legal age, and with resident of 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 10 October 2026, 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):

COMPANY/ORGANIZATION	POSITION/RELATIONSHIP	PERIOD OF SERVICE
The Orchard Golf & Country Club, Inc.	Member	1994 to Present
Orchard Seniors Golfers Association, Inc.	President	2019
Rotary Club of Metro West Triangle District 3780	President Member	1984 to 2020
Rotary Club of Bacoor District 3810	Member	2021 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.

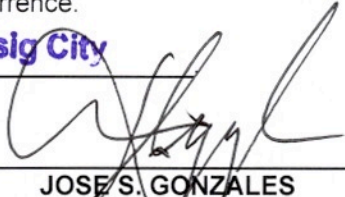
5. I am not related to any director, officer, or substantial shareholder of the Club, and/or its subsidiaries and/or affiliates, other than the relationship provided under Rule 38.2.3 of the Securities Regulation Code.

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 18 day of JUN 18 2026 2026 at Pasig City


JOSE S. GONZALES

SUBSCRIBED AND SWORN to before me this 18 day of JUN 18 2026 2026 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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 Book No. XIX
 Series of 2026.




ATTY. CHILES MEGAN M. AREÑO
 Notary Public for Pasig City
 Appointment No. 117 (2023-2026)
 IBP OR No. 581702; 01.01.2026; RSM
 PTR OR No. 3635470; 01.05.2026; Pasig City
 MCLE Compliance No. VTH-0036847; 05.29.2025
 2304 Antel Global Corporate Center,
 Julia Vargas Ave., Ortigas Center, 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 10 October 2026, 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 & 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.

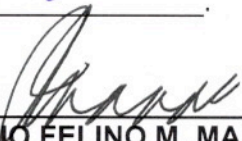
4. I am not related to any director, officer, or substantial shareholder of the Club, and/or its subsidiaries and/or affiliates, other than the relationship provided under Rule 38.2.3 of the Securities Regulation Code.

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 18 2026 2026 at Pasig City



JULIO FELINO M. MANALO

SUBSCRIBED AND SWORN to before me this JUN 18 2026 day of Pasig City 2026 at _____, affiant personally appeared before me and whom I identified through his Philippine Passport No. P8221520A.

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Book No. XIX
Series of 2026.




ATTY. CHILES MEGAN M. AREÑO
Notary Public for Pasig City
Appointment No. 117 (2025-2026)
IBP OR No. 581002; 01.01.2026; RSM
PTR OR No. 3835470; 01.05.2026; Pasig City
MCLE Compliance No. VII-0036847-05.29.2025
2304 Antel Global Corporate Center,
Juña Vargas Ave., Ortigas Center, Pasig City

THE ORCHARD GOLF & COUNTRY CLUB, INC.
2026 ANNUAL SHAREHOLDERS’ MEETING
10 October 2026, 10:00 A.M.

MEETING AND ELECTION GUIDELINES

Section 1. Registration

- 1.1 The 2026 Annual Shareholders’ Meeting and Election of Directors (“ASME”) will be held in person at 10:00 A.M. on 10 October 2026 (Saturday).
- 1.2 The deadline for the payment of delinquencies and the record date for determining a shareholder’s good standing shall be at 5:00 P.M on 5 October 2026 (Monday).
- 1.3 Registration shall begin at 8:00 A.M. until 9:30 A.M. of 10 October 2026 (Saturday), the day of the ASME.
- 1.4 Unofficial video recordings of the ASME are not allowed. The Club will adequately maintain a video recording of the ASME 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 2. Proxies

- 2.1 The period for the solicitation of proxies will begin on 8 July 2026 (Wednesday) and end at 5 P.M. on 5 October 2026 (Monday). The Election Committee shall meet on 7 October 2026 (Wednesday) to validate the proxies.
- 2.2 Proxies may be submitted physically to the Secretariat, or by email to orchardasme2026@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 6 October 2026 (Tuesday) by sending an email to orchardasme2026@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 a typewritten letter with the electronic signature of the shareholder. In both cases, the documents must be in either JPG or PDF format.
- 2.4 The registration by the appointing shareholder of his or her personal attendance and intention to vote in person at the ASME shall suspend the proxy for that particular meeting.

