NOTICE OF THE ANNUAL MEETING OF STOCKHOLDERS

Please take notice that the Annual Meeting of Stockholders of ALPHALAND CORPORATION will be held on Friday, December 5, 2023 at 10:00 o'clock in the morning. In light of the COVID-19 pandemic and to ensure the safety, welfare and convenience 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, 2022
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 26, 2022
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 November 10, 2023 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 ASM@alphaland.com.ph not later than November 10, 2023, 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.

Copies of the following documents will be posted at the Company's website (alphaland.com.ph): (i) Minutes of the Annual Meeting of Stockholders held on May 26, 2022; (ii) Information Statement with Management Report; (iii) Consolidated Audited Financial Statements for the year ended December 31, 2022.

October 20, 2023.

CHARLES EDWARD M. CHENG
Corporate Secretary

For ASM-related queries, please send an email to ASM@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.

AGENDA
Explanation

1. Call to order
   The Chairman will formally open the meeting at approximately 10 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 26, 2022 is available at the Company's website: 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 26, 2022*."

4. Annual report of Management and approval of the audited financial statements for the year ended December 31, 2022

   The Company's Annual Report, Audited Financial Statements and Information Statement will be posted at the Company's website: 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, 2022 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 26, 2022

   "*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 26, 2022 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 2023-2024.

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 2023-2024*."

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.

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 November 10, 2023 may exercise their right to vote on the agenda items in the 2023 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 ASM@alphaland.com.ph and submit the following **not later than November 10, 2023** (only registered stockholders as of November 10, 2023 shall be allowed to electronically vote *in absentia* or participate in the ASM by remote communication):

• Individual Stockholder	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 b) Stock certificate number/s or a legible copy of the stock certificate c) If appointing a proxy, a legible copy of the proxy form duly signed by the stockholder (need not be notarized) d) E-mail-address, mailing address, and telephone/mobile telephone number of the stockholder or proxy
• Multiple Stockholders or Joint Owners	a) Proof of authority of stockholder voting the shares signed by the other registered stockholders b) A legible copy of a valid identification card with photograph and signature of the representative stockholder, that is issued by the government c) Stock certificate number/s or a legible copy of the stock certificate d) E-mail-address, mailing address, and telephone/mobile telephone number of the representative
• Corporate Stockholders	a) Corporate Secretary's Certification of the Board resolution appointing and authorizing the proxy to participate in the meeting b) A legible copy of a valid identification card with photograph and signature of the proxy c) Stock certificate number/s or a legible copy of the stock certificate d) E-mail-address, mailing address, and telephone/mobile telephone number of the proxy

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 December 1, 2023. 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 ASM@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 ASM@alphaland.com.ph.

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 20-IS

INFORMATION STATEMENT PURSUANT TO SECTION 20 OF THE SECURITIES REGULATION CODE

1. Check the Appropriate box
   [ ] Preliminary Information Statement
   [x] 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 53372031**

8. Date, time and place of meeting of security holders
   Date **December 5, 2023, Tuesday**
   Time **10:00 in the morning**
   Place **The City Club at Alphaland Makati Place**
   (Via remote communication)

9. Approximate date on which the Information Statement is first to be sent or given to security holders: **November 13, 2023**

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)

Number of Common Stock Outstanding	Amount of Debt Outstanding As Of September 30, 2023
27,028,738,834	**Nil**

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 : December 5, 2023, Tuesday
Time : 10:00 in the morning
Place : The City Club at Alphaland Makati 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 November 10, 2023, Friday (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 November 13, 2023, Monday.

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 ("RCC").

Pursuant to Section 80 of the RCC, 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 RCC;
(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 RCC, 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 September 30, 2023**: 27,028,738,834 (exclusive of 4,239,000 in treasury)[1]

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

(b) **Record Date**: All stockholders of record as of the close of business on November 10, 2023 are entitled to notice of, and to vote at, the Annual Meeting.

Security Ownership of Certain Record and Beneficial Owners – as of September 30, 2023

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:

Title of Class	*Name and Address of Record Owner and relationship with Issuer*	*Name of Beneficial Owner and relationship with Record Owner*	*Citizenship*	*No. of Shares*	*% Held*
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[2] –Beneficial Owner	Filipino	8,426,567,460	29.66%

[1] 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.

[2] Ms. Anna Bettina Ongpin is appointed to vote for the shares owned by the late Roberto V. Ongpin and his companies

Common	Boerstar Corporation Alphaland Makati Place, 7232 Ayala Ave. cor. Malugay St., Makati City	Roberto V. Ongpin [3]– Beneficial Owner	Filipino	1,677,884,300	5.91%

Except as stated above, the BOD and Management of the Company have no knowledge of any person who, as at September 31, 2023, 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 5% 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 September 30, 2023:

Title of Class	*Name of Beneficial Owner*	*Amount and Nature of Beneficial Ownership*		*Citizenship*	*Percent*
Common	Roberto V. Ongpin	Direct	10	Filipino	nil
Common		Indirect	10,571,544,535	Filipino	39.15%
Common	Eric O. Recto	Direct	10	Filipino	Nil
Common	Rodolfo Ma. A. Ponferrada	Direct	10	Filipino	Nil
Common	Michelle Ongpin-Callaghan	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		0.61%
Common	Lorenzo V. Tan	Direct	10	Filipino	Nil
Common	Margarito B. Teves	Direct	1,000	Filipino	Nil
Common	Francis Joseph G. Escudero	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	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 September 30, 2023 was 10,735,548,655 common shares.

[3] Ms. Anna Bettina Ongpin is appointed to vote for the shares owned by the late Roberto V. Ongpin and his companies

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 attendance of the directors at the meetings of the Board and its Committees held in 2022 and 2023 is attached as **Annexes "E"** and **"E-1"** of this Information Statement.

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

1. Eric O. Recto (incumbent)
2. Lorenzo V. Tan (incumbent)
3. Dennis A. Uy (incumbent)
4. Francisco Ed. Lim (incumbent)
5. Juan Edgardo M. Angara (incumbent)
6. Mario A. Oreta (incumbent)
7. Rodolfo Ma. A. Ponferrada (new)
8. Anna Bettina Ongpin (incumbent)
9. Michelle O. Callaghan (new)
10. Francis Joseph G. Escudero (incumbent)
11. Margarito B. Teves – Independent (incumbent)
12. Jose Ramon T. Villarin – Independent (incumbent)
13. Florentino M. Hererra III – Independent (incumbent)
14. Gregorio T. Yu – 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. Eric O. Recto (Chairman)
b. Rodolfo Ma. A. Ponferrada
c. Anna Bettina Ongpin

Audit Committee

a. Margarito B. Teves (Chairman/Independent Director)
b. Gregorio T. Yu
c. Florentino M. Herrera III

Nominations Committee

a. Eric O. Recto
b. Rodolfo Ma. A. Ponferrada
c. Gregorio T. Yu (Independent)

Compensation Committee
a. Eric O. Recto
b. Anna Bettina Ongpin
c. Rodolfo Ma. A. Ponferrada

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

Pursuant to Section 38 of the Securities Regulation Code, as amended, 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, 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

ERIC O. RECTO, *Chairman of the Board and Chief Executive Officer*
Mr. Recto, Filipino, 60 years old, was appointed Chairman of the Board and Chief Executive Officer on February 16, 2023. He is also presently the Chairman of the Board of Atok-Big Wedge Co., Inc., and the Chairman of the Philippine Bank of Communications. He is presently Chairman and President of Bedfordbury Development Corporation. He is the Lead Independent Director of Aboitiz Power Corporation; Independent Director of Manila Water Company, Inc.; and holds board positions in other publicly-listed companies. He was recently appointed Senior Advisor of Stonepeak Infrastructure Partners in the US and Director of Miescor Infrastracture Development Corporation. Prior to his current roles, he was President of Petron Corporation, the largest oil refining and marketing company in the Philippines. He also previously served as Undersecretary of Finance of the Republic of the Philippines from 2002 to 2005. Mr. Recto has an undergraduate degree in Industrial Engineering from the University of the Philippines and has an MBA from Cornell University's Johnson Graduate School of Management.

RODOLFO MA. A. PONFERRADA, *President and Director*
Mr. Ponferrada, Filipino, 47 years old, was elected Director and President of the Corporation on September 1, 2022. He is also the President of Alphaland Balesin Island Club, Inc. and The City Club at Alphaland Makati Place, Inc. He used to be the General Counsel of the RVO Group of Companies from 2006 to 2016. He also served the Alphaland corporations in various capacities from 2007 until 2016. He is currently the Managing Partner of Ponferrada San Juan & Fernandez Law Offices. Mr. Ponferrada is a member of the Philippine Bar.

ANNA BETTINA ONGPIN, *Vice Chairman and Director*
Ms. Ongpin, Filipino, 59 years old was elected Director on March 19, 2014 and appointed as Vice Chairman on July 30, 2020. She has more than 30 years of communications, marketing, project management, and operations experience in the management consulting and media fields. She has a Bachelor's Degree in Political Science from Wellesley College.

MICHELLE ONGPIN-CALLAGAN, *Director*
Ms. Ongpin, Filipino, 42 years old, was elected Director on February 16, 2023. She is currently the President of Tabacalera Incorporada and Director and Treasurer of Ugat ng Kalusugan, a reproductive health NGO based in Palawan. She was the President of CachCall Food Ventures, Inc. from June 2018 to September 2018. She has a postgraduate degree in International Studies from the Diplomatic Academy Vienna and M.A. Communication Sciences with Minors in Psychology and Philosophy from the University of Vienna.

LORENZO V. TAN, *Director*
Mr. Tan, Filipino, 62 years old, was elected Vice Chairman and Director on June 20, 2018. He is the incumbent President & CEO of Yuchengco-owned House of Investments, Inc. and currently the Chairman of EEI Corp. He is a prominent banker who served as the President and Chief Executive Officer of Rizal Commercial Banking Corporation from 2007 to 2016. Prior to that, he also served as President and CEO of Sun Life of Canada (Philippines), Inc., the Philippine National Bank, and the United Coconut Planters Bank. Mr. Tan is currently serving as Director of Smart Communications, Inc., Digitel Telecommunications, Sun Life Grepa Financial, Inc., iPeople, Inc., Malayan Insurance Company, Inc., Manila Memorial Park Cemetery, Inc., PetroEnergy Corporation; Philippine Realty and Holding Corporation (Philrealty) and Hi-Eisai Pharmaceutical Inc.. He also serves as Director for Honda Cars Philippines and Isuzu Manila, Inc.; Director, President and CEO of RCBC Realty Corporation and San Lorenzo Ruiz Investment Holdings and Services, Inc. He holds the Vice Chairmanship of the Pan Malayan Management and Investment Corporation (PMMIC), and TOYM Foundation; Member of the Board of Trustees of De La Salle Zobel. *Other past experiences include:* Managing Director of Primeiro Partners, Inc., Chairman of Asian Bankers Association (ABA); President of Bankers Association of the Philippines (BAP). Mr. Tan is a Certified Public Accountant in Pennsylvania, USA and in the Philippines, 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, *Director*
Mr. Uy, Filipino, 50 years old, was elected Director on June 20, 2018. He is also the Vice-Chairman of Atok-Big Wedge. Co., Inc. Mr. Uy is also the Founder, Chairman and CEO of UDENNA Corporation and Chairman of Dito Telecommunity Corporation and Dito CME Holdings Corp.; Chairman of Phoenix Petroleum Philippines, Inc. (PNX), Phoenix Philippines Foundation, Chairman of UDENNA Land, Inc., PH Resorts Group Holdings Corp.; Chairman and President of UDENNA Infrastructure Corp.; Chairman of UDENNA Foundation, Silad Atleta Pilipinas Sprots Foundation and LIFE Fund. Mr. Uy is also the Chairman and Director of UC38 LLC. He was appointed Presidential Adviser on Sports in 2016-2022, and has been an Honorary Consul of Kazakhstan to the Philippines since 2011. Mr. Uy is a graduate of De La Salle University with a degree in Business Management.

FRANCISCO ED. LIM, *Director*
Atty. Lim, Filipino, 68 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 ("III"), Advisory Committee for the Asian Principles of Business Restructuring Project of the III 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, 51 years old, was elected Director on June 20, 2018. He was elected to the Senate of the Philippines in 2013, and to another term in 2019—garnering the 6th most number of votes on both instances. Prior to the Senate, he served as Representative of the lone district of Aurora province from 2004 to 2013. 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.

FRANCIS JOSEPH G. ESCUDERO
Mr. Escudero, Filipino, 54 years old, was appointed Director on June 30, 2022. He was elected to the Senate of the Philippines in 2007 where he was the Committee Chairperson of various Senate Committees from 2007 to 2019 and become Senate President in 2022. He was a former Provincial Governor of Sorsogon from 2019-2022. Mr. Escudero was also elected to the House of Representative for the 1st District of Sorsogon from 1998-2007. He finished his law degree at the University of the Philippines and earned his Master of Laws degree from Georgetown University Law Center.

MARIO A. ORETA
Mr. Oreta, Filipino, 77 years old, was elected Director on November 11, 2009. He served as President of the Company from 2009 to 2016. 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 A. Oreta and Partners.

MARGARITO B. TEVES (*Independent)*
Mr. Teves, Filipino, 80 years old, was elected Independent Director on August 31, 2011. He is also an Independent Director of Atok-Big Wedge Co., Inc., Alphaland Balesin Island Club, Inc., and The City Club at Alphaland Makati Place, Inc. 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. Villarin, Filipino, 63 years old, was elected Independent Director on June 20, 2018. He is presently the Executive Director of the Manila Observatory. He served as President of Ateneo de Manila University and Xavier University (2005-2020). At present, he is Chairman of Synergeia, an NGO for public education reform, and Vice-Chairman of the Scientific Community/Academe of the National

Resilience Council. He is also on the international advisory board of Sophia University (Japan). His past engagements include membership in the boards of AIM and Ramon Magsaysay Foundation. Mr. Villarin has a degree in physics from the Ateneo de Manila University, a master's in physics from Marquette University (Wisconsin), and a doctorate in atmospheric sciences from Georgia Tech (Atlanta).

FLORENTINO M. HERERRA III *(Independent)*
Mr. Herrera, Filipino, 72 years old, was elected Independent Director on June 20, 2018. He is the founding partner of Herrera Teehankee & Cabrera Law Offices (established in 1986). He was formerly a Partner of one of the largest law offices in the Philippines. He has been engaged in the general practice of law for the past forty-four (44) years specializing in corporate law practice as counsel for various companies. Among others, he serves as Senior Adviser of CVC Asia Pacific Limited (since April 2014). He is a Director of Philippine Airlines, Inc. (since 2014), Lufthansa Technik Philippines (LTP) (since 2017) (Corporate Secretary of LTP from 2000 to 2016). He is the Corporate Secretary of MacroAsia Corporation (since 2014) and Allianz PNB Life Insurance, Inc. (since 2016). Atty. Herrera holds a Bachelor of Arts in Political Science degree and a Bachelor of Laws degree (Cum Laude, Salutatorian) both from the University of the Philippines.

GREGORIO T. YU *(Independent)*
Mr. Yu, Filipino, 65 years old was elected Independent Director on June 20, 2018. He is presently the Chairman of Nexus Technology Inc. Mr. Yu is also a director of various private institutions, among which are IC Star Automotive Inc., IC Automotive Inc., IC Land Automotive Inc., ICATS Motors Inc., ICATS Asian Cars Inc, ICATS Motorcycles Inc., ICATS British Cars Inc. and CATS Group Holdings Inc.. He is also a Director of Unistar Credit and Finance Corporation, Philippine Bank of Communication, Glyph Studios, Inc., Prople BPO Inc., WSI Corporation, and Jupiter Systems Corporation. He is also an Independent Director of AIA Philippines Life and General Insurance Company, Inc., Glacier Megafridge, APO Agua Infrastructura Inc., Philequity Management Inc., Vantage Financial Corporation (formerly E-business Services, Inc. and Vantage Equities Inc. Mr. Yu is also a Board Member of The Manila Symphony Orchestra since 2009. He received his MBA from the Wharton School of the University of Pennsylvania in 1983 and his Bachelor of Arts in Economics (Honors Program) Summa Cum Laude from De La Salle University in 1978**.**

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”, and “D”** are the Certifications of the Qualification of the Nominees for Independent Directors namely Messrs. Teves, Villarin, Herrera, 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

CRISTINA B. ZAPANTA, *Treasurer and Senior Vice President for Finance*
Ms. Zapanta, Filipino, 60, 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.

