

## NOTICE OF THE ANNUAL MEETING OF STOCKHOLDERS

Please take notice that the Annual Meeting of Stockholders of ALPHALAND CORPORATION will be held on Thursday, July 30, 2020 at 4 o'clock in the afternoon. In light of the COVID-19 pandemic and to ensure the safety and welfare of the Company's stockholders and other attendees, the meeting will be conducted virtually via secure online meeting platform to discuss the following agenda:

1. Call to order
2. Certification of Notice and Quorum
3. Review and approval of the minutes of the previous annual stockholders meeting
4. Annual report of Management and approval of the audited financial statements for the year ended December 31, 2019
5. Ratification of all acts and resolutions adopted by the Board of Directors, Executive Committee and other committees of the Board of Directors, as well as Management since the last annual stockholders meeting held on May 7, 2019
6. Election of members of the Board of Directors (including Independent Directors)
7. Appointment of External Auditor
8. Other matters

Only stockholders of record as of July 16, 2020 are entitled to notice of, and to vote at, the Annual Meeting of Stockholders. Stockholders who intend to participate or be represented in the virtual meeting shall first submit the following via email to [ASM2020@alphaland.com.ph](mailto:ASM2020@alphaland.com.ph) not later than July 20, 2020, subject to validation procedures, to gain access to the secure online meeting link.

Once validated, a confirmation along with access credentials to the secure online meeting link shall be sent to the stockholder's email as provided.

### WE ARE NOT SOLICITING YOUR PROXY

Stockholders who will not, are unable or do not expect to attend the meeting in person but would like to be represented thereat may choose to execute and send a proxy form to the Office of the Corporate Secretary on or before 5:00 p.m., July 20, 2020. A sample proxy form is available at the Company's website: [alphaland.com.ph](http://alphaland.com.ph).

Copies of the following documents will be posted at the Company's website ([alphaland.com.ph](http://alphaland.com.ph)): (i) Minutes of the Annual Meeting of Stockholders held on May 7, 2019; (ii) Information Statement with Management Report; (iii) Consolidated Audited Financial Statements for the year ended December 31, 2019.

June 29, 2020.



JASON J. APBA  
Corporate Secretary

For ASM-related queries, please send an email to [ASM2020@alphaland.com.ph](mailto:ASM2020@alphaland.com.ph).

For account updating/validation concerns, please get in touch with the Company's Stock Transfer Agent, AB Stock Transfers Corporation (Attention: Haydee D. Gallarde), via PLDT line +63.2.5337.2031 local extension 169; via mobile number +63.917.5448417; or via email to [hdgallarde@atok.com.ph](mailto:hdgallarde@atok.com.ph).

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AGENDA  
Explanation

1. Call to order  
The Chairman will formally open the meeting at approximately 4 o'clock in the afternoon.
  2. Certification of Notice and Quorum  
The Corporate Secretary will certify that written notice for the meeting was duly sent to stockholders and that a quorum exists for the transaction of business.
  3. Review and approval of the minutes of the previous annual stockholders meeting  
The minutes of the meeting held on May 7, 2019 is available at the Company's website: [alphaland.com.ph](http://alphaland.com.ph). Stockholders will be asked to approve the proposed resolution below:  
  
*"RESOLVED, that the Stockholders of the Corporation hereby approve the Minutes of the Annual Stockholders' Meeting held on May 7, 2019."*
  4. Annual report of Management and approval of the audited financial statements for the year ended December 31, 2019  
The Company's Annual Report, Audited Financial Statements and Information Statement will be posted at the Company's website: [alphaland.com.ph](http://alphaland.com.ph). Stockholders will be asked to approve the proposed resolution below:  
  
*"RESOLVED, that the Company's Audited Financial Statements for the year ended December 31, 2019 be, as the same are hereby, approved."*
  5. Ratification of all acts and resolutions adopted by the Board of Directors, Executive Committee and other committees of the Board of Directors, as well as Management since the last annual stockholders meeting held on May 7, 2019  
  
*"RESOLVED, that all acts, resolutions, and deeds of the Company's Board of Directors and its Committees, as well as Management from the Annual Stockholders' Meeting held on May 7, 2019 up to the date of this meeting be as they hereby are, confirmed, ratified and approved."*
  6. Election of members of the Board of Directors (including Independent Directors)  
The profiles of the nominees are included in the Information Statement. Stockholders will be given the opportunity to elect the directors who will serve for the term 2020-2021.
  7. Appointment of External Auditor  
Endorsement to the stockholders the election of the external auditor who will conduct an independent verification of the Company's financial statements and provides an objective assurance on the accuracy of its financial statements for the ensuing year. Below is the proposed resolution for approval:  
  
*"RESOLVED, that Reyes Tacandong & Co., Certified Public Accountants, be, as they hereby are, re-appointed as external auditors of the Company for the year 2020-2021."*
  8. Other matters  
The Chairman will open the floor for comments and questions by the stockholders. Stockholders may raise other matters or issues that may be properly taken up at the meeting.
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## PROCEDURES FOR THE ANNUAL STOCKHOLDERS' MEETING

In light of the ongoing community quarantine imposed in several areas of the country and in consideration of health and safety concerns of everyone involved, the Executive Committee of the Board of Directors of the Company has approved and authorized stockholders to participate in the meeting *via* remote communication and to exercise their right to vote *in absentia* through electronic voting *via* the online web address provided.

### ELECTRONIC VOTING *IN ABSENTIA*

1. Stockholders on record of the Company as of July 16, 2020 may exercise their right to vote on the agenda items in the 2020 Annual Stockholders' Meeting (ASM) through electronic voting *in absentia*. To be included in the determination of quorum, stockholders who intend to participate in the meeting by remote communication and vote *in absentia* must notify the Company of their intention to participate and vote remotely by sending an e-mail addressed to the Company's Corporate Secretary at [ASM2020@alphaland.com.ph](mailto:ASM2020@alphaland.com.ph) and submit the following **not later than July 20, 2020** (only registered stockholders as of July 20, 2020 shall be allowed to electronically vote *in absentia* or participate in the ASM by remote communication):

<ul style="list-style-type: none"><li>• Individual Stockholder</li></ul>	<ol style="list-style-type: none"><li>a) A legible copy of a valid identification card with photograph and signature of the stockholder and the proxy, that is issued by the government</li><li>b) Stock certificate number/s or a legible copy of the stock certificate</li><li>c) If appointing a proxy, a legible copy of the proxy form duly signed by the stockholder (need not be notarized)</li><li>d) E-mail-address, mailing address, and telephone/mobile telephone number of the stockholder or proxy</li></ol>
<ul style="list-style-type: none"><li>• Multiple Stockholders or Joint Owners</li></ul>	<ol style="list-style-type: none"><li>a) Proof of authority of stockholder voting the shares signed by the other registered stockholders</li><li>b) A legible copy of a valid identification card with photograph and signature of the representative stockholder, that is issued by the government</li><li>c) Stock certificate number/s or a legible copy of the stock certificate</li><li>d) E-mail-address, mailing address, and telephone/mobile telephone number of the representative</li></ol>
<ul style="list-style-type: none"><li>• Corporate Stockholders</li></ul>	<ol style="list-style-type: none"><li>a) Corporate Secretary's Certification of the Board resolution appointing and authorizing the proxy to participate in the meeting</li><li>b) A legible copy of a valid identification card with photograph and signature of the proxy</li><li>c) Stock certificate number/s or a legible copy of the stock certificate</li><li>d) E-mail-address, mailing address, and telephone/mobile telephone number of the proxy</li></ol>

The Office of the Corporate Secretary of the Company shall forward the stockholder's e-mail and its attachments to the Company's Stock Transfer Agent, AB Stock Transfers Corporation, for validation. The Company and the Stock Transfer Agent may require additional data or documents to ensure the identity and right to vote of the stockholder.

2. Once validated and verified, the stockholder, or the proxy, will be sent a confirmation correspondence and given access to the electronic link where he/she can register for the virtual meeting and cast his/her votes electronically. Deadline to vote *in absentia* through the electronic

voting system is on July 24, 2020. Beyond this date, stockholders may no longer avail of the option to vote in absentia.

3. All agenda items indicated in the Notice of the Meeting will be set out in the digital absentee ballot and the registered stockholder, or his/her proxy, may proceed to vote. Each outstanding share of stock entitles the registered holder to one vote. For all items on the agenda for approval, the affirmative vote of at least a majority of the issued and outstanding stock entitled to vote and represented at the meeting will be required for approval. The stockholder may either vote for (Yes) or against (No) the item presented for approval, or Abstain from voting. The election of directors will be by plurality of votes and every stockholder shall be entitled to cumulate his votes. All votes received shall be tabulated by the Office of the Corporate Secretary. The Corporate Secretary shall report the results of voting during the meeting.
4. Once the registered stockholder, or the proxy, has finished voting on the agenda items, he/she can proceed to submit his/her electronic ballot by clicking the 'Submit' button. The stockholder, or the proxy, will then be redirected to an online webpage containing a summary of the votes cast. After the electronic ballot has been submitted, the registered stockholder may no longer make any change.

#### PARTICIPATION *VIA* REMOTE COMMUNICATION

1. Only the Stockholders, or their proxies, who have successfully registered with the Company's registration system may be given access to the livestream video service that will allow Stockholders to participate, or their proxies, in the ASM.
  2. All questions and clarifications may be raised via e-mail prior to or during the meeting by sending an e-mail to [ASM2020@alphaland.com.ph](mailto:ASM2020@alphaland.com.ph), and shall be limited to the items in the Agenda of the meeting.
  3. The meeting proceedings will be recorded in audio and video format. Requests for access to the recorded webcast of the ASM may be sent to [ASM2020@alphaland.com.ph](mailto:ASM2020@alphaland.com.ph).
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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 20-IS

INFORMATION STATEMENT PURSUANT TO SECTION 20 OF THE  
SECURITIES REGULATION CODE

1. Check the Appropriate box  

<input checked="" type="checkbox"/>
<input type="checkbox"/>

 Preliminary Information Statement  
Definitive Information Statement
2. Name of Registrant as specified in its charter  
**ALPHALAND CORPORATION**
3. Province, country or other jurisdiction of incorporation or organization  
**Philippines**
4. SEC Identification Number  
**183835**
5. BIR Tax Identification Number  
**001-746-612**
6. Address of Principal Office  
**Alphaland Makati Place, 7232 Ayala Avenue corner Malugay Street, 1209 Makati City , Philippines**
7. Registrant's telephone number, including area code  
**+63 2 3372031**
8. Date, time and place of meeting of security holders  
Date **July 30, 2020**  
Time **4 o'clock PM**  
Place **via remote communication**
9. Approximate date on which the Information Statement is first to be sent or given to security holders  
**July 9, 2020**
10. Securities registered pursuant to Section 8 and 12 of the Code or Sections 4 and 8 of the RSA (information of the number of shares and amount of debt is applicable only to corporate registrants)  

<u>Number of Common Stock</u>	<u>Amount of Debt Outstanding</u>
<u>Outstanding</u>	<u>As Of December 31, 2019</u>
<b>28,407,499,420</b>	<b>Nil</b>
11. Are any or all of the registrant's securities listed on a Stock Exchange?  
Yes                      No                      ✓
12. If yes, disclose the name of such Stock Exchange and the class of securities listed therein: n/a

**We are not asking you for a proxy and you are requested not to send us a proxy.**

**PART I.**

**INFORMATION REQUIRED IN INFORMATION STATEMENT**

**A. GENERAL INFORMATION**

**Item 1. Date, Time and Place of Meeting of Stockholders**

Date : July 30, 2020  
Time : 4 o'clock PM  
Place : via remote communication

Mailing Address of the Company

The complete mailing address of Alphaland Corporation (hereinafter, "ALPHA", the "Company" or the "Corporation") is:

**ALPHALAND CORPORATION**  
Alphaland Makati Place  
7232 Ayala Avenue corner Malugay Street  
1209 Bel-Air, Makati City  
Philippines

Record Date

The record date for the purpose of determining the stockholders entitled to notice of, and to vote at, the Annual Meeting of the Stockholders is July 16, 2020 (the "Record Date").

Approximate Date of First Release of Information Statement

The approximate date on which this Information Statement will be first sent out to the stockholders of the Company is on July 9, 2020.

**Item 2. Dissenter's Right of Appraisal**

There are no matters or proposed actions as specified in the attached Notice of Annual Meeting that may give rise to a possible exercise by shareholders of their appraisal rights or similar rights as provided in Title X of the Revised Corporation Code of the Philippines.

Pursuant to Section 80 of the Revised Corporation Code, shareholders of the Company may exercise their right of appraisal in the following instances:

- (i) in case amendment of the articles of incorporation has the effect of changing or restricting the rights of any stockholder or class of shares, or of authorizing preferences in respect superior to those of outstanding shares of any class, or of extending or shortening the term of corporate existence;
- (ii) sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets, as provided in the Revised Corporation Code;
- (iii) merger or consolidation;
- (iv) extension or limitation of corporate term;
- (v) investment of corporate funds for any purpose other than the primary purpose of the corporation;

Each share of stock is entitled to one vote during stockholders' meetings. However, at all elections of directors, every stockholder entitled to vote may vote such number of stocks for as many persons as there are directors to be elected, or he may cumulate said shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of his shares shall equal, or he may distribute them on the same principle among as many candidates as he shall see fit.

The election of directors may only be held at a meeting convened for that purpose at which stockholders representing a majority of the outstanding capital stock are present in person or by proxy. However, any vacancy in the board, other than by removal or expiration of term, may be filled by the majority of the remaining directors if still constituting a quorum.

Pursuant to Section 81 of the Revised Corporation Code, a shareholder who shall have voted against any proposed action may exercise his appraisal right by making a written demand on the Company within thirty (30) days after the date of the shareholders' meeting where the vote was taken. Failure to make the demand within the prescribed period shall be deemed a waiver of the appraisal right. If the proposed corporate action is implemented, the Company shall pay the dissenting stockholder upon surrender of the stock certificate/s representing his shareholdings in the Company based on the fair value thereof as of the day prior to the date of the shareholders' meeting where the vote was taken, excluding any appreciation or depreciation in anticipation of such corporate actions, provided that no payment shall be made to the dissenting shareholder unless the Company has unrestricted retained earnings to cause such payment.

If within a period of sixty (60) days from the date the corporate action was approved by the stockholders, the withdrawing stockholder and the Company cannot agree on the fair value of shares, it shall be determined and appraised by three (3) disinterested persons, one of whom shall be named by the shareholder, another by the Corporation and the third by the two thus chosen. The findings of the majority of the appraiser shall be final and their award shall be paid by the Company within thirty (30) days after such award is made.

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

There is no matter to be acted upon in which any director or executive officer is involved or had a direct, indirect or substantial interest (except the election of directors).

No director has informed the registrant, in writing or otherwise, that he intends to oppose any action to be taken by the registrant at the Meeting.

## B. CONTROL AND COMPENSATION INFORMATION

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

(a) **Total Number of Shares Outstanding as of April 30, 2020:** 28,407,499,410 common shares (exclusive of 4,239,000 common shares in treasury)<sup>1</sup>

**Number of Votes per Share:** One (1) vote per share.

(b) **Record Date:** All stockholders of record as of the close of business on July 16, 2020 are entitled to notice of, and to vote at, the Annual Meeting.

### Security Ownership of Certain Record and Beneficial Owners – as of April 30, 2020

There are no delinquent stocks and following is the direct and indirect record of beneficial owners of more than five percent (5%) of common shares of the Company:

<i>Title of Class</i>	<i>Name and Address of Record Owner and relationship with Issuer</i>	<i>Name of Beneficial Owner and relationship with Record Owner</i>	<i>Citizenship</i>	<i>No. of Shares</i>	<i>% Held</i>
Common	Alphaland Southgate Tower, Inc. (formerly Alphaland Development, Inc.)  Alphaland Makati Place, 7232 Ayala Ave. cor. Malugay St., Makati City  Wholly-owned subsidiary	-	Filipino	13,792,109,780	48.55%
Common	RVO Capital Ventures Corporation  Alphaland Makati Place, 7232 Ayala Avenue corner Malugay Street, Makati City  Stockholder	Roberto V. Ongpin – Beneficial Owner	Filipino	8,426,567,460	29.66%
Common	Boerstar Corporation	Roberto V. Ongpin – Beneficial Owner	Filipino	1,677,884,300	5.91%

<sup>1</sup> On December 10, 2018, the Securities and Exchange Commission approved the Amended Articles of Incorporation of the Company, amending Article VII thereof by reducing the par value from PhP1 per share to PhP0.10 per share.



	Alphaland Makati Place, 7232 Ayala Ave. cor. Malugay St., Makati City				
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Except as stated above, the BOD and Management of the Company have no knowledge of any person who, as at April 30, 2020, was indirectly or directly the beneficial owner of more than five percent (5%) of the Company's outstanding shares of common stock or who has voting power or investment power with respect to shares comprising more than five percent of the outstanding shares of common stock. There are no persons holding more than 5% of the Company's common stocks that are under a voting trust or similar agreement.

#### **Security Ownership of Management**

The following are the number of shares of common stock owned of record and beneficially by the directors and executive officers of the Company and the percentage of shareholdings of each, as at April 30, 2020:

<i>Title of Class</i>	<i>Name of Beneficial Owner</i>	<i>Amount and Nature of Beneficial Ownership</i>		<i>Citizenship</i>	<i>Percent</i>
Common	Roberto V. Ongpin	Direct	10	Filipino	nil
Common		Indirect	10,571,544,535		37.21%
Common	Eric O. Recto	Direct	10	Filipino	Nil
Common	Dennis O. Valdes	Direct	1,000	Filipino	Nil
Common	Anna Bettina Ongpin	Direct	1,000	Filipino	Nil
Common	Mario A. Oreta	Direct	10	Filipino	Nil
Common		Indirect	164,000,000		0.62%
Common	Lorenzo V. Tan	Direct	10	Filipino	Nil
Common	Margarito B. Teves	Direct	1,000	Filipino	Nil
Common	Jaime G. Bautista	Direct	10	Filipino	Nil
Common	Juan Edgardo M. Angara	Direct	10	Filipino	Nil
Common	Florentino M. Herrera III	Direct	10	Filipino	Nil
Common	Francisco Ed. Lim	Direct	10	Filipino	Nil
Common	Gilberto Eduardo Gerardo C. Teodoro, Jr.	Direct	10	Filipino	Nil
Common					
Common	Dennis A. Uy	Direct	10	Filipino	Nil
Common	Jose Ramon T. Villarin	Direct	10	Filipino	Nil
Common	Gregorio T. Yu	Direct	10	Filipino	Nil
Common	Michael Angelo Patrick M. Asperin	Direct	1,000	Filipino	Nil

Except as disclosed above, the Company has not received from any of the directors or executive officers of the Company any statement of ownership, whether of record or beneficially, of more than five percent (5%) of the Company's outstanding shares of common stock. As known by the Company, the aggregate number of common shares owned directly and indirectly by all key officers and directors as a group as at April 30, 2020 was 10,549,082,210 common shares.

