

**MINUTES OF THE ANNUAL MEMBERSHIP MEETING
OF
CAMP JOHN HAY GOLF CLUB, INC.**

Held on 12 May 2023, 10:30 a.m.
at Camp John Hay Golf Clubhouse
Loakan Road, Baguio City and through videoconference

I. Call to Order

The Chairman, Mr. Robert John L. Sobrepeña, called the meeting to order and presided over the same.

II. Certification of Notice and Quorum

The Corporate Secretary, Atty. Gilbert Raymund T. Reyes, recorded the minutes of the proceedings and certified that notices of the Annual Membership Meeting were sent to each member of the Club, in accordance with the rules of the Securities and Exchange Commission ("SEC") and the By-Laws of the Club. Atty. Reyes also certified that members representing 64.80% of the total memberships in good standing were present in person or through Zoom videoconference or represented by proxy. Hence, a quorum was present for the valid transaction of business as specified in the agenda.

III. Approval of the Minutes of the Annual Membership Meeting held on 13 May 2022

The Chairman presented, for the members' approval, the minutes of the Annual Membership Meeting held on 13 May 2022. Upon motion made and duly seconded, the minutes of the 13 May 2022 Annual Membership Meeting was approved as presented.

IV. Presentation of List of Current Members of the Club

The next item on the Agenda was the presentation of the list of current members of the Club, as required by the Revised Corporation Code. However, upon motion made and duly seconded, the presentation of the said list was dispensed with, considering the numerous members of the Club and in the interest of time.

V. Presentation of Management Report and the Highlights of Financial Statements for the Year 2022

The Club's General Manager, Mr. Judson D. Eustaquio, then presented his report on the operations of the Club for the year ending 31 December 2022.

RESULTS OF OPERATIONS (INCOME STATEMENT)

A. Membership Assessments and Operating Revenues

In 2022, assessments for membership dues and Club fees amounted to P56.750 million which is higher by 9% or by P4.674 million compared to the previous year. This is also higher by 27% compared to 2019 and by 20% compared to 2020. On the other hand, operating revenues for 2022 amounted to P36.744 million which is higher by 122% or by P20.230 million compared to 2021 and by 95% or by P17.906 million compared to 2020. Compared to the pre-pandemic year of 2019, this is still higher by 11% or by P3.544 million.

Total revenues for 2022 amounted to P93.493 million, an increase of P24.904 million or 36% compared to the previous year (P68.590 million), and also higher by P27.273 million or by 41% compared to 2020 (P66.221 million). Compared to the pre-pandemic year of 2019 (P77.750 million), this year's revenues are still higher by P15.743 million or by 20%. The Club's Member's Assessments remains the primary source of revenue for the Club at an average of 65% from 2019 to 2022. This is an important indication of the Club's ability to cover its fixed costs especially during the pandemic when guest revenues are meager to none. With the opening up of the economy and loosening of travel restrictions, the Club is optimistic that it will continue to experience the same upward trend in its revenues compared with 2022 and with the pre-pandemic period.

B. Costs and Operating Expenses

Direct costs and operating expenses in 2022 amounted to P79.988 million, higher by 33% (P19.647 million) from 2021 (P60.342 million). Compared to 2020 (P69.448 million) and the pre-pandemic year of 2019 (P85.591 million), this year's costs and operating expenses are higher by 15% (P10.541 million) and lower by P5.603 million or by 7%, respectively. Included in 2019, is an additional provision for doubtful accounts (receivables) of P3.704 million.

C. Earnings Before Income Tax Depreciation & Amortization (EBITDA)

The Club's EBITDA in 2022 amounted to P15.967 million which is higher by 93% compared to 2021.

This is a 632% turnaround from the loss before income tax and depreciation of P3 million in 2020. In 2019, the Club reversed estimates of probable loss provisions in the amount of P21.26 million after determining that cash outflow from these estimates are no longer probable and as earlier mentioned it also adjusted its provision for doubtful accounts which resulted to an EBITDA of P18.702 million.