JERIC PAUL P. POSIO, *Senior Vice President for Finance*
Mr. Posio, Filipino, 33, was appointed Senior Vice President for Finance on July 22, 2022. He has been with Alphaland Corporation for the last 8 years. He is also the Senior Vice President for Finance of Alphaland Corporation’s subsidiaries and affiliates.

CHARLES EDWARD M. CHENG, *Corporate Secretary and Senior General Counsel*
Mr. Cheng, Filipino, 42 years old, became Corporate Secretary on June 18, 2023 and is also the Corporate Secretary and General Counsel of the Company and its subsidiaries. Prior to joining the Company, Mr. Cheng served as Legal Counsel for Royal Dutch Shell PLC subsidiaries, including, among others, Shell Philippines Exploration B.V., Pilipinas Shell Petroleum Corporation and Shell Global Solutions International B.V. Before joining Shell, he was a Senior Associate in the Corporate and Special Projects Department of Villaraza Cruz Marcelo and Angangco (Carpio Villaraza Cruz). He finished his Bachelor of Science Degree in Management minor in Finance, Honorable Mention, from the Ateneo de Manila University and completed his L.l.B from the University of the Philippines College of Law in 2007, graduating with honors.

NEW OFFICER

PHILIP LOUIE H. ESTEMBER, *Assistant Corporate Secretary*
Mr. Estember, Filipino, 38 years old, was appointed as Assistant Corporate Secretary of the Company since July 3, 2023 up to present. He obtained his Legal Management Degree and Law degrees from the University of Santo Tomas and San Beda College of Law - Manila, respectively, and was admitted to the Philippine Bar in 2014.

Directorships in Other Reporting Companies

Mr. Recto is also a Director and the Chairman of Atok-Big Wedge Co. Inc. (AB). He is also a Director and the Chairman of Philippine Bank of Communications (PBC); Independent director of Aboitiz Power Corporation.

Ms. Ongpin is also a director of AB, Director and Chairman of 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 Philippine Bank of Communications (PBCOM), IC Star Automotive, Inc., IC Automotive, Inc., IC Land Automotive, Inc. Independent Director of AIA Philippines Life and General Insurance Company, Inc. APO Agua Infrastructure Inc.

Mr. Dennis A. Uy is the Chairman of Phoenix Petroleum Philippines, Inc. (PNX), Chairman of Dito CME Holdings Corp. (formerly ISM Communications) and the Chairman and Director of UC38 LL, Chairman of PH Resorts Group Holdings, Inc. (PHR) and Chairman and President of UDENNA Infrastructure Corp. He is also a director and Vice Chairman of Atok-Big Wedge Co., Inc.

Shares of AB, DITO, PBC, UBP, EDC, RCB and PAL 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

Ms. Anna Ongpin and Ms. Michelle Ongpin-Callaghan are cousins of Mr. Recto. Ms. Anna Ongpin and Michelle Ongpin-Callaghan are sisters. 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. Stemming from this main case were various Petitions filed by and against RVO, et al., before the Court of Appeals and/or Supreme Court. The Supreme Court in case number G.R. No. 204166 ruled to dismiss Ongkiko-Acorda's derivative suit on account of non-

payment of correct filing fees, among others. Ongkiko-Acorda's Motion for Reconsideration of the Supreme Court's ruling is still pending resolution. Meantime, RTC Pasig is awaiting the finality of the Supreme Court's ruling so that it may terminate and deem closed the derivative suit.

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 Information 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 ad Investigation 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. After an adverse ruling from the SEC En Banc, RVO, et al. elevated the matter to the Court of Appeals via a Petition for Review. The CA denied RVO, et. al.'s Petition for Review, hence, the case was further elevated via a Petition for Review on Certiorari which is now pending before the Supreme Court.

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. On September 30, 2020, the Supreme Court issued a resolution dismissing the Petition for Review filed by the SEC-EIPD. A motion for reconsideration of the dismissal is pending resolution by the Supreme Court.

5. *Roberto V. Ongpin, Dennis O. Valdes, Cyrano A. Austria, and Michael M. Asperin vs. Enforcement and Investor Protection Department – Securities and Exchange Commission* – Petition for Review with Prayer for the Issuance of a Writ of Preliminary Injunction and/or Temporary Restraining Order and/or Stay Order was filed on January 26, 2021. In a Resolution dated March 22, 2022, the Court of Appeals denied our prayer for the issuance of a temporary restraining order and/or preliminary injunction. The Resolution further directed the parties to submit their respective Memorandas within fifteen (15) days from notice or until April 19, 2022,

6. *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 pertains 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. 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 denied the Petition and dismissed the case with finality.

7. *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 denied the Petition with finality.

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 and Mr. Escudero who are elected Senators.

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:

CEO and Top 4 Highest Paid Executives 1. Roberto V. Ongpin, Chairman & CEO 2. Anna Bettina Ongpin, Vice Chairman 3. Paul Dennis O. Valdes, President 4. Michael A. P. M. Asperin, EVP 5. Enrico Sison, SVP	2021	135,500,000.00	0	0	135,500,000.00
All Directors and Officers as a Group Unnamed	2021	137,900,000.00	0	0	137,900,000.00
CEO and Top 4 Highest Paid Executives 1. Roberto V. Ongpin, Chairman & CEO 2. Anna Bettina Ongpin, Vice Chairman 3. Paul Dennis O. Valdes, President	2022	* 138,100,000.00	0	0	*138,100,000.00

4. Michael A. P. M. Asperin, EVP 5. Enrico Sison, SVP					
All Directors and Officers as a Group Unnamed	2022	*140,500,000.00	0	0	*140,500,000.00
CEO and Top 4 Highest Paid Executives 1. Roberto V. Ongpin, Chairman & CEO 2. Eric Ramon O. Recto, Chairman 3. Anna Bettina Ongpin, Vice Chairman 4. Atty. Rodolfo Ma. A. Ponferrada 5. Michael A.P.M. Asperin, EVP 6. Borgers, Alain, EVP	2023	* 77,875,000.00	0	0	* 77,875,000.00
All Directors and Officers as a Group Unnamed	2023	* 80,275,000.00	0	0	* 80,275,000.00

**Estimated aggregate compensation for the whole year 2022.*

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 other than per diems for attendance during meetings. 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. In 2023, the non-executive directors and independent directors of the Company received per diems, net of tax, as follows:

Director	*Total Per Diems in 2023 (in PhP)*
Eric O. Recto	40,000
Anna Bettina Ongpin	40,000
Mario A. Oreta	40,000
Dennis A. Uy	40,000
Lorenzo V. Tan	40,000
Juan Edgardo M. Angara	40,000
Jaime J. Bautista	40,000
Gilberto C. Teodoro, Jr.	-
Francisco Ed. Lim	40,000
Jose Ramon T. Villarin	40,000

Florentino M. Herrera III	40,000
Gregorio T. Yu	-
Margarito B. Teves	40,000

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

Item 7. Independent Public Accountant

In 2022, 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:

	Aggregate Fee Amount			
Type of Service	**2022**	**2021**	**2020**	Nature of Service
External Audit	**₱1,915,000**	**₱1,880,000**	**₱1,880,000**	Audit of Financial Statements
Retainer	**350,000**	**216,000**	**216,000**	Tax Advisory
Total Fees	**₱2,265,000**	**₱2,096,000**	**₱2,096,000**	

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 26, 2022.

The reappointment of the said auditing firm as Independent Public Accountant for the year 2022 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.

C. ISSUANCE AND EXCHANGE OF SECURITIES

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, 2022, 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, 2022 were approved and authorized for issuance by the Executive Committee of the BOD on May 15, 2023.

ALPHA's Significant Legal Subsidiaries as at December 31, 2022 and 2021

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.

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, therapheutic 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%.

q. *Balesin Football Center, Inc.* (BFCI), *100% owned by ALPHA*, was incorporated and registered with the Philippine SEC on May 2, 2022 primarily to hold, develop, operate, manage, administer, lease except financial leasing or rent for profit a Fėdėration Internationale de Football Association (FIFA)-approved turf field training and game facility with sports preparation and rehabilitation facilities at Balesin Island, Polillo, Quezon for the use of football clubs, camps, tournaments, conferences and training.

Financial Statements

The audited consolidated financial statements as of December 31, 2022 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.

ALPHALAND BAGUIO MOUNTAIN LODGES

The Alphaland Baguio Mountain Lodges is a master-planned development of 300 lodge style log homes, situated on an 82-hectare property. The development is just 9 kilometers north of Baguio City on Ambuklao Road, which is now fully paved and is only a 15-minute drive from Baguio City proper. The development also offers two helipads

The site enjoys lush Benguet pine forest and totally pollution-free mountain air. In addition to about 10,000 Benguet pine trees on the property (some over a hundred years old), we maintain a nursery for another 50,000 pine trees, all of which will be eventually planted all over the property, making it one of the most lush pine forests in all of Benguet.

There are 7 designs and floor plans to choose from, and the homes are sited to maximize the views of the surrounding pine-forested mountains. The free-standing, individual log homes range in size from 4 to 6 bedrooms, while quadruplexes house the 2- and 3-bedroom homes; all are fully furnished. Each home is constructed from western cedar or pine logs imported from Scandinavia. The entire property will be secured by an 8-foot concrete perimeter fence, with 12 security outposts.

The master plan was completed by Eco Plan of Florida in the U.S., the same master planner for Balesin Island. The lodges are sold individually as horizontal condominiums, where the land is proportionately owned by all 300 homeowners. This allows for the optimization of the locations and views of all of the home sites.

Each quadruplex or cluster of 5 to 8 individual homes has its own water cistern that collects rainwater from the roof of each building. Landscaping is provided and maintained by Alphaland, to the usual superior Alphaland standard.

On the main Ambuklao Road part of the property, we will construct a commercial center consisting of several pine log units, which we will provide rent-free to the best restaurants and popular shops in Baguio, as well as a laundromat for the convenience of our homeowners.

We have also completed the mini sports center, which has been used for wedding receptions in addition to sports and recreation. In addition, we have a 2 km hiking trail. We also have a horseback riding trail with ponies from Wright Park.

ALPHALAND MAKATI PLACE

Recent years' economic growth has resulted in the expansion of Makati's vibrant Central Business District. Alphaland Makati Place, located on a premium one-hectare property along Ayala Avenue Extension, near office buildings, schools, shopping centers, hospitals, and community areas, leads the charge.

Alphaland Makati Place is a state-of-the-art office, residential, and leisure complex that offers an integrated lifestyle solution in one dynamic complex. Every detail is planned for efficiency, sustainability, and enjoyment.

It consists of 1 corporate and 2 residential/hotel towers atop the six-storey podium. The first three floors of the podium are home to an upscale public shopping center, high-end supermarket, world-class restaurants, and service hubs. The upper three floors of the podium house The City Club, an exclusive urban sport and leisure membership club and business haven. The City Club also houses Aegle Wellness Center, a center for longevity and holistic health. Atop the six-storey podium are the 256 units that compose The Alpha Suites luxury serviced residences, the 244 condominium units that make up The Residences at Alphaland Makati Place, and the 34-storey Alphaland Corporate Tower.

Alphaland Makati Place is the only complex in the Central Business District to present such a comprehensive living solution. It is designed by the well-established Hong Kong architectural and engineering practice, Wong & Ouyang, and the leading architectural firm in the Philippines, Casas + Architects. This complete community is designed to cut down on commuting to enable residents and guests to save time and energy, and minimize traffic, all in secure, private surroundings.

Alphaland Makati Place is designed from the ground up with state-of-the-art building management, automation, and security, as well as energy-efficient mechanical, electrical, and sanitary systems. The complex consumes far less water and energy than comparable buildings, minimizing carbon emissions and unnecessary costs, while still achieving a high level of comfort. Moreover, the complex offers five levels of underground parking, which reduces the urban "heat island effect". The project is registered under the United States Green Building Council (USGBC) rating system, which administers the Leadership in Energy and Environmental Design (LEED).

To keep Alphaland Makati Place 100% free from COVID-19, the following have been implemented:

• Continuous monitoring of the guidelines of Philippine and global public health authorities (including the World Health Organization) for health and safety protocols

• Screening all City Club members and guests, and Aegle Wellness Center clients, for COVID-19 risks by having them complete travel and health questionnaires prior to entering, and Alpha Suites guests prior to check-in

• Alpha Suites guests are also required to present a negative same-day antigen swab test result prior to check-in

• Mandatory temperature check, hand sanitization, and use of disinfecting footbath upon entry

• Compulsory wearing of face masks and face shields by all staff and guests within the building complex

• Provision of hand sanitizers at the Front Desk and at our restaurant takeout stations

• Enforcement of physical distancing in elevators and common areas of the hotel

• Heightened sanitation of all public areas and surfaces every 30 minutes

- **ALPHALAND CORPORATE TOWER**

The Alphaland Corporate Tower is a 34-storey, Grade AAA office building located in the heart of Makati's Central Business District on prestigious Ayala Avenue. Part of the Alphaland Makati Place complex, it offers total leasable space of 26,582 sqm, a panoramic view from each floor, and a total of 27 floors, each with a floor plate of 950 sqm.

Completed in early 2018, the Corporate Tower was fully leased by mid-2018. Each tenant is entitled to ten City Club shares (worth Php 1.5 million each for a total of Php 15 million) at no cost. The tower offers four high-speed elevators, an all-granite and marble entrance lobby, 100% backup genset, and the exclusive Top of the Alpha events venue on the penthouse floor, with its own private elevator..

- **THE ALPHA SUITES LUXURY SERVICED RESIDENCES**

In late 2017, Alphaland decided to convert its unsold inventory in The Residences at Alphaland Makati Place into luxury serviced apartments. The Alpha Suites serviced residences was launched in May 2018, and is wholly owned and operated by Alphaland Corporation. Composed of 256 suites, it offers several different room types: 1-Bedroom, 2-Bedroom, 2-Bedroom Deluxe, 3-Bedroom, two Penthouses, and a two-level Presidential Suite.

Each suite offers bespoke furniture, top-of the-line appliances, and premium bathroom fixtures. Every unit has a fully equipped kitchen with dishwasher as well as automated lights, window shades, TV lift, and air conditioning; laundry washer and dryer; minibar; and a safe, with the larger units also including a wine chiller. Fixtures for the suites were handpicked from leading global brands, such as Philippe Starck and Electrolux.

Guests of The Alpha Suites have full access to the 50+ facilities and amenities of The City Club, located in the same building, including the nine world-class restaurants, expansive swimming pool, indoor tennis, badminton, basketball and squash courts, 500-square meter gym, business facilities, etc.

Despite its very recent entry into the hotel market as an independent, non-affiliated property, The Alpha Suites has been ranked the #1 hotel in Makati and Metro Manila on Tripadvisor, the world's leading travel platform, since July 2019.

As we navigate through the new normal of travel, The Alpha Suites remains committed to maintaining the highest standards of hospitality while reinventing the way we deliver guest experiences for a safe and worry-free stay at your five-star home in the city.

Here are the specific steps that we are implementing as part of our commitment to keeping The Alpha Suites 100% free of COVID-19:

• Continuous monitoring of the guidelines of Philippine and global public health authorities (including the World Health Organization) for health and safety protocols

• Screening all guests for COVID-19 risks by having them complete travel and health questionnaires prior to check-in

• COVID-19 antigen swab testing of guests according to the existing guidelines

• Mandatory temperature check, hand sanitization, and use of disinfecting footbath upon entry to hotel

• Compulsory wearing of face masks and face shields by all staff and guests within the building complex, and wearing of disposable gloves by our front-line staff

• Provision of hand sanitizers at the Front Desk and at our restaurant takeout stations

• Enforcement of physical distancing in elevators and common areas of the hotel

• Heightened sanitation of all public areas and surfaces every 30 minutes

• UV treatment of all suites prior to checkin to ensure the elimination of harmful pathogens on room surfaces

• Increased frequency of disinfection of all high-touch areas in the suites

• Application of door seal to ensure that the suite has not been accessed by anyone after sanitation by Housekeeping

- **THE RESIDENCES AT ALPHALAND MAKATI PLACE**

Dubbed “the home of the future”, The Residences at Alphaland Makati Place incorporates the limitless possibilities of future receptive technology into residents’ daily lives through the incorporation of fiber optic infrastructure.