#### **Changes in Control**

There are no voting trust agreements or any other similar agreement that may result in a change in control of the Company of which the Company has any knowledge. No change in control of the Company has occurred since the beginning of its last fiscal year.

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

Pursuant to the Company's By-Laws, the directors are elected at each annual meeting of stockholders by stockholders entitled to vote. Each director is elected for a term of one (1) year or until his successor is duly elected and qualified, unless he resigns, dies or is removed prior to such election.

The following individuals have been nominated to the BOD for the ensuing year:

1. Roberto V. Ongpin (incumbent)
2. Eric O. Recto (incumbent)
3. Lorenzo V. Tan (incumbent)
4. Dennis A. Uy (incumbent)
5. Francisco Ed. Lim (incumbent)
6. Juan Edgardo M. Angara (incumbent)
7. Mario A. Oreta (incumbent)
8. Dennis O. Valdes (incumbent)
9. Anna Bettina Ongpin (incumbent)
10. Jaime G. Bautista (incumbent)
11. Margarito B. Teves – Independent (incumbent)
12. Jose Ramon T. Villarin – Independent (incumbent)
13. Florentino M. Herrera III – Independent (incumbent)
14. Gregorio T. Yu – Independent (incumbent)
15. Gilberto Eduardo Gerardo C. Teodoro, Jr. – Independent (incumbent)

The following individuals have been nominated as members of the Executive, Audit, Nominations and Compensation Committees for the ensuing year:

### **Executive Committee**

- a. Roberto V. Ongpin (Chairman)
- b. Dennis O. Valdes
- c. Anna Bettina Ongpin

### **Audit Committee**

- a. Margarito B. Teves (Chairman/Independent Director)
- b. Mario A. Oreta
- c. Dennis O. Valdes

### **Nominations Committee**

- a. Roberto V. Ongpin
- b. Dennis O. Valdes
- c. Gregorio Ma. Araneta III T. Yu (Independent)

### **Compensation Committee**

- a. Roberto V. Ongpin
- b. Anna Bettina Ongpin
- c. Dennis O. Valdes

The aforementioned nominees were nominated to the Nominations Committee by shareholders of the Company.

Pursuant to Section 38 of the Securities Regulation Code and Article III, Section 2 of the Corporation's By-Laws, the Corporation is required to elect at least two (2) independent directors, or such independent directors constituting at least twenty percent (20%) of the members of such board, whichever is less. Messrs. Margarito B. Teves, Jose Ramon T. Villarin, Florentino M.

Hererra III, Gilberto Eduardo Gerardo C. Teodoro, Jr. and Gregorio T. Yu were all nominated by shareholders of the Company. The nominating shareholders are not related to any of the nominees for independent directors.

A majority, if not all, of the above named nominees are expected to attend the scheduled Annual Meeting.

The executive officers have been appointed by the BOD to serve for a period of one (1) year or until their successors shall have been appointed.

#### Names of Directors and Executive Officers

The following are the names, ages, citizenships and periods of service of the incumbent directors (as well as that of the new nominees) and executive officers of the Company, together with a brief description of their business experience during the past five (5) years:

### **BOARD OF DIRECTORS**

#### Incumbent

#### **ROBERTO V. ONGPIN**, *Chairman of the Board and Chief Executive Officer*

Mr. Ongpin, Filipino, 83 years old, was elected Director and Chairman of the Board on November 11, 2009. He is also the Chairman of Atok-Big Wedge Company, Inc. (AB) and Alphaland Balesin Island Club, Inc., and former Director of San Miguel Corporation (SMC), PAL Holdings, Inc. (PAL) and Petron Corporation (PCOR). In Hong Kong, he was the Non-Executive Director of Shangri-La Asia and was the Deputy Chairman of the South China Morning Post, both listed in the Hong Kong Stock Exchange. He was also a Non-Executive Director of Forum Energy PLC (United Kingdom). Mr. Ongpin graduated *cum laude* in Business Administration from the Ateneo de Manila University, is a Certified Public Accountant, and has an MBA from Harvard Business School.

#### **DENNIS O. VALDES**, *President*

Mr. Valdes, Filipino, 58 years old, has been a Director since 2011. He became the President of the Company effective February 1, 2020. He is also a director of Atok-Big Wedge Co., Inc. (AB). He served as President of Philweb Corporation (WEB) until January 31, 2020. His previous work experience includes 10 years with the Inquirer Group of Companies, as a Director of the newspaper, and he was also in charge of expanding their Internet, printing, and ink-making operations. Prior to that, he spent six years with The NutraSweet Company developing its businesses in Asia. He is a certified public accountant, graduated *magna cum laude* in Business Administration and Accountancy from the University of the Philippines and has an MBA degree from the Kellogg School of Management, Northwestern University.

#### **ANNA BETTINA ONGPIN**, *Vice-Chairman and Director*

Ms. Ongpin, Filipino, 55 years old, was elected Director of the Company on 19 March 2014 and served as President of the Company from May 31, 2016 to January 30, 2020. She became Vice-Chairman of the Company effective February 1, 2020. She is also a Director of Atok-Big Wedge Co., Inc. (AB), and a Director and Vice-Chairman of both Alphaland Balesin Island Club, Inc. and The City Club at Alphaland Makati Place, Inc. Ms. Ongpin has more than twenty years of communications, marketing, project management, and operations experience in the management consulting and media fields. She holds a Bachelor's Degree in Political Science from Wellesley College.

**ERIC O. RECTO, Vice Chairman and Director**

Mr. Recto, Filipino, 56 years old, is also presently the Vice-Chairman and President of Atok-Big Wedge Co., Inc. He is also the Director of ISM Communications Corporation (ISM); the Chairman of Philippine Bank of Communications (PBC); a Member of the Board of Supervisors of Acentic GmbH. Mr. Recto has a degree in Industrial Engineering from the University of the Philippines as well as an MBA from the Johnson School, Cornell University.

**LORENZO V. TAN**

Mr. Tan, Filipino, 58 years old, was elected Vice Chairman and Director on June 20, 2018. He is also a director of Atok-Big Wedge Company, Inc. He is a prominent banker who served as the President and Chief Executive Officer of Rizal Commercial Banking Corporation from 2007 to 2016; President of the Bankers Association of the Philippines from 2013 to 2016; and Chairman of the Philippine Dealing System Holdings Corp. until April 8, 2016. Mr. Tan is a member of the Board of Directors of Smart Communications, Inc.; an Independent Director of Philippine Realty and Holdings Corporation (RLT) since July 13, 2016; a director of EEI Corporation (EEI) since June 16, 2017. Mr. Tan is a Certified Public Accountant in Pennsylvania, USA and in the Philippines. Mr. Tan graduated from De La Salle University, with a Bachelor of Science degree in Accounting and Commerce and holds a Master of Management degree from the J.L. Kellogg Graduate School of Management in Evanston, Northwestern University.

**DENNIS A. UY**

Mr. Uy, Filipino, 45 years old, was elected Director on June 20, 2018. He is also the Chairman and President of Udenna Corporation; Chief Executive Officer and President of Phoenix Petroleum Philippines, Inc. (PNX) since 2002, Comstech Integration Alliance, Inc., Chelsea Shipping Corporation, Global Synergy Trade and Distribution Corporation, Udenna Development Corporation, Value Leases Inc., and Udenna Foundation, Inc.; Chairman of 2Go Group, Inc. (2GO), Chelsea Logistics Holdings Corp. (CLC), Oilink Mindanao Distribution, Mindanao Media Dynamics, Le Don Printers and Bohemian Promotions and Training Center, Phoenix Petroleum Holdings, Inc. F2 Logistics, and Phoenix Philippines Foundation, Inc. He is also an Independent Director of Apex Mining Company, Inc. (APX) and a Director of First Oriental Packaging, Señorita Farms, Aquamines Philippines, Bulbscor Minerals Corporation and Blucor Minerals Corporation. Mr. Uy is the Honorary Consul of Kazakhstan to the Philippines since November 2011. He holds a Bachelor of Science Degree in Business Management at the De La Salle University in Manila.

**FRANCISCO ED. LIM**

Atty. Lim, Filipino, 64 years old, was elected Director on June 20, 2018 and is presently the Senior Partner and a member of the Executive and Special Committees of the Angara Abello Concepcion Regala & Cruz Law Offices (ACCRALAW). He served as President and Chief Executive Officer of the Philippine Stock Exchange, Inc. from September 16, 2004 to February 10, 2010. He is the incumbent president of the Shareholders' Association of the Philippines (SharePHIL). He is also a trustee of the CIBI Foundation, Inc. and the Judicial Reform Initiative, Inc. and a Fellow of the Institute of Corporate Directors. He is also a member of the American Bar Association, FINEX Research Foundation, Inc., International Insolvency Institute ("IIT"), Advisory Committee for the Asian Principles of Business Restructuring Project of the IIT and the Asian Business Law Institute. Atty. Lim is a columnist of The Philippine Daily Inquirer and a law professor in the Ateneo de Manila University, San Beda Graduate School of Law and a professorial lecturer and the Vice-Chair of the Commercial Law Department of the Philippine Judicial Academy. He is a director of several public companies, among which are the Union Bank of the Philippines, Energy Development Corporation, The Insular Life Assurance Co., Ltd., and Producers Savings Bank Corporation. He is also director of private corporations like the Financial Executives Institute of the Philippines and Camerton Holdings. He is a member of both the Philippine Bar and the New York State Bar.

**JUAN EDGARDO M. ANGARA**

Mr. Angara, Filipino, 47 years old, was elected Director on June 20, 2018. He was elected to the Senate of the Philippines in 2013 where he placed 6<sup>th</sup>. He worked as a trainee at the Metropolitan Bank and Trust Company in 1991, as news reporter for The Philippine Star in 1992. He served as an apprentice and member of the delegation in the Philippine Mission to the United Nations in New York in 1994. He worked as an associate attorney at the Angara Abello Concepcion Regala and Cruz (ACCRA) law firm from 2001 to 2003. He finished his law degree at the University of the Philippines College of Law, and earned his Master of Laws degree from Harvard Law School in Cambridge, Massachusetts, United States.

**MARIO A. ORETA**

Mr. Oreta, Filipino, 73 years old, was elected Director on November 11, 2009. He served as President of the Company from 2009 to 2017. He is also Director of The City Club at Alphaland Makati Place, Inc. He graduated with honors from the Ateneo De Manila University with a degree in Bachelor of Laws and immediately joined the law firm of Siguion Reyna, Montecillo and Ongsiako after graduating from law school. He is the managing partner of The Law Firm of Mario Oreta and Partners.

**MARGARITO B. TEVES** *(Independent)*

Mr. Teves, Filipino, 76 years old, was elected Independent Director on August 31, 2011. He is also an Independent Director of AB, Alphaland Balesin Island Club, Inc., and The City Club at Alphaland Makati Place, Inc. Mr. Teves is currently the Chairman of Think Tank, Inc., and a Member of the Board of Advisers of Bank of Commerce. He was formerly Secretary of the Department of Finance, Landbank President and CEO, and a Member of the House of Representatives (representing the 3rd District of Negros Oriental). He obtained a Higher National Diploma (HND) in Business Studies, equivalent to a BSC in Business Economics, from the City of London College, and a Master of Arts (MA) in Development Economics from the Center for Development Economics, Williams College, Massachusetts, USA. He was recently conferred an Honorary Degree, Doctor of Laws, by Williams College, and named Senior Adviser to the China-Asean Economic and Culture Research Center and Visiting Professor at the Guilin University of Electronic Technology in China.

**JOSE RAMON T. VILLARIN, SJ** *(Independent)*

Mr. Villarín, Filipino, 60 years old, was elected Independent Director on June 20, 2018 and is presently the President of Ateneo de Manila University. He is also the Vice-Chairman of the Scientific Community/Academe of the National Resilience Council. He is also a member of the Board of Governors of Asian Institute of Management (AIM) and Chairman of the Board of Trustees of Synergeia, Manila Observatory and Confucius Institute. Mr. Villarín is also a member of the Board of Trustees of various private institutions among which are the Philippine Institute of Pure and Applied Chemistry, Loyola School of Theology and Ateneo de Naga University. Mr. Villarín has a degree in Physics from the Ateneo de Manila University and graduated Magna Cum Laude, Class Valedictorian and Physics Departmental Award of the Ateneo de Manila University.

**FLORENTINO M. HERERRA III** *(Independent)*

Mr. Herrera, Filipino, 68 years old, was elected Independent Director on June 20, 2018 and is the founding partner of Herrera Teehankee & Cabrera Law Offices. He is also a director of Philippine Airlines, Inc., Rizal Commercial Banking Corporation (RCBC) and Lufthansa Technik Philippines, Inc. Mr. Herrera is the Corporate Secretary of MacroAsia Corporation and Allianz PNB Life Insurance, Inc.

**GREGORIO T. YU** *(Independent)*

Mr. Yu, Filipino, 59 years old, was elected Independent Director on June 20, 2018 and is presently the Chairman of Auto Nation Group, Inc., Cats Automobile Corp. and American Motorcycles, Inc. He is also the Vice Chairman and Director of Sterling Bank of Asia and the Chairman and

President of Lucky Star Network Communications, Inc. Mr. Yu is also a director of various private institutions, among which are, PAL Holdings, Inc., Philippine Bank of Communications, Philippine Airlines, Inc., Philequity Management, Inc. and CATS Asian Cars, Inc. He is a board member of Ballet Philippines and Manila Symphony Orchestra and an independent director of IRemit, Inc. and E-Business Services, Inc.

**GILBERTO EDUARDO GERARDO C. TEODORO, JR.,** *(Independent)*

Mr. Teodoro, Filipino, 55 years old, was elected Independent Director for the company on June 20, 2018. He is also a Director of Canlubang Sugar Estate from 1991 to present and Philippine Geothermal Production Co., Inc. from 2012 to present. He is currently the Chairman and President of Bolam Holdings, Inc., Branko Holdings, Inc. and WIPSIAE Holdings, Inc. He studied law at the University of the Philippines and finished at the top of his class. He obtained his Masters of Laws degree from Harvard Law School in Cambridge, Massachusetts, United States and passed the State Bar of New York.

Independent Directors

As approved by the BOD, the procedure for the nomination of independent directors shall be as follows:

The nomination of independent directors shall be conducted by the Nominations Committee prior to the Annual Meeting. All recommendations shall be signed by the nominating stockholder/s together with the acceptance and conformity by the nominees for election. The Nominations Committee shall pre-screen the qualifications and prepare a final list of all candidates and put in place screening policies and parameters to enable it to effectively review the qualifications of the nominees for independent directors.

After the nomination, the Nominations Committee shall prepare a final list of candidates which shall contain all the information about all the nominees for independent directors, as required by existing and applicable rules, which list, shall be made available to the Commission and to all stockholders through the filing and distribution of the information statement, or in such other reports the Company is required to submit the Commission. The name of the person or group of persons who recommended the nomination of the independent director shall be identified in such report including any relation with the nominee.

Only nominees whose names appear on the final list of candidates shall be eligible for election as independent directors. No other nomination for independent directors shall be entertained after the final list of candidates shall have been prepared. No further nominations for independent directors shall be entertained or allowed on the floor during the actual annual stockholders' meeting.

All nominees do not have a relationship with the Company which would interfere with the exercise of independent judgment in carrying out responsibilities of a director. None of them are related to any of the directors or officers of the Company.

The Nominations Committee has taken into consideration the qualifications to be an independent director. Attached as **Annexes "A" "B", "C", "D", and "E"** are the Certifications of the Qualification of the Nominees for Independent Directors namely Messrs. Teves, Villarin, Herrera, Teodoro and Yu.

In approving the nomination for Independent Director, the Nomination Committee took into consideration the guidelines on the nomination of Independent Directors prescribed in SEC Memorandum Circular No. 16, Series of 2002. All the nominees for election to the BOD have at least one (1) share registered in their names.

## OFFICERS

**MICHAEL ANGELO PATRICK M. ASPERIN**, *Chief Operating Officer*

Mr. Asperin, Filipino, 61 years old, was elected director of the Company on April 2, 2013 and as Chief Operating Officer on May 31, 2016. He is the Chief Executive Officer of the Alphaland Balesin Island Club, Inc. (ABICI) He handles various matters for the Alphaland Group of Companies including the development of the Balesin Island Club project, as well as the operations of the aviation and security divisions of the Group. Prior to joining ALPHA, he served as Senior Vice President for Security for Philweb Corporation (WEB) from 2009 to 2012. He graduated from the Philippine Military Academy in 1981.

**CRISTINA B. ZAPANTA**, *Treasurer and Senior Vice President for Finance*

Ms. Zapanta, Filipino, 56, was appointed Treasurer and Vice President for Finance on May 17, 2016 and Senior Vice President for Finance on June 1, 2017. She is also the Senior Vice President for Finance of Atok-Big Wedge Co., Inc., Alphaland Balesin Island Club, Inc., Alphaland Makati Place, Inc., Alphaland Southgate Tower, Inc. and Alphaland Balesin Island Resort Corporation. She has more than 30 years solid experience in Finance, of which over half is in the real estate industry. She is a Certified Public Accountant.

**JASON J. ALBA**, *Corporate Secretary*

Mr. Alba, Filipino, 46 years old, became Corporate Secretary on June 14, 2017 and is also the Corporate Secretary and General Counsel of the Company and its subsidiaries. He obtained his Business Administration and Law degrees from the University of the Philippines and was admitted to the Philippine Bar in 2002. Prior to joining Alphaland, Mr. Alba was an Associate at Romulo Mabanta Buenaventura Sayoc & Delos Angeles, thereafter, he served as Vice President of Standard Chartered Bank and First Vice President of the Philippine Bank of Communications.