Without the aforementioned extraordinary items, 2022 EBITDA is higher by 1,294% or by P14.841 million compared to the EBITDA of P1.145 million in 2019.

FINANCIAL POSITION (BALANCE SHEET)**A. Current and Non-current Assets**

Current assets in 2022 amounted to P45.960 million which increased by 104% from P22.541 million in 2021. The increase is due to the treasury shares activated and higher revenues during the year. This is higher by 107% compared to the pre-pandemic year of 2019 (P22.182 million). Looking forward, this continues to increase in the first quarter of 2023 to P54.376 million.

Non-current assets, on the other hand, amounted to P422.926 million which is higher by P50.474 million or by 14% from P372.452 million in 2021. This is due to the adjustment in the revaluation of the Club's golf course development to its current market value based on its highest and best use. Compared to the 2019 level of P426.579 million, when the same property was revalued, the non-current assets of the Club is slightly lower by 1% or by P3.652 million. As of the first quarter of 2023, this amount however decreased to P417.677 million by P5.249 million or by 1% from 2022 mainly due to depreciation and amortization.

Total assets in 2022 amounted to P468.887 million, increased by 4% or by P20.126 million from the previous year and further increased to P472.054 million as of the first quarter of 2023.

B. Liabilities and Equity

Total liabilities in 2022 amounted to P140.687 million which is higher compared to the P122.089 million in 2021, by 15% or by P18.597 million. This is slightly higher by 2% compared to 2019 level of P137.867 million.

Equity on the other hand amounted to P328.201 million which is higher than the P272.90 million in 2021, by 21% or by P55.297 million. Compared to the pre-pandemic number in 2019, this is higher by 6% or by P17.306 million. As of the end of the first quarter of 2023, this amounts to P331.725 million or a slight increase of P3.524 million.

MAJOR GOLF COURSE PROJECTS, MAINTENANCE AND UPKEEP FOR 2022

1. CATCHMENT 17

- Project started on January 5, 2022. Silted sod and sand were removed. New sand was used to fill in around the catchment and planted with core plugs on January 19, 2022.

2. FIRST FAIRWAY BUNKER IN HOLE 1

- Project started on February 17, 2022. Reshaping of grass line in the bunker lip. Backfill of dirt to soften and smoothen the slope of the bunker face. The extension of the grass was sodded on February 20, 2022.

3. CATCHMENT 8

- Project started on April 1, 2022. Carabao grass and the silted sand were taken out to improve the catchment basin and fairway line and then backfilled with new sand and planted with core plugs. Finished on April 13, 2023.

4. BUNKER 5

- Project started on August 1, 2022. Old bunker sand and herringbone lines were removed. Reshaping works were implemented to prevent the water from going to the bunker. Bunkerface was reshaped by backfilling of dirt to soften the slope and prevent sand wash outs. Installed new herringbone lines covered with net. It was refilled with bunker sand on November 20, 2022.

5. FAIRWAY 8

- Project was started on August 17, 2022. Old bunker sand and herringbone lines were removed. Renovation works include

reshaping of the fairway line and rehabilitation of three bunkers. The original two bunkers were condemned and backfilled with dirt. Cut and fill of dirt of the left slope were done in the area. Big slope was cut using back hoe and the dirt was used to fill in the two bunkers. Bunkers face were backfilled to soften the slope and then sodded with Bermuda grass. Catchments were strategically located to prevent water coming into the bunker. New herringbone lines were installed and covered with net. Bunkers were filled with new bunker sand. Core plugs were planted on October 26, 2022.

6. MAINTENANCE ACTIVITIES & REPAIRS

- The Club identified bare areas on the golf course and addressed these by using core plugs and sod. These include Green 5 (sodding), Fairway 12 (core plugs), along cart path 14 and 16 (core plugs), and the right side of Green 16 (core plugs). These were done from May 16 to June 24, 2022.

