

ALVIERA COUNTRY CLUB, INC.
MINUTES OF THE ANNUAL MEETING OF THE STOCKHOLDERS
8th Annual Stockholder's Meeting
30 September 2022, 10:00 AM
via remote communication

<u>STOCKHOLDERS PRESENT/REPRESENTED</u>	<u>SHARES</u>
Nuevocentro, Inc.	6,675
Leonardo L. Leonio	1
Bernard Vincent O. Dy	1
Clarissa Teresita L. Asuncion	1
Augusto D. Bengzon	1
Arturo G. Corpuz	1
Carlo Leonardo N. Leonio	1
Oscar S. Reyes	1
Jose P. De Jesus	1
Robert S. Lao	1
NO. OF SHARES REPRESENTED	6,684
NO. OF SHARES OUTSTANDING	6,800

ALSO PRESENT

Herminia del Agua
Anna Liza M. Ang-Co
Reinerr John A. Nuestro
Vladimir Joy M. Tamargo
Ma. Divina Y. Lopez
Johann V. Ramirez
Regina F. Magbitang
Jenny Vie H. Julia
Marian Melanie Barbara B. Eugenio
Jonathan Ryan S. Dyrning
Peterson Y. Mañalac
Marie Geneva D. Manialung

I. INTRODUCTION

Ms. Clarissa Teresita L. Asuncion, Treasurer of Alviera Country Club, Inc. (the "Corporation", the "Club", "ACCI") and Chairman of the Meeting, opened the meeting proper.

Ms. Asuncion acknowledged the presence of her fellow Directors and Officers, as well as representatives from Co Ferrer Ang-Co & Gonzales Law Offices, the Corporation's legal counsel, and Mr. Robert S. Lao, a nominee to the Board of Directors, who were all able to

join the videoconference meeting. She then called on Mr. Johann V. Ramirez, the incumbent General Manager of the Club, to preside over the meeting.

II. CALL TO ORDER

Mr. Ramirez called the meeting to order and presided over the same from the principal office of the Corporation. Atty. Anna Liza M. Ang-Co, the Corporate Secretary, recorded the minutes of the 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 in Business Mirror and Business World, in both print and online format, for two consecutive days on September 8 and 9, 2022, 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 98% 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 2022 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 2022.

IV. APPROVAL OF THE MINUTES OF THE PREVIOUS ANNUAL STOCKHOLDERS' MEETING HELD ON 30 SEPTEMBER 2021

Stockholders owning 6,681 shares or 98.25% of the total voting shares represented in the meeting voted in favor of the approval of the Minutes of the 30 September 2021 Annual Stockholders' Meeting.

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

Stockholders owning 6,681 shares or 98.25% of the total voting shares represented in the meeting voted in favor of the approval, confirmation, and ratification of 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 30 September 2021 up to the date of the meeting.

VI. PRESENTATION AND APPROVAL OF THE PRESIDENT'S REPORT AND THE 2021 AUDITED FINANCIAL STATEMENTS

The Club's General Manager, Mr. Johann V. Ramirez, delivered the President's report on behalf of the Corporation's President, Ms. Anna Ma. Margarita B. Dy, and presented the 2021 Audited Financial Statements of the Club.

The **President's Report** detailed the Club Operating Highlights.

For membership, with 51 new activated members, the Club has a total of 546 activated Club members as of August 2022. Of the 546 members, 484 are Class B individual shareholders and 62 are Class C corporate shareholders. The Club Operations Management expects a further increase in Club membership before the year's end. 80% of the monthly dues from January 2022 to August 2022 amounting to PhP13,700,000.00 have been collected which will help ensure the maintenance of the Club's properties and staff employment.

Club visits saw a 22% growth in daily visits with an average of 2,529 monthly visits (or an average 97 daily visits) in July 2022 compared to the average of 2,042 visits per month (or an average of 79 daily visits) in July 2021.

For food and beverage ("F&B"), the Club saw a 30% growth in monthly revenue in the amount of PhP1,700,000.00 as of July 2022 compared to PhP1,300,000.00 in July 2021. The Club Operations Management expects a higher F&B revenue at the end of the year.

The Club now offers credit card facilities payment options onsite such as Visa, Mastercard, and American Express. The Club also now has a bank transfer facility through Bank of the Philippine Islands ("BPI"). Online payment facilities of the Club were also strengthened with the Club's renewed partnership with GCash and aqwire, as well as the launch of Maya in October. These new facilities will ensure more safe and convenient options for the payment of dues or Club usage fees.

With the easing of quarantine protocols, there has been an increase in sports, games, entertainment activities in 2022 with an average of three to four monthly use of the basketball court, badminton court, tennis court, and the gym. There has also been an average of two to four monthly use of the Kiddie and KTV rooms.

The Club has also seen a 250% growth in banquet activities with an average of 7 events per month compared to the previous year's monthly average of just 2 events. The Club Operations Management is optimistic of the continuing growth in banquet activities. With the reopening of the spa in March, a total of 56 spa bookings or an average of 9 bookings per month has been recorded.

In 2022, the Club held its first Easter Sunday event for the children and their families with games, prizes, food, and drinks, and has begun offering a monthly First Friday mass, with the possibility offering regular Sunday mass services. The Club Operations Management has also observed that a majority of the Club's members prefer to use the outdoor venues for special occasions which has contributed to an increase in outdoor events such as weddings and birthdays.