**JONAMEL G. ISRAEL-ORBE**, *Corporate Information Officer and Assistant Corporate Secretary*

Ms. Israel-Orbe, Filipino, 47 years old, was appointed as Corporate Information Officer of the Company since March 12, 2014 up to the present, and as Assistant Corporate Secretary of the Company since May 2016 up to the present. She is also Corporate Information Officer and Assistant Corporate Secretary of Atok-Big Wedge Co., Inc. She is a member of the Philippine Bar.

Directorships in Other Reporting Companies

Mr. Ongpin is also a director and the Chairman of Atok-Big Wedge Co. Inc. (AB).

Mr. Valdes is also a director of AB.

Mr. Eric O. Recto is also a director and the Chairman of Philippine Bank of Communications (PBC); director of ISM, director and the President of AB.

Ms. Ongpin is also a director of AB, Alphaland Balesin Island Club, Inc. and The City Club at Alphaland Makati Place, Inc.

Atty. Oreta is also a director of AB and The City Club at Alphaland Makati Place, Inc.

Atty. Lim is also director of Union Bank of the Philippines, Inc. (UBP) and Energy Development Corporation (EDC).

Mr. Herrera is also a director of Rizal Commercial Banking Corporation (RCB).

Mr. Yu is also director of PAL Holdings, Inc. (PAL) and PBC, and an independent director of I-Remit, Inc. (I).

Shares of AB, ISM, PBC, UBP, EDC, RCB, PAL and I are listed in the Philippine Stock Exchange, Inc. Shares of The City Club at Alphaland Makati Place, Inc. and Alphaland Balesin Island Club, Inc. are covered by Registration Statements filed with the SEC.

#### Significant Employees

The Company considers its entire manpower complement (including that of its subsidiaries) as significant employees, expected to contribute positively to the Company's goals and objectives in line with the Company's mission, vision and objectives through the implementation of its core and foundational values.



### Family Relationships

Messrs. Valdes and Recto are the nephews of Mr. Ongpin. Ms. Ongpin is the daughter of Mr. Ongpin. Ms. Ongpin, Mr. Recto, and Mr. Valdes are first cousins. Other than the foregoing, the persons nominated or chosen by the Company to become directors or executive officers are not related to each other up to the fourth civil degree either by consanguinity or affinity.

### Involvement in Certain Legal Proceedings

1. *Atty. Zenaida Ongkiko-Acorda, as attorney-in-fact of Atty. Mario E. Ongkiko and in behalf of Philex Mining Corporation vs. Roberto V. Ongpin, et al., SEC Case No. 11-166, Branch 158, Regional Trial Court of Pasig.* This involves a "derivative suit" filed on behalf of Philex against RVO and other companies beneficially owned by RVO in connection with Section 23.2 of the Securities Regulation Code and in order to recover the "short-swing profits" which were allegedly realized from supposed transactions involving Philex shares. This case is in the discovery stage. A related Petition for Review on Certiorari is also pending before the Supreme Court in G.R. No. 204166, entitled *Roberto V. Ongpin, et al. vs. Acorda, et al.* There are also two Petitions for Certiorari which are related to this case pending with the Court of Appeals docketed as CA-G.R. SP No. 152806 (entitled *Atty. Zenaida Ongkiko-Acorda, as Attorney-in-Fact of Atty. Mario E. Ongkiko, and in behalf of Philex Mining Corporation vs. Judge Elma M. Rafallo-Lingan, in her capacity as Presiding Judge of the Regional Trial Court, Branch 159, Pasig City, et al.*) and CA-G.R. SP No. 159604 (entitled *Roberto V. Ongpin, et al. vs. Honorable Elma M. Rafallo-Lingan, in her capacity as the presiding Judge of Branch 159 of the Regional Trial Court of Pasig City, et al.*).
2. *People vs. Roberto V. Ongpin, et al., S.B.-13-CRM-0105 and S.B.-13-CRIM-0106, Sandiganbayan (Third Division).* This case was filed against RVO and others in connection with two loans obtained by Deltaventure Resources, Inc. (DVRI) from DBP. The Informations in both cases, respectively, for violations of Section 3 (e) of R.A. No. 3019 were filed on 10 January 2013. In a Resolution promulgated on 28 May 2014, the Third Division of the Sandiganbayan granted the Accused's Motions to Quash and DISMISSED Criminal Case Nos. S.B.-13-CRM-0105 and S.B.-13-CRIM-0106. A related Petition for Review on Certiorari is pending before the Supreme Court in G.R. Nos. 217417 and 217914, entitled "People of the Philippines v. Reynaldo G. David, et al."
3. *In the matter of: Roberto V. Ongpin, Mario A. Oreta, Margarito B. Teves, et al., SEC-EIPD Case No. 14-3039.* This concerns the findings of the Enforcement and Investor Protection Department on the liability of respondents for violation of Section 26(3) of the Securities Regulation Code (SRC) in connection with the issuance of shares of Alphaland Corporation in a capital call, stock rights offering and property for share swap which were approved and ratified by respondents as officers and members of the Board of Alphaland Corporation. On August 24, 2015, Respondents elevated the matter through notice of appeal to the SEC En Banc, where the matter is presently pending resolution. The appeal is docketed as SEC En Banc Case No. 08-15-384, entitled "Roberto V. Ongpin, Mario A. Oreta, Margarito B. Teves, et al. vs. Enforcement and Investor Protection Department."
4. *In the Matter of: Philex Mining Corporation, SEC-EIPD Case No. 14-3044.* This concerns the findings of the Enforcement and Investor Protection Department against Mr. Roberto V. Ongpin for allegedly committing Insider Trading when he purchased Philex shares at Php19.25 to Php 19.50 per share from the open market in the morning of 02 December 2009 without disclosing to the public that the group of Mr. Manuel V. Pangilinan had agreed to purchase the said shares from him at P21.00 per share. RVO appealed the case to the SEC En Banc but the latter affirmed the findings of the EIPD. Mr. Ongpin elevated the case to the Court of Appeals by way of a Petition for Review docketed as CA-G.R. SP. No. 146704,

entitled “Roberto V. Ongpin v. Enforcement and Investor Protection Department”. On December 1, 2017, the Court of Appeals issued a decision in favor of RVO, reversing the SEC and finding that RVO did not commit insider trading. EIPD filed a Motion for Reconsideration, which was denied by the Court of Appeals on July 2, 2018. EIPD elevated the case to the Supreme Court by way of a Petition for Review, which petition is presently pending resolution.

5. *People of the Philippines vs. Dennis Ang Uy, John Does and/or Jane Does* - Regional Trial Court-Branch 14, Davao City, Criminal Case Nos. 75, 834-13 to 75, 845-13 and 76, 076-13. On August 27, 2013, The Department of Justice (DOJ) filed twelve (12) Informations before the Regional Trial Court of Davao against Mr. Dennis A. Uy and several John Does and/or Jane Does for alleged violations of Section 3602, in relation to Sections 3601, 2530 (I)(1), (3), (4), and (5), Sections 1801, 1802 of the Tariff and Customs Code of the Philippines. These provisions all pertain to unlawful importation of goods allegedly committed by Mr. Uy for the importation of petroleum products in the Philippines. On September 11, 2013, additional ten (10) criminal informations were filed by the DOJ, pertaining to additional instances of the violations under the TCCP. These additional informations all pertain to the alleged unlawful importation of petroleum products. On October 4, 2013, the RTC dismissed all the cases, for lack of probable cause, against Mr. Uy. People of the Philippines filed a Motion for Reconsideration, which was denied by the RTC on August 18, 2014. On October 27, 2014, the petitioner People of the Philippines filed a Petition for Certiorari with the Court of Appeals, which was denied by the latter on October 12, 2016. On November 7, 2016, the People of the Philippines filed a Motion for Reconsideration of the Decision dated October 12, 2016. To date, the Court of Appeals has not acted on the Motion for Reconsideration dated November 7, 2016 and thus the case remains pending.
6. *Dennis A. Uy vs. Hon. Secretary of the Department of Justice Leila M. De Lima and the Bureau of Customs*, CA-G.R. SP No. 131702, Court of Appeals, Manila, Special Former Special Tenth Division – Dennis A. Uy filed a Petition for Certiorari with the Court of Appeals on September 4, 2013 in connection to the resolution of the DOJ to file criminal cases against him for the alleged violations of the TCCP. On July 25, 2014, the Court of Appeals issued its Decision granting the Petition for Certiorari of Mr. Uy and declaring the Resolutions of the DOJ dated April 24, 2013 and August 13, 2013 nullified and set aside and directing that the Information filed against Dennis Uy withdrawn and/or dismissed for lack of probable cause. The DOJ and the Bureau of Customs thereafter filed a Motion for Reconsideration, which was denied by the Court of Appeals on July 23, 2015. Subsequently, the DOJ and Bureau of Customs filed a Petition for Review on Certiorari with the Supreme Court. The Supreme Court required the parties to file their respective Memoranda, which the parties complied with. On December 12, 2016, the Supreme Court issued its Notice of Resolution dated November 16, 2016 noting the parties Memoranda. As of the date, the Supreme Court has not yet issued any decision.

*Other than the foregoing, the Company is not aware of any other legal proceeding including without limitation any (a) bankruptcy petition, (b) conviction by final judgment, (c) order, judgment or decree, or (d) violation of a securities or commodities law, during the last five (5) years up to the date of the filing of this Statement, to which any of its Directors and Executive Officers is a party and which is material to an evaluation of their ability or integrity to act as such.*

#### Certification

Based on information provided to the Company, none of the above-named directors and officers work in the government except that Mr. Angara is an elected Senator.

Certain Relationships and Related Transactions

The Company is not aware of any transaction in the last two (2) years, or proposed transaction to which the registrant is a party, in which the following persons have direct or indirect material interest, that were out of the ordinary course of business:

- 1. any director or executive officer
- 2. any nominee for election as director
- 3. any security holder named above
- 4. any member of the immediate family of the above-named persons

Except as disclosed in the Company's notes to financial statements contained in the Company's audited financial statements, there has been no material transaction to which the Company was or is to be a party in which any of the incumbent directors or nominee director or executive officer of the Company or owners of more than ten percent of the Company's voting shares has or is to have a direct or indirect material interest. In the ordinary course of business, the Company has transactions with other companies in which some of such persons may have an interest. Such transactions are negotiated on an arm's length basis comparable or better than that which can be provided by independent third parties.

The transactions with related parties/affiliates are carried out under commercial terms and conditions. Pricing for the sales of products are market driven. For purchases and other services, the Company's practice is to solicit competitive quotes from third parties. Transactions from any related party are evaluated on arm's length commercial terms and subject to bidding against third party suppliers. Purchases and services are usually awarded on the basis of lowest cost provider. The Company also receives/grants cash advances and other financial support from/to affiliated companies and stockholders. These cash advances to and from affiliates bear interest rate based on current bank rates and with no definite repayment period.

No director has resigned or declined to stand for re-election to the board of directors since the date of the last annual meeting of security holders because of a disagreement with the registrant on any matter relating to the registrant's operations, policies or practices.

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

The aggregate compensation (including bonuses) paid or accrued during the last two years and the ensuing year to the Company's Chief Executive Officers (CEO) and the key officers named below, as a group are:

Name and Principal Position	Year	Salary (PhP)	Bonus (PhP)	Other Compensation	Aggregate Compensation (PhP)
CEO and Top 4 Highest Paid Executives	2018	126,315,086.21	0	0	126,315,086.21
1. Roberto V. Ongpin, Chairman & CEO					
2. Anna Bettina Ongpin,					

President					
3. Michael A. P.					
M. Asperin,					
EVP					
4. Enrico					
Sison, SVP					
5. Yu,					
Christene, SVP					
All Directors	2018	127,515,086.21			127,515,086.21
and Officers as					
a Group					
Unnamed					
CEO and Top 4	2019	127,400,000.00*	0	0	127,400,000.00*
Highest Paid					
Executives					
1. Roberto V.					
Ongpin,					
Chairman &					
CEO					
2. Anna					
Bettina					
Ongpin,					
President					
3. Michael A. P.					
M. Asperin,					
EVP					
4. Enrico					
Sison, SVP					
5. Mark Biddle,					
Executive Chef					
All Directors	2019	129,800,000.00	0	0	129,800,000.00
and Officers as					
a Group					
Unnamed					
CEO and Top 4	2020	135,500,000.00	0	0	135,000,000.00
Highest Paid					
Executives					
1. Roberto V.					
Ongpin,					
Chairman &					
CEO					
2. Anna					
Bettina					
Ongpin, Vice-					
Chairman					
3. Paul Dennis					
O. Valdes,					
President					
4. Michael					

Angelo Patrick M. Asperin, EVP/COO 5. Enrico M. Sison, SVP					
All Directors and Officers as a Group Unnamed	2020	137,900,000.00	0	0	137,900,000.00*

\*Estimated aggregate compensation for the whole year 2020.

The above executive officers, aside from their compensation and bonus, are entitled to reimburse certain expenses which they incur as part of the ordinary course of business (i.e. representation, gasoline and other travel expenses). There are no special terms or compensatory plans or arrangements with respect to the resignation, termination of employment of such executive officers between the Company and any of its executive officers. Likewise, there are no warrants or options held by the Company’s officers or directors either singly or collectively.

The non-executive members of the BOD do not receive any direct compensation from the Company. None of the directors, in their personal capacity, has been contracted and compensated by the Company for services other than those provided as a director. The BOD, upon attendance at each Board Meeting, is authorized under the Company’s By-laws to receive a per diem of not more than 10% of the net income before tax of the Corporation during the preceding year.

The Company is being managed by the management team of ASTI.

**Item 7. Independent Public Accountant**

In 2019, the Company engaged Reyes Tacandong & Co. as its external auditor for the year, with the approval of the BOD and the stockholders. There were no changes in or disagreements with accountants on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure during the past calendar year.

The Company paid its external auditor the following fees for the last three (3) years for professional services rendered:

Type of Service	Aggregate Fee Amount			Nature of Service
	2019	2018	2017	
External Audit	<b>₱1,105,000</b>	₱3,835,000	₱769,500	Audit of Financial Statements
Retainer	<b>216,000</b>	216,000	216,000	Tax Advisory
Total Fees	<b>₱1,321,000</b>	₱4,051,000	₱985,500	

The Audit Committee is directly responsible in selecting and appointing the independent public accountants. Annually, the Committee recommends that the Board request shareholder ratification of the appointment of the independent public accountants. The Committee is also responsible for setting the compensation of the independent public accountants and periodically reviews the fees charged for all permitted audit-related expenses and other services. The Committee performs oversight functions over the Company’s external auditors. It ensures that the auditors act independently from management and that it is given access to all records, properties and personnel of the Company to enable it to perform its functions properly. It is also their responsibility to evaluate and, when appropriate, to remove the independent public accountants. The Audit Committee makes recommendations to the BOD concerning the external auditors and pre-approves

audit plans, scope and frequency before the conduct of the external audit. The Committee reviews the financial reports before these are submitted to the Board, with particular focus on (i) any changes in accounting policies and practices, (ii) Major judgmental areas, (iii) significant adjustments resulting from audit, (iv) going concern assumptions, (v) compliance with accounting standards, and (vi) compliance with tax, legal and regulatory requirements. The Audit Committee has approved the audit conducted by Reyes Tacandong & Co.

There were no other professional services rendered by Reyes Tacandong & Co. during the period.

The reappointment of Reyes Tacandong & Co. as the Company's external auditor was approved by the Stockholders in the Annual Stockholders Meeting held on May 7, 2019.

The reappointment of the said auditing firm as Independent Public Accountant for the year 2020 will be submitted to the stockholders by the Company's Audit Committee for their confirmation and approval during the regular annual stockholders meeting.

Pursuant to Rule 68 of the Securities Regulation Code on the 5 year rotation requirement for the external auditor, the Audit Committee shall require the appointment of a new partner to handle and oversee the external audit of the Group's financial statements. The appointment of the duly qualified and SEC registered Independent Public Accountant shall be announced in the shareholders meeting for consideration and approval of the stockholders.

Duly authorized representatives of Reyes Tacandong & Co. are expected to be present at the meeting where they will have the opportunity to respond to appropriate questions.

#### **Item 8. Compensation Plans**

On June 5, 2013, the BOD of the Company approved a Stock Option Plan, with the following salient features:

- a. Allocates no more than 5% of the authorized capital (i.e., 100 million common shares) for the plan.
- b. A stock option committee will make the grants.
- c. Each grant is for 3 years and will vest 1/3 each for each of the succeeding years.
- d. Strike price shall not be less than 80% of the market value at the time of the grant.

The title and amount of securities underlying such options is not more than five percent (5%) of the Company's authorized capital stock or 100 million common shares of the Company.

The prices, expiration dates and other material conditions upon which the options may be exercised will be determined by the Stock Option Committee.

The consideration received or to be received by the registrant or subsidiary for the granting or extension of the options will be determined by the Stock Option Committee.

The amount of such options received or to be received by the following persons will be determined by the Stock Option Committee:

- A. the Chief Executive Officer;
- B. the four highest paid executive officers, other than the Chief Executive Officer, who were serving as executive officers at the end of the last completed fiscal year;
- C. all current executive officers as a group;
- D. each nominee for election as a director;
- E. each other person who received or is to receive five percent (5%) of such options, warrants or rights;
- F. all current directors as a group who are not executive officers; and

G. all other employees, as a group.

This plan was approved by Stockholders (representing at least 2/3 of the Outstanding Capital Stock) during the annual stockholders meeting held on December 3, 2014.

On November 27, 2017, June 9, 2017, and December 19, 2016, the Stock Option Plan Committee awarded stock options to key officers and employees of the Group. The Stock Option Plan was confirmed as an exempt transaction by the SEC on May 16, 2019

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## C. ISSUANCE AND EXCHANGE OF SECURITIES

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

No action will be taken with respect to the authorization or issuance of any securities other than for exchange of outstanding securities of the Company.

Item 8 (Compensation Plans) above sets forth the adoption of the Company's stock option plan.