Section 3. Quorum

- 3.1 Only those shareholders who registered in accordance with these ASME 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, 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. Eligibility to Vote

- 4.1 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 5 October 2026 (Monday);
 - (c) The shareholder must be a member in good standing as of 5 P.M. on 5 October 2026 (Monday); 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 5 October 2026 (Monday).
- 4.2 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.
- 4.3 Each qualified share of stock shall be entitled to one (1) ballot.
- 4.4 The eligibility or ineligibility of a shareholder to vote shall be determined as of 5 P.M. on 5 October 2026 (Monday).
- 4.5 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 18 June 2026 (Thursday).

Section 5. Voting Procedure

- 5.1 Shareholders may vote as soon as they have successfully registered at the Club, upon receipt of the official ballot, no later than 10:30 A.M. on 10 October 2026.
- 5.2 Voting shall be done through the following procedure:
- (a) Upon receipt of the official ballot, the shareholder or proxy may vote on each item on the agenda by manually checking and answering the same.
 - (b) The shareholder or proxy has the option to vote "Approved," "Disapproved," or "Abstain" on each agenda item for approval.
 - (c) The members of the Board of Directors shall be elected by secret ballot. 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) Each shareholder or his proxy shall vote for a candidate by writing the number of votes opposite the name of each candidate he or she wishes to vote for.
 - (e) Each shareholder or proxy shall affix his or her signature on the ballot.
 - (f) Each shareholder or his proxy shall fold his or her 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.

- (g) All votes shall be cast no later than 10:30 A.M. on 10 October 2026. Any vote cast thereafter shall not be counted.
- (h) Shareholders may only vote once.

Section 6. Official Ballot

6.1 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.

6.2 Official ballots shall be given to a shareholder or proxy simultaneously upon registration.

Section 7. Proxies

7.1 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 in 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.

7.2 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 in 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.

7.3 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 8. Inspectors of Election

8.1 The Chairman, may, at his option, appoint two (2) persons to act as Inspectors of Election at the ASME.

8.2 The Inspectors of Election shall assist the Election Committee in the conduct of the election.

Section 9. Manner of Canvassing of Ballots

- 9.1 Upon closing of the voting period, the Election Committee shall immediately convene to canvass the election returns.
- 9.2 Any protest regarding the conduct of the election must be made before the start of the canvass.
- 9.3 Any protest in connection with the canvassing must be made before the proclamation of the winning candidates.
- 9.4 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.
- 9.5 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.
- 9.6 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.
- 9.7 The foregoing shall be subject to such rules and regulations as the Board of Directors and the Election Committee may prescribe.

Section 10. Appreciation of Ballots

- 10.1 Cumulative voting shall be allowed. There shall be seven (7) seats in the Board of Directors. Each ballot shall be entitled to seven (7) votes. Each shareholder or proxy shall have the option of cumulating his or her votes in favor of the candidate or candidates he or she has chosen.
- 10.2 Only the votes cast in favor of those candidates whose names appear in the official ballot shall be tabulated and counted.
- 10.3 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.

- 10.4 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.
- 10.5 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.
- 10.6 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.
- 10.7 If a shareholder or proxy votes for exactly seven (7) candidates, each chosen candidate shall be credited with one (1) vote.
- 10.8 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.
- 10.9 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.
- 10.10 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.
- 10.11 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.
- 10.12 The foregoing rules shall be without prejudice to the application of existing jurisprudence or case law in the appreciation of ballots.

Section 11. Questions about Agenda Items

- 11.1 The Club shall allot a maximum of thirty (30) minutes at the ASME to answer questions raised by the shareholders or proxies. Shareholders or proxies may write their questions on a piece of paper provided which will be read aloud by the Chairman, or the appointed moderator.

- 11.2 The Club will endeavor to answer as many of the questions from shareholders or proxies as time will allow, preferably the first ten (10) unique questions raised. Each question must come from distinct or different shareholders or proxies.
- 11.3 Questions received during the ASME which 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 ASME Guidelines, please contact the Club's Secretariat at (632) 8 982 2000 loc. 2121 / 0917 883 4749 or via email at orchardasme2026@gmail.com.

For complete information on the annual meeting, please visit <https://theorchardgolf.com/asme-2026/>.