The Residences at Alphaland Makati Place, a meticulously designed complex that ensures a natural fusion of aesthetics and efficiency, offers fully fitted and fully furnished, state of-the-art Ayala Avenue apartments. The strategic location of the complex makes it a perfect home for dynamic executives, young families, and upwardly mobile singles. The complex incorporates high-speed fiber optic infrastructure, ensuring that it will be technologically advanced for years to come.

Each unit in The Residences at Alphaland Makati Place comes with a resident membership in The City Club, whose top-of-the-line facilities are dedicated to fulfilling the most demanding lifestyle needs.

- **TOP OF THE ALPHA**

The Top of the Alpha is Manila’s premier destination for upscale bar & lounge entertainment and private events. The venue features a magnificent view from every part of the 34th floor penthouse of the Alphaland Corporate Tower in Makati.

Top of the Alpha has an L-shaped music lounge where well-known jazz bands have performed, a Tabacalera Cigar Divan featuring the country’s finest hand-rolled cigars and single-malt Scotch and Cognac pairings, and an open-air wraparound terrace for dining and lounging with a spectacular view of the metropolis. It also has three beautifully designed private rooms featuring large TV monitors where you can view the live bands or your choice of music in a plush, private setting.

Top of the Alpha is also a premier private events venue serving refined continental cuisine and fine wines and spirits, with live acoustic music and the beautiful view of the metro as its backdrop

AEGLE WELLNESS CENTER, INC.

Aegle Wellness Center is a state-of-the-art integrative health and wellness center purposely set in two complementary sites—a five-star city center facility and an exclusive island resort setting—to nurture and sustain our unique and bespoke wellness programs.

Named after the Greek goddess of radiant good health, Aegle illustrates the marriage of science and health—Aegle being the daughter of Aesculapius, the god of medicine, and Epitome, the goddess of soothing of pain. Aegle is the sister of Panacea, the goddess of medicines, and Hygeia, goddess of health.

Aegle is devoted to the maintenance of health through lifestyle modification based on cutting edge technology from the basic sciences such as cell physiology, molecular biology, and human genomics. Protocols are hinged on the four foundations of wellness: natural detoxification, weight management, ageing medicine, and holistic health.

Complementing the limitations of Western medicine with the preventive health values of traditional healing, Aegle provides multi-faceted programs to address health concerns ranging from treatment of lifestyle diseases, to enhancing function and athletic performance, to providing support for prevention of terminal illness.

Leading Aegle's acclaimed medical team is Dr. Benedict Valdecañas, the country's leading authority in the field of Sports and Regenerative Medicine. The city-center facility of Aegle Wellness Center, which is located at The City Club, began operations in late 2015.

SERVICES AND PROGRAMS
• Professional Assessment & Evaluation
• Professional Age Management Consults
• Exercise Instruction, Initiation, Integration and Physical Therapy
• Nutritional Consults, Weight Management and Support
• Life Coaching
• Mindfulness Coaching
• Thalassotherapy (Aegle - Balesin only)
• Laboratory Assessment
- COVID-19 Reverse Transcription Polymerase Chain Reaction, Rapid Antigen, and Rapid Antibody Testing
- Complete Blood Analysis and Serum Chemistry
- Body Composition Analysis (BCA)
- Metabolic Analysis Testing
- Food Sensitivity Testing
- Genomic Analysis
- Hormonal Assay
- Micronutrient Assay
- Cancer Markers
- Toxicology Scan
- Gut Microbiome Analysis
- Oxidative Stress
- Neurotransmitter Assay

- Amino Acid Assay
- Cardiovascular
- Chronic Fatigue Syndrome
- Ancillary Assessment
- Plethysmography
- Live Blood Analysis

TREATMENTS
• Hyperbaric Oxygen Therapy (HBOT)
• Colon Hydrotherapy
• Intravenous Detoxification
• Intravenous Supplementation

AESTHETIC TREATMENTS
• Skin Renewals
• Skin Regeneration & Remodeling
• Body Reshaping
• FaceFitness and FaceFitness Luxe

ALPHALAND AVIATION, INC.

Alphaland Aviation's fleet of aircraft includes two 68-seater ATR 72-500s, two 9-seater Cessna 208B Grand Caravans, and a 12-passenger Dassault Falcon 900EX, as well as a 5-passenger Eurocopter EC-130B4 helicopter.

- ALPHALAND CLARK HANGAR AND LOUNGE

Alphaland's private hangar and lounge at Clark International Airport in Pampanga has allowed us to offer additional and more convenient flights for Balesin members who live in the northern part of Metro Manila and in Central Luzon. In addition to our usual service from NAIA, we now schedule flights to and from Clark to avoid the air traffic and runway congestion at NAIA.

The Group is looking forward to a strong operating performance in 2021 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 2023.

Submission of Matters to a Vote of Security Holders

During the last Annual Stockholders' Meeting on May 26, 2022, 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 September 30, 2023 are as follows:

		Citizenship	No. of Shares	%
1.	Alphaland Development, Inc.	Filipino	13,792,109,780	51.06%
2.	RVO Capital Ventures Corporation	Filipino	8,426,567,460	31.20%
3.	Boerstar Corporation	Filipino	1,677,884,300	6.21%
4.	Red Epoch Group Ltd.	Hongkong	961,134,130	3.56%
5.	Southern Star Investment Limited	Filipino	890,000,000	3.30%
6.	Azurestar Corporation	Filipino	280,626,360	1.04%
7.	Noble Care Management Corporation	Filipino	145,916,470	0.54%
8.	Arculli, Derek	Filipino	100,000,000	0.37%
9.	Citadel Investments Limited	Filipino	100,000,000	0.37%
10.	Major Holdings Corporation	Filipino	90,118,820	0.33%
11.	Major Properties, Inc.	Filipino	73,881,180	0.27%
12.	Loustar Corporation	Filipino	55,641,840	0.21%
13.	Powerventures, Inc.	Filipino	54,900,230	0.20%
14.	Galaxyhouse, Inc.	Filipino	47,575,450	0.18%
15.	Crystalventures, Inc.	Filipino	47,198,420	0.17%
16.	Towermill Capital Ventures Corporation	Filipino	47,112,770	0.17%
17.	Gemplace Resources, Inc.	Filipino	46,877,410	0.17%
18.	Summer Wind Capital Ventures Corporation.	Filipino	41,791,630	0.15%
19.	Mega Access Capital Ventures Inc.	Filipino	27,672,830	0.09%
20.	Globalcentric Corporation	Filipino	25,118,000	0.09%

Dividends

During the special meeting of the Board of Directors of the Company held on July 29, 2022, the Board approved the declaration of cash dividends (out of the unrestricted and unappropriated retained earnings of the Company as of December 31, 2021) at Php0.04 per share in favor of holders of common shares of the Company as of the Record Date, July 15, 2022, payable on or before August 4, 2022.

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

Within the past three years, the Company entered into the following share subscription agreements:

Date of Subscription	*Subscriber*	*Number of Shares Subscribed*	*Total Subscription Price (in PhP)*
January 2, 2020	Crystalventures, Inc.	47,198,420	224,479,349
January 2, 2020	Earthlight, Inc.	25,061,400	119,294,209
January 2, 2020	Galaxyhouse, Inc.	47,575,450	226,082,227
January 2, 2020	Gemsplace Resources, Inc.	46,877,410	222,765,069
January 2, 2020	Globalcentric Corporation	25,118,000	119,463,179
January 2, 2020	Loustar Corporation	55,641,840	264,414,318
January 2, 2020	Mega Access Capital Ventures, Inc.	25,205,930	119,982,187
January 2, 2020	Powerventures, Inc.	54,900,230	260,890,144
January 2, 2020	Redcrest Holdings Corporation	24,641,230	117,097,022
January 2, 2020	Regenstar Holdings Corporation	25,034,140	119,164,443
January 2, 2020	Summer Wind Capital Ventures Corporation	41,791,630	198,597,048
January 2, 2020	Towermill Capital Ventures Corporation	47,112,770	223,883,517
April 1, 2022	Cressida Resources, Inc.	19,745,114	123,762,374.55

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 Maters

There are no maters 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.

OTHER MATTERS

Item 15. Action with Respect to Reports

(a) During the last Annual Stockholders' Meeting held on May 26, 2022, the Chairman reported the results of operations of the Company.

Voting and vote tabulation procedures used in the previous meeting.
Items that required the vote of stockholders were presented for approval of the stockholders at the previous meeting. The vote required for acts requiring stockholders approval is at least a majority of the outstanding capital stock. Voting was validated by the Corporate Secretary.

For the election of Directors, each stockholder was entitled to one (1) vote per share multiplied by the number of board seats. Cumulative voting was allowed for election of members of the Board of Directors. Each stockholder 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 following matters were likewise presented and approved by the stockholders during the said meeting:

i. Minutes of the previous Annual Stockholders' Meeting
ii. Annual Report of Management including the Audited Financial Statements for the year ended 31 December 2022
iii. Confirmation of all acts of the Board of Directors and of Management since the last Annual Stockholders' Meeting
iv. Election of directors for the ensuing year
vii. Appointment of external auditor

The voting results of each agenda item, attendance of the directors, officers, and stockholders are duly reflected in the Minutes of the previous Annual Stockholders' Meeting attached as **Annex "F"** and **"F-1"** of this Information Statement.

Prior to adjournment, the Chairman opened the floor for comments and questions by the stockholders. None of the stockholders participating in the meeting asked any questions.

(b) For the Annual Stockholders' Meeting on December 1, 2023, the Chairman will report on the performance of the Company in the year 2022. The following matters will also be presented for the consideration of the stockholders at such meeting:

i. Minutes of the 2022 annual meeting of stockholders held on May 26, 2022
ii. Annual Report of Management;
iii. 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 26, 2022 until the annual stockholders' meeting on December 1, 2023.
iv. Election of the members of the Board, including Independent Directors; and
v. Election of the external auditor.

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 26, 2022 until the annual stockholders' meeting on December 1, 2023 including, but not limited to, the following matters:

- June 30, 2022 – Resolution accepting the resignation of Mr. Jaime J. Bautista as Director of the Corporation and approving the appointment of Sen. Francis Joseph G. Escudero as Director of the Corporation to fill in the vacancy created by the resignation of Mr. Bautista.
- July 11, 2022 – Resolution accepting the resignation of Jonamel G. Israel-Orbe as Assistant Corporate Secretary, Corporate Information Officer and Deputy Compliance Officer of the Corporation
- July 29, 2022 – Resolution approving the declaration of cash dividend and retained earnings
- August 17, 2022 – Resolution accepting the resignation of Mr. Dennis O. Valdes as Director and President of the Corporation effective August 31, 2022 and appointment of (i) Rodolfo Ma. A. Ponferrada as President effective September 1, 2022 to fill in the vacancy created by the resignation of Mr. Valdes (ii) Jeric Paul P. Posio as Senior Vice President for Finance
- February 5, 2023 – Resolution informing the untimely passing of the Corporation's Chairman and CEO, Mr. Roberto V. Ongpin and designation of Ms. Anna Bettina Ongpin as Acting Chairman of the Board and CEO of the Corporation until a permanent Chairman and CEO is duly elected
- February 16, 2023 – Resolution approving the appointment of (i) Mr. Eric O. Recto as Chairman of the Board and Chief Executive Officer of the Corporation and (ii) Ms. Michelle Ongpin-Callaghan as Director of the Corporation
- October 2, 2023 – Resolution approving the postponement and resetting of 2023 Annual Stockholders Meeting
- October 16, 2023 – Resolution approving the 2nd postponement and resetting of 2023 Annual Stockholders Meeting from December 1, 2023 to December 5, 2023

(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.

There are 14 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 14 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 is 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 it corporate performance and accountability. Attached as **Annex "G"** of this Information Statement is the report on the attendance of the members of the Board in seminars on corporate governance.

To appraise the performance of the Board, the Company uses the evaluation method of self-assessment and feedback review based on the following criteria:

i. Organization and Dynamics, including mix of skills, knowledge, diversity, experience and independence
ii. Efficiency and Effectiveness, including individual performance of each member and clarity of purpose;
iii. Direction and Values including the quality of leadership and relationships between and among members;
iv. Risk Management and Governance;
v. Strategic Resource Allocation;
vi. Succession Planning; and
vii. Business Performance, including the level and quality of reporting measures.

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.

A COPY OF THE AUDITED FINANCIAL STATEMENTS (AFS) WITH MANAGEMENT DISCUSSION & ANALYSIS, AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2022 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. CHARLES EDWARD M. CHENG
CORPORATE SECRETARY, ALPHALAND CORPORATION
5TH 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 November, 8, 2023.

ALPHALAND CORPORATION
Issuer

CHARLES EDWARD M. CHENG
Corporate Secretary

ALPHALAND CORPORATION

<u>MANAGEMENT REPORT</u>
for the
2023 Annual Meeting of Stockholders
Pursuant to SRC Rule 20 (4) (A)

A. AUDITED FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED DECEMBER 31, 2022

Please see the attached Audited Financial Statements as of and for the year ended December 31, 2022.

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

In 2022, 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

As will be discussed in due course, Alphaland Corporation and its subsidiaries performed well during the past year. ABICI and TCC continue to be patronized by its members and guests, with record revenues and profits. ABIRC continues to sell shares and developments in Balesin Island. The Alpha Suites, Inc. is ranked 1 in Tripadvisor and has a strong and loyal customer base, with an occupancy rate comparable to its nearby competitors. Alphaland Baguio Mountain Log Homes, Inc. saw brisk sales in its log homes. Overally, the group expects another banner year in 2023 and does not expect any material change in its performance, business, strategy and other affairs.

Financial Condition and Results of Operations

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

Results of Operations (in thousands)

	For the Nine Months Ended September 30		Variance	
	2023 (Unaudited)	2022 (Unaudited)	Amount	%
REVENUES				
Real estate sold	**₱891,575**	₱935,789	(₱44,214)	-5%
Club Operations	**795,765**	–	795,765	100%
Rental income	**328,432**	270,930	57,502	21%
Service income	**387,678**	448,807	(61,129)	-14%
Interest income	**17,135**	16,079	1,056	7%
Others	**70,513**	69,694	819	1%
	2,491,098	1,741,299	749,799	43%
COSTS AND EXPENSES				
Cost of services	**803,262**	506,024	297,237	59%
Cost of real estate sold	**454,129**	431,549	22,580	5%
General and administrative	**1,061,699**	645,440	416,260	64%
	2,319,090	1,583,013	736,077	46%
OTHER INCOME (EXPENSES)				
Other gains (losses) – net	**(47)**	1,285	(1,332)	-104%
	(47)	1,285	(1,332)	-104%
INCOME BEFORE INCOME TAX	**171,961**	159,571	12,390	8%
PROVISION FOR INCOME TAX				
Current	51,854	49,689	2,165	4%
Deferred	–	1	(1)	-100%
	51,854	49,690	2,164	4%
NET INCOME	**120,107**	109,881	10,226	9%
OTHER COMPREHENSIVE INCOME *Not to be reclassified to profit or loss in subsequent years:*				
Unrealized valuation gain on club shares for sale	–	(26,193)	26,913	-100%
Income tax effect	–	3,929	(3,929)	100%
	–	(22,264)	22,264	100%
Remeasurement gain(loss) on retirement liability	**(6,061)**	74	(6,135)	-8,334%
	(6,061)	(22,190)	16,129	-73%
TOTAL COMPREHENSIVE INCOME	**₱114,046**	₱87,691	₱10,226	30%
Net income attributable to:				
Equity holders of the Parent Company	**₱102,813**	₱109,507	(₱6,964)	-6%
Noncontrolling interests	**17,294**	374	16,920	4,523%
	₱120,107	₱109,881	₱10,226	9%
Total comprehensive income attributable to:				
Equity holders of the Parent Company	**₱96,752**	₱87,328	₱9,424	11%
Noncontrolling interests	**17,294**	363	16,931	4659%
	₱114,046	₱87,691	₱26,355	30%

The Group's net income for the nine months ended September 30, 2023 and 2022 amounted to ₱120.1 million and ₱110 million, respectively. Total comprehensive loss of the Group is ₱114 million in 2023 and ₱87.7 million in 2022.