### Item 10. Modification or Exchange of Securities

On May 10, 2017, the shareholders approved the following amendment to the Seventh Article of the Corporation's Articles of Incorporation, which amendment was previously approved by the Board of Directors of the Corporation on November 17, 2016, as follows:

“SEVENTH: That the authorized capital stock of said corporation is FIVE BILLION PESOS (P5,000,000,000.00) Philippines Currency, and said capital stock is divided into FIFTY BILLION (50,000,000,000) common shares with a par value of Ten Centavos , Philippine currency (P0.10) each share.”

The Company's Amended Articles of Incorporation reflecting the amendment to the Seventh Article was filed with the SEC on January 19, 2018 and was approved by the SEC on December 10, 2018.

Aside from the foregoing, there were no recent planned modifications of any class of the Company's securities or the issuance or authorization for issuance of one class of the Company's securities in exchange for outstanding securities of another class.

### Item 11. Financial and Other Information

The audited financial statements as of December 31, 2019, Management's Discussion and Analysis, and other data related to the Company's financial information are stated in the Management Report attached to this Information Statement

#### Corporate Information

ALPHA is a holding company incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on November 19, 1990. The principal business of ALPHA and its subsidiaries (collectively referred to as the "Group") is real property development.

The registered office address of ALPHA is Alphaland Makati Place, 7232 Ayala Avenue corner Malugay Street, Bel-Air, Makati City.

The consolidated financial statements as at and for the year ended December 31, 2019 were approved and authorized for issuance by the Executive Committee of the BOD on March 2, 2020.

#### ALPHA's Significant Legal Subsidiaries as at December 31, 2019 and 2018

- a. *Alphaland Balesin Island Resort Corporation (ABIRC)*, 100%-owned by ALPHA, was incorporated in the Philippines and registered with the Philippine SEC on May 26, 2010. ABIRC's primary purpose is to invest in, purchase, or otherwise acquire and own, hold, use, sell, assign, transfer, mortgage, pledge, and exchange or otherwise dispose, as may be



permitted by law, of real and personal property of every kind and description.

ABIRC has investment in preferred shares of Alphaland Balesin Island Club, Inc. (ABICI).

- b. *Alphaland Southgate Tower, Inc. (ASTI)*, 100%-owned by ALPHA, was incorporated in the Philippines and registered with the Philippine SEC on May 29, 2007 as Alphaland Development, Inc. On October 15, 2015, the Philippine SEC approved the change in corporate name from "Alphaland Development, Inc." to "Alphaland Southgate Tower, Inc." ASTI's primary purpose is to engage in real property acquisition and development. ASTI's main property is a 20-storey office tower building with a six-storey podium shopping mall known as Alphaland Southgate Tower. In March 2019, ASTI sold the Alphaland Southgate Tower property for nearly four times of its cost.

- c. *Alphaland Makati Place, Inc. (AMPI)*, 100%-owned by ASTI, was incorporated in the Philippines and registered with the Philippine SEC on March 6, 1991 as Silvertown Property Development Corporation. On February 26, 2010, the Philippine SEC approved the change in corporate name from "Silvertown Property Development Corporation" to "Alphaland Makati Place, Inc."

AMPI's primary purpose is to acquire by exchange of shares, purchase, lease that specific property described as three-storey building with basement of strong materials together with the warehouse, other land improvements and machinery and equipment as well as the leasehold rights on the land, which is situated at Ayala Avenue corner Malugay Street, Makati, Metro Manila.

AMPI entered into a joint venture with Boy Scouts of the Philippines (BSP) to develop the Malugay Property into a first class commercial development now known as Alphaland Makati Place. It is a mixed-use property development consisting of three (3) high end residential towers atop an upscale six-storey podium with a shopping center and a City Club.

AMPI has investment in preferred shares of The City Club at Alphaland Makati Place, Inc. (TCCAMPI).

- d. *Alphaland Baguio Mountain Log Homes, Inc. (ABMLHI)*, 100%-owned by ALPHA, was incorporated in the Philippines and registered with the Philippine SEC on January 17, 2013 as Alphaland Holdings Company, Inc. On September 7, 2016, the Philippine SEC approved the change in corporate name from "Alphaland Holdings Company, Inc." to "Alphaland Baguio Mountain Log Homes, Inc."

ABMLHI's primary purpose is to deal and engage in the real estate business in all its aspects; to hold, develop, manage, administer, sell, convey, encumber, purchase, acquire, rent, or otherwise deal in and dispose of, for itself or for others, all kinds of real estate projects, involving commercial, industrial, urban, residential or other kinds of real property, improved or unimproved, with or to such persons and entities and under such terms and conditions as may be permitted by law.

- e. *The Alpha Suites, Inc. (TAS)*, 100%-owned by AMPI, was incorporated in the Philippines and registered with the Philippine SEC on June 11, 2018 primarily to deal and engage in the real estate business in all its aspects; to hold, develop, manage, administer, sell, convey, encumber, purchase, acquire, rent, lease or otherwise deal in and disclose of, for itself or for others all kinds of real estate projects. In 2018, the Company started its commercial operations catering the serviced residences activity of AMPI using a number of its condominium units.

- f. *Alphaland Balesin International Gateway, Inc. (ABIGI)*, 100%-owned by ALPHA, was incorporated in the Philippines and registered with the SEC on May 19, 2010 as Aklan Boracay Properties Inc. On October 17, 2016, the Philippine SEC approved the change in the

Company's corporate name from "Aklan Boracay Properties, Inc." to "Alphaland Balesin Gateway, Inc." On April 10, 2018 the Philippine SEC approved the further change in the Company's corporate name from "Alphaland Balesin Gateway, Inc." to "Alphaland Balesin International Gateway, Inc." ABIGI's primary purpose is to invest in, purchase or otherwise acquire and own, hold use, sell, assign, transfer, mortgage, pledge, exchange or otherwise dispose, as may be permitted by law, of real and personal property of every kind and description.

- g. *Alphaland Aviation, Inc. (AAI)*, 100%-owned by ALPHA, was incorporated in the Philippines and registered with the Philippine SEC on July 31, 2012 and is primarily engaged in the aviation industry and its related businesses, including but not limited to, the provision of hangarage and moorage, parking and landing operations, aircraft maintenance, supply of parts, oils, and lubricants and other related businesses.
- h. *Alphaland Aviation-Pampanga, Inc.*, 100%-owned by AAI, was incorporated and registered with the Philippine SEC on December 5, 2016 primarily to engage in aviation industry and its related businesses, including but not limited to, the provision of hangarage and moorage, parking and landing operations, aircraft maintenance, supply of parts, oils, and lubricants and other related businesses.
- i. *Aegle Wellness Center, Inc. (AWCI)*, 100%-owned by ALPHA, incorporated and registered with the Philippine SEC on September 28, 2015 primarily to provide diagnostic, therapeutic and naturopathic services using formulated herbal supplements and natural health products and sale of such herbal supplements.
- j. *Aegle Drugstore, Inc.*, 100%-owned by AMPI, was incorporated and registered with the Philippine SEC on December 22, 2017 primarily to engage in the business of retailing or wholesaling of pharmaceutical products, medicines, foodstuffs and groceries.
- k. *Alphaland Reclamation Corporation*, 100%-owned by ALPHA, was incorporated in the Philippines and registered with the Philippine SEC on April 5, 2011, and primarily engaged in the construction of reclamation projects and to contract for and perform reclamation works.
- l. *Alphaland International, Inc. (AII)*, 100%-owned by ALPHA, was incorporated and registered with the Philippine SEC on January 29, 2014 primarily to market assets, including club shares and condominium units of the Alphaland Group of Companies outside the Philippine market.
- m. *2258 Blue Holdings, Inc. (Blue Holdings)*, 100%-owned by ASTI, was incorporated in the Philippines and registered with the Philippine SEC on September 17, 2012 and its primary purpose is to purchase, own and hold the stock of other corporations, and to do every act and thing covered generally by the denomination of "holding corporation," especially to direct the operations of other corporations through the ownership of stock therein.
- n. *Choice Insurance Brokerage, Inc. (CIBI)*, 100%-owned by Blue Holdings, was incorporated in the Philippines and registered with the SEC on November 6, 2012, and is primarily engaged to, conduct, carry on and maintain insurance business, to act as a broker, and to do other related activities. On January 28, 2020, the BOD of CIBI approved the shortening of the term for which the company is to exist, from perpetual to eight years from its incorporation or until November 6, 2020.
- o. *Alphaland Southgate Restaurants, Inc. (ASRI)*, 100%-owned by ASTI, was incorporated in the Philippines and registered with the Philippine SEC on March 28, 2011 as Alphaland Ukiyo, Inc. It was renamed as ASRI on June 27, 2013. Its primary purpose is to establish, maintain and operate restaurants, coffee shops, refreshment parlors and cocktail lounge.

- p. *Alphaforce Security Agency, Inc. (ASAI)*, 80%-owned by ALPHA, was incorporated and registered with the Philippine SEC on March 18, 2011 primarily to engage in the business of providing security and investigation services to private institutions and government organizations.

ALPHA initially subscribed to 79,999 common shares of ASAI representing 40% of its outstanding shares in March 2011, which was then accounted for as an associate. In October 2017, ALPHA purchased additional 79,999 common shares from an existing shareholder for ₱11.2 million increasing its ownership of ASAI to 80%.

### Financial Statements

The audited consolidated financial statements as of December 31, 2019 of the Group will be distributed to the stockholders on the designated annual meeting date.

### Plan of Operation

The Group generates funds primarily from sale of Baguio Mountain Lodges and Balesin Private Villas; from leasing operations of Alphaland Makati Place Corporate Tower and Mall; and from operation of serviced residences of The Alpha Suites that commenced during the first half of the year 2018. The leasing operations and The Alpha Suites provide recurring cash flows for the Group.

The Group also generates funds through secondary sale of membership shares of the completed Club projects, namely, Alphaland Balesin Island Club and The City Club at Alphaland Makati Place.

In March 2019, ASTI sold its Alphaland Southgate Tower property at nearly four times of its cost. The proceeds was used to pay off all of ALPHA's bank debts and ended the year with zero bank debt and almost half a billion pesos in cash. Additionally, ALPHA has an unutilized ₱3 billion bank line from Philippine Bank of Communications to fund the Group's expansion projects going forward. While the Group has lost rental income from its Alphaland Southgate Tower, the Group was able to eliminate about ₱1 billion in debt service, which has a dramatic positive impact on the Group's financial performance for 2019 and beyond.

The Alphaland Baguio Mountain Lodges, a master-planned development of authentic log homes spread out over 87 hectares of rolling mountains and terrain, just 15 minutes away from Baguio City proper continued to progress. There are five designs and floor plans to choose from, and the homes are sited to maximize the views of the surrounding pine-forested mountains. The entire property is secured by a perimeter fence. The Clubhouse, along with the first 32 single-family homes, has been completed. The quadruplex multi-family lodges of 2 and 3 bedrooms, which consist of some 15 structures for a total of 60 home units, is sold for about half the price of the single family units and is already generating brisk market interest.

The most significant project that broke ground in December 2018 is the Alphaland Balesin International Gateway on Patnanungan Island in Quezon. Alphaland has acquired 753 hectares of land in Patnanungan Island for the purpose of building a full international airport facility which will accommodate even Boeing 747s. With the establishment of Balesin Gateway International Airport, international members and guests will be able to bypass the congestion of NAIA in Manila and fly directly to Balesin from Tokyo, Seoul, Taipei, Hongkong, Bangkok, Singapore, Jakarta and Sydney, all cities that will be the target of Alphaland's aggressive international marketing of Balesin Island Club in 2017. Along with the plan for full international airport,

Alphaland plans to build an 18-hole championship golf course and a 300-room hotel, as well as 500 beachfront and golf course homes. The entire project will take 3 to 4 years to complete.

The Group is looking forward to a strong operating performance in 2020 despite of the adverse effects of the covid-19 pandemic in its operations as well as in worldwide economy. The Alphaland Corporate Tower is 100% leased at a record amount per square meter, while The Alpha Suites, in only one and a half years has been consistently rated as the no. 1 hotel in Metro Manila by TripAdvisor. Both operations are strongly contributing to the company's cash flows.

#### Research and Development

The Group engages in research and development activities focusing on the types of construction of materials, construction methodology, value-engineering, and quality assurance for its projects. The expenses incurred by the Group in connection with these activities are not material.

#### Number of Employees

The Group does not expect significant change in the number of employees for year 2020.

### Submission of Matters to a Vote of Security Holders

During the last Annual Stockholders' Meeting on May 7, 2019, the security holders present and represented approved the appointment of Reyes Tacandong & Co. as the Company's external auditor

The top 20 registered stockholders of the Company as of April 30, 2020 are as follows:

	<u>Citizenship</u>	<u>No. of Shares</u>	<u>%</u>
1. Alphaland Development, Inc. RVO Capital Ventures Corporation	Filipino	13,792,109,780	48.55%
2. Boerstar Corporation	Filipino	8,426,567,460	29.66%
3. Red Epoch Group Ltd.	Filipino	1,677,884,300	5.91%
4. Fine Land Limited	Hongkong	961,134,130	3.38%
5. Azurestar Corporation	Filipino	890,000,000	3.13%
6. Loustar Corporation	Filipino	280,626,360	0.99%
7. Powerventures, Inc.	Filipino	222,570,970	0.78%
8. Galaxyhouse, Inc.	Filipino	219,604,500	0.77%
9. Crystalventures, Inc. Towermill Capital Ventures Corporation	Filipino	190,304,900	0.67%
10. Gemsplace Resources, Inc. Summer Wind Capital Ventures Corporation	Filipino	188,796,760	0.66%
11. Noble Care Management Corporation	Filipino	188,454,140	0.66%
12. Mega Access Capital Ventures, Inc.	Filipino	187,512,680	0.66%
13. Globalcentric Corporation	Filipino	167,169,230	0.59%
14. Earthlight, Inc. Regentstar Holdings Corporation	Filipino	145,916,470	0.51%
15. Arculli, Derek	Filipino	100,825,370	0.35%
16. Citadel Investments Limited	Filipino	100,473,660	0.35%
	Filipino	100,247,230	0.35%
	Filipino	100,138,190	0.35%
	Filipino	100,000,000	0.35%
	Filipino	100,000,000	0.35%

### Dividends

There has been no proposed action or resolution relating to the declaration of dividends for the ensuing year. The Company has not declared dividends in the past two fiscal years.

There are no restrictions on the Corporation that limit the payment of dividends on Common shares. The Company has re-invested its retained earnings for working capital requirements as well as the expansion of its operations and facilities.

Recent Sale of Unregistered or Exempt Securities Including Recent Issuance of Securities Constituting an Exempt Transaction

As at December 31, 2019, the Company entered into the following share subscription agreements:

<i>Date of Subscription</i>	<i>Subscriber</i>	<i>Number of Shares Subscribed</i>	<i>Total Subscription Price (in PhP)</i>
June 11, 2018	Crystalventures, Inc.	18,879,676	224,479,349
June 11, 2018	Earthlight, Inc.	10,024,723	119,294,209
June 11, 2018	Galaxyhouse, Inc.	19,030,490	226,082,227
June 11, 2018	Gemsplace Resources, Inc.	18,751,268	222,765,069
June 11, 2018	Globalcentric Corporation	10,047,366	119,463,179
June 11, 2018	Loustar Corporation	22,257,097	264,414,318
June 11, 2018	Mega Access Capital Ventures, Inc.	10,082,537	119,982,187
June 11, 2018	Powerventures, Inc.	21,960,450	260,890,144
June 11, 2018	Redcrest Holdings Corporation	9,856,652	117,097,022
June 11, 2018	Regenstar Holdings Corporation	10,013,819	119,164,443
June 11, 2018	Summer Wind Capital Ventures Corporation	16,716,923	198,597,048
June 11, 2018	Towermill Capital Ventures Corporation	18,845,414	223,883,517

Other than the foregoing, there were no recent sales of unregistered or exempt securities including recent issuances of securities constituting an exempt Transaction.

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

There are no matters or actions to be taken up in the annual stockholders’ meeting with respect to merger, consolidation, acquisition by sale, or liquidation of the Company.

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

There are no matters or actions to be taken up in the annual stockholders’ meeting with respect to acquisition or disposition of any property by the Company.

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

No action is to be taken with respect to the restatement of any asset, capital, or surplus account of the Company.

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#### **OTHER MATTERS**

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

- (a) Approval of the Minutes of the 2019 annual meeting of stockholders held on May 7, 2019 covering the following matters:
- i. Annual report;
  - ii. Ratification and approval of all resolutions of the Board and the Executive Committee, and all acts of the Management after the annual stockholders' meeting on May 7, 2019 until the annual stockholders' meeting on July 30, 2020.
  - iii. Election of the members of the Board, including Independent Directors; and
  - iv. Election of the external auditor.
- (b) Approval of the annual report of Management for the year ending December 31, 2019, including the 2019 audited financial statements.

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

There are no matters or actions to be taken up in the meeting that will not require the vote of the stockholders as of the record date.

#### **Item 17. Other Proposed Action**

- (a) Ratification of all resolutions of the Board and the Executive Committee, as well as the acts of the Management to implement the resolutions after the annual stockholders' meeting on May 7, 2019 until the annual stockholders' meeting on July 30, 2020 including, but not limited to, the following matters:
- September 10, 2019 – Resolution authorizing the infusion of additional capital in Alphaland Aviation, Inc, a wholly-owned subsidiary of the Corporation
  - December 10, 2019 – Resolution approving the merger of Alphaland Corporation (ALPHA) and Alphaland Southgate Tower, Inc., with ALPHA as the surviving corporation
  - January 30, 2020 – Resolution approving the appointment of Anna Bettina Ongpin as Vice-Chairman and Dennis O. Valdes as President of the Corporation effective February 1, 2020
  - June 9, 2020 – Resolution setting the schedule of the 2020 Annual Meeting of the Stockholders of the Company
- (b) Election of the members of the Board, including the independent directors, for the ensuing year.
- (c) Election of the external auditor.

#### **Item 18. Voting Procedures**

The vote required for acts requiring stockholders approval is at least a majority of the outstanding capital stock.

As of the moment there are 15 individuals in the final list of nominees prepared by the Nominations Committee for membership in the Company's Board of Directors. Serving as directors of the Company is voluntary and as of this time 15 individuals have qualified and have agreed to serve as directors of the Company. In the election of directors, the 15 nominees with the greatest number of votes will be elected directors.

