

ALVIERA COUNTRY CLUB, INC.
MINUTES OF THE ANNUAL MEETING OF THE STOCKHOLDERS
7th Annual Stockholder's Meeting
30 September 2021, 10:00 AM
via remote communication

<u>STOCKHOLDERS PRESENT/REPRESENTED</u>	<u>SHARES</u>
Nuevocentro, Inc.	6,676
Bernard Vincent O. Dy	1
Leonardo L. Leonio	1
Anna Ma. Margarita B. Dy	1
Clarissa Teresita L. Asuncion	1
Augusto D. Bengzon	1
Arturo G. Corpuz	1
Carlo Leonardo N. Leonio	1
Jennylle S. Tupaz	1
Oscar S. Reyes	1
Jose P. De Jesus	1
Others	
Augusto Venancio Collado Legaspi	1
Sps. Christopher Bernaldo Mendoza and Eileen Layo Mendoza Represented by Chrystelle Lynn Mendoza	1
 NO. OF SHARES REPRESENTED	 6,688
 NO. OF SHARES OUTSTANDING	 6,800

ALSO PRESENT

Anna Liza M. Ang-Co
Reinerr John A. Nuestro
Ma. Divina Y. Lopez
John Marcial R. Estacio
Johann V. Ramirez
Regina F. Magbitang
Amelia Ann T. Alipao
Jenny Vie H. Julia
Marian Melanie Barbara B. Eugenio/Jennifer L. Chua
Nicholas William G. Di
Jonathan Ryan S. Dyrning
Frances Pauline V. Gacho
Peterson Y. Mañalac
Glen M. Snyder
Jose Pepito E. Zabat III
Jen Chung Chiang
Bethilda Castillo
Lourdes Margarita Caballe

I. INTRODUCTION

Mr. Johann V. Ramirez, the incumbent General Manger of the Club, opened the meeting proper from the principal office of the Club, and called on Mr. Bernard Vincent O. Dy, the Chairman of the Club, to preside over the meeting.

II. CALL TO ORDER

Mr. Bernard Vincent O. Dy, the Chairman of the Club, called the meeting to order, and presided over the same. Atty. Anna Liza M. Ang-Co, the Corporate Secretary, recorded the minutes of the meeting.

Mr. Dy acknowledged the presence of his fellow Directors, Officers, representatives of Co Ferrer Ang-Co & Gonzales Law Offices, the Corporation's legal counsel, as well as representatives from Sycip Gorres Velayo & Co., the Corporation's external auditor, who were all able to join the videoconference meeting.

III. PROOF OF NOTICE AND DETERMINATION OF QUORUM

Atty. Anna Liza Ang-Co, Corporate Secretary, certified that written notices of this meeting were published on Business Mirror and Business World, in both print and online format, for two consecutive days on September 8 and 9, 2021, with the Information Statement and other materials being made available in the Corporation's website in compliance with the SEC's requirements and that there is a quorum to transact business, with stockholders present owning at least 6,688 shares or 98.35% of the total outstanding shares of the Club entitled to vote being present or represented at the meeting.

Atty. Ang-Co also added that in accordance with the requirements of the SEC in the conduct of stockholders' meetings through remote communication, the meeting shall be recorded.

Finally, Atty. Ang-Co highlighted the rules and procedures for the videoconference meeting. Stockholders who registered through the online shareholder registration system or who notified the Club by email via members@alvieracountryclub.com by 15 September 2021 of their intention to participate in the meeting by remote communication, may attend the meeting through remote videoconferencing facilities and may vote *in absentia*, cast their votes online, or by appointing a proxy. Stockholders may also send their questions or comments to the same email address on or before 15 September 2021.

IV. APPROVAL OF THE MINUTES OF THE PREVIOUS ANNUAL STOCKHOLDERS' MEETING HELD ON 25 NOVEMBER 2020

Upon motion duly made and seconded, there being no objections or questions from the stockholders, the Minutes of the Annual Stockholders' Meeting held on 25 November 2020 were approved.