43% Increase in Revenues
The Group showed total revenues amounting to ₱630.3 million and ₱413.2 million for the three months ended March 31, 2022 and 2021, respectively.

The increase is mainly attributable to the inclusion of the Club operations to the group as TCCAMPI and ABICI was acquired in December 2022. However, this is offset by a decrease in Airfare revenue due to a higher number of flights flown in 2022 compared to the current period.

22% Increase in Costs and Expenses
Corresponding the increase in service revenues, the cost of services likewise increased. The acquisition of the two clubs also contributed to the increase in costs and expenses.

98% Decrease in Other Income (Expenses)
This pertains to foreign exchange gain of the Group. lower Philippine Peso to US Dollar rate was reported as of September 30, 2023 as compared to the same period in 2022.

	Years Ended December 31		Variance	
	2022 (Audited)	2021 (Audited)	Amount	%
REVENUES				
Real estate sold	**₱1,070,225**	₱2,057,501	(₱987,276)	-48%
Service income	**574,428**	516,074	58,354	11%
Rental income	**373,654**	336,323	37,337	11%
Interest income	**35,732**	21,116	14,616	69%
Others	**159,614**	95,449	64,165	67%
	2,213,653	3,026,463	(812,810)	-27%
COSTS AND EXPENSES				
Cost of real estate sold	**458,907**	1,047,405	(588,498)	-56%
Cost of services	**545,129**	560,043	(14,914)	-3%
General and administrative	**1,092,592**	839,994	252,598	30%
	2,096,628	2,447,442	(350,814)	-14%
OTHER INCOME (EXPENSES)				
Finance costs	**(1,183)**	(2,371)	1,188	-50%
Other gains (losses) - net	**3,443**	21,813	(18,370)	-84%
	2,260	19,442	(17,182)	-88%
INCOME BEFORE INCOME TAX	**119,285**	598,463	(479,178)	-80%
PROVISION FOR INCOME TAX				
Current	**109,535**	246,813	(137,278)	-56%
Deferred	**(62,951)**	(8,075)	(54,876)	680%
	46,584	238,738	(192,154)	-80%
NET INCOME (LOSS)	**72,701**	359,725	(287,024)	-80%
OTHER COMPREHENSIVE INCOME				
Not to be reclassified to profit or loss in subsequent years:				
Unrealized valuation gain on club shares for sale	**8,522**	(26,831)	35,353	-132%
Remeasurement gain(loss) on retirement liability	**7,584**	(11,851)	19,435	-164%
	16,106	(38,682)	54,788	-142%
TOTAL COMPREHENSIVE INCOME	**88,807**	321,043	(232,236)	-72%
Net income attributable to:				
Equity holders of the Parent Company	**₱72,532**	₱₱359,370	(₱286,838)	-80%
Noncontrolling interests	**169**	355	(186)	-52%
	₱72,701	₱359,725	(₱287,024)	-80
Total comprehensive income attributable to:				
Equity holders of the Parent Company	**₱88,638**	₱320,957	(₱232,319)	-72%
Noncontrolling interests	**169**	355	(186)	-52%
	₱88,807	₱321,312	(₱232,505)	-72%

The Group's net income in 2022 and 2021 amounted to ₱ 72,7 million and ₱359.7 million, respectively. Total comprehensive income of the Group is ₱88.8 million in 2022 and ₱ 321 million in 2021.

27% Decrease in Revenues
The Group showed total revenues amounting to ₱2,213.7 million and ₱3,026.5 million for the years ended December 31, 2022 and 2021, respectively.

This is mainly attributable to lower units of Baguio Log Home units sold in 2022 compared to 2021. The decrease in revenues are partially offset by the increase of passengers of AAI as the restrictions due to COVID pandemic eased in 2022 compared to 2021. However,

14% Decrease in Costs and Expenses
The Group showed total costs and expenses amounting to ₱2,096.6 million and ₱2,447.4 million for the years ended December 31, 2022 and 2021, respectively.

Correspondingly, due to the lower units sold of Log Homes, the costs and expenses attributable to the revenues affected also decreased.

88% Decrease in Other Income (Expenses)
Other income (expense) decreased by ₱17.2 million from ₱19.4 million in 2021 to ₱2.3 million in 2022. The decrease pertains to the gain recognized due to forfeiture of properties in 2021 and none in 2022.

80% Decrease in Provision for Income Tax
Decrease in provision for income tax from ₱238.7 million in 2021 to ₱46.6 million in 2022 is mainly attributable higher taxable income in 2021 compared to 2022.

	Years Ended December 31		Variance	
	2021 (Audited)	2020 (Audited)	Amount	%
REVENUES				
Real estate sold	**₱2,057,501**	₱1,034,902	₱1,022,599	99%
Service income	**516,074**	399,695	116,379	29%
Rental income	**336,323**	491,802	(155,479)	-32%
Interest income	**21,116**	28,072	(6,956)	-25%
Others	**95,449**	43,702	51,747	118%
	3,026,463	1,998,173	1,028,290	51%
COSTS AND EXPENSES				
Cost of real estate sold	**1,058,732**	452,170	606,562	134%
Cost of services	**598,773**	608,213	(153,418)	-2%
General and administrative	**844,065**	964,780	(157,075)	13%
	2,501,568	2,025,163	476,407	24%
OTHER INCOME (EXPENSES)				
Gain on fair value changes of investment properties	**1,605,797**	4,131,609	(2,525,812)	-61%
Finance costs	**(2,371)**	(2,593)	222	-9%
Other gains (losses) - net	**21,813**	32,702	(10,998)	-33%
	1,625,239	4,161,718	(2,536,479)	-61%
INCOME BEFORE INCOME TAX	**2,150,239**	4,134,728	(1,984,596)	-48%
PROVISION FOR INCOME TAX				
Current	**288,057**	154,250	133,807	87%
Deferred	**(2,366,078)**	1,285,165	(3,651,243)	-284%
	(2,078,021)	1,439,415	(3,517,436)	-244%
NET INCOME (LOSS)	**4,228,153**	2,695,313	1,532,843	57%
OTHER COMPREHENSIVE INCOME				
Not to be reclassified to profit or loss in subsequent years:				
Revaluation increase	**427,615**	-	427,615	100%
Income tax effect	**(106,904)**	-	-(106,904)	100%
	320,711	-	320,711	100%
Unrealized valuation gain on club shares for sale	**(31,566)**	(1,328,240)	1,296,674	-98%
Income tax effect	**4,734**	199,236	(194,501)	-98%
	(26,631)	(1,129,004)	(1,102,173)	-98%
Remeasurement gain(loss) on retirement liability	**(11,581)**	5,368	(16,498)	-316%
	282,299	(1,123,636)	(1,405,935)	-125%
TOTAL COMPREHENSIVE INCOME	**4,510,653**	₱1,571,677	(₱2,938,779)	-85%
Net income attributable to:				
Equity holders of the Parent Company	**₱4,227,800**	₱2,701,823	₱1,525,977	56%
Noncontrolling interests	**355**	(6,510)	6,865	-105%
	₱4,228,155	₱2,695,313	₱1,532,843,	57%
Total comprehensive income attributable to:				
Equity holders of the Parent Company	**₱4,510,100**	₱1,578,187	₱2,931,913	186%
Noncontrolling interests	**355**	(6,510)	6,865	-105%
	₱4,510,455	₱1,571,677	₱2,938,779	187%

The Group's net income in 2021 and 2020 amounted to ₱ 359.7 million and ₱4.2 million, respectively. Total comprehensive income of the Group is ₱321 million in 2022 and (₱ 1,119.4) million in 2021.

51% Increase in Revenues
The Group showed total revenues amounting to ₱3,026.5 million and ₱1,998.2 million for the years ended December 31, 2021 and 2020, respectively.

This is mainly attributable to the sale of 67 Log Homes in Baguio and 1 Villa in Balesin. The increase in the number of passengers of AAI also attributed in the increase in revenues as the restrictions due to COVID pandemic eased in 2021 compared to 2020. However, the decrease in occupancy rate of TAS in 2021 partially compensated the total increase in revenues.

24% Increase in Costs and Expenses
The Group showed total costs and expenses amounting to ₱2,447.4 million and ₱1,972.7 million for the years ended December 31, 2021 and 2020, respectively.

Correspondingly, due to the sale of Log Homes and Private Villa, the costs and expenses attributable to the revenues affected also increased.

84% Decrease in Other Income (Expenses)
Other income (expense) decreased by ₱ 105.4 million from ₱ 124.9 million in 2020 to ₱19.4 million in 2021. The decrease is attributable to the gain recognized by the group in 2020 and none in 2021

Financial Condition (in thousands)

	September 31, 2023 (unaudited)	December 31, 2022 (audited)	Variance Amount	%
ASSETS				
Current Assets				
Cash and cash equivalents	**₱381,348**	₱421,101	(39,753)	-9%
Trade and other receivables	**1,746,097**	2,540,550	(794,453)	-31%
Land and development costs and parking lots for sale	**1,725,728**	1,698,991	26,737	2%
Advances to related companies	**107,329**	190,489	(83,160)	-44%
Club shares for sale	–	–		
Other current assets	**1,850,733**	1,866,843	(16,111)	-1%
Total Current Assets	**5,811,235**	6,717,974	(906,740)	-13%
Noncurrent Assets				
Investment in and advances to an associate	**12,349**	12,349	–	–
Club shares for sale - net of current portion	–	–	–	–
Investment properties	**3,082,365**	3,130,845	(48,480)	-2%
Property and equipment	**10,104,638**	10,261,197	(156,559)	-2%
Deferred Tax Assets	–	51,184	(51,184)	-100%
Other noncurrent assets	**202,343**	206,462	(4,118)	-2%
Total Noncurrent Assets	**13,401,695**	13,662,037	(260,341)	-2%
	19,212,930	₱20,380,011	(1,167,081)	-6%
LIABILITIES AND EQUITY				
Current Liabilities				
Trade and other payables	**₱3,123,617**	₱4,269,400	(1,145,783)	-27%
Advances from related companies	**1,074,814**	936,688	138,126	15%
Current portion of customers' deposits	**65,014**	176,397	(111,383)	-63%
Income tax payable	**697,107**	615,684	81,423	13%
Total Current Liabilities	**4,960,552**	5,998,169	(1,037,617)	-17%
Noncurrent Liabilities				
Customers' deposits - net of current portion	**90,046**	81,283	8,763	11%
Retirement liability	**78,555**	77,364	1,191	2%
Net deferred tax liabilities	**207,379**	-	207,379	100%
Other noncurrent liabilities	**523,194**	595,362	(72,168)	12%
Total Noncurrent Liabilities	**899,174**	754,009	145,165	19%
Total Liabilities	**5,859,726**	6,752,178	(892,452)	-13%
Equity Attributable to Equity Holders of the Parent Company				
Capital stock	**2,704,298**	2,704,298	–	–
Additional paid-in capital	**13,031,369**	13,031,369	–	–
Retained earnings	**14,098,013**	14,390,125	(292,112)	-2%
Other comprehensive income:				
Accumulated remeasurement gain on retirement liability	**22,389**	22,200	189	1%
	29,856,069	30,147,992	(291,923)	-1%
Less:				
Parent Company's shares held by a subsidiary	**16,881,220**	16,881,220	–	–
Cost of treasury shares	**524,283**	524,283	–	–
	12,450,566	12,742,489	(291,923)	-2%
Noncontrolling interests	**902,638**	885,344	17,294	2%
Total Equity	**13,353,204**	13,627,833	(274,629)	-2%
	₱19,212,930	₱20,380,011	(1,167,081)	-6%

Total assets of t he Group decreased by ₱1,167.1 million or 6% from ₱20,380 million as of December 31, 2022 to ₱19,212.9 million as of September 30, 2023.

9% decrease in cash and cash equivalents
Cash and cash equivalents was lower by 9% or ₱39.8 million due settlement of Payables of of the group. On the contrary, collections on the sale of Balesin Regency Villa and Baguio log homes offset the payments made.

8% decrease in trade and other receivables
Trade and other receivables decreased by 31% or ₱794.5 million mainly due to collections on sale of log homes and club shares.

44% decrease in advances to related companies
Advances to related companies decreased by 44% or ₱83.2 million due to consolidation of clubs upon acquisition of APMC to the AC Group.

2% decrease in property and equipment
Property and equipment decreased by 2% or ₱156.6 million due to depreciation expense incurred of the Group.

Total liabilities of the Group amounted to ₱5,859.7 million and ₱6,752.2 million as of December 31, 2023 and 2022, respectively.

27% decrease in trade and other payables
Trade and other payables decreased by 27% or ₱1,145.8 million due to settlement of payables of the group.

15% increase in advances from related companies
Advances from related companies increased by 15% or ₱138.1 million due increased transactions with related parties outside the group

40% decrease in Customer's Deposit Current and Non-Current
Customers Deposit were significantly lower by 40% or ₱102.6 million due to refunding of security deposits as AMPI tenants' lease contracts were not renewed during nine months ended September 30, 2023.

12% decrease in other noncurrent liabilities
Other noncurrent liabilities were significantly lower by 12% or ₱72.2 million due to reversal of deferred output tax related to sale of Baguio log homes for the nine months ended September 30, 2023.

	As of December 31		Variance	
	2022 (audited)	2021 (audited)	Amount	%
ASSETS				
Current Assets				
Cash and cash equivalents	**₱421,101**	₱1,171,738	(750,637)	-64%
Trade and other receivables	**2,540,550**	2,730,123	(189,573)	-7%
Land and development costs and parking lots for sale	**1,698,991**	1,244,309	454,682	37%
Advances to related companies	**190,489**	3,983,186	(3,792,697)	-95%
Club shares for sale	–	1,071,311	(1,071,311)	-100%
Other current assets	**1,866,843**	1,178,752	688,091	58%
Total Current Assets	**6,717,974**	11,379,419	(4,661,445)	-41%
Noncurrent Assets				
Investment in and advances to an associate	**12,349**	12,349	-	0%
Club shares for sale - net of current portion	–	29,939,589	(29,939,589)	-100%
Investment properties	**3,130,845**	3,158,960	(28,115)	-1%
Property and equipment	**10,261,197**	5,027,988	5,233,209	104%
Deferred Tax Assets	**51,184**	–	51,184	100%
Other noncurrent assets	**206,462**	176,463	29,999	17%
Total Noncurrent Assets	**13,662,037**	38,315,349	(24,653,312)	-64%
	₱20,380,011	₱49,694,768	(29,314,757)	-59%
LIABILITIES AND EQUITY				
Current Liabilities				
Trade and other payables	**₱4,269,400**	₱3,121,746	1,147,654	37%
Advances from related companies	**936,688**	2,529,749	(1,593,061)	-63%
Current portion of customers' deposits	**176,397**	180,933	(4,536)	-3%
Income tax payable	**615,684**	519,667	96,017	18%
Total Current Liabilities	**5,998,169**	6,461,838	(353,926)	-6%
Noncurrent Liabilities				
Customers' deposits - net of current portion	**81,283**	80,105	1,178	1%
Retirement liability	**77,364**	94,809	(17,445)	-18%
Net deferred tax liabilities	–	4,103,342	(4,103,342)	-100%
Other noncurrent liabilities	**595,362**	388,291	207,071	53%
Total Noncurrent Liabilities	**4,666,547**	20,551,271	(3,912,538)	-84%
Total Liabilities	**6,752,178**	27,013,109	(4,266,466)	-39%
Equity Attributable to Equity Holders of the Parent Company				
Capital stock	**2,704,298**	2,702,323	1,975	0%
Additional paid-in capital	**13,031,369**	12,909,581	121,788	1%
Retained earnings	**14,390,125**	17,298,908	(2,908,783)	-17%
Other comprehensive income:				
Cumulative unrealized valuation gain on club shares for sale		23,136,500	23,136,500	**-100%**
Accumulated remeasurement gain on retirement liability	**22,200**	34,744	(12,544)	-36%
	30,147,992	56,082,056	(25,934,064)	-46%
Less:				
Parent Company's shares held by a subsidiary	**16,881,220**	16,881,220	-	0%
Cost of treasury shares	**524,283**	524,283	-	0%
	12,742,489	38,676,553	(25,934,064)	5%
Noncontrolling interests	**885,344**	(427)	855,771	-45%
Total Equity	**13,627,833**	**38,676,126**	**(25,048,293)**	**-65%**
	20,380,011	**49,694,768**	**(29,314,757)**	**-59%**

Total assets of the Group decreased by ₱29,314.8 million or 59% from ₱49,694.8 million as of December 31, 2021 to ₱20,380 million as of December 31, 2022.