Every stockholder entitled is entitled to one vote. However, with respect to the election of directors, the stockholders may vote such number of shares for as many persons as there are directors to be elected, or he may cumulate said shares and give one candidate as many votes as the number of directors to be elected, or he may distribute them on the same principle among as many candidates as he shall see fit; provided, that the total number of votes cast by him shall not exceed the number of shares owned by him as shown in the books of the Corporation multiplied by the number of directors to be elected.

The method of counting the votes of the shareholders shall be in accordance with the general provisions of the Revised Corporation Code of the Philippines. Method of voting is outlined in the procedures attached to this Information Statement. Counting of votes shall be supervised by the Corporate Secretary and/or Assistant Corporate Secretary.

#### Compliance with Leading Practices on Good Governance

The BOD and Management of the Company recognize that good corporate governance is key to achieving the Company's objective of maximizing shareholder value. The institution of the Code on Corporate Governance seeks to provide the process and structure by which the business and affairs of the Company are directed and managed, in order to enhance long-term shareholder value through the enhancement of corporate performance and accountability.

Compliance with the Code of Corporate Governance is ensured by the Corporate Compliance Officer in coordination with the Chairman and President of the Company. Regular meetings are made between Management and the BOD, to review and evaluate the Company's performance and address key policy matters. The Board is provided with timely and complete information for each meeting. Each director has direct access to the advice and services of management and the corporate secretary, and in appropriate circumstances, seek independent professional advice concerning the Company's affairs.

All directors are required to submit themselves for re-election every year. In consideration for their re-election, the nomination committee reviews and presents attendance and participation in meetings of the Company.

All directors are briefed by Management on the Company's business operations as well as a regular tour of the Company's manufacturing operations.

The audit committee first reviews the Company's audited financials, who then recommends approval from the BOD before they are presented to the stockholders of the Company. It is also the audit committee, which ensures independence and objectivity of the external auditors.

The Company is continually seeking measures of improving its corporate governance to further enhance corporate performance and accountability. The Directors and Management have been encouraged to regularly attend corporate governance seminars and corporate governance consultants on methods by which it can enhance its corporate performance and accountability.



**A COPY OF THE AUDITED FINANCIAL STATEMENTS (AFS) WITH MANAGEMENT DISCUSSION & ANALYSIS, AS OF DECEMBER 31, 2019 IS ATTACHED TO THIS INFORMATION STATEMENT.**

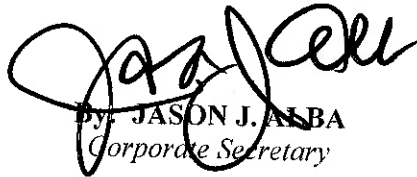
**UPON THE WRITTEN REQUEST OF A STOCKHOLDER, THE COMPANY WILL PROVIDE, WITHOUT CHARGE, A COPY OF THE COMPANY'S ANNUAL REPORT AND/OR AUDITED FINANCIAL STATEMENTS AND MANAGEMENT DISCUSSION AND ANALYSIS FOR THE APPLICABLE INTERIM PERIOD. THE STOCKHOLDER MAY BE CHARGED A REASONABLE COST FOR PHOTOCOPYING THE EXHIBITS.**

**ALL REQUESTS MAY BE SENT TO:**

**ATTY. JASON J. ALBA  
CORPORATE SECRETARY, ALPHALAND CORPORATION  
5<sup>TH</sup> FLOOR, THE CITY CLUB AT ALPHALAND MAKATI PLACE  
7232 AYALA AVENUE CORNER MALUGAY STREET  
1209 MAKATI CITY**

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete and correct. This report is signed in the City of Makati on June 29, 2020.

**ALPHALAND CORPORATION**  
*Issuer*

  
By: **JASON J. ALBA**  
*Corporate Secretary*

**ALPHALAND CORPORATION**

**MANAGEMENT REPORT**

for the  
2020 Annual Meeting of Stockholders  
Pursuant to SRC Rule 20 (4) (A)

**A. *AUDITED FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED DECEMBER 31, 2019***

Please see the attached Audited Financial Statements as of and for the year ended December 31, 2019.

**B. *CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE***

In 2019, the Company engaged Reyes Tacandong & Co. as its external auditor for the year, with the approval of the BOD and the stockholders. There were no changes in or disagreements with accountants on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure during the past calendar year.

**C. *MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATIONS***

**1. Plan of Operation for the Next Twelve (12) Months**

## 2. Financial Condition and Results of Operations

### Management's Discussion and Analysis of Results of Operation and Financial Condition

#### Results of Operations (in thousands)

	Years Ended December 31		Variance	
	2019 (audited)	2018 (audited)	Amount	%
<b>REVENUES</b>				
Real estate sold	₱1,115,616	₱1,346,526	(₱230,910)	-17%
Rental income	853,183	1,173,732	(320,549)	-27%
Service income	530,538	306,838	223,700	73%
Interest income	26,545	17,033	9,512	56%
Others	50,454	33,690	16,764	50%
	2,576,336	2,877,819	(301,483)	-10%
<b>COSTS AND EXPENSES</b>				
Cost of services	761,631	646,589	115,042	18%
Cost of real estate sold	552,587	859,354	(306,767)	-36%
General and administrative	1,121,855	1,237,330	(115,475)	-9%
	2,436,073	2,743,273	(307,200)	-11%
<b>OTHER INCOME (EXPENSES)</b>				
Gain on fair value changes of investment properties	18,286,157	7,453,516	10,832,641	145%
Net accounting loss on sale of Southgate	(7,003,266)	-	(7,003,266)	0%
Finance costs	(190,870)	(321,345)	130,475	-41%
Other gains (losses) - net	(7,472)	(100,857)	93,385	-93%
	11,084,549	7,031,314	4,053,235	58%
<b>INCOME BEFORE INCOME TAX</b>	<b>11,224,812</b>	<b>7,165,860</b>	<b>4,058,952</b>	<b>57%</b>
<b>PROVISION FOR INCOME TAX</b>				
Current	826,587	68,380	758,207	1109%
Deferred	2,565,137	2,369,177	195,960	8%
	3,391,724	2,437,557	954,167	39%
<b>NET INCOME (LOSS)</b>	<b>7,833,088</b>	<b>4,728,303</b>	<b>3,104,785</b>	<b>66%</b>
<b>OTHER COMPREHENSIVE INCOME</b>				
<i>Not to be reclassified to profit or loss in subsequent years:</i>				
Revaluation increase	768,967	4,365,148	(3,596,181)	-82%
Income tax effect	(230,690)	(1,287,956)	1,057,266	-82%
	538,277	3,077,192	(2,538,915)	-83%
Unrealized valuation gain on club shares for sale	2,732,624	1,084,338	1,648,286	152%
Income tax effect	(409,894)	(162,651)	(247,243)	152%
	2,322,730	921,687	1,401,043	152%
Remeasurement gain(loss) on retirement liability	(4,393)	-	(4,393)	0%
	2,856,614	3,998,879	(1,142,265)	-29%
		₱		
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>₱10,689,702</b>	<b>8,727,182</b>	<b>₱1,962,520</b>	<b>22%</b>
Net income attributable to:				
		₱		
Equity holders of the Parent Company	₱7,831,868	4,727,912	₱3,103,956	66%
Noncontrolling interests	1,220	391	829	212%
	₱7,833,088	₱4,728,303	₱3,104,785	66%

Total comprehensive income attributable to:				
Equity holders of the Parent Company	<b>₱10,688,482</b>	₱8,726,791	₱1,961,691	22%
Noncontrolling interests	<b>1,220</b>	391	829	212%
	<b>₱10,689,702</b>	₱8,727,182	₱1,962,520	22%

The Group's net income in 2019 and 2018 amounted to ₱ 7,833.1 million and ₱4,728.3 million, respectively. Total comprehensive income of the Group is ₱10,689.7 million in 2019 and ₱8,727.2 million in 2018.

#### *10% Decrease in Revenues*

The Group showed total revenues amounting to ₱2,576.3 million and ₱2,877.8 million for the years ended December 31, 2019 and 2018, respectively.

The decrease is mainly attributable to the decrease in rental income following the sale of Southgate in March 2019 and in the number of condominium units sold by AMPI in 2019. However, the increase in villas sold by ABIRC and the increase in occupancy rate of TAS in 2019 compensated the total decrease in revenues.

#### *11% Decrease in Costs and Expenses*

The sale of Southgate in March 2019 and the decrease in number of condominium units sold by AMPI in 2019 brought about the decrease in costs and expenses from ₱2,743.7 million in 2018 to ₱2,436.1 million in 2019.

#### *58% Increase in Other Income (Expenses)*

Other income (expenses) increased by ₱4,053.3 million, from ₱7,031.3 million in 2018 to ₱11,084.5 million in 2019. The significant increase is due to the increase in fair value of Silang, Makati Place, Baguio, Patnanungan and Balesin properties. Increase is also attributable to the decrease in finance costs as a result of the full prepayment of the loans of the Group in the first quarter of 2019.

#### *39% Increase in Provision for Income Tax*

Increase in provision for income tax from ₱2,437.6 million in 2018 to ₱3,391.7 million in 2019 is mainly from the income tax on the sale Southgate property.

	Years Ended December 31		Variance	
	2018 (audited)	2017 (audited)	Amount	%
<b>REVENUES</b>	₱2,877,819	₱2,483,427	₱394,392	16%
<b>COSTS AND EXPENSES</b>				
Cost of real estate sold	859,354	834,340	25,014	3%
Cost of services	646,589	360,468	286,121	79%
General and administrative	1,237,330	874,784	362,546	41%
	2,743,273	2,069,592	673,681	33%
<b>OTHER INCOME (EXPENSES)</b>				
Gain on fair value changes of investment properties	7,453,516	11,471,819	(4,018,303)	-35%
Interest expense and other finance charges	(321,345)	(365,727)	44,382	-12%
Other gains (losses) – net	(100,857)	51,476	(152,333)	-296%
	7,031,314	11,157,568	(4,126,254)	-37%
<b>INCOME BEFORE INCOME TAX</b>	7,165,860	11,571,403	(4,405,543)	-38%
<b>PROVISION FOR INCOME TAX</b>				
Current	68,380	58,161	10,219	18%
Deferred	2,369,177	3,344,210	(975,033)	-29%
	2,437,557	3,402,371	(964,814)	-28%
<b>NET INCOME</b>	4,728,303	8,169,032	(3,440,729)	-42%
<b>OTHER COMPREHENSIVE INCOME (LOSS)</b>				
<i>Not to be reclassified to profit or loss in subsequent years:</i>				
Revaluation increase	4,365,148	9,515	4,355,633	45776%
Income tax effect	(1,287,956)	(2,854)	(1,285,102)	45028%
	3,077,192	6,661	3,070,531	46097%
Unrealized valuation gain on equity securities designated as FVOCI	1,084,338	–	1,084,338	0%
Income tax effect	(162,651)	–	(162,651)	0%
	921,687	–	921,687	0%
Remeasurement gain (loss) on retirement liability	–	22,504	(22,504)	-100%
<i>To be reclassified to profit or loss in subsequent years:</i>				
Reclassification adjustments on disposal of AFS financial assets	–	(216,038)	216,038	-100%
Unrealized valuation gain on AFS financial assets	–	58,146	(58,146)	-100%
Income tax effect	–	15,789	(15,789)	-100%
	–	(142,103)	142,103	-100%
	3,998,879	(112,938)	4,111,817	-3641%
<b>TOTAL COMPREHENSIVE INCOME</b>	₱8,727,182	₱8,056,094	₱671,088	8%
Net income attributable to:				
Equity holders of the Parent Company	₱4,727,912	₱8,167,662	(₱3,439,750)	-42%
Noncontrolling interests	391	1,370	(979)	-71%
	₱4,728,303	₱8,169,032	(₱3,440,729)	-42%
Total comprehensive income attributable to:				
Equity holders of the Parent Company	₱8,726,791	₱8,054,768	₱672,023	8%
Noncontrolling interests	391	1,326	(935)	-71%
	₱8,727,182	₱8,056,094	₱671,088	8%

The Group's net income in 2018 and 2017 amounted to ₱ 4,728.3 million and ₱8,169.0 million, respectively. Total comprehensive income of the Group is ₱8,727.2 million in 2018 and ₱8,056.1 million in 2017.

*16% Increase in Revenues*

The Group's total revenues are ₱2,877.8 million and ₱2,483.4 million for the years ended December 31, 2018 and 2017, respectively. The increase is mainly due to the additional tenants of AMPI and ASTI in 2018 and increase in service income of AAI from Alphaland Balesin Island Club, Inc. (ABICI).

*33% increase in Costs and Expenses*

Increase from ₱2,069.6 million in 2017 to ₱2,743.7 million in 2018 is mainly from the costs related to the additional tenants of AMPI and ASTI and number of flights of AAI.

## Financial Condition (in thousands)

	As of December 31		Variance	
	2019 (audited)	2018 (audited)	Amount	%
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash and cash equivalents	494,184	110,157	384,027	349%
Trade and other receivables	1,589,758	1,773,928	(184,170)	-10%
Land and development costs and parking lots for sale	3,310,222	3,080,140	230,082	7%
Advances to related companies	3,527,104	3,119,379	407,725	13%
Club shares for sale	1,062,311	1,065,311	(3,000)	0%
Other current assets	1,337,541	2,189,454	(851,913)	-39%
Total Current Assets	11,321,120	11,338,369	(17,249)	0%
<b>Noncurrent Assets</b>				
Investment in and advances to an associate	12,349	12,349	-	0%
Club shares for sale - net of current portion	32,496,589	29,970,774	2,525,815	8%
Investment properties	54,642,253	47,675,812	6,966,441	15%
Property and equipment	10,698,168	10,174,812	523,356	5%
Other noncurrent assets	198,764	190,584	8,180	4%
Total Noncurrent Assets	98,048,123	88,024,331	10,023,792	11%
	109,369,243	99,362,700	10,006,543	10%
<b>LIABILITIES AND EQUITY</b>				
<b>Current Liabilities</b>				
Trade and other payables	5,612,035	3,896,062	1,715,973	44%
Advances from related companies	356,542	245,252	111,290	45%
Current portion of:				
Customers' deposits	83,927	3,592	80,335	2236%
Long-term debt	-	1,223,962	(1,223,962)	-100%
Income tax payable	505,775	66,949	438,826	655%
Total Current Liabilities	6,558,279	5,435,817	1,122,462	21%
<b>Noncurrent Liabilities</b>				
Customers' deposits - net of current portion	192,877	266,111	(73,234)	-28%
Retirement liability	65,784	44,509	21,275	48%
Net deferred tax liabilities	21,672,232	18,541,246	3,130,986	17%
Long-term debt - net of current portion	-	4,974,969	(4,974,969)	-100%
Other noncurrent liabilities	49,743	29,910	19,833	66%
Total Noncurrent Liabilities	21,980,636	23,856,745	(1,876,109)	-8%
Total Liabilities	28,538,915	29,292,562	(753,647)	-3%
<b>Equity Attributable to Equity Holders of the Parent Company</b>				
Capital stock	2,842,174	2,842,174	-	0%
Additional paid-in capital	12,769,730	12,769,730	-	0%
Retained earnings	53,419,451	45,295,494	8,123,957	18%
Other comprehensive income:				
Cumulative unrealized valuation gain on club shares for sale	25,057,294	22,891,678	2,165,616	9%
Revaluation surplus	3,577,428	3,103,638	473,790	15%
Accumulated remeasurement gain on retirement liability	40,957	45,350	(4,393)	-10%
	97,707,034	86,948,064	10,758,970	12%
Less:				
Parent Company's shares held by a subsidiary	16,881,220	16,881,220	-	0%
Cost of treasury shares	1,214	1,214	-	0%
	80,824,600	70,065,630	-	0%
Noncontrolling interests	5,728	4,508	1,220	27%
Total Equity	80,830,328	70,070,138	10,760,190	15%
	109,369,243	99,362,700	10,006,543	10%

Total assets of Alpha increased by ₱10,006.5 million or 19% from ₱99,362.7 million as of December 31, 2018 to ₱109,369.2 million as of December 31, 2019.

*349% Increase in Cash and Cash Equivalents*

The increase in cash and cash equivalents was mainly from the proceeds of the sale of Southgate property, collection of receivables and release from restrictions of the debt service reserve account net of loan payments, development costs and other operating expenses.

*10% Decrease in Trade and Other Receivables*

The decrease in Trade and Other receivables is due to the collection of receivables from our tenants and log home buyers

*7% Increase in Land and Development Costs and Parking Lots for Sale*

Increase in land and development and parking lots for sale is attributable to the additional costs incurred to complete the unsold log homes and villas in 2019.

*13% Increase in Advances to Related Companies*

Increase is due to the advances to related companies in the ordinary course of business.

*39% Decrease in Other Current Assets*

Decrease in other current assets is due to the release of the debt service reserve account associated with the extinguishment of loan that it secures. The restricted cash was transferred to cash and cash equivalents. Input tax and creditable tax withheld were applied against the taxes on the sale of Southgate, log homes and villas.

*8% Increase in Club Shares for Sale*

Increase in club shares for sale is primarily due to appreciation of the market values of shares of Balesin Island Club.

*15% Increase in Investment Properties*

The increase in the fair value of Southgate, Silang, Makati Place, Baguio, Patnanungan and Balesin properties was partially offset by the reduction in investment properties relative to the sale of Southgate.

*5% Increase in Property and Equipment*

The movement of the accounts mainly pertains to revaluation increase of The Alpha Suites for the year 2019.

Total liabilities of the Group amounted to ₱28,538.9 million and ₱29,292.6 million as of December 31, 2019 and 2018, respectively.

*45% Increase in Advances from Related Companies*

Increase in advances from related companies are transactions in the ordinary course of business.

*100% Decrease in Long-Term Debt*

Long-term debts of the Group were fully prepaid in March 2019.

*2236% Increase in Current Portion of Customers' Deposits and 28% Decrease in Customers' Deposits - Net of Current Portion*

Movements pertain mainly to the reclassification of customers' deposits of ASTI from noncurrent to current relative to the sale of Southgate property.

*655% Increase in Income Tax Payable*

The increase is mainly attributable to the sale of Southgate property, net of creditable taxes.