V. RATIFICATION OF ALL ACTS, CONTRACTS, INVESTMENTS, AND RESOLUTIONS OF THE BOARD OF DIRECTORS AND ACTS OF MANAGEMENT SINCE THE LAST ANNUAL STOCKHOLDERS' MEETING

Upon motion made and duly seconded, there being no objections or questions from the stockholders, the stockholders present unanimously approved, confirmed, and ratified all acts, contracts, investments, and resolutions of the Board of Directors and all acts of Management of the Corporation taken or adopted since the last annual stockholders' meeting on 25 November 2020 up to the date of the meeting.

VI. PRESENTATION AND APPROVAL OF THE PRESIDENT'S REPORT AND THE 2020 AUDITED FINANCIAL STATEMENTS

The Club's General Manager, Mr. Johann V. Ramirez, reported on the 2020 Audited Financial Statements and the President's Report, on behalf of the President, Ms. Anna Ma. Margarita B. Dy.

For the Club's 2020 Audited Financial Statements, the Total Assets of the Club for the year ending 31 December 2020 amounted to PhP944 Million Pesos, with Current Assets of PhP15 Million comprising mainly of PhP6 Million worth of Cash in Bank and PhP7 Million worth of Accounts and Other Receivables. Mr. Ramirez noted that the decrease in cash and the increase in Accounts and Other Receivables were attributable to the necessary disbursements due to the flow of activities in the Club and the challenge of collections brought about by the strict quarantine protocols, respectively. Non-Current Assets of PhP929 Million are lodged mainly in Property and Equipment, i.e. costs to build the Club. On the other hand, Total Liabilities amount to PhP94 Million, pertaining mainly to remaining payable related to the club construction and advances from Nuevocentro, Inc. ("NCI") for pre-operating requirements. Finally, Total Equity amounted to PhP849 Million, which comprises PhP957 Million in Paid-Up Capital and PhP107 Million in Deficits.

The Club was able to register PhP21 Million in Total Revenues for the year ending 31 December 2020, following the increased number of activated members to 427 in 2020 compared to just 352 members in 2019. Other factors such as the sale of goods (primarily from Food & Beverage and events), association dues, other income pertaining to guest fees, spa, sports complex revenues, and having nine months to operate compared to just six months in 2019 all contributed to the increased revenue of the Club in 2020. Costs and Expenses amounted to PhP69 Million mainly due to Direct Operating Expenses (contracted services, utilities, supplies) and General Administrative Expenses (payroll, taxes, professional fees). However, Mr. Ramirez noted that despite the increase, the monthly spending of the Club is still at PhP4.3 Million per month as compared to PhP7.2 Million per month in 2019. Finally, the Club reported an Operating Loss of PhP24 Million and a Total Comprehensive Loss of PhP48 Million.

Next, Mr. Ramirez reported to the stockholders the President's Report, which detailed the Club Operating Highlights.

First, with regard to safety protocols, 97% of the Club's staff are fully vaccinated, with the remaining staff scheduled to get their second dose in October 2021. The Club is also

compliant with the requirements of the Department of Health (DOH), Department of Labor and Employment (DOLE) and the Porac Local Government Unit with regard to conducting Health and Safety Protocols in the workplace, daily health checks and daily disinfections, as well as installing air purifiers and ultraviolet lights in conference rooms.

Second, for membership, there are now 470 total activated Club members as of July 2021. Of the 470 members, 48% are corporate executives, 25% are business owners and 27% are members into private practice or retirees. The Club has also collected 50% of its monthly dues in the amount of PhP7.9 Million as of July 2021 as well, which has ensured the maintenance and upkeep of the Club.

Third, Club visits are seeing an increase from the previous year as of July 2021, as there is now an average of 1,853 visits per month (or an average of 76 visits per day) in 2021 compared to 1,440 monthly visits (or an average of 55 visits per day) in 2020. While the average revenue of the club is down from PhP943,000 per month in 2020 to PhP760,000 per month in 2021, the average covers per day have increased from 57 to 67.

Fourth, the Club now has various new offerings and promotions for its members in an attempt to increase foot traffic and to gain more revenue. These include improved network connection through partnerships with Globe and GCash for both onsite and offsite payment options, food partnerships with Sabyan Café and local pasalubong goodies unique to Central Luzon, and various packages for events such as weddings and parties. Mr. Ramirez also highlighted the newly furnished website of the Club where members may book their reservations for private events, the new Avida Guesthouse for additional revenue, and holiday and vaccination promotions.