64% decrease in Cash and Cash Equivalents
The decrease in cash and cash equivalents is mainly attributable to the purchase of Augusta Westland Helicopter AW139 and developments in Patnanungan Island during the year. This is partially offset by collections on the sale of Baguio Log Homes and Balesin Club Shares on installment.

7% Decrease in Trade and Other Receivables
The decrease in trade and other receivable is mainly due to collections on the sale of log homes and club shares thru installment.

37% Increase in Land and Development Costs and Parking Lots for Sale
Increase in land and development and parking lots for sale is attributable to additional developments made in Baguio and Balesin Island.

95% Decrease in Advances to Related Companies
Decrease of 95% or ₱3,792.7 million is due to the consolidation of ABICI and TCCAMPI upon acquisition of APMC last December 2022. Previously, it was not part of the AC group and transactions between these companies are included in this account.

58% Increase in Other Current Assets
Increase of 58% or ₱688 million in the other current assets account is due to input tax claimed from the payments to suppliers for the additional developments in Baguio Patnanungan Island and Balesin Island.

100% Decrease in Club Shares for Sale
Club shares for sale is eliminated in the group since the TCCAMPI and ABICI are consolidated in the group.

104% Increase in Property and Equipment
Increase in property and equipment amounting to ₱5,233.2 million mainly pertains to the. acquisition of .Augusta Westland Helicopter during the year, recognition of the developments in Patnanungan Island and recognition of PPE's of TCCAMPI and ABICI to the group.

17% Increase in Other Noncurrent Assets
Increase in other noncurrent assets mainly pertains to increase in Right of Use Asset account as the new lease amount was recalculated due to renewal of contract.

Total liabilities of the Group amounted to ₱5,998.2 million and ₱6,352.1 million as of December 31, 2022 and 2021, respectively.

37% Increase in Trade and Other Payables
Increase is attributable to additional construction expenses related to development of Baguio property, Patanungan Island and Balesin Island..

63% Decrease in Advances from Related Parties
Decrease of 63% or ₱1,593.1 million is due to the consolidation of ABICI and TCCAMPI upon acquisition of APMC last December 2022. Previously, it was not part of the AC group and transactions between these companies are included in this account.

18% Increase in Income Tax Payable
The increase is mainly attributable to tax payable relative to the higher number of units sold of Log Homes for the current year compared to the previous year.

53% Increase in Other Noncurrent Liabilities
Increase is mainly due to deferred output tax of the uncollected portion from the sale of log homes and villas.

Total equity of the Group jumped by 65% or by ₱25,048.3 million from ₱38,676.1 million as of December 31, 2021 to ₱13,627.8 million as of December 31, 2022. This is mainly attributable to derecognition of Cumulative remeasurement gain club shares for sale as ABICI and TCCAMPI are consolidated to the AC group in 2022.

Comparative Key Performance Indicators

	September 30, 2023 (unaudited)	2022 (audited)	2021 (audited)	2020 (audited)
(a) Total comprehensive income attributable to equity holders of the Parent Company (in thousands)	**₱96,799**	₱88,638	₱320,957	(₱1,112,892)
(b) Weighted average number of shares outstanding after the effect of stock split	**13,100,157,765**	13,100,157,765	13,080,412,651	13,166,860,073
Basic/diluted earnings per share (a/b)	**₱0.007**	₱0.007	₱0.025	(₱0.085)
(a) Total equity (in thousands)	**₱13,354,204**	₱13,627,832	₱38,676,553	₱38,823,949
(b) Total number of shares outstanding at end of year before the effect of stock split	**13,100,157,765**	13,100,157,765	13,080,412,651	13,080,412,651
Book value per share (a/b)	**₱1.019**	₱1.040	₱2.957	₱2.968
(a) Total assets (in thousands)	**₱19,212,930**	₱20,380,010	₱49,694,768	₱49,156,038
(b) Total equity (in thousands)	**13,353,204**	13,627,832	38,676,553	38,823,949
Asset-to-equity ratio (a/b)	**1.439**	1.495	1.285	1.266
(a) Total long-term debt (in thousands)	**₱–**	₱–	₱–	₱–
(b) Total equity (in thousands)	**13,353,204**	13,627,832	38,676,553	38,823,949
Debt-to-equity ratio (a/b)	**–**	–	–	–
(a) Total comprehensive income attributable to equity holders of the Parent Company (in thousands)	**₱96,799**	₱88,638	₱320,957	₱1,112,892
(b) Average total equity (in thousands)	**13,490,518**	26,151,980	38,750,038	59,827,139
Return on equity (a/b)	**₱0.007**	₱0.003	₱0.008	₱0.019

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

As of September 30, 2023, 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 period ended March 31, 2023.

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 September 30, 2023 and December 31, 2022

			Percentage of Ownership	
Company	***Place of Incorporation***	***Nature of Business***	***2020***	***2019***
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) [(a)]	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) [(a)]	Philippines	Holding company	**100**	100
Alphaland Southgate Restaurants, Inc. (ASRI) [(a)]	Philippines	Restaurant operations	**100**	100
Alphaland International, Inc. (AII)	Philippines	Holding company	**100**	100
Alphaland Aviation, Inc. (AAI)	Philippines	Aviation	**100**	100

Company	Place of Incorporation	Nature of Business	Percentage of Ownership 2020	2019
Alphaland Aviation - Pampanga, Inc. (AAPI) [(b)]	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) [(c)]	Philippines	Pharmacy	**100**	100
Choice Insurance Brokerage, Inc. (CIBI) [(e)]	Philippines	Insurance brokerage	**100**	100
Alphaforce Security Agency, Inc. (ASAI) [(f)]	Philippines	Security agency	**80**	80
Redstone Mountain Holdings Inc. (RMHI)[(g)]	Philippines	Holding company	**100**	100
Lodgepole Holdings, Inc. (LHI) [(g)]	Philippines	Holding company	**100**	100
Mt. Baguio Holding Estates Inc. (MBHEI) [(g)]	Philippines	Holding company	**100**	100
Top of the Alpha, Inc. (Top of the Alpha) [(d)]	Philippines	Restaurant operations	**100**	100
The Alpha Suites, Inc. (Alpha Suites) [(d)]	Philippines	Real estate company	**100**	100
Pinecrest Holdings, Inc. (PHI) [(g)]	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

<u>Changes in Group Structure during 2018 and 2017; none in 2021, 2020 and 2019</u>

a. 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.

b. 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, which was sold in March 2019.

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. All loan availments were prepaid in full in 2019.

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. BALESIN 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

AMPI provides the management and administrative support such as legal, finance, marketing, and human resource requirements of the Group. AMPI has a total manpower complement of 156 employees as of December 31, 2022 classified as:

Executives/Managers/Supervisors	73
Staff	83

AMPI has not experienced any disruptive labor disputes, strikes, or threats of strikes, and AMPI believes that its relationship with its employees in general is satisfactory. AMPI'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 Group acquired the property in 2015 at its zonal value, or a total acquisition cost of ₱106.0 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 as at December 31, 2022 and 2021, 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 2018, the Group acquired 42.2 hectares with a carrying amount of P31.7 million. This brings the total land ownership to 753.2 hectares as at December 31, 2020 and 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 is based on valuations performed by accredited independent appraisers. As at December 31, 2022, 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 September 30, 2023, 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 P336,875.00. 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 Supreme Court ruled in favor of Agustin and affirmed with modification the ruling of the CA in the case docketed as CA-G.R. SP No. 130198. Alphaland Corporation then filed a

Motion for Reconsideration which was then deny with Finality in a Resolution dated March 28, 2022.

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 (DISMISSING the complaint against the Corporation and granting the latter's claim for reimbursement of training expenses against Esico) 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 September 30, 2023:

The Corporation has 82 shareholders holding common shares as of **September 30, 2023**.

b. The Top 20 Registered Stockholders of the Corporation as of September 30, 2023 are:

		Citizenship	No. of Shares	%
1.	Alphaland Development, Inc.	Filipino	13,792,109,780	51.06%
2.	RVO Capital Ventures Corporation	Filipino	8,426,567,460	31.20%
3.	Boerstar Corporation	Filipino	1,677,884,300	6.21%
4.	Red Epoch Group Ltd.	Hongkong	961,134,130	3.56%
5.	Southern Star Investment Limited	Filipino	890,000,000	3.30%
6.	Azurestar Corporation	Filipino	280,626,360	1.04%
7.	Noble Care Management Corporation	Filipino	145,916,470	0.54%

8.	Arculli, Derek	Filipino	100,000,000	0.37%
9.	Citadel Investments Limited	Filipino	100,000,000	0.37%
10.	Major Holdings Corporation	Filipino	90,118,820	0.33%
11.	Major Properties, Inc.	Filipino	73,881,180	0.27%
12.	Loustar Corporation	Filipino	55,641,840	0.21%
13.	Powerventures, Inc.	Filipino	54,900,230	0.20%
14.	Galaxyhouse, Inc.	Filipino	47,575,450	0.18%
15.	Crystalventures, Inc.	Filipino	47,198,420	0.17%
16.	Towermill Capital Ventures Corporation	Filipino	47,112,770	0.17%
17.	Gemplace Resources, Inc.	Filipino	46,877,410	0.17%
18.	Summer Wind Capital Ventures Corporation.	Filipino	41,791,630	0.15%
19.	Mega Access Capital Ventures Inc.	Filipino	25,205,930	0.09%
20.	Globalcentric Corporation	Filipino	25,118,000	0.09%

3. Dividends

During the special meeting of the Board of Directors of the Company held on July 29, 2022, the Board approved the declaration of cash dividends (out of the unrestricted and unappropriated retained earnings of the Company as of December 31, 2021) at Php0.04 per share in favor of holders of common shares of the Company as of the Record Date, July 15, 2022, payable on or before August 5, 2022

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

Within the last three years, the Company entered into the following share subscription agreements:

Date of Subscription	*Subscriber*	*Number of Shares Subscribed*	*Total Subscription Price (in PhP)*
January 2, 2020	Crystalventures, Inc.	47,198,420	224,479,349
January 2, 2020	Earthlight, Inc.	25,061,400	119,294,209
January 2, 2020	Galaxyhouse, Inc.	47,575,450	226,082,227
January 2, 2020	Gemsplace Resources, Inc.	46,877,410	222,765,069
January 2, 2020	Globalcentric Corporation	25,118,000	119,463,179
January 2, 2020	Loustar Corporation	55,641,840	264,414,318
January 2, 2020	Mega Access Capital Ventures, Inc.	25,205,930	119,982,187
January 2, 2020	Powerventures, Inc.	54,900,230	260,890,144
January 2, 2020	Redcrest Holdings Corporation	24,641,230	117,097,022
January 2, 2020	Regenstar Holdings Corporation	25,034,140	119,164,443
January 2, 2020	Summer Wind Capital Ventures Corporation	41,791,630	198,597,048

January 2, 2020	Towermill Capital Ventures Corporation	47,112,770	223,883,517
April 1, 2022	Cressida Resources, Inc.	19,745,114	123,762,374.55

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 is 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 it corporate performance and accountability.

To appraise the performance of the Board, the Company uses the evaluation method of self-assessment and feedback review based on the following criteria:

ii. Organization and Dynamics, including mix of skills, knowledge, diversity, experience and independence
iii. Efficiency and Effectiveness, including individual performance of each member and clarity of purpose;
iv. Direction and Values including the quality of leadership and relationships between and among members;
v. Risk Management and Governance;
vi. Strategic Resource Allocation;
vii. Succession Planning; and
viii. Business Performance, including the level and quality of reporting measures.

No deviation from the Company's Manual Code of Corporate Governance has been noted. The Company's Manual on Corporate Governance was amended on September 30, 2020.

ANNEX "A"

CERTIFICATION OF INDEPENDENT DIRECTOR

Add text here

I, **MARGARITO B. TEVES**, Filipino, of legal age,with address at Great Wall Advertising Building, 136 Yakal Street, Makati 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*
P.J. Lhuillier Group of Companies	Member, Strategic Committee	February 2015 to present
Petron	Independent Director	May 20, 2014 to present
Atlantic Aurum Investments Philippines Corporation	Independent Director	July 19, 2013 to present
San Miguel Corporation	Independent Director	June 14, 2012 to present
The City Club at Alphaland Makati Place, Inc.	Independent Director	2011 to present
Alphaland Balesin Island Club, Inc.	Independent Director	2011 to present
Atok-Big Wedge Co., Inc.	Independent Director	2011 to present
Pampanga Sugar Development Co. (PASUDECO)	Independent Director	July 2011 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*)

Name of Director/Officer/ Substantial Shareholder	*Company*	*Nature of Relationship*
N/A		

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*
A Legal suit between private parties for qualified theft and/or estafa. I was included only because I was the former President of Land Bank.	Office of the City Prosecutor (Manila)	Have not received copy of the actual complaint-affidavit
Republic Act No. 3019. I was included only because I was the former *ex oficio* Chairman of Land Bank (as DOF Secretary)	Sandiganbayan	Pending at the Sandiganbayan; latest court order to date: case suspended pending civil suit of SMC vs. Land Bank

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 OCT 20 2023, at MAKATI CITY.

MARGARITO B. TEVES
Affiant

SUBSCRIBED AND SWORN to before me this OCT 20 2023 at MAKATI CITY, affiant exhibiting to me his TIN 105-549-310.

Doc. No. 288;
Page No. 59;
Book No. 70;
Series of 2023;

GEORGE DAVID D. SITON
Appointment No. M-132
Notary Public for Makati City
Until December 31, 2023
Executive Bldg. Center Makati Ave.
cor. Jupiter St., Makati City
Roll of Attorneys No. 68402
MCLE Compliance No. VI-0021936-3-29-2019
IBP No. 002282 / Lifetime Member / 5-8-17
PTR No. 8852509 / 01.03.2023 / Makati City

ANNEX "B"

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **JOSE RAMON T. VILLARIN**, Filipino, of legal age and a resident of 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 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*
Manila Observatory	Executive Director	2021 to present
Ateneo de Manila University	Professor	2021 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*)

Name of Director/Officer/ Substantial Shareholder	*Company*	*Nature of Relationship*
N/A		

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*
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.

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 OCT 2 0 2023, at MAKATI CITY.

JOSE RAMON T. VILLARIN
Affiant

SUBSCRIBED AND SWORN to before me this OCT 2 0 2023 at MAKATI CITY, affiant personally appeared before me and exhibited to me the following competent evidence of his/her identity: TIN No. 237-436-159.

GEORGE DAVID D. SITON
Appointment No. M-132
Notary Public for Makati City
Until December 31, 2023
Executive Bldg. Center Makati Ave.
cor. Jupiter St., Makati City
Roll of Attorneys No. 68402
MCLE Compliance No. VI-0021936-3-29-2019
IBP No. 002282 / Lifetime Member / 5-8-17
PTR No. 8852509 / 01.03.2023 / Makati City

Doc. No. 286;
Page No. 59;
Book No. 70;
Series of 2023;

ANNEX "C"

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **FLORENTINO M. HERERRA 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:

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*
Herrera Teehankee & Cabrera Law Offices	Founding Partner	June 1986 – Present
MacroAsia Corporation	Corporate Secretary	December 2014 – Present
Allianz PNB Life Insurance, Inc.	Corporate Secretary	Apil 2016 - 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*)

Name of Director/Officer/ Substantial Shareholder	*Company*	*Nature of Relationship*
N/A		

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*
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.