*48% Increase in Retirement Liability*

The increase is attributable to the accrual of additional retirement costs for the year 2019.

*17% Increase in Net Deferred Tax Liabilities*

The increase in fair values of investment properties and club shares for sale brought about the increase in net deferred tax liabilities.

*66% Increase in Other Noncurrent Liabilities*

Increase is mainly due to the recognition of lease liabilities as result of the application of PFRS 16, *Leases* effective January 1, 2019

Total equity of the Group jumped by 15% or by ₱10,760.2 million, from ₱70,070.1 million as of December 31, 2018 to ₱80,830.3 million as of December 31, 2019.

*18% Increase in Retained Earnings*

The increase is brought about by the net income of the Group, amortization of revaluation surplus to retained earnings and reclassification adjustments on disposal of club shares for sale in 2019.

*9% Increase in Cumulative Unrealized Valuation Gain on Club Shares for Sale*

The increase is due to appreciation of fair market values of shares of Balesin Island Club.

*15% Increase in Revaluation Surplus*

Increase pertains to the revaluation increase of The Alpha Suites in 2019.

**Comparative Key Performance Indicators**

	2019 (audited)	2018 (audited)	2017 (audited)
(a) Total comprehensive income attributable to equity holders of the Parent Company (in thousands)	₱10,688,482	₱8,726,791	₱8,054,768
(b) Weighted average number of shares outstanding after the effect of stock split	14,573,224,623	13,640,892,500	12,729,642,885
Basic/diluted earnings per share (a/b)	₱0.733	₱0.640	₱0.633
(a) Total equity (in thousands)	₱80,830,328	₱70,070,138	₱60,415,514
(b) Total number of shares outstanding at end of year before the effect of stock split	14,573,224,630	14,573,224,620	1,273,972,539
Book value per share (a/b)	₱5.546	₱4.808	₱4.746
(a) Total long-term debt (in thousands)	₱—	₱6,198,931	₱6,596,620
(b) Total equity (in thousands)	80,830,328	70,070,138	60,415,514
Debt-to-equity ratio (a/b)	₱—	₱0.088	₱0.109
(a) Total comprehensive income attributable to equity holders of the Parent Company (in thousands)	₱10,688,482	₱8,726,791	₱8,054,768
.80.(b) Average total equity (in thousands)	75,450,233	65,242,826	56,413,627
Return on equity (a/b)	₱0.142	₱0.134	₱0.143

No material off-balance sheet transactions, arrangements, obligations, and other relationships of the Group with unconsolidated entities were created during the year.

As of December 31, 2019, except for what has been noted in the preceding, there were no material events or uncertainties known to management that had a material impact on past performance, or that would have a material impact on the future operations, in respect of the following:

- Known trends, demands, commitments, events or uncertainties that would have a material impact on the Group;
- Material commitments for capital expenditures that are reasonably expected to have a material impact on the Group's short-term or long-term liquidity;
- Known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales/revenues/income from continuing operations;
- Significant elements of income or loss that did not arise from the Group's results of operations; and
- Material changes in the financial statements of the Group from the year ended December 31, 2019.

### 3. Financial Risk Management Objectives and Policies

The Group's principal financial instruments comprise of cash and cash equivalents, trade and other receivables, advances to related parties, loans payable and long-term debt. The main purpose of these financial instruments is to provide funds for the Group's operations. The Group has various financial instruments such as trade and other receivables, trade and other payables, customers' deposits and advances to and from related parties, which arise directly from its operations.

The BOD has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's risk management policies are established to identify and manage the Group's exposure to financial risks, to set appropriate transaction limits and controls, and to monitor and assess risks and compliance to internal control policies. Risk management policies and structure are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Group has exposure to credit risk, interest rate risk and liquidity risk from the use of its financial instruments. The Group's exposure to foreign currency risk is minimal as it does not normally enter into transactions in currencies other than its functional currency. The BOD reviews and approves the policies for managing each of these risks.

#### *Credit Risk*

The Group trades only with recognized and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group exposure to bad debts is not significant. For transactions that are not denominated in the functional currency of the Parent Company, the Group does not offer credit terms without the specific approval of the Chief Finance Officer.

With respect to credit risk arising from the other financial assets, the Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

Since the Group trades with recognized third parties and related parties, there is no requirement for collateral. There are no other concentrations of credit risk within the Group.

### *Interest Rate Risk*

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The Group's exposure to interest rate risk relates primarily to its financial instruments with floating interest and/or fixed interest rates. Fixed rate financial instruments are subject to fair value interest rate risk while floating rate financial instruments are subject to cash flow interest rate risk. Re-pricing of floating rate financial instruments is done every three to six months. Interest on fixed rate financial instruments is fixed until maturity of the instrument.

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt subject to floating interest rates. The other financial instruments of the Group are noninterest-bearing and, therefore, not subject to interest rate risk.

### *Liquidity Risk*

Liquidity risk is the risk that the Group will not be able to settle or meet its obligations on time or at a reasonable price. Management is responsible for liquidity, funding as well as settlement management. In addition, management oversees liquidity and funding risks, and related processes and policies. The Group manages its liquidity risk based on business needs, tax, capital or regulatory considerations, if applicable, through numerous sources of finance in order to maintain flexibility.

The Group also maintains a balance between continuity of funding and flexibility. The policy of the Group is to first exhaust lines available from affiliated companies before local bank lines are availed of. The Group seeks to manage its liquid funds through cash planning on a weekly basis. The Group uses historical figures and experiences and forecasts from its collections and disbursements. As part of its liquidity risk management, the Group regularly evaluates its projected and actual cash flows. It also continuously assesses conditions in the financial markets for opportunities to pursue fund raising activities. Also, the Group only places funds in the money market, which are exceeding the Group requirements. Placements are strictly made based on cash planning assumptions and covers only a short period of time.

## ***D. GENERAL NATURE AND SCOPE OF BUSINESS***

### **1. Business Indicators**

Alphaland Corporation (ALPHA or Parent Company) is a holding company incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on November 19, 1990. The principal business of ALPHA and its subsidiaries (collectively referred to as the "Group") is real property development.

The registered office address of ALPHA is Alphaland Makati Place, 7232 Ayala Ave. ext. cor. Malugay Street, Makati City.

### **ALPHA's Legal Subsidiaries as at December 31, 2019 and 2018**

<i>Company</i>	<i>Place of Incorporation</i>	<i>Nature of Business</i>	<i>Percentage of Ownership</i>	
			<i>2019</i>	<i>2018</i>
Alphaland Southgate Tower, Inc. (ASTI)	Philippines	Real property development	100	100
Alphaland Balesin Island Resort Corporation (ABIRC)	Philippines	Real property development	100	100
Alphaland Makati Place, Inc. (AMPI) <sup>(a)</sup>	Philippines	Real property development	100	100
Alphaland Baguio Mountain Log Homes, Inc. (ABMLHI)	Philippines	Real property development	100	100
Alphaland Balesin International Gateway, Inc. (formerly Alphaland Balesin Gateway, Inc.) (ABIGI)	Philippines	Real property development	100	100
Alphaland Reclamation Corporation (ARC)	Philippines	Real property development	100	100
2258 Blue Holdings, Inc.(Blue Holdings) <sup>(a)</sup>	Philippines	Holding company	100	100
Alphaland Southgate Restaurants, Inc. (ASRI) <sup>(a)</sup>	Philippines	Restaurant operations	100	100
Alphaland International, Inc. (AII)	Philippines	Holding company	100	100
Alphaland Aviation, Inc. (AAI)	Philippines	Aviation	100	100
Alphaland Aviation - Pampanga, Inc. (AAPI) <sup>(b)</sup>	Philippines	Aviation	100	100
Aegle Wellness Center, Inc. (AWCI)	Philippines	Wellness center	100	100
Alphaland International, Inc. - BVI	British Virgin Islands	Holding company	100	100
Alphaland International, Inc. - Seychelles	Seychelles	Holding company	100	100
Superface Enterprises Limited	Hongkong	Holding company	100	100
Aegle Drugstore Inc. (ADI) <sup>(c)</sup>	Philippines	Pharmacy	100	100
Choice Insurance Brokerage, Inc. (CIBI) <sup>(e)</sup>	Philippines	Insurance brokerage	100	100
Alphaforce Security Agency, Inc. (ASAI) <sup>(f)</sup>	Philippines	Security agency	80	80
Redstone Mountain Holdings Inc. (RMHI) <sup>(g)</sup>	Philippines	Holding company	100	100
Lodgepole Holdings, Inc. (LHI) <sup>(g)</sup>	Philippines	Holding company	100	100
Mt. Baguio Holding Estates Inc. (MBHEI) <sup>(g)</sup>	Philippines	Holding company	100	100
Top of the Alpha, Inc. (Top of the Alpha) <sup>(d)</sup>	Philippines	Restaurant operations	100	100
The Alpha Suites, Inc. (Alpha Suites) <sup>(d)</sup>	Philippines	Real estate company	100	100
Pinecrest Holdings, Inc. (PHI) <sup>(g)</sup>	Philippines	Holding company	100	100

(a) Through ASTI  
(b) Through AAI  
(c) Through AMPI; Incorporated in 2017  
(d) Through AMPI; Incorporated in 2018  
(e) Through Blue Holdings  
(f) Associate in 2016  
(g) Incorporated in 2018

### **Changes in Group Structure during 2018 and 2017**

- ADI was incorporated and registered with the Philippine SEC on December 22, 2017 primarily to engage in the business of retailing or wholesaling of pharmaceutical products, medicines, foodstuffs and groceries.
- Blue Holdings initially subscribed to 15,749,996 common shares of CIBI representing 70% of its outstanding shares in November 2012. In October 2017, Blue Holdings purchased additional 6,000,000 common shares from an existing shareholder for ₱5.0 million resulting to an increase in ownership of CIBI to 97%. In December 2018, the remaining interest was obtained by Blue Holdings making CIBI its wholly-owned subsidiary.

CIBI was incorporated and registered with the Philippine SEC on November 6, 2012 primarily to engage, conduct, carry on and maintain insurance business, to act as a broker, and to do other related activities.

- c. ALPHA initially subscribed to 79,999 common shares of ASAI representing 40% of its outstanding shares in March 2011, which was then accounted for as an associate. In October 2017, ALPHA purchased additional 79,999 common shares from an existing shareholder for ₱11.2 million increasing its ownership of ASAI to 80%.

ASAI was incorporated and registered with the Philippine SEC on March 18, 2011 primarily to engage in the business of providing security and investigation services to private institutions and government organizations.

- d. Top of the Alpha was incorporated and registered with the Philippine SEC on May 21, 2018 primarily to establish, maintain and operate restaurants, coffee shops, refreshment parlors and cocktail lounge.
- e. Alpha Suites was incorporated and registered with the Philippine SEC on June 11, 2018 primarily to deal and engage in the real estate business in all its aspects; to hold, develop, manage, administer, sell, convey, encumber, purchase, acquire, rent or otherwise deal in and dispose of, for itself or for others, all kinds of real estate projects.
- f. RMHI, LHI, MBHEI and PHI were incorporated and registered with the Philippine SEC primarily to invest in, purchase, or otherwise acquire and own, hold, sell, assign, transfer, mortgage, pledge, exchange or otherwise dispose, as may be permitted by law, of real and personal property of every kind and description. These entities were incorporated in 2018.

#### **Significant Operating Subsidiaries**

- a. ASTI was incorporated and registered with the Philippine SEC on May 29, 2007 as Alphaland Corporation. The Philippine SEC approved the change in its corporate name to "Alphaland Development, Inc." on December 28, 2009 and then to "Alphaland Southgate Tower, Inc." on October 15, 2015.

ASTI's primary purpose is to engage in real property acquisition and development. ASTI's main property is a 20-storey office tower building with a six-storey podium shopping mall known as Alphaland Southgate Tower.

- b. ABIRC was incorporated and registered with the Philippine SEC on May 26, 2010 primarily to invest in, purchase, or otherwise acquire and own, hold, use, sell, assign, transfer, mortgage, pledge, and exchange or otherwise dispose, as may be permitted by law, of real and personal property of every kind and description.

ABIRC has investment in preferred shares of Alphaland Balesin Island Club, Inc. (ABICI).

- c. AMPI was incorporated and registered with the Philippine SEC on March 6, 1991 as Silvertown Property Development Corporation. On February 26, 2010, the Philippine SEC approved the change in corporate name to "Alphaland Makati Place, Inc."

AMPI's primary purpose is to acquire by exchange of shares, purchase and lease a specific property described as three-storey building with basement of strong materials together with the warehouse, other land improvements and machinery and equipment as well as the

leasehold rights on the land, which is situated at Ayala Avenue corner Malugay Street, Makati, Metro Manila.

AMPI entered into a joint venture with the Boy Scouts of the Philippines (BSP) to develop the Malugay Property into a first class commercial development now known as Alphaland Makati Place. It is a mixed-use property development consisting of two (2) high end residential towers and one (1) corporate tower atop an upscale six-storey podium with a shopping center and a City Club, including a Boy Scout Convention Center.

AMPI has investment in preferred shares of The City Club at Alphaland Makati Place, Inc. (TCCAMPI).

- d. The Alpha Suites, Inc. (TAS), 100%-owned by AMPI, was incorporated in the Philippines and registered with the Philippine SEC on June 11, 2018 primarily to deal and engage in the real estate business in all its aspects; to hold, develop, manage, administer, sell, convey, encumber, purchase, acquire, rent, lease or otherwise deal in and disclose of, for itself or for others all kinds of real estate projects. In 2018, the company started its commercial operations catering the serviced residences activity of AMPI using a number of its condominium units.
- e. ABMLHI was incorporated and registered with the Philippine SEC on January 17, 2013 as Alphaland Holdings Company, Inc. On September 7, 2016, the Philippine SEC approved the change in corporate name to "Alphaland Baguio Mountain Log Homes, Inc." ABMLHI's primary purpose is to deal and engage in the real estate business in all its aspects; to hold, develop, manage, administer, sell, convey, encumber, purchase, acquire, rent, or otherwise deal in and dispose of, for itself or for others, all kinds of real estate projects, involving commercial, industrial, urban, residential or other kinds of real property, improved or unimproved, with or to such persons and entities and under such terms and conditions as may be permitted by law.
- f. AAI and AAPI were incorporated and registered with the Philippine SEC on July 31, 2012 and December 5, 2016, respectively, primarily to engage in aviation industry and its related businesses, including but not limited to, the provision of hangarage and moorage, parking and landing operations, aircraft maintenance, supply of parts, oils, and lubricants and other related businesses.

### **Major Sources of Funds**

*Operations.* The Group generates funds primarily from sale of Baguio Mountain Lodges, and Balesin Private Villas; from leasing operations of Alphaland Makati Place Mall and Corporate Tower, and; from the operation of the serviced residences of The Alpha Suites that commenced in the first half of 2018.

The Group also generates funds from secondary sale of membership shares of completed Club projects, namely, Alphaland Balesin Island Club and The City Club at Alphaland Makati Place.

*Borrowings.* ALPHA, ABICI, ABIRC, AMPI and ASTI has an Omnibus Loan and Security Agreement (OLSA) with BDO Unibank, Inc. (BDO) for a loan facility of ₱6,726.0 million for the purpose of: (a) refinancing the Group's loans; (b) financing new and on-going projects and (c) providing additional working capital for the Group. The outstanding balance of the loan

was assigned to the PBCOM Trust and Wealth Management Group on January 23, 2019 and subsequently prepaid in full on March 15, 2019.

AAPI and AAI both entered into an Amortized Commercial Loan (ACL) agreement with BDO Leasing and Finance, Inc. (BDOLFI) for a loan facility of ₱265.2 million and ₱309.0 million, respectively, for the purpose of financing the acquisition of two ATR72 Turboprop Aircrafts (MSN 666 and MSN 678) and a replacement engine for MSN 678. The outstanding balance of the loans for the acquisition of MSN 666 and replacement engine for MSN 678 were prepaid in full on March 21, 2019.

*Contract To Sell (CTS) Financing.* ABMLHI obtained a CTS financing facility with BDO amounting to ₱500.0 million for the purpose of refinancing the company's CTS receivables under the terms and conditions of a Memorandum of Agreement (MOA) dated October 30, 2018 between BDO and ABMLHI.

Aggregate availments under the facility amounted to ₱382.7m as of December 31, 2018.

## **2. Participation in Bankruptcy, Receivership or Similar Proceedings**

There is no bankruptcy, receivership or similar proceedings involving the Company.

## **3. Competition**

In terms of the property development sector, there are a number of real estate developers, some with greater financial and other resources and more attractive locations, that compete with the Group in seeking properties for acquisition, resources for development, and prospective clients. The Group believes that in an emerging market like the Philippines, a bold, well-capitalized developer is best positioned to acquire and reinvent prime but underdeveloped sites. In less than a year, the Group has built an inventory of incomparable properties.

The Group stands for development done right, with attention to detail and focus on quality for the long term that delights its customers, and gives its shareholders the best return.

## **4. Customers**

The Company and its subsidiaries are not dependent on any single customer or on a few customers.