7. CULTIVATION OF BUNKERS

- Bunkers are cultivated before and after the rainy season, on a regular basis, to ensure that the sand are evenly distributed and to avoid sand compaction.

8. TRAFFIC MITIGATION SAFETY BARRIER ON HOLE 7

- Installed on April 17, 2022 to provide continuous traffic and protection of vehicles and pedestrian passing by the area.

9. TREE CUTTING OF 34 DEAD TREES AND PRUNING OF 7 PINE TREES

- Cutting of dead pine trees and pruning were implemented on November 3, 2022 to November 15, 2022. With the guidance of Department of Environment and Natural Resources and Multi-Partite Monitoring Team, 34 Benguet Pines found to be infested with Ips Calligraphus were recommended for immediate tree cutting to prevent the spread of the pest. Three thousand four hundred (3,400) Benguet Pine Tree seedlings were turned over to DENR as a replacement planting.

10. LANDSCAPING OF TREE STUMP IN HOLE 7 WAS DONE ON FEBRUARY 14, 2022

11. LANDSCAPING WORKS

- Stumps of dead pine trees are covered with ornamental plants.
- Putting green driving range

CLUBHOUSE PROJECTS, MAINTENANCE AND UPKEEP FOR 2022

- **MAIN STORM DRAIN**

- Started on August 30, 2022 and completed on October 4, 2022

CLUB ACTIVITIES AND TOURNAMENTS

This year, the Club once again played host to the prestigious annual tournament, the world-renowned 72nd Fil-Am Invitational. Camp John Hay Golf Club Team 1 placed first in the Regular Fil-A Division and 2nd place in the Regular AM-C Division. The Club also conducted the annual Camp John Hay Corporate Cup hosting a full field of 75 teams with still many more teams that were on the waitlist. For 2023, while we expect to continue to host these tournaments, we will also be hosting another prestigious tournament – the NGAP Stroke Play Championships and also the 1st Cordillera Cup. We also brought back the Chairman's Charity Cup in January, 2023 and finished recently another member-guest Invitational tournament last month. With the Club charity purposes of the Chairman's Cup, the Club was able to donate to the Autism Hearts Foundation Inc. last month a total of P150,000.

HUMAN RESOURCES DEVELOPMENT MANAGEMENT

While Camp John Hay Golf Club strives to provide exceptional service to its members and guests, we also carry on with our Corporate Social Responsibility towards the City of Baguio and our employees.

In 2022, the Club, managers, supervisors, and associates conducted numerous projects/programs for community service and provided various employee benefits for the betterment of the organization and workforces. To name a few, the Club:

1. Implemented Health and Safety Programs such as routine testing for COVID 19, health awareness campaigns, mobile vaccination programs, firefighting and basic life support trainings in coordination with the Bureau of Fire Protection and training in the use of the Automated External Defibrillator (AED).
2. Launched programs for rewards and recognition of Club employees:
 - Loyalty Award Program for employees who have rendered 15 years of service

- Awarding of Employee, Supervisor and Agency of the year;
3. Provided customer service training for working personnel and agency employees of the Club

The Club also constantly participated in meetings, seminars and trainings conducted by the National Conciliation and Mediation Board, Cordillera Association of Labor Management Cooperation and Advocates of Voluntary Arbitration, Home Development Mutual Fund, Philippine Health and Insurance Corporation and People Management Association of the Philippines. The Club also launched wellness programs for members and staff, organized gift giving program for the Club, concessionaire employees and caddies, facilitated submission of renewed health certificates of caddies and operations staff, and provided training and caddie classes.