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 OCT 20 2023, at MAKATI CITY.

FLORENTINO M. HERERRA III
Affiant

SUBSCRIBED AND SWORN to before me this OCT 20 2023 at MAKATI CITY, affiant personally appeared before me and exhibited to me the following competent evidence of his/her identity: TIN No. 106-098-926.

GEORGE DAVID D. SITON
Appointment No. M-132
Notary Public for Makati City
Until December 31, 2023
Executive Bldg. Center Makati Ave.
cor. Jupiter St., Makati City
Roll of Attorneys No. 68402
MCLE Compliance No. VI-0021936-3-29-2019
IBP No. 002282 / Lifetime Member / 5-8-17
PTR No. 8852509 / 01.03.2023 / Makati City

Doc. No. 287;
Page No. 59;
Book No. 70;
Series of 2023;

ANNEX "D"

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*
IC Star Automotive Inc.	Director	August 2023 to present
IC Automotive Inc.	Director	August 2023 to present
IC Land Automotive Inc.	Director	August 2023 to present
ICATS Motors Inc.	Director	August 2023 to present
ICATS Asian Cars Inc	Director	August 2023 to present
ICATS Motorcycles Inc.	Director	August 2023 to present
ICATS British Cars Inc.	Director	August 2023 to present
CATS Group Holdings Inc.	Director	October 2022 to present
Nexus Technologies, Inc.	Chairman/Director	May 1, 2012 to present
Glacier Megafridge, Incorporated	Director	January 28, 2021 to present
AIA Philippines Life and General Insurance Company, Inc.	Director	April 19, 2023 to present
APO Agua Infrastructura, Inc.	Director	January 1, 2014 to present
Glyph Studios, Inc.	Director	Dec. 1, 2011 to present
Philippine Bank of Communications	Director	July 1, 2011 to present
Unistar Credit and Finance Corporation	Director	Jan. 1, 2012 to present
Philequity Management, Inc.	Director	Aug. 1, 2013 to present
Vantage Equities Inc.	Director	Aug. 1, 2013 to present
Vantage Financial Corporation (formerly E-Business Services Inc.)	Director	Aug. 1, 2015 to present
Prople BPO Inc.	Director	Aug. 1, 2006 to present
Jupiter Systems Inc.	Director	Oct. 1, 2001 to present
Wordtext Systems Inc.	Director	Sept. 1, 2001 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*)

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

N/A		

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*
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.

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 OCT 20 2023, at MAKATI CITY.

GREGORIO T. YU
Affiant

SUBSCRIBED AND SWORN to before me this OCT 20 2023 at MAKATI CITY, affiant personally appeared before me and exhibited to me the following competent evidence of his/her identity: TIN No. 107-465-655.

Doc. No. 289;
Page No. 59;
Book No. 70;
Series of 2023;

GEORGE DAVID D. SITON
Appointment No. M-132
Notary Public for Makati City
Until December 31, 2023
Executive Bldg. Center Makati Ave.
cor. Jupiter St., Makati City
Roll of Attorneys No. 68402
MCLE Compliance No. VI-0021936-3-29-2019
IBP No. 002282 / Lifetime Member / 5-8-17
PTR No. 8852509 / 01.03.2023 / Makati City

ANNEX "E"

Board of Directors Meeting

2022

	Name	Date of Meeting	Remarks P-Present; A-Absent
1	Roberto V. Ongpin	June 30, 2022	P
2	Anna Bettina Ongpin		P
3	Eric O. Recto		P
4	Lorenzo V. Tan		P
5	Dennis A. Uy		P
6	Mario A. Oreta		P
7	Dennis O. Valdes		P
8	Francisco Ed. Lim		P
9	Juan Edgardo M. Angara		A
10	Jaime T. Bautista		A
11	Florentino M. Herrera III (Ind. Director)		P
12	Gilbert C. Teodoro (Ind. Director)		P
13	Margarito B. Teves (Ind. Director)		P
14	Jose Ramon T. Villarin, SJ (Ind. Director)		P
15	Gregorio T. Yu (Ind. Director)		P

	Name	Date of Meeting	Remarks P-Present; A-Absent
1	Roberto V. Ongpin	July 29, 2022	P
2	Anna Bettina Ongpin		P
3	Eric O. Recto		P
4	Lorenzo V. Tan		P
5	Dennis A. Uy		P
6	Mario A. Oreta		P
7	Dennis O. Valdes		P
8	Francisco Ed. Lim		P
9	Juan Edgardo M. Angara		P
10	Francis Joseph G. Escudero		P
11	Florentino M. Herrera III (Ind. Director)		P
12	Gilbert C. Teodoro (Ind. Director)		P
13	Margarito B. Teves (Ind. Director)		P
14	Jose Ramon T. Villarin, SJ (Ind. Director)		P
15	Gregorio T. Yu (Ind. Director)		P

ANNEX "E-1"

Executive Committee Meetings Attendance

2022

<table>
<tr><th>Name</th><th>Date of Meeting</th><th>Remarks
P-Present; A-Absent</th></tr>
<tr><td rowspan="6">Roberto V. Ongpin
Anna Bettina Ongpin
Dennis O. Valdes</td><td rowspan="3">March 3, 2022</td><td>P</td></tr>
<tr><td>P</td></tr>
<tr><td>P</td></tr>
<tr><td rowspan="3">April 6, 2022</td><td>P</td></tr>
<tr><td>P</td></tr>
<tr><td>P</td></tr>
<tr><td rowspan="3">Roberto V. Ongpin
Anna Bettina Ongpin
Rodolfo Ma. A. Ponferrada</td><td rowspan="3">December 28, 2022</td><td>P</td></tr>
<tr><td>P</td></tr>
<tr><td>P</td></tr>
</table>

ANNEX "F"

Voting Tabulation Results

A.) **APPROVAL OF MINUTES OF PREVIOUS ANNUAL STOCKHOLDERS MEETING HELD ON MAY 26, 2022**

"Resolved, that the Stockholders of the Corporation hereby approve the Minutes of the Annual Stockholders' Meeting held on May 26, 2022

	Yes	***No***	***Abstain***
Approval of the Minutes of the Stockholders' Meeting held on May 26, 2022	**100%**	**0%**	**0%**

B.) **APPROVAL OF CORPORATE ACTS**

"RESOLVED, that all acts, resolution, and deeds of the Company's Board of Directors and its Committee, as well as that of its Management, from the Annual Stockholders' Meeting held on May 26, 2022 up to the date of this meeting be as they hereby are, confirmed, ratified and approved."

	Yes	*No*	*Abstain*
Approval of Corporate Acts	*100%*	*0%*	*0%*

C.) **ELECTION OF DIRECTORS**

"RESOLVED to elect the following as Directors of the Company to serve as such beginning today until their successors are elected and qualified:

	Yes	*No*	*Abstain*
Roberto V. Ongpin	100%	0%	0%
Eric O. Recto	100%	0%	0%
Anna Bettina Ongpin	100%	0%	0%
Dennis O. Valdes	100%	0%	0%
Mario A. Oreta	100%	0%	0%
Lorenzo V. Tan	100%	0%	0%
Juan Edgardo A. Angara	100%	0%	0%
Francisco Ed. Lim	100%	0%	0%
Dennis A. Uy	100%	0%	0%
Jaime J. Bautista	100%	0%	0%
Florentino M. Herrera III	100%	0%	0%
Gilberto C. Teodoro, Jr.	100%	0%	0%
Margarito B. Teves	100%	0%	0%
Jose T. Villarin, SJ	100%	0%	0%
Gregorio T. Yu	100%	0%	0%

D.) **APPOINTMENT OF EXTERNAL AUDITOR**

"RESOLVED, that the accounting firm of Reyes Tacandong & Co., be as they hereby are, re-appointed as external auditors of the Company for the fiscal year 2022."

	Yes	*No*	*Abstain*
Appointment of Reyes Tacandong & Co. as External Auditors	*100%*	*0%*	*0%*

E.) **APPROVAL OF AUDITED FINANCIAL STATEMENTS**

"RESOLVED, that the Company's Audited Financial Statement for the year ended December 31, 2021 be, as the same are hereby, approved."

	Yes	*No*	*Abstain*
Approval of the Audited Financial Statements as of the year ending December 31, 2021	*100%*	*0%*	*0%*

ANNEX "F-1"

MINUTES OF THE ANNUAL MEETING OF STOCKHOLDERS

OF
ALPHALAND CORPORATION

Add text here

Held at The City Club at Alphaland Makati Place, Inc.
Malugay Street, cor. Ayala Ave., Makati City
on 26 May 2022 at 5:00 pm

ATTENDANCE:

	No. of Shares	Percentage	
In Person:			
Roberto V. Ongpin	10	nil	
Mario A. Oreta	10	nil	
Dennis O. Valdes	10	nil	
Lorenzo V. Tan	1 0	nil	
Eric O. Recto	10	nil	
Juan Edgardo M. Angara	10	Nil	
Jaime J. Bautista	10	nil	
Francisco Ed. Lim	10	nil	
Jose Ramon T. Villarin	10	nil	
Florentino M. Herrera III	10	nil	
Margarito B. Teves	10	nil	
By Proxy:			**In Favor of:**
Alphaland Southgate Tower, Inc. (formerly Alphaland Development, Inc.)	13,792,109,780	51.06%	Roberto V. Ongpin
RVO Capital Ventures Corp.	8,426,567,460	31.20%	Roberto V. Ongpin
Boerstar Corporation	1,677,884,300	6.21%	Roberto V. Ongpin
Azurestar Corporation	280,626,360	1.04%	Roberto V. Ongpin
Loustar Corporation	55,641,840	0.21%	Roberto V. Ongpin
Powerventures, Inc.	54,900,230	0.20%	Roberto V. Ongpin
Galaxyhouse, Inc.	47,575,450	0.18%	Roberto V. Ongpin
Crystalventures, Inc.	47,198,420	0.17%	Roberto V. Ongpin
Towermill Capital	47,112,770	0.17%	Roberto V.

Ventures Corp.			Ongpin
Gemsplace Resources, Inc.	46,877,410	0.17%	Roberto V. Ongpin
Summerwind Capital Ventures Corp.	41,791,630	0.15%	Roberto V. Ongpin
Redcrest Holdings Corporation	24,641,230	0.09%	Roberto V. Ongpin
Mega Access Capital Ventures, Inc.	25,205,930	0.09%	Roberto V. Ongpin
Globalcentric Corporation	25,118,000	0.09%	Roberto V. Ongpin
Earthlight, Inc.	25,061,400	0.09%	Roberto V. Ongpin
Regentstar Holdings Corporation	25,034,140	0.09%	Roberto V. Ongpin
TOTAL	**24,643,346,470**	**91.24%**	

I. CALL TO ORDER

The Chairman of the Board, Mr. Roberto V. Ongpin, called the meeting to order and presided over the same. The Corporate Secretary, Atty. Jason J. Alba, recorded the proceedings.

Also in attendance were the following members of the Board of Directors of the Corporation:

Roberto V. Ongpin	Chairman of the Board/Director
Eric O. Rector	Vice Chairman / Director
Dennis O. Valdes	President / Director
Lorenzo V. Tan	Director
Mario A. Oreta	Director
Francisco Ed. Lim	Director
Juan Edgardo M. Angara	Director
Jaime J. Baustista	Director
Margarito B. Teves	Independent Director
Florentino M. Herrera II	Independent Director
Jose Ramon T. Villarin	Independent Director
Gregorio T. Yu	Independent Director

II. PROOF OF NOTICE AND CERTIFICATION OF QUORUM

The Corporate Secretary reported that notice of the meeting had been sent to all the stockholders as provided in the By-Laws of the Corporation and that there were present, in person and by proxy, stockholders owning at least 93.40% of the outstanding capital stock. The list of attendees and proxies is available at the offices of the Corporate Secretary of the Corporation. Atty. Alba certified that there was a quorum for the transaction of business.

III. APPROVAL OF THE MINUTES OF THE PREVIOUS MEETING

The next item on the agenda was the approval of the minutes of the previous annual meeting of the stockholders held on 8 June 2021, copies of which had been earlier distributed to the stockholders.

Upon motion duly made and seconded, the reading of the minutes of the previous meeting of stockholders was dispensed with and the same were unanimously approved.

IV. MANAGEMENT REPORT

The Chairman made a report on the status of the various projects being developed by the Corporation as a real estate developer.

Upon motion duly made and seconded, the stockholders unanimously approved the report of the President and made it part of the corporate records.

V. ELECTION OF DIRECTORS

The Corporate Secretary advised the body of the nominations he received for the Board of Directors. The Corporate Secretary then announced the nominations to the Board of Directors, as follows:

For Regular Directors:

1. Roberto V. Ongpin
2. Anna Bettina Ongpin
3. Mario A. Oreta
4. Dennis O. Valdes
5. Lorenzo V. Tan
6. Eric O. Recto
7. Francisco Ed. Lim
8. Dennis A. Uy
9. Juan Edgardo M. Angara
10. Jaime J. Bautista

For Independent Directors:

1. Margarito B. Teves
2. Jose Ramon T. Villarin

3. Florentino M. Herrera III
4. Gilberto C. Teodoro, Jr.
5. Gregorio T. Yu

There being no other nominees, on motion duly made and seconded, the shareholders approved the election of the foregoing nominees. The Corporate Secretary was then directed by the Chairman to cast the votes of all those present and represented at the meeting equally among the above-named individuals who were thereby unanimously elected as members of the Board of Directors for a term of one (1) year or until their successors have been elected and qualified.

III. APPOINTMENT OF EXTERNAL AUDITORS

Upon motion duly made and seconded, the stockholders approved the re-appointment of Reyes Tacandong & Co. as the external auditor of the Corporation for the fiscal year ending 31 December 2022.

IV. OTHER MATTERS

The Chairman then opened the floor for any questions or comments from the stockholders. None of the stockholders present or represented asked any questions.

V. ADJOURNMENT

There being no other matters to be discussed, upon motion duly made and seconded, the meeting was adjourned.