## **5. Intellectual Property**

ALPHA is the owner of the following registered marks:

1. THE ALPHA and logo, with IPO Registration No. 4-2011-002902 dated 7 July 2011
2. THE CITY CLUB and logo, with IPO Registration No. 4-2011-002993 dated 20 October 2011
3. A TASTE OF FRANCE and logo, with IPO Registration No. 4-2014-00012033 dated 25 June 2015
4. BALE SIN ISLANDER and logo, with IPO Registration No. 4-2014-00012034 dated 25 June 2015
5. COSTA DEL SOL and logo, with IPO Registration No. 4-2014-00012035 dated 1 January 2016

ASTI is the registered owner of the following trademarks:

1. "alphaland", with IPO Registration No. 42008002299 dated 11 August 2008.
2. "alphaland SOUTHGATE" , with IPO Registration No. 4/2012/00009729 dated 16 May 2013
3. THE ALPHA TENTS and logo, with IPO Registration No. 4/2012/00009730 dated 16 May 2013
4. ALPHALAND TOWER and logo, with IPO Registration No. 4/2012/00009731 dated 14 June 2013
5. ALPHALAND MAKATI PLACE and logo, with IPO Registration No. 4/2012/00009732 dated 14 June 2013
6. THE ALPHALAND BALESIN CLUB and logo, with IPO Registration No. 4/2012/00009733 dated 14 June 2013
7. ALPHALAND MARINA CLUB and logo, with IPO Registration No. 4/2012/00009734 dated 14 June 2013
8. MARK'S PRIME RIB and logo, with IPO Registration No. 4-2014-00012036 dated 25 June 2015
9. TOSCANA and logo, with IPO Registration No. 4-2014-00012037 dated 16 July 2015
10. MARK'S STEAKHOUSE and logo, with IPO Registration No. 4-2018-00005196 dated 20 September 2018
11. THE ALPHA and logo, with IPO Registration No. 4-2014-0005916 dated 11 September 2014
12. ALPHALAND BALESIN ISLAND GATEWAY and logo, with IPO No. 4-2015-00009149 dated 3 March 2016
13. TANG PALACE and logo, with IPO Registration No. 4-2018-00016729 dated 7 July 2019

AMPI is the registered owner of the following trademarks:

1. UPMARKET AT MAKATI PLACE and logo, with IPO Registration No. 4-2016-00013168 dated 17 October 2019

AWCI is the registered owner of the following trademarks:

1. AEGLE DRUGSTORE and logo, with IPO Registration No. 4-2017-00017323 dated 13 October 2019

## **6. Research and Development Activities**

The Company engages in research and development activities focusing on the types of construction of materials, construction methodology, value-engineering, and quality assurance for its projects. The expenses incurred by the Company in connection with these activities are not material.



7. **Compliance with Environmental Laws**

As the Group is engaged in and operates an environmentally critical project, it must comply with laws prescribed and regulated by the Department of Environment and Natural Resources (“DENR”). Under Presidential Decree No. 1586, any person undertaking or operating any environmentally critical project or area, as may be declared by the President of the Philippines, must first secure an Environmental Compliance Certificate (“ECC”) from the DENR. An ECC is a document certifying that the project will not cause significant negative environmental impact and the proponent will undertake preventive, mitigating and enhancement measures to protect and rehabilitate the environment.

As a real estate developer, the Group is required to secure permits and licenses from the different agencies of the national government and local government units. These permits include an environmental compliance certificate, building permits and occupancy permit. The Group incurs expenses for the purposes of complying with environmental laws that consist primarily of payments for Government regulatory fees. Such fees are standard in the industry and are minimal.

8. **Employees**

ASTI provides the management and administrative support such as legal, finance, marketing, and human resource requirements of the Group. ASTI has a total manpower complement of 187 employees as of December 31, 2019 classified as:

Executives/Managers/Supervisors	102
Staff	85

ASTI has not experienced any disruptive labor disputes, strikes, or threats of strikes, and ASTI believes that its relationship with its employees in general is satisfactory. ASTI’s employees are not unionized.

9. **Risk Factors**

ALPHA’s profitability is dependent on the performance of its subsidiaries.

10. **Properties**

**Alphaland Southgate Tower**

In January 2008, ASTI acquired from South China Resources, Inc. and the Puyat family two parcels of land measuring a total of 9,497 square meters, more or less, at the corner of EDSA and Chino Roces Avenue in Makati City together with the existing improvements thereon. The property is now a fully developed and operational 20-storey office tower building with a 6-storey podium known as Alphaland Southgate Tower. It was declared an Information Technology Zone on January 12, 2009 by the Philippine Economic Zone Authority, pursuant to Presidential Proclamation No. 1692 dated December 22, 2008.

The property secured the long-term loan facility of ALPHA under OLSA with BDO, which was later assigned by BDO to the PBCOM Trust and Wealth Management Group on January 23, 2019. Subsequently, the property was sold on March 15, 2019 to prepay the entire balance of the loan.

**Alphaland Balesin Island Property**

ABIRC acquired approximately 394 hectares of land in Balesin Island, Polillo, Quezon. Additional 12 hectares were also acquired via land-for-share swaps with existing Balesin Island landowners. This brings the total land ownership to 406 hectares. Of this total, approximately 98 hectares in 2017 and 2016 was committed for transfer to ABICI. The transfer of certificates of title is currently being processed.

In 2017, ABIRC started the development of certain portions of its land for sale. Accordingly, these portions were reclassified to "Land and development costs".

Certain lots and improvements in Balesin Island secured the long-term loan facility of ALPHA under OLSA with BDO, which was later assigned by BDO to the PBCOM Trust and Wealth Management Group on January 23, 2019 and subsequently prepaid in full on March 15, 2019.

#### **Alphaland Makati Place**

This represents the Podium and Tower 3 at the Alphaland Makati Place. The Podium is currently operated as a mall and is for lease to third parties. In 2017, the Group reclassified Tower 3 from "Land and development costs" to "Investment Property" due to change in intention over the property from condominium units for sale to a property held for leasing. The change in management's intention was evidenced by actual change in the use of property.

The property secured the long-term loan facility of ALPHA under OLSA with BDO, which was later assigned by BDO to the PBCOM Trust and Wealth Management Group on January 23, 2019 and subsequently prepaid in full on March 15, 2019.

#### **Baguio Property**

This consists of parcels of land and related transaction costs acquired by the Group (through a wholly-owned subsidiary) from various sellers in July 2015. The beneficial owner of the entire property is RVO, the majority shareholder and Chairman of ALPHA.

These parcels of land, measuring approximately 73.4 hectares as of the end of 2015, of rolling terrains are situated in Itogon, Benguet, just ten minutes from Baguio City by land. RVO likewise transferred to the Group rights to another 2.9 hectares of land to complete the total area at 76.3 hectares. The Group is developing the property into the Alphaland Baguio Mountain Lodges.

The fair value of the property based on an independent appraiser's report dated January 21, 2020 and October 22, 2018 is at P10,500 per square or a total of P6.5 billion and P9,000 per square meter or a total of P4.7 billion, respectively.

The Group acquired the property in 2015 at its zonal value, or a total acquisition cost of P106.0 million, which is substantially below the appraised value. As a consideration to RVO for having sold the property at its zonal value, RVO shall have a 15% interest in the project without need of any further investment or equity infusion. The Group will shoulder all development costs required for the project.

In 2016, due to the management's decision to develop the property as horizontal condominium for sale, 13.1 hectare of the property that is currently being developed for such purpose, was reclassified to land and development costs. Additional 7.7 hectares and 3.7 hectares were reclassified to land and development costs in 2018 and 2017, respectively.

In 2017, the Group started the development for the initial phase of the project and the Group also acquired additional land, measuring 4.2 hectares.

In 2019, the Group acquired additional land measuring 9.2 hectares. The total land area of the property approximates 86.7 hectares and 77.5 hectares as at December 31, 2019 and 2018, respectively.

#### **Silang Property**

ASTI's three parcels of land in Silang, Cavite, measuring a total of 300,000 square meters, more or less, is reserved for future development. The property secured the long-term loan facility of ALPHA under OLSA with BDO, which was later assigned by BDO to the PBCOM Trust and Wealth Management Group on January 23, 2019 and subsequently prepaid in full on March 15, 2019.

#### **Patnanungan Property**

As at December 31, 2016 and 2015, respectively, the Group acquired parcels of land aggregating approximately 385.6 hectares and 325.3 hectares of land, respectively, in Patnanungan, Quezon. This brings the total land ownership to 711.0 hectares, more or less, which is reserved for future development.

In December 2017, the Group sold 20.0 hectares to Red Sun Capital Holdings Corporation for ₱ 8.0 million, resulting to a gain amounting to ₱2.1 million. In 2018, the contract to sell was rescinded resulting to a loss amounting to ₱2.1 million.

In December 2018, the Group acquired 42.2 hectares with a carrying amount of ₱31.7 million. This brings the total land ownership to 753.2 hectares as of end 2019.

#### **Atimonan Property**

ABIRC's land in Atimonan, Quezon Province, measuring a total of 21,000.5 square meters, more or less, is reserved for future development.

The fair value of the investment properties as at December 31, 2015 is based on valuations performed by accredited independent appraisers. As at December 31, 2017, the management evaluated that the carrying value of the investment property approximates the fair value as at reporting date since there were no significant changes in the condition of this property and economic environment between those dates.

### **11. Legal Proceedings**

There are certain lawsuits and claims filed by third parties against the Group which are either pending decision by the proper judicial bodies or under negotiation, the outcome of which are presently undeterminable. In the opinion of the Group's management, the ultimate disposition of these cases, disputes and assessments will not have a material adverse effect on the financial position or results of operations of the Group.

As of April 30, 2020, the Company is a party to the following legal proceedings:

1. *Redentor Y. Agustin vs. Alphaland Corporation*, with the Supreme Court docketed as G.R. No. 218282 with the Supreme Court (2nd Division). This is a complaint for Illegal Dismissal filed by complainant Redentor Y. Agustin ("Agustin") before Labor Arbiter Marita Padolina ("LA Padolina") docketed as NLRC-NCR No. 00-1116616-2011. LA Padolina issued a Decision declaring that complainant Agustin was illegally dismissed and ordering the Corporation to pay him the total amount of ₱336,875.00. This was affirmed by the National Labor Relations Commission (4th Division) and the Court of Appeals ("CA"). Since the CA denied the Corporation's application for the issuance of a restraining order, it was constrained to pay the said

judgment award, inclusive of execution fees. Both parties elevated the Decision of the CA to the Supreme Court in separate Petitions for Review. The Petition for Review filed by the Corporation was docketed as SC G.R. No. 217946, which was denied with finality, while the one filed by complainant Agustin, which is this case, is submitted for resolution as the parties had already filed their respective Memoranda.

2. *Jose Edwin G. Esico vs. Alphaland Corporation and Alphaland Development, Inc.*, with the Supreme Court docketed as G.R. No. 134512 (1st Division). This case arose from the consolidated cases of: a. Illegal Dismissal filed by complainant Jose Edwin G. Esico (“Esico”); and, b. wrongful resignation, training reimbursement amounting to P977,720.00 and damages filed by Alphaland Development, Inc. (now Alphaland Southgate Tower, Inc.) (“ADI”) before Labor Arbiter Lilia S. Savari (“LA Savari”). LA Savari dismissed the complaint for illegal dismissal and ordered the reimbursement of training expenses amounting to P997,700.00. This was reversed by the NLRC (1st Division), and awarded complainant Esico P2,205,000.00 as full backwages, P690,000.00 as separation pay, P 3,680,000.00 as unpaid salaries and 10 % of all monetary awards as Attorney’s fees, and affirmed the award of P45,450.00 as proportionate 13th month pay. The Corporation and ADI elevated the case before the Court of Appeals, which reversed the NLRC decision and reinstated the ruling of Labor Arbiter Savari with modification as to the amount of training expenses from P997,700.00 to P977,720.00. Complainant Esico elevated the case to the Supreme Court by way of a Petition for Review on Certiorari, which petition is presently pending resolution.

E. **MARKET PRICE OF AND DIVIDENDS ON THE COMPANY'S COMMON EQUITY**

1. **Market Price of Shares**

On September 8, 2014, the PSE issued a resolution delisting the Company and mandated the Company to hold a tender offer to buy all the shares of its retail/non-strategic shareholders. On October 17, 2014, the Company completed its tender offer to 2,672,789 Company shares, reacquired through ASTI, equivalent to P24.2 million. The PSE also prohibited the Company from applying for relisting within a period of five years from the effective date of delisting. October 2019 marks the end of the five-year recess, thereby allowing the Company to relist with the PSE.

2. **Holders**

a. **Number of Shareholders of Each Class of Common Security as of April 30, 2020:**

The Corporation has 88 shareholders holding common shares as of April 30, 2020.

b. **The Top 20 Registered Stockholders of the Corporation as of April 30, 2020 are:**

	<u>Citizenship</u>	<u>No. of Shares</u>	<u>%</u>
1. Alphaland Southgate Tower, Inc.	Filipino	13,792,109,780	48.55%
2. RVO Capital Ventures Corporation	Filipino	8,426,567,460	29.66%
3. Boerstar Corporation	Filipino	1,677,884,300	5.91%
4. Red Epoch Group Ltd.	Hongkong	961,134,130	3.38%
5. Fine Land Limited	Filipino	890,000,000	3.13%

6.	Azurestar Corporation	Filipino	280,626,360	0.99%
7.	Loustar Corporation	Filipino	222,570,970	0.78%
8.	Powerventures, Inc.	Filipino	219,604,500	0.77%
9.	Galaxyhouse, Inc.	Filipino	190,304,900	0.67%
10.	Crystalventures, Inc. Towermill Capital Ventures Corporation	Filipino	188,796,760	0.66%
11.	Gemsplace Resources, Inc.	Filipino	188,454,140	0.66%
12.	Summer Wind Capital Ventures Corporation	Filipino	187,512,680	0.66%
13.	Noble Care Management Corporation	Filipino	167,169,230	0.59%
14.	Mega Access Capital Ventures, Inc.	Filipino	145,916,470	0.51%
15.	Globalcentric Corporation	Filipino	100,825,370	0.35%
16.	Earthlight, Inc.	Filipino	100,473,660	0.35%
17.	Regentstar Holdings Corporation	Filipino	100,247,230	0.35%
18.	Arculli, Derek	Filipino	100,138,190	0.35%
19.	Citadel Investments Limited	Filipino	100,000,000	0.35%
20.		Filipino	100,000,000	0.35%

### 3. Dividends

There has been no proposed action or resolution relating to the declaration of dividends for the ensuing year. The Company has not declared dividends in the past three fiscal years.

There are no restrictions on the Corporation that limit the payment of dividends on Common shares. The Company has re-invested its retained earnings for working capital requirements as well as the expansion of its operations and facilities.

### 4. Recent Sales of Unregistered or Exempt Securities including Recent Issuance of Securities Constituting an Exempt Transaction

As at December 31, 2020, the Company entered into the following share subscription agreements:

<i>Date of Subscription</i>	<i>Subscriber</i>	<i>Number of Shares Subscribed</i>	<i>Total Subscription Price (in PhP)</i>
June 11, 2018	Crystalventures, Inc.	18,879,676	224,479,349
June 11, 2018	Earthlight, Inc.	10,024,723	119,294,209
June 11, 2018	Galaxyhouse, Inc.	19,030,490	226,082,227
June 11, 2018	Gemsplace Resources, Inc.	18,751,268	222,765,069
June 11, 2018	Globalcentric Corporation	10,047,366	119,463,179
June 11, 2018	Loustar Corporation	22,257,097	264,414,318
June 11, 2018	Mega Access Capital Ventures, Inc.	10,082,537	119,982,187
June 11, 2018	Powerventures, Inc.	21,960,450	260,890,144
June 11, 2018	Redcrest Holdings Corporation	9,856,652	117,097,022

June 11, 2018	Regenstar Holdings Corporation	10,013,819	P119,164,443
June 11, 2018	Summer Wind Capital Ventures Corporation	16,716,923	198,597,048
June 11, 2018	Towermill Capital Ventures Corporation	18,845,414	223,883,517

Other than the foregoing, there were no recent sales of unregistered or exempt securities including recent issuances of securities constituting an exempt Transaction.

#### ***F. COMPLIANCE WITH CORPORATE GOVERNANCE PRACTICE***

The Board of Directors and Management of the Company recognize that good corporate governance is key to achieving the Company's objective of maximizing shareholder value. The institution of the Code on Corporate Governance seeks to provide the process and structure by which the business and affairs of the Company are directed and managed, in order to enhance long-term shareholder value through the enhancement of corporate performance and accountability.

Compliance with the Code of Corporate Governance is ensured by the Corporate Compliance Officer in coordination with the Chairman and President of the Company. Regular meetings are made between Management and the Board of Directors, to review and evaluate the Company's performance and address key policy matters. The Board is provided with timely and complete information for each meeting. Each director has direct access to the advice and services of management and the corporate secretary, and in appropriate circumstances, seek independent professional advice concerning the Company's affairs.

All directors are required to submit themselves for re-election every year. In consideration for their re-election, the nomination committee reviews and presents attendance and participation in meetings of the Company.

All directors are briefed by Management on the Company's business operations as well as a regular tour of the Company's projects.

The audit committee first reviews the Company's audited financials, who then recommends approval from the board of directors before they are presented to the stockholders of the Company. It is also the audit committee, which ensures independence and objectivity of the external auditors.

The Company is continually seeking measures of improving its corporate governance to further enhance corporate performance and accountability. The Directors and Management have been encouraged to regularly attend corporate governance seminars and corporate governance consultants on methods by which it can enhance its corporate performance and accountability.

No deviation from the Company's Manual Code of Corporate Governance has been noted. The Company's Manual on Corporate Governance was amended on February 21, 2011.

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **MARGARITO B. TEVES**, Filipino, of legal age, with address at Great Wall Advertising Building, 136 Yakal Street, Makati City, after having been sworn to in accordance with law, hereby depose and state that:

- 1. I am an Independent Director of Alphaland Corporation (the "Corporation").
- 2. I am also affiliated with the following companies:

Company	Position/Relationship	Period of Service
P.J. Lhuillier Group of Companies	Member, Strategic Committee	February 2015 to present
Petron	Independent Director	May 20, 2014 to present
Bank of Commerce	Board Adviser	July 26, 2013 to present
Atlantic Aurum Investments Philippines Corporation	Independent Director,	July 19, 2013 to present
AB Capital Investment Corp.	Independent Director	June 29, 2012 to present
San Miguel Corporation	Independent Director	June 14, 2012 to present
The Wallace Business Forum	Managing Director	March 1, 2012 to present
Think Tank, Inc.	Chairman	1998 to 2000; 2010 to present
Atok-Big Wedge Co., Inc.	Independent Director	2011 - Present
Alphaland Balesin Island Club, Inc.	Independent Director	2011 – Present
Pampanga Sugar Development Co (PASUDECO)	Director	July 2011 – Present

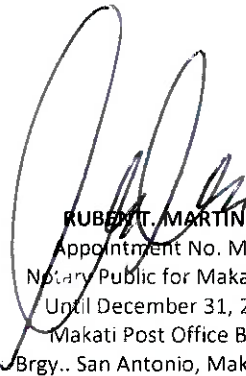
- 3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of the Corporation as provided for in Section 38 of the Securities Regulations Code ("SRC") and its Implementing Rules and Regulations ("IRR").
- 4. I shall faithfully and diligently comply with my duties and responsibilities as an Independent Director under the SRC and its IRR.
- 5. I shall inform the Corporate Secretary /Assistant Corporate Secretary of the Corporation of any changes in the above-mentioned information within five (5) days from its occurrence.