On 30 July 2022, the Club celebrated its 3rd year anniversary with food, drinks, and music, with special guest performer Mr. Richard Poon.

To promote fitness and a healthy lifestyle, the Club, through accredited sports instructors, has started offering private and group sessions for tennis, badminton, basketball, and gym routine.

The Club's banquet function rooms now accommodate guests at full capacity which range from 10 persons for the meeting rooms to 400 guests for the Tala Ballroom, with consumable packages starting at PhP3,000.00 for the meeting room for 15 guests, to PhP110,000.00 for 400 guests for the Tala Ballroom. The Club boosted its event packages with more freebies for every booking. Members and guests can enjoy a wide variety of menu options in either buffet or plated menu format.

In response to the inquiries and requests of the members and guests, the Club has opened additional villas in the Alviera estate for rent. The Club now offers 4 of its fully furnished villa at a discounted rate until the end of the year. In 2022, villa rentals averaged nine nights per month for a total of 75 room nights as of August 2022.

With the continued engagement of the Club members and the community, the Club Operations Management is looking forward to a strong finish in the Club's operations this year.

The Club's **2021 Audited Financial Statements** detailed the financial condition of the Club.

The *Statements of Financial Position* show that there was an increase in the total current assets of the Club from PhP15,297,476.00 as of 31 December 2020 to PhP17,465,722.00 for the year ending 31 December 2021, comprised primarily of PhP7,660,125.00 in cash and PhP8,893,410.00 in receivables. The increase in cash is attributable to the increase in the collection of dues and charges from members, while the increase in receivables is due to the rise in new members from 434 in 2020 to 495 in 2021.

There was also an increase in payables from PhP85,244,751.00 in 2020 to PhP110,271,058.00 in 2021 due primarily to the intercompany transfer of funds by Nuevocentro, Inc. ("NCI") for the construction and operating funds of the Club. The increase in deficit amounting to PhP146,783,078.00 in 2021 from PhP107,372,454.00 in 2020 was due to additional loss incurred in 2021 amounting to PhP39,410,624.00.

For the *Statements of Cash Flow*, the Club had an ending balance amounting to PhP7,660,125.00 in 2021 from PhP6,138,795.00 in 2020.

In 2021, the *Statements of Comprehensive Income* show that the Club had a total revenue amounting to PhP29,176,296.00, a 36% increase compared to the PhP21,376,385.00 revenue in 2020 mainly due to an increase in foot traffic in the Club, sale of food and beverage (with 90% growth in 2021), and other income pertaining to guest fees, villa and use of sports complex.

With managed spending, the Club saw a 4% decrease in costs and expenses in the amount of PhP43,982,352.00 in 2021 compared to PhP45,733,681.00 in 2020. These costs and

expenses are comprised primarily of direct operating expenses such as contracted services, utilities, and supplies, and general administrative expenses such as payroll, taxes, and professional fees. Due to the increase in revenue and a decrease in costs and expenses, the Club was able to mitigate its net loss in 2021 amounting to PhP39,020,793.00 from PhP47,971,506.00 in 2020.

Stockholders owning 6,681 shares or 98.25% of the total voting shares represented in the meeting voted in favor of the approval of the President's Report and the 2021 Audited Financial Statements.

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:

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

* Independent Directors.

Atty. Reinerr John A. Nuestro, the Assistant Corporate Secretary, certified that each of the nominees for Directors had garnered at least 6,681 votes, representing 98.25% of the total outstanding shares. Considering that the nominees have been screened and shortlisted by the Corporate Governance and Nomination 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 Oversight Committee recommended SyCip Gorres Velayo & Co. ("SGV & Co.") as the external auditor of the Club for fiscal year 2022, with Mr. Jose Pepito Zabat III from the SGV Clark Servicing Office as Partner-in-Charge, and with the audit fee of Php200,000 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.

Stockholders owning 6,681 shares or 98.25% of the total voting shares represented in the meeting voted in favor of approving 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 2022, with Mr. Jose Pepito Zabat III from the SGV Clark Servicing Office as Partner-in-Charge, and with the audit fee of PhP200,000.00 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, pursuant to the recommendation of the Audit and Risk Oversight 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 General Manager, addressed questions from the Club’s members which pertained to matters not taken up during the meeting.

On 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 a specific month in 2023. The Club Operations Management will make an announcement regarding the extension.

On whether the Club will again offer a program where members will be given the option to pay the monthly membership dues for the whole year, Mr. Ramirez replied in the affirmative. A program is currently in place to encourage the payment of the monthly membership dues for the year and the Club Operations Management will release an announcement regarding the details of the program for 2023.

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. Ms. Clarissa Teresita L. Asuncion thanked the Management and employees of the Club for their resilience and loyal service to the Club.

On behalf of the Board and the Management, she expressed their gratitude to all the members who participated in the Club’s programs and activities to make all of them a success. Ms. Asuncion informed everyone that the voting results and minutes of the meeting will be posted on the Alviera Country Club website.

CERTIFIED CORRECT:

ATTY. ANNA LIZA M. ANG-CO
Corporate Secretary

ATTESTED BY:

CLARISSA TERESITA L. ASUNCION
Chairman of the Meeting and Treasurer

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