Upon motion duly made and seconded, there being no objections from the stockholders, the President's Report, together with the 2020 Audited Financial Statements, were approved by the stockholders.

VII. ELECTION OF DIRECTORS

The following were duly nominated and elected as Directors of the Corporation for the ensuing year to serve as such until their successors are duly elected and qualified:

LEONARDO L. LEONIO
BERNARD VINCENT O. DY
CLARISSA TERESITA L. ASUNCION
AUGUSTO D. BENGZON
ARTURO G. CORPUZ
ANNA MA. MARGARITA B. DY
JOSE P. DE JESUS*
CARLO LEONARDO N. LEONIO
LAWRENCE CONRAD N. LEONIO
OSCAR S. REYES*
JENNYLLE S. TUPAZ

* Independent Directors.

Upon motion duly made and seconded, there being no objections from the stockholders, and considering that the nominees have already been screened and shortlisted by the Nomination and Remuneration Committee in accordance with the Club's Manual of Corporate Governance and the Securities Regulation Code, and that the number of nominees was equal to the number of directors elected, the 11 nominees were elected as Directors of the Corporation.

VIII. APPOINTMENT OF INDEPENDENT EXTERNAL AUDITOR AND FIXING OF REMUNERATION

The Audit and Risk Committee recommended SyCip Gorres Velayo & Co. ("SGV & Co."), as the external auditor of the Club for fiscal year 2021, with Mr. Jose Pepito Zabat III from the SGV Clark Servicing Office, as Partner-in-Charge, with the audit fee of Php190,000 exclusive of Value-Added Tax and Out-of-Pocket Expenses, which is capped at 5% of the audit fee or such remuneration as may be accepted by the Club Operations Management.

Upon motion duly made and seconded, the stockholders approved the following resolutions:

"RESOLVED, as it is hereby resolved, that the Corporation be authorized and empowered to appoint SyCip Gorres Velayo & Co. ("SGV & Co."), as the external auditor of the Club, for fiscal year 2021, with Mr. Jose Pepito Zabat III from the SGV Clark Servicing Office as Partner-in-Charge, and with the audit fee of PhP190,000.00 exclusive of Value-Added Tax and Out-of-Pocket Expenses capped at 5% of the audit fee or such remuneration as may be accepted by the Club Operations Management, pursuant to the recommendation of the Audit and Risk Committee."

"RESOLVED FURTHER, that any Director or Officer of the Corporation be authorized to: (i) perform all acts to implement this resolution; and (ii) sign, execute, and deliver any and all statements, contracts, applications, and other documents as may be necessary to give effect to the foregoing resolutions."

IX. OTHER MATTERS

The Chairman then entertained questions and comments from the stockholders. Mr. Johann V. Ramirez, the incoming General Manager, addressed questions from the Club's members which pertained to matters not taken up during the meeting.

The first question addressed was whether the Club will extend the period to avail of its consumables in light of the pandemic. Mr. Ramirez answered in the affirmative, stating that the consumables will not be forfeited and that the period to avail of said consumables will be extended until 31 December 2021.

Another question was whether or not the Club will apply the amnesty program for those with an overdue balance. Mr. Ramirez assured that the Club will reapply the program, same as last year, where the 3% surcharge will no longer be applied for the year 2021.

X. ADJOURNMENT

Upon motion made and duly seconded, there being no further business to transact and upon motion made and duly seconded, the meeting was adjourned. Mr. Bernard Vincent O. Dy thanked the Management and employees of the Club for working together and making the necessary adjustments to show solidarity with the rest of the nation in trying to stop the pandemic.

On behalf of the Board and the Management, he expressed their gratitude to all the members who participated in the Club's programs and activities to make all of them a success. Mr. Dy reminded everyone that a link of the recorded videoconference of the meeting will be posted on the Alviera Country Club website.

CERTIFIED CORRECT:

ATTY. ANNA LIZA M. ANG-CO
Corporate Secretary

ATTESTED BY:



MR. BERNARD VINCENT O. DY
Chairman