Certified Correct:

JASON J. ALBA
Corporate Secretary

ATTESTED CORRECT BY:

ROBERTO V. ONGPIN
Chairman of the Board

ANNEX "G"

Directors Corporate Governance Seminar Attendance

	Name	Service Provider	Title of Seminar	Date of Seminar
	Eric O. Recto	Aboitiz	2022 In-House Corporate Governance	November 28, 2022
	Dennis A. Uy	Risks, Opportunities, Assessment and Management (ROAM), Inc.	Corporate Governance	October 14, 2022
	Francisco Ed. Lim	Institute of Corporate Directors	Advanced Corporate Governance Training	October 29, 2021
	Mario A. Oreta	Institute of Corporate Directors	Corporate Governance Orientation Program	April 27 & 28, 2022
	Florentino M. Herrera III	SGV	Corporate Governance	September 14, 2022
	Gregorio T. Yu	Philippine Chamber of Commerce and Industry	In-House Seminar on Corporate Governance	June 13, 2023
	Margarito B. Teves	SGV	Corporate Governance	September 20, 2023
	Lorenzo V. Tan	Association of Bank Compliance Officers, Inc.	BSP Supervisory Assessment Framework to Replace the CAMELS and ROCA Rating Systems for BSP-Supervised Financial Institution	September 23, 2020

Unaudited Consolidated Interim Financial Statements as at and for the Three Months Period Ended September 30, 2023 and Audited Consolidated Financial Statements as of and for the Year Ended December 31, 2022

ALPHALAND CORPORATION AND SUBSIDIARIES

CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(Amounts in Thousands, Except for Book Value per Share)

	September 30, 2023 Unaudited	December 31, 2022 Audited
ASSETS		
Current Assets		
Cash and cash equivalents	**₱381,348**	₱421,101
Trade and other receivables	**1,746,097**	2,540,550
Land and development costs and parking lots for sale	**1,725,728**	1,698,991
Advances to related companies	**107,329**	190,489
Other current assets	**1,850,732**	1,866,843
Total Current Assets	**5,811,234**	6,717,974
Noncurrent Assets		
Investment in and advances to an associate	**12,349**	12,349
Investment properties	**3,082,365**	3,130,845
Property and equipment	**10,104,638**	10,261,197
Net deferred Tax Assets	**–**	51,184
Other noncurrent assets	**202,344**	206,462
Total Noncurrent Assets	**13,401,696**	13,662,037
	₱19,212,930	₱20,380,011
LIABILITIES AND EQUITY		
Current Liabilities		
Trade and other payables	**₱3,123,617**	₱4,269,400
Advances from related companies	**1,074,814**	936,688
Customers' deposits	**65,014**	176,397
Income tax payable	**697,107**	615,684
Total Current Liabilities	**4,960,552**	5,998,169
Noncurrent Liabilities		
Customers' deposits - net of current portion	**90,046**	81,283
Retirement liability	**78,555**	77,364
Net deferred tax liabilities	**207,379**	–
Other noncurrent liabilities	**523,194**	595,362
Total Noncurrent Liabilities	**899,174**	754,009
Total Liabilities	**5,859,726**	6,752,178

(Forward)

	September 30, 2023 Unaudited	December 31, 2022 Audited
Equity Attributable to Equity Holders of the Parent Company		
Capital stock	**₱2,704,298**	₱2,704,298
Additional paid-in capital	**13,031,369**	13,031,369
Retained earnings	**14,984,140**	14,390,125
Other comprehensive income:		
Accumulated remeasurement gain on retirement liability	**22,389**	x 22,200
	30,742,196	30,147,992
Less:		
Parent Company's shares held by a subsidiary	**16,881,220**	16,881,220
Cost of treasury shares	**524,283**	524,283
	13,336,693	12,742,489
Noncontrolling interests	**16,511**	885,344
Total Equity	**13,353,204**	13,627,833
	₱19,212,930	₱20,380,011
Book value per share	**₱1.019**	₱1.040

ALPHALAND CORPORATION AND SUBSIDIARIES

CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE INCOME
(Amounts in Thousands, Except for Earnings per Share)

	For the Nine Months Ended September 30	
	2023 (Unaudited)	2022 (Unaudited)
REVENUES		
Real estate sold	**₱891,575**	₱935,789
Club Operations	**795,765**	–
Rental income	**328,432**	270,930
Service income	**387,678**	448,807
Interest income	**17,135**	16,079
Others	**70,514**	69,695
	2,491,099	1,741,300
COSTS AND EXPENSES		
Cost of services	**803,262**	506,024
Cost of real estate sold	**454,129**	431,549
General and administrative	**1,061,699**	645,440
	2,319,090	1,583,013
OTHER INCOME (EXPENSES)		
Other gains (losses) – net	**(47)**	1,285
	(47)	1,285
INCOME BEFORE INCOME TAX	**171,962**	159,572
PROVISION FOR INCOME TAX		
Current	**51,854**	49,689
Deferred	**–**	–
	51,854	49,689
NET INCOME	**120,108**	109,883
OTHER COMPREHENSIVE INCOME		
Not to be reclassified to profit or loss in subsequent years:		
Unrealized valuation gain on club shares for sale	**–**	(26,193)
Income tax effect	**–**	3,929
	–	(22,264)
Remeasurement gain(loss) on retirement liability	**(6,061)**	74
	(6,061)	(22,190)
TOTAL COMPREHENSIVE INCOME	**₱114,047**	₱87,693
Net income attributable to:		
Equity holders of the Parent Company	**₱102,814**	₱109,509
Noncontrolling interests	**17,294**	374
	₱120,108	₱109,883
Total comprehensive income attributable to:		
Equity holders of the Parent Company	**₱96753**	₱87,329
Noncontrolling interests	**17,294**	364
	₱114,047	₱87,693

ALPHALAND CORPORATION AND SUBSIDIARIES

CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY
(Amounts in Thousands)

	For the Nine Months Ended September 30	
	2023 (Unaudited)	2022 (Unaudited)
CAPITAL STOCK		
Balance at beginning and of period	**₱2,704,298**	₱2,702,323
Additional Subscription	**–**	1,975
Balance at end of period	**2,704,298**	2,704,298
ADDITIONAL PAID-IN CAPITAL		
Balance at beginning and end of period	**13,031,369**	12,909,581
Additional Subscription	**–**	121,788
Balance at end of period	**13,031,369**	13,031,369
RETAINED EARNINGS		
Balance at beginning of period	**13,995,153**	60,917,075
Net income	**102,860**	109,506
Reclassification adjustments on disposal of club shares for sale	**–**	484,374
Dividend Declaration	**–**	(524,006)
Balance at end of period	**14,098,013**	60,986,949
OTHER COMPREHENSIVE INCOME		
Cumulative Unrealized Valuation Gain on Club Shares for Sale		
Balance at beginning of period	**–**	23,136,499
Reclassification adjustments on disposal of clubs hares for sale	**–**	(22,264)
Unrealized valuation gain (loss)	**–**	(118,186)
Balance at end of period	**–**	22,996,049
Revaluation Surplus		
Balance at beginning and end of period	**–**	3,633,745
Accumulated Remeasurement Gain on Retirement Liability		
Balance at beginning of period	**22,389**	34,744
Remeasurement loss	**–**	6,316
Balance at end of period	**22,389**	41,060
	22,389	26,670,854
PARENT COMPANY'S SHARES HELD BY A SUBSIDIARY		
Balance at beginning and end of period	**(16,881,220)**	(16,881,220)
TREASURY SHARES		
Balance at beginning and end of period	**(524,283)**	(524,283)
NONCONTROLLING INTERESTS		
Balance at beginning of period	**885,344**	(783)
Share in net income (loss)	**17,294**	374
Balance at end of period	**902,638**	(409)
	₱13,353,204	₱85,987,558

ALPHALAND CORPORATION AND SUBSIDIARIES

CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
(Amounts in Thousands)

	For the Nine Months Ended September 30	
	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	**₱172,156**	159,572
Adjustments for:		
Depreciation and amortization	**263,937**	183,739
Interest income	**(17,135)**	(16,079)
Unrealized foreign exchange losses (gains)	**(47)**	(1,267)
Operating income before working capital changes	**418,911**	325,965
Decrease (increase) in:		
Trade and other receivables	**794,453**	(312,756)
Land and development costs and parking lots for sale	**(26,737)**	(65,886)
Other current assets	**16,110**	(172,750)
Increase in:		
Trade and other payables	**(1,145,785)**	213,027
Customers' deposits	**(4,870)**	(38,070)
Retirement liability	**(102,620)**	(49,972)
Net cash generated from (used for) operations	**(50,538)**	(100,442)
Income taxes paid	**24,752**	16,079
Interest received	**17,135**	(54,354)
Net cash provided by (used in) operating activities	**(8,651)**	(138,717)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from:		
Sale of club shares for sale	–	176,307
Disposal of property and equipment	–	
Decrease (increase) in:		
Advances to related companies	**83,160**	465,774
Other noncurrent assets	**4,120**	(84,490)
Additions to:		
Property and Equipment	**(107,379)**	(197,511)
Investment Properties	**48,756**	277,138
Deferred Tax Liabilities	**(126,144)**	(41,299)
Net cash provided by (used in) investing activities	**(97,487)**	595,919
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase (decrease) in:		
Advances from related companies	**138,126**	(379,000)
Other noncurrent liabilities	**(72,165)**	(10,547)
Dividends Paid	**–**	(524,006)
Net cash provided by (used in) financing activities	**65,961**	(913,553)
EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	**47**	1,267
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**(40,130)**	(455,084)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD		
Cash and cash equivalents	**421,101**	1,171,738
Restricted cash	**9,416**	9,348
	430,517	1,181,086
CASH AND CASH EQUIVALENTS AT END OF PERIOD		
Cash and cash equivalents	**381,348**	716,964
Restricted cash	**9,038**	9,038
	₱390,386	₱726,002

The following document has been received:

Receiving: John Denver De Guzman
Receipt Date and Time: July 19, 2023 05:54:29 PM

Company Information

SEC Registration No.: 0000183835
Company Name: ALPHALAND CORPORATION
Industry Classification: D25206
Company Type: Stock Corporation

Document Information

Document ID: OST10719202381490365
Document Type: Financial Statement
Document Code: FS
Period Covered: December 31, 2022
Submission Type: Consolidated
Remarks: None

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

alphaland
CORPORATION

June 15, 2023

"STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR CONSOLIDATED FINANCIAL STATEMENTS"

The management of **Alphaland Corporation and Subsidiaries** (the Group) is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, for the years ended December 31, 2022, 2021, and 2020 in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is responsible in overseeing the Group's financial reporting process.

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

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

ANNA BETTINA ONGPIN
Vice Chairman

RODOLFO MA. A. PONFERRADA
President

CRISTINA B. ZAPANTA
Senior Vice President for Finance

The City Club at Alphaland Makati Place
7232 Ayala Avenue Ext., 1209 Makati City, Philippines
T: +632.337.2031 | E: info@alphaland.com.ph | www.alphaland.com.ph

JUL 18 2023

SUBSCRIBED AND SWORN to before me this ________________ at Makati City, affiants exhibiting to me their respective identification documents, and personally known to me, follows:

NAME	COMPETENT EVIDENCE OF IDENTITY
Anna Bettina Ongpin	TIN 440-293-686
Rodolfo Ma. A. Ponferrada	TIN 215-793-472
Cristina B. Zapanta	TIN 102-116-723

Doc. No. 34
Page No. 64
Book No. 3
Series of 2023

GEORGE DAVID D. SITON
Appointment No. M-132
Notary Public for Makati City
Until December 31, 2023
Executive Bldg. Center Makati Ave.
cor. Jupiter St., Makati City
Roll of Attorneys No. 68402
MCLE Compliance No. VI-0021936-3-29-2019
IBP No. 002282 / Lifetime Member / 5-8-17
PTR No. 8852509 / 01.03.2023 / Makati City

COVER SHEET
for
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

					1	8	3	8	3	5

COMPANY NAME

ALPHALAND CORPORATION AND SUBSIDIARIES

PRINCIPAL OFFICE *(No./Street/Barangay/City/Town/Province)*

Alphaland Makati Place, 7232 Ayala Ave. ext. cor. Malugay Street, Makati City

Form Type	Department requiring the report	Secondary License Type, If Applicable
AACFS	CRMD	Not Applicable

COMPANY INFORMATION

Company's Email Address	Company's Telephone Number	Mobile Number
corpsec@alphaland.com.ph	(632) 5-337-2031	(0917) 100 4805

No. of Stockholders	Annual Meeting	Calendar Year (Month / Day)
85	Last Wednesday of May	12/31

CONTACT PERSON INFORMATION

The designated contact person ***MUST*** be an Officer of the Corporation

Name of Contact Person	Email Address	Telephone Number	Mobile Number
Ms. Cristina B. Zapanta	cbzapanta@alphaland.com.ph	(632) 5-337-2031	(0917) 807 4700

CONTACT PERSON'S ADDRESS

Alphaland Makati Place, 7232 Ayala Ave. ext. cor. Malugay Street, Makati City

NOTE 1*: In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.*

2: *All boxes must be properly and completely filled-up. Failure to do so shall cause the delay in updating the corporation's records with the Commission and/or non-receipt of Notice of Deficiencies. Further, non-receipt shall not excuse the corporation from liability for its deficiencies.*

BOA/PRC Accreditation No. 4782
August 16, 2021, valid until April 13, 2024
SEC Accreditation No. 4782 SEC Group A
Issued August 11, 2022
Valid for Financial Periods 2021 to 2025

BDO Towers Valero
8741 Paseo de Roxas
Makati City 1226 Philippines
Phone : +632 8 982 9100
Fax : +632 8 982 9111
Website : www.reyestacandong.com

INDEPENDENT AUDITORS' REPORT

The Stockholders and the Board of Directors
Alphaland Corporation and Subsidiaries
Alphaland Makati Place
7232 Ayala Ave. ext. cor. Malugay Street
Makati City

Opinion

We have audited the accompanying consolidated financial statements of Alphaland Corporation and Subsidiaries (the Group), which comprise the consolidated statements of financial position as at December 31, 2022 and 2021, and the consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for each of the three years ended December 31, 2022, 2021 and 2020, and notes to consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2022 and 2021, and its consolidated financial performance and its consolidated cash flows for each of the three years ended December 31, 2022, 2021 and 2020 in accordance with Philippine Financial Reporting Standards (PFRS), as modified by the application of financial reporting relief issued and approved by the Philippine Securities and Exchange Commission (SEC) as discussed in Note 2.

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSA). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics) together with the ethical requirements that are relevant to the audit of the consolidated financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Change in Accounting Policy and Acquisition of a Subsidiary

We draw attention to Notes 2, 5, and 6 to the consolidated financial statements concerning the Group's change in accounting policy for its investment properties from fair value model to cost model and certain property and equipment from revaluation model to cost model and the impact on the consolidated financial statements of the acquisition by the Group of 75% ownership of Alphaland Property Management Corp. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Group's Annual Report for the year ended December 31, 2022, but does not include the consolidated financial statements and our auditors' report thereon. The Annual Report for the year ended December 31, 2022 is expected to be made available to us after the date of this auditors' report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audits of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with PFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, these could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with PSA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audits.

REYES TACANDONG & CO.

Emmanuel V. Clarino

EMMANUEL V. CLARINO
Partner
CPA Certificate No. 27455
Tax Identification No. 102-084-004-000
BOA Accreditation No. 4782; Valid until April 13, 2024
SEC Accreditation No. 27455-SEC Group A
Issued January 28, 2020
Valid for Financial Periods 2019 to 2023
BIR Accreditation No. 08-005144-005-2022
Valid until October 16, 2025
PTR No. 9564558
Issued January 3, 2023, Makati City

June 15, 2023
Makati City, Metro Manila

ALPHALAND CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Amounts in Thousands, except for Book Value per Share)

		December 31		January 1
	Note	**2022**	2021 (As Restated - Note 5)	2021 (As Restated - Note 5)
ASSETS				
Current Assets				
Cash and cash equivalents	7	**₱421,101**	₱1,171,738	₱769,657
Trade and other receivables	8	**2,540,550**	2,730,123	1,110,323
Inventories	9	**1,698,991**	1,244,309	1,995,457
Advances to related companies	18	**190,489**	3,983,186	4,111,702
Club shares for sale	12	**–**	1,071,311	1,074,311
Other current assets	10	**1,866,843**	1,178,752	1,204,504
Total Current Assets		**6,717,974**	11,379,419	10,265,954
Noncurrent Assets				
Investment in and advances to an associate	11	**12,349**	12,349	12,349
Investment properties	13	**3,130,845**	3,158,960	3,220,612
Property and equipment	14	**10,261,197**	5,027,988	5,064,038
Net deferred tax assets	23	**51,184**	–	–
Club shares for sale - net of current portion	12	**–**	29,939,589	30,437,589
Other noncurrent assets	15	**206,462**	176,463	155,496
Total Noncurrent Assets		**13,662,037**	38,315,349	38,890,084
		₱20,380,011	₱49,694,768	₱49,156,038
LIABILITIES AND EQUITY				
Current Liabilities				
Trade and other payables	16	**₱4,269,400**	₱3,121,746	₱2,939,217
Advances from related companies	18	**936,688**	2,529,749	2,342,111
Customers' deposits	19	**176,397**	180,933	107,980
Income tax payable		**615,684**	519,667	453,828
Total Current Liabilities		**5,998,169**	6,352,095	5,843,136
Noncurrent Liabilities				
Customers' deposits - net of current portion	19	**81,283**	80,105	120,519
Retirement liability	22	**77,364**	94,809	73,258
Net deferred tax liabilities	23	**–**	4,103,342	4,111,955
Other noncurrent liabilities	16	**595,362**	388,291	183,221
Total Noncurrent Liabilities		**754,009**	4,666,547	4,488,953
Total Liabilities		**6,752,178**	11,018,642	10,332,089

(Forward)

	Note	December 31 **2022**	2021 (As Restated - Note 5)	January 1 2021 (As Restated - Note 5)
Equity Attributable to Equity Holders of the Parent Company				
Capital stock	17	**₱2,704,298**	₱2,702,323	₱2,702,323
Additional paid-in capital		**13,031,369**	12,909,581	12,909,581
Retained earnings	17	**14,390,125**	17,298,908	17,089,357
Other comprehensive income:				
Accumulated remeasurement gain on retirement liability	22	**22,200**	34,744	46,325
Cumulative unrealized valuation gain on club shares for sale	12	**–**	23,136,500	23,482,648
		30,147,992	56,082,056	56,230,234
Less:				
Parent Company's shares held by a subsidiary	17	**16,881,220**	16,881,220	16,881,220
Cost of treasury shares	17	**524,283**	524,283	524,283
		12,742,489	38,676,553	38,824,731
Noncontrolling interests		**885,344**	(427)	(782)
Total Equity		**13,627,833**	38,676,126	38,823,949
		₱20,380,011	₱49,694,768	₱49,156,038
Book Value per Share*	24	**₱1.040**	₱2.957	₱2.968

See accompanying Notes to Consolidated Financial Statements.