VI. Ratification of all Actions and Proceedings Taken by the Board of Governors and Corporate Officers

The Chairman presented, for ratification, all actions, resolutions and proceedings taken or adopted by the Board of Governors and corporate officers of the Club since the Annual Membership Meeting on 14 May 2022 until 12 May 2023. Upon motion made and duly seconded, the following resolution was passed:

“RESOLVED, That all the actions, resolutions and proceedings taken by the Club’s Board of Governors and corporate officers from 14 May 2022 until 12 May 2023, are hereby approved and ratified.”

VII. Ratification and Approval of the Audited Financial Statements for the Year 2022

The Chairman presented, for the members’ approval, the audited financial statements for the calendar year ending 31 December 2022, the highlights of which were presented by the General Manager in his financial report.

Upon motion made and duly seconded, the following resolution was unanimously passed by the members of the Club:

“RESOLVED, That the Audited Financial Statements for the calendar year ending 31 December 2022, as presented by the General Manager of the Club, are hereby approved and ratified.”

VIII. Report on the Incumbent Governors

The next item on the Agenda is the Report on Incumbent Governors, as required by the Revised Corporation Code. The Chairman stated that since the profiles and compensation of the incumbent Governors were already included in the Definitive Information Statement previously furnished the members, the Club will just present the attendance report for the year 2022.

Mr. Eustaquio presented to the members, the Report on the Attendance of Incumbent Governors in 2022 Board Meetings attached hereto as Annex "A".

IX. Appointment of External Auditor

Isla Lipana & Co., an independent auditor duly accredited with the SEC, was nominated as the Club's external auditor for 2023-2024. Upon motion made and duly seconded, the following resolution was passed:

"RESOLVED, That Isla Lipana & Co. be appointed as the Club's independent auditor for 2023-2024."

X. Election of Board of Governors

Mr. Jaime Borrromeo, Chairman of the Club's Nomination and Election Committee, was called to present the final list of nominees to the Board of Governors, as approved by the Club's Nomination and Election Committee ("NOMELEC"). The Chairman informed the members that the Club is required by regulating agencies to cause the election of at least three (3) Independent Governors in the Board. Mr. Borrromeo then proceeded to present the following ten (10) members as the candidates for election as members of the Board of Governors for 2023-2024:

1. Gulshan Bedi
2. Mario V. Benitez, Jr. – Independent Governor
3. Jaime M. Cacho
4. Ramon Luis F. Garcia – Independent Governor
5. Francisco C. Gonzalez
6. Alfredo M. Mendoza
7. Ferdinand T. Santos
8. Robert John L. Sobrepeña
9. Rafael Perez de Tagle, Jr.
10. Bayani B. Tecson – Independent Governor

Mr. Borromeo informed the members of the Club that no further nominations would be allowed, pursuant to the Club's By-Laws. Mr. Ramoncito Cabrera, Vice-Chairman of the NOMELEC, moved that there being only ten (10) candidates for the ten (10) seats on the Board of Governors, the casting and canvassing of votes be already dispensed with and that those nominated be considered as having been elected as Governors of the Club by acclamation. After Mr. Cabrera's motion was duly seconded, the following candidates to the Board of Governors were proclaimed elected unanimously by acclamation:

1.	Gulshan Bedi
2.	Mario V. Benitez, Jr. – Independent Governor
3.	Jaime M. Cacho
4.	Ramon Luis F. Garcia – Independent Governor
5.	Francisco C. Gonzalez
6.	Alfredo M. Mendoza
7.	Ferdinand T. Santos
8.	Robert John L. Sobrepeña
9.	Rafael Perez de Tagle, Jr.
10.	Bayani B. Tecson – Independent Governor

Attached is a copy of the Announcement of the Results of the Election as **Annex "B"** hereof.

No objection was raised with regard to the results of the election.

XI. Adjournment

There being no further business to transact and upon motion made and duly seconded, the meeting was thereupon adjourned.


GILBERT RAYMUND T. REYES
Corporate Secretary

ATTEST:


ROBERT JOHN L. SOBREPENA
Chairman of the Board