Done this \_\_\_\_\_ day of \_\_\_\_\_ at Makati City.

  
**MARGARITO B. TEVES**  
Affiant

SUBSCRIBED AND SWORN to before me this JUN 30 2020 at Makati City, affiant exhibiting to me his TIN No. 105-549-310.

Doc No. 436  
Page No. 89  
Book No. 20  
Series on 20 20

  
**RUBEN T. MARTINEZ**  
Appointment No. M-32  
Notary Public for Makati City  
Until December 31, 2020  
Makati Post Office Bldg.  
Brgy.. San Antonio, Makati City  
Roll of Attorneys No. 26947  
IBP No. 093489 / 01.06.2020 / Pasay City  
PTR No. 8117014 / 01.06.2020 / Makati City  
TIN No. 172-528-629

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **JOSE RAMON T. VILLARIN SJ**, Filipino, of legal age and a resident of the Jesuit Residence, Ateneo de Manila University Campus, Loyola Heights, 1108 Quezon City, after having been duly sworn to in accordance with law do hereby declare that:

- 1. I am a nominee for independent director of **ALPHALAND CORPORATION**.
- 2. I am affiliated with the following companies or organizations (including Government-Owned and Controlled Corporations):

Company/Organization	Position/Relationship	Period of Service
Please refer to attached CV		

- 3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of **ALPHALAND CORPORATION**, as provided for in Section 38 of the Securities Regulation Code, its Implementing Rules and Regulations and other SEC issuances.
- 4. I am related to the following director/officer/substantial shareholder of **ALPHALAND CORPORATION** and/or its subsidiaries and affiliates other than the relationship provided under Rule 38.2.3 of the Securities Regulation Code. (where applicable)

Name of Director/Officer/Substantial Shareholder	Company	Nature of Relationship
Not Applicable		

- 5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding. [I disclose that I am the subject of the following criminal/administrative investigation or proceeding (as the case may be):]

Offense Charged/Investigated	Tribunal or Agency Involved	Status

- 6. (For those in government service/affiliated with a government agency or GOCC) I have the required permission from (head of the agency/department) to be an independent director in **ALPHALAND CORPORATION**, pursuant to Office of the President Memorandum Circular No. 17 and Section 12, Rule XVIII of the Revised Civil Service Rules.



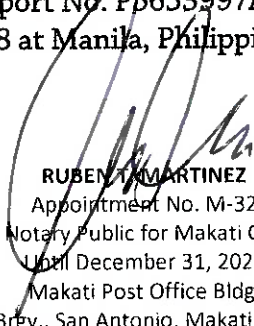
7. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.
8. I shall inform the Corporate Secretary of **ALPHALAND CORPORATION** of any changes in the abovementioned information within five days from its occurrence.

Done, this May 15, 2020, at \_\_\_\_\_.

  
**JOSE RAMON T. VILLARIN SJ**  
Affiant

SUBSCRIBED AND SWORN to before me this JUN 30 2020 at \_\_\_\_\_  
\_\_\_\_\_, affiant personally appeared before me and exhibited to me the following competent evidence of his identity: Passport No. P5653997A issued by the Department of Foreign Affairs on 17 January 2018 at Manila, Philippines.

Doc. No. 434;  
Page No. 88;  
Book No. 88;  
Series of 9070;

  
**RUBEN MARTINEZ**  
Appointment No. M-32  
Notary Public for Makati City  
Until December 31, 2020  
Makati Post Office Bldg.  
Brgy.. San Antonio, Makati City  
Roll of Attorneys No. 26947  
IBP No. 093489 / 01.06.2020 / Pasay City  
PTR No. 8117014 / 01.06.2020 / Makati City  
TIN No. 172-528-629

**CURRICULUM VITAE**  
**Jose Ramon T Villarin SJ**

**ACADEMIC BACKGROUND**

1992-1997	PhD Atmospheric Sciences	Georgia Institute of Technology, Atlanta, GA, USA
1987-1991	STB Theology	Loyola School of Theology, ADMU Campus, Loyola Heights, QC
1985-1987	MS Physics	Marquette University, Milwaukee, WI, USA
1976-1980	BS Physics	Ateneo de Manila University, Loyola Heights, QC

**CURRENT LEADERSHIP POSITIONS**

2011-present	President	Ateneo de Manila University
2018-	Member, Board of Directors	International Association of Jesuit Universities
2018-	Independent Director	Alphaland Corporation
2017-present	Member, Advisory Board	Sophia University
2017-present	Vice-Chair, Scientific Community/Academe	National Resilience Council
2017-present	Co-Chair	National Industry Academe Council
2016-present	Member, Board of Governors	Asian Institute of Management
2012-present	Chair, Board of Trustees	Synergeia
2012-present	Member, Natl Panel Technical Experts	Climate Change Commission
2012-present	Member, Board of Trustees	Philippine Institute of Pure and Applied Chemistry
2011-present	Member, Board of Trustees	Loyola School of Theology
2011-present	Chair, Board of Trustees	Manila Observatory
2011-present	Chair, Board of Trustees	Confucius Institute, Ateneo de Manila University
2011-present	Member, Board of Trustees	Ateneo de Naga University, Naga City

**RECENT POSITIONS HELD**

2015-2016	Chair, Board of Trustees	Ramon Magsaysay Award Foundation
2012-2016	Member, Board of Trustees	Metropolitan Waterworks and Sewerage System
2014-2015	Vice-Chair, Board of Trustees	Ramon Magsaysay Award Foundation
2011-2014	Member, Board of Trustees	Asian Institute of Management
2005-2011	President	Xavier University, Cagayan de Oro City
2010-2012	President	Maria Reyna-Xavier University Hospital
2005-2011	Chair, Board of Trustees	Xavier Science Foundation
2005-2011	Member, Board of Trustees	Ateneo de Davao and Ateneo de Zamboanga Universities
2007-2011	Member, Board of Trustees	Realty Investments Incorporated
2005-2011	Science adviser	Manila Observatory
2000-present	Member, Board of Trustees	Ateneo de Manila University
1997-present	Member, Board of Trustees	Manila Observatory
1997-2005	Head, Climate Studies Division; Associate Director for Research	Manila Observatory
1998-2005	Assistant/Associate Professor, Physics	Ateneo de Manila University

**HONORS/AWARDS**

Dec 2007	2007 Nobel Peace Prize (through membership in Intergovernmental Panel on Climate Change)
Jul 2002	Outstanding Book Award, "Disturbing Climate" (National Academy of Science and Technology)
Jul 2000	National Outstanding Young Scientist (National Academy of Science & Tech, Philippines)
Mar 1997	Best Graduate Student Research Award (School of Earth & Atmospheric Sciences, Georgia Tech)
Jan 1996	Global Change Scholar (American Meteorological Society)
Dec 1995	Outstanding Student Paper Award (American Geophysical Union Conference, San Francisco, USA)
Mar 1991	Summa cum laude (Loyola School of Theology)
Mar 1980	Magna cum laude, Class Valedictorian, Physics Departmental Award (Ateneo de Manila University)

**OTHER COMMITMENTS (Past and Present)**

2001-2010	Lead Reviewer, UNFCCC Expert Review Team (GHG Inventories, National Communications)
2008-present	Column writer, "God's Word Today" (Philippine Star)
2010-present	Member, National Panel of Technical Experts, Climate Change Commission (Philippines)
1988-2005	Member, <i>Samahang Pisika ng Pilipinas</i> (Physics Society of the Philippines)
2004-2007	Consultative Group of Experts for Developing Countries (UNFCCC)
2001-2005	Partnership for Clean Air (Steering Committee, Scientific Subcommittee)
1998-2005	Air & Waste Management Association (Philippine Section)

**PERSONAL**

Birthdate/place	30 January 1960 / Manila
Nationality	Filipino

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **FLORENTINO M. HERRERA III**, Filipino, of legal age and a resident of 888 Yale Street, Wack Wack Village, Mandaluyong City, after having been duly sworn to in accordance with law do hereby declare that:

- I am a nominee for independent director of **ALPHALAND CORPORATION**;
- I am affiliated, among others, with the following companies or organizations (*including Government-Owned and Controlled Corporations*):

<i>Company/Organization</i>	<i>Position/Relationship</i>	<i>Period of Service</i>
Herrera Teehankee & Cabrera Law Offices	Founding Partner	June 1986 - Present
Philippine Airlines, Inc.	Director	October 2014 - Present
Rizal Commercial Banking Corporation (RCBC)	Director	August 2016 - Present
Lufthansa Technik Philippines, Inc.	Director	November 2017 - Present
MacroAsia Corporation	Corporate Secretary	December 2014 - Present

- I possess all the qualifications and none of the disqualifications to serve as an Independent Director of **ALPHALAND CORPORATION**, as provided for in Section 38 of the Securities Regulation Code, its Implementing Rules and Regulations and other SEC issuances;
- I am related to the following director/officer/substantial shareholder of **ALPHALAND CORPORATION** and/or its subsidiaries and affiliates other than the relationship provided under Rule 38.2.3 of the Securities Regulation Code. (*where applicable*)

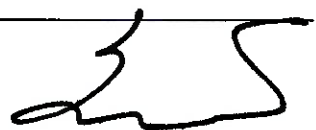
<i>Name of Director/Officer/ Substantial Shareholder</i>	<i>Company</i>	<i>Nature of Relationship</i>
N/A		

- To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding/I disclose that I am the subject of the following criminal/administrative investigation or proceeding (*as the case may be*):

<i>Offense Charged/Investigated</i>	<i>Tribunal or Agency Involved</i>	<i>Status</i>
N/A		

6. (For those in government service/affiliated with a government agency or GOCC) I have the required permission from (head of the agency/department) to be an independent director in **ALPHALAND CORPORATION**, pursuant to Office of the President Memorandum Circular No. 17 and Section 12, Rule XVIII of the Revised Civil Service Rules;
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; and
8. I shall inform the Corporate Secretary of **ALPHALAND CORPORATION** of any changes in the abovementioned information within five days from its occurrence.

Done, this MAY 18, 2020, at \_\_\_\_\_

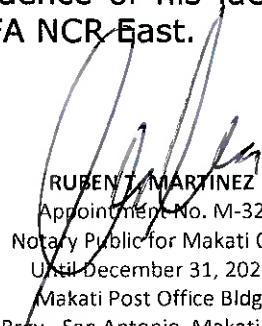


**FLORENTINO M. HERRERA III**

*Affiant*

SUBSCRIBED AND SWORN to before me this JUN 30 2020 at \_\_\_\_\_, affiant personally appeared before me and exhibited to me the following competent evidence of his identity: Passport No. EC3606842 issued on 7 March 2015 at DFA NCR-East.

Doc. No. 437;  
Page No. 89;  
Book No. 88;  
Series of 890;



RUBEN T. MARTINEZ  
Appointment No. M-32  
Notary Public for Makati City  
Until December 31, 2020  
Makati Post Office Bldg.  
Brgy.. San Antonio, Makati City  
Roll of Attorneys No. 26947  
IBP No. 093489 / 01.06.2020 / Pasay City  
PTR No. 8117014 / 01.06.2020 / Makati City  
TIN No. 172-528-629

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **GILBERTO C. TEODORO, JR.**, Filipino, of legal age and a resident of Nr. 18, Anahaw Road, North Forbes Park, Makati City, after having been duly sworn to in accordance with law do hereby declare that:

- 1. I am a nominee for independent director of **ALPHALAND CORPORATION**
- 2. I am affiliated with the following companies or organizations (*including Government-Owned and Controlled Corporations*):

<i>Company/Organization</i>	<i>Position/Relationship</i>	<i>Period of Service</i>
Indophil Resources, Inc	Chairman of the Board	15 Feb 2017 to present
Sagittarius Mines, Inc.	Chairman	Aug 2015 to present
BDO Unibank, Inc.	Independent Director	25 Apr 2014 to present
Philippine Geothermal Production Co., Inc.	Director	2012 to present
Canlubang Sugar Estate	Director	1991 to present

- 3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of **ALPHALAND CORPORATION**, as provided for in Section 38 of the Securities Regulation Code, its Implementing Rules and Regulations and other SEC issuances.
- 4. I am related to the following director/officer/substantial shareholder of **ALPHALAND CORPORATION** and/or its subsidiaries and affiliates other than the relationship provided under Rule 38.2.3 of the Securities Regulation Code. (*where applicable*)

<i>Name of Director/Officer/ Substantial Shareholder</i>	<i>Company</i>	<i>Nature of Relationship</i>

- 5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding/I disclose that I am the subject of the following criminal/administrative investigation or proceeding (*as the case may be*):


<i>Offense Charged/Investigated</i>	<i>Tribunal or Agency Involved</i>	<i>Status</i>

6. (For those in government service/affiliated with a government agency or GOCC) I have the required permission from (head of the agency/department) to be an independent director in **ALPHALAND CORPORATION**, pursuant to Office of the President Memorandum Circular No. 17 and Section 12, Rule XVIII of the Revised Civil Service Rules.

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.

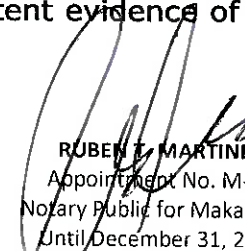
8. I shall inform the Corporate Secretary of **ALPHALAND CORPORATION** of any changes in the abovementioned information within five days from its occurrence.

Done, this MAY 15, 2020, at \_\_\_\_\_.

  
Affiant

SUBSCRIBED AND SWORN to before me this MAY 30 2020  
at \_\_\_\_\_, affiant personally appeared before me and exhibited to me the following competent evidence of his/her identity: TIN No. 123-124-558.

Doc. No. 435;  
Page No. 88;  
Book No. 88;  
Series of 2020;

  
RUBEN T. MARTINEZ  
Appointment No. M-32  
Notary Public for Makati City  
Until December 31, 2020  
Makati Post Office Bldg.  
Brgy.. San Antonio, Makati City  
Roll of Attorneys No. 26947  
IBP No. 093489 / 01.06.2020 / Pasay City  
PTR No. 8117014 / 01.06.2020 / Makati City  
TIN No. 172-528-629

CERTIFICATION OF INDEPENDENT DIRECTOR

I, GREGORIO T. YU, Filipino, of legal age and a resident of 10 Francisco Street, Corinthian Gardens, Quezon City, after having been duly sworn to in accordance with law do hereby declare that:

1. I am an independent director of ALPHALAND CORPORATION
2. I am affiliated with the following companies or organizations (including Government-Owned and Controlled Corporations):

Company/Organization	Position/Relationship	Period of Service
Auto Nation Group, Inc.	Chairman	Nov. 10, 2011 to present
CATS Automobile Corp.	Chairman	June 8, 2004 to present
CATS Asian Cars, Inc.	Director	June 25, 2004 to present
American Motorcycles, Inc.	Chairman	Nov. 28, 2012 to present
Sterling Bank of Asia	Vice-Chairman and Director	June 28, 2005 to present
Philippine Bank of Communications	Director	July 1, 2011 to present
Lucky Star Network Communications Inc.	Chairman and President	Jan. 1, 1994 to present
Philippine Airlines	Director	Dec. 1, 2011 to present
PAL Holdings Inc.	Director	Oct. 1, 2014 to present
Glyph Studios, Inc.	Director	Dec. 1, 2011 to present
Unistar Credit and Finance Corporation	Director	Jan. 1, 2012 to present
ISM Communications Corporation	Director	Dec. 1, 2016 to present
APO Agua Infraestructura, Inc.	Director	2014 to present
Vantage Financial Corporation (formerly E-Business Services Inc.)	Director	Aug. 1, 2015 to present
PhilEquity Management Inc.	Director	August 1, 2013 to present
Vantage Equities Inc.	Director	Aug. 1, 2013 to present
Prople BPO Inc.	Director	Aug. 1, 2006 to present
CMB Partners Inc.	Director	Jan. 1, 2003 to present
Nexus Technologies, Inc.	Director	May 1, 2012 to present
Jupiter Systems Inc.	Director	Oct. 1, 2001 to present
Wordtext Systems Inc.	Director	Sept. 1, 2001 to present
Domestic Satellite Corp.	President	Feb. 1, 2001 to present
Ballet Philippines	Board Member	Jan. 1, 2009 to present
Manila Symphony Orchestra	Board Member	Sept. 1, 2009 to present

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of ALPHALAND CORPORATION, as provided for in Section 38 of the Securities Regulation Code, its Implementing Rules and Regulations and other SEC issuances.
4. I am related to the following director/officer/substantial shareholder of ALPHALAND CORPORATION and/or its subsidiaries and affiliates other than the relationship provided under Rule 38.2.3 of the Securities Regulation Code. (where applicable)

	Company	
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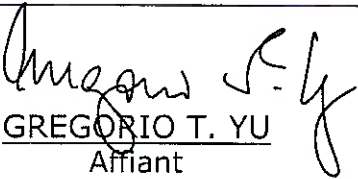
Name of Director/Officer/ Substantial Shareholder		Nature of Relationship

5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding/I disclose that I am the subject of the following criminal/administrative investigation or proceeding (as the case may be):

Offense Charged/Investigated	Tribunal or Agency Involved	Status

6. (For those in government service/affiliated with a government agency or GOCC) I have the required permission from (head of the agency/department) to be an independent director in ALPHALAND CORPORATION, pursuant to Office of the President Memorandum Circular No. 17 and Section 12, Rule XVIII of the Revised Civil Service Rules.
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 ALPHALAND CORPORATION of any changes in the abovementioned information within five days from its occurrence.

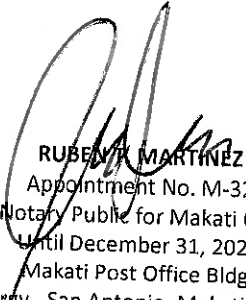
Done, this MAY 15, 2020, at Q.C.

  
GREGORIO T. YU  
 Affiant

SUBSCRIBED AND SWORN to before me this JUN 30 2020  
 at \_\_\_\_\_, affiant personally appeared before me and exhibited to me the following competent evidence of his/her identity: TIN No. 107-465-655.

Doc. No.  
Page No.  
Book No.  
Series of

433  
847  
868  
2020

  
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