*Book value per share is computed based on number of shares outstanding. This information is intended as additional information for management reporting purposes only.

ALPHALAND CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Amounts in Thousands, except for Earnings per Share)

			Years Ended December 31	
	Note	**2022**	2021 (As Restated - Note 5)	2020 (As Restated - Note 5)
REVENUES	20			
Real estate sales		**₱1,070,225**	₱2,057,501	₱1,034,902
Service income		**574,428**	516,074	399,695
Rental income	19	**373,654**	336,323	491,802
Interest income	7	**35,732**	21,116	28,072
Others		**159,614**	95,449	43,702
		2,213,653	3,026,463	1,998,173
COSTS AND EXPENSES	21			
Cost of real estate sold		**458,907**	1,047,405	424,481
Cost of services		**545,129**	560,043	599,658
General and administrative		**1,092,592**	839,994	948,540
		2,096,628	2,447,442	1,972,679
OTHER INCOME (CHARGES)				
Finance costs		**(1,183)**	(2,371)	(2,593)
Others - net		**3,443**	21,813	127,466
		2,260	19,442	124,873
INCOME BEFORE INCOME TAX		**119,285**	598,463	150,367
PROVISION FOR (BENEFIT FROM) INCOME TAX	23			
Current		**109,535**	246,813	154,250
Deferred		**(62,951)**	(8,075)	(8,117)
		46,584	238,738	146,133
NET INCOME		**72,701**	359,725	4,234
OTHER COMPREHENSIVE INCOME (LOSS)				
Not to be reclassified to profit or loss in subsequent years (net of tax):				
Unrealized valuation gain (loss) on club shares for sale	12	**8,522**	(26,831)	(1,129,004)
Remeasurement gain (loss) and other adjustments on retirement liability	22	**7,584**	(11,581)	5,368
		16,106	(38,412)	(1,123,636)
TOTAL COMPREHENSIVE INCOME (LOSS)		**₱88,807**	₱321,313	(₱1,119,402)

(Forward)

		Years Ended December 31		
	Note	**2022**	2021 (As Restated - Note 5)	2020 (As Restated - Note 5)
Net income (loss) attributable to:				
Equity holders of the Parent Company		**₱72,532**	₱359,370	₱10,744
Noncontrolling interests		**169**	355	(6,510)
		₱72,701	₱359,725	₱4,234
Total comprehensive income (loss) attributable to:				
Equity holders of the Parent Company		**₱88,638**	₱320,957	(₱1,112,892)
Noncontrolling interests		**169**	355	(6,510)
		₱88,807	₱321,312	(₱1,119,402)
Basic/Diluted Earnings Per Share*				
Based on weighted average number of shares outstanding	24	**₱0.006**	₱0.028	₱0.001

See accompanying Notes to Consolidated Financial Statements.

*Basic/diluted earnings per share is computed based on weighted average number of shares outstanding. This information is intended as additional information for management reporting purposes only.

ALPHALAND CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(Amounts in Thousands)

		Years Ended December 31		
	Note	**2022**	2021 (As Restated - Note 5)	2020 (As Restated - Note 5)
CAPITAL STOCK	17			
Balance at beginning of year		**₱2,702,323**	₱2,702,323	₱2,842,174
Issuance of shares during the year		**1,975**	–	–
Reclassification to additional paid-in capital		**–**	–	(139,851)
Balance at end of year		**2,704,298**	2,702,323	2,702,323
ADDITIONAL PAID-IN CAPITAL				
Balance at beginning of year		**12,909,581**	12,909,581	12,769,730
Excess of acquisition price over acquired interest		**121,788**	–	–
Reclassification from capital stock		**–**	–	139,851
Balance at end of year		**13,031,369**	12,909,581	12,909,581
RETAINED EARNINGS				
Balance at beginning of year, as reported		**61,016,926**	56,828,021	53,419,451
Prior period adjustments	5	**(43,718,018)**	(39,738,664)	(36,865,122)
Balance at beginning of year, as restated		**17,298,908**	17,089,357	16,554,329
Impact of acquisition of a subsidiary	6	**(2,684,574)**	–	–
Dividends	17	**(524,006)**	(523,216)	–
Reclassification adjustments on disposal of club shares	12	**189,122**	373,397	524,284
Net income		**72,532**	359,370	10,744
Reclassification adjustment on remeasurement gains		**38,143**	–	–
Balance at end of year		**14,390,125**	17,298,908	17,089,357
OTHER COMPREHENSIVE INCOME				
Cumulative Unrealized Valuation Gain on Club Shares for Sale	12			
Balance at beginning of year		**23,136,500**	23,482,648	25,057,294
Impact of acquisition of a subsidiary	6	**(22,983,758)**	–	–
Reclassification adjustments		**(161,264)**	(319,317)	(445,642)
Unrealized valuation gain (loss)		**8,522**	(26,831)	(1,129,004)
Balance at end of year		**–**	23,136,500	23,482,648
Revaluation Surplus	14			
Balance at beginning of year		**3,664,880**	3,428,674	3,577,428
Prior period adjustments	5	**(3,664,880)**	(3,428,674)	(3,577,428)
Balance at beginning and of year, as restated		**–**	–	–

(Forward)

		Years Ended December 31		
	Note	**2022**	2021 (As Restated - Note 5)	2020 (As Restated - Note 5)
Accumulated Remeasurement Gain on Retirement Liability	22			
Balance at beginning of year		**₱34,744**	₱46,325	₱40,957
Reclassified to retained earnings		**(28,608)**	–	–
Impact of acquisition of a subsidiary	6	**8,480**	–	–
Remeasurement gain (loss) and other adjustments		**7,584**	(11,581)	5,368
Balance at end of year		**22,200**	34,744	46,325
		22,200	23,171,244	23,528,973
PARENT COMPANY'S SHARES HELD BY A SUBSIDIARY	17	**(16,881,220)**	(16,881,220)	(16,881,220)
TREASURY STOCK				
Balance at beginning of year	17	**(524,283)**	(524,283)	(1,214)
Additions		**–**	–	(523,069)
Balance at end of year		**(524,283)**	(524,283)	(524,283)
NONCONTROLLING INTERESTS				
Balance at beginning of year		**(428)**	(782)	5,728
Impact of acquisition of a subsidiary	6	**885,603**	–	–
Share in net income (loss)		**169**	356	(6,510)
Balance at end of year		**885,344**	(426)	(782)
		₱13,627,833	₱38,676,126	₱38,823,949

See accompanying Notes to Consolidated Financial Statements.

ALPHALAND CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Amounts in Thousands)

	Note	2022	2021 (As Restated - Note 5)	2020 (As Restated - Note 5)
		Years Ended December 31		
CASH FLOWS FROM OPERATING ACTIVITIES				
Income before income tax		**₱119,285**	₱598,463	₱150,367
Adjustments for:				
Depreciation and amortization	14	**308,449**	301,190	368,176
Interest income	7	**(35,732)**	(21,116)	(28,072)
Retirement benefits	22	**14,939**	21,551	17,059
Finance costs		**1,183**	2,371	2,593
Unrealized foreign exchange losses (gains)		**(1,172)**	(1,119)	8,240
Impairment loss on trade and other receivables	8	–	–	8,457
Gain on sale of aircraft	14	–	–	(99,195)
Operating income before working capital changes		**406,952**	901,340	427,625
Decrease (increase) in:				
Trade and other receivables		**661,830**	(1,642,707)	466,084
Land and development costs and parking lots for sale		**(360,086)**	759,092	18,570
Other current assets		**(134,952)**	7,227	142,004
Increase (decrease) in:				
Trade and other payables		**109,812**	179,713	(486,466)
Customers’ deposits		**(3,358)**	32,539	(48,305)
Other noncurrent liabilities		**168,568**	194,517	136,534
Net cash generated from operations		**848,766**	431,721	656,046
Income taxes paid		**(13,519)**	(117,533)	(206,198)
Interest received		**40,626**	26,010	32,966
Retirement benefits paid	22	**(2,377)**	–	(4,217)
Net cash provided by operating activities		**873,496**	340,198	478,597
CASH FLOWS FROM INVESTING ACTIVITIES				
Additions to:				
Property and equipment	14	**(475,396)**	(163,959)	(120,355)
Advances to related parties		**(42,437)**	–	(584,598)
Investment properties	13	**(14,988)**	(22,532)	(19,294)
Software	15	**–**	(270)	(1,106)
Club shares for sale		**–**	–	(4,288)
Proceeds from sale of club shares		**231,522**	469,434	723,048
Collections of advances to related companies		**111,882**	128,516	–
Net cash acquired from business combination	6	**105,665**	–	–
Decrease (increase) in other noncurrent assets		**(20,485)**	(8,339)	34,578
Net cash provided by (used in) investing activities		**(104,237)**	402,850	27,985

(Forward)

		Years Ended December 31		
	Note	**2022**	2021 (As Restated - Note 5)	2020 (As Restated - Note 5)
CASH FLOWS FROM FINANCING ACTIVITIES				
Dividends paid	17	**(₱524,006)**	(₱523,216)	₱–
Proceeds from:				
Issuance of new shares	17	**123,763**	–	–
Advances from related parties		**3,289**	187,638	–
Payments of:				
Advances from related parties		**(1,122,473)**	–	(207,107)
Leases		**–**	(5,991)	(5,211)
Finance costs		**(1,183)**	(1,311)	(1,584)
Net cash used in financing activities		**(1,520,610)**	(342,880)	(213,902)
EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		**782**	1,119	(8,240)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		**(750,569)**	401,287	284,440
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR				
Cash and cash equivalents	7	**1,171,738**	769,657	494,184
Restricted cash	10	**9,348**	10,142	1,175
		1,181,086	779,799	495,359
CASH AND CASH EQUIVALENTS AT END OF YEAR				
Cash and cash equivalents	7	**421,101**	1,171,738	769,657
Restricted cash	10	**9,416**	9,348	10,142
		₱430,517	₱1,181,086	₱779,799

See accompanying Notes to Consolidated Financial Statements.

ALPHALAND CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2022 AND 2021 AND FOR THE THREE YEARS ENDED DECEMBER 31, 2022, 2021, AND 2020

1. **Corporate Matters**

Corporate Information

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 at Alphaland Makati Place, 7232 Ayala Ave. ext. cor. Malugay Street, Makati City.

The consolidated financial statements as at December 31, 2022 and 2021 and for each of the three years ended December 31, 2022, 2021 and 2020 were approved and authorized for issuance by the Executive Committee of the Board of Directors (BOD) on June 15, 2023.

ALPHA's Legal Subsidiaries as at December 31, 2022 and 2021

Company	Place of Incorporation	Nature of Business	Percentage of Ownership 2022	2021
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) [(a)]	Philippines	Real property development	**100**	100
Alphaland Baguio Mountain Log Homes, Inc. (ABMLHI)	Philippines	Real property development	**100**	100
Alphaland Balesin International 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) [(a)]	Philippines	Holding company	**100**	100
Alphaland Southgate Restaurants, Inc. (ASRI) [(a)]	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) [(b)]	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)	Philippines	Pharmacy	**100**	100
Choice Insurance Brokerage, Inc. (CIBI) [(d)]	Philippines	Insurance brokerage	**100**	100
Alphaforce Security Agency, Inc. (ASAI)	Philippines	Security agency	**80**	80

(Forward)

Company	Place of Incorporation	Nature of Business	Percentage of Ownership 2022	2021
Redstone Mountain Holdings Inc. (RMHI)	Philippines	Holding company	**100**	100
Lodgepole Holdings, Inc. (LHI)	Philippines	Holding company	**100**	100
Mt. Baguio Holding Estates Inc. (MBHEI)	Philippines	Holding company	**100**	100
Top of the Alpha, Inc. (Top of the Alpha) (c)	Philippines	Restaurant operations	**100**	100
The Alpha Suites, Inc. (Alpha Suites) (c)	Philippines	Real estate company	**100**	100
Pinecrest Holdings, Inc. (PHI)	Philippines	Holding company	**100**	100
Balesin Football Club, Inc. (BFCI)	Philippines	Amusement and recreation activities	**100**	–
Alphaland Balesin Island Club, Inc. (ABICI) (e)	Philippines	Amusement and recreation activities	**75**	–
The City Club at Alphaland Makati Place, Inc. (TCCAMPI) (e)	Philippines	Amusement and recreation activities	**75**	–
Alphaland Property Management Corporation (APMC)	Philippines	Holding company	**75**	–

(a) Through ASTI
(b) Through AAI
(c) Through AMPI
(d) Through Blue Holdings
(e) Through APMC

On January 28, 2020, the BOD of CIBI approved a resolution to shorten the corporate life of the CIBI to eight years from the date of incorporation or until November 6, 2020. Accordingly, CIBI changed its basis of accounting from the going concern basis to the liquidation basis.

No adjustment to the assets and liabilities of CIBI is considered necessary as management has assessed that the remaining assets can pay for the remaining liabilities and operating expenses until the dissolution of CIBI. As at December 31, 2022, CIBI is still in the process of obtaining the required regulatory approvals for the dissolution.

In 2022, ALPHA acquired 75% shares of APMC, the parent company of TCCAMPI and ABICI (see Note 6). The acquisition was considered as a business combination under common control. As a result, the club shares for sale (the unquoted preferred shares of TCCAMPI and ABICI) aggregating ₱31 billion were eliminated at the consolidated level, prospectively (see Note 6).

On May 2, 2022, ALPHA incorporated and registered BFCI with the Philippine SEC primarily to engage in holding, developing, operating, managing, and administer lease except financial leasing or rent for profit a Federation Internationale de Football Association (FIFA).

2. Summary of Significant Accounting Policies

Basis of Preparation and Statement of Compliance

The consolidated financial statements of the Group have been prepared in compliance with Philippine Financial Reporting Standards (PFRS), issued by the Philippine Financial and Sustainability Reporting Standards Council (formerly Financial Reporting Standards Council) and adopted by the SEC, including SEC pronouncements. This financial reporting framework includes PFRS, Philippine Accounting Standards (PAS), and Philippine Interpretations from International Financial Reporting Interpretations Committee (IFRIC).

In December 2020, the SEC issued Memorandum Circular (MC) No. 34, Series of 2020, which further extended the deferral of application of the provisions of Philippine Interpretations Committee (PIC) Question & Answer (Q&A) No. 2018-12 with respect to accounting for significant financing component and exclusion of land in the calculation of percentage of completion (POC) and IFRIC Agenda Discussion on over time transfers of constructed goods under PAS 23, *Borrowing Cost*, for another period of three years or until 2023.

The Group opted to avail the relief in connection with the accounting for significant financing component and borrowing cost. The impact of the application of such financial reporting relief is discussed in the "Adoption of its Amendments to PFRS and PIC Issuances Issued but Not Yet Effective or Adopted" section of notes to the consolidated financial statements.

In 2022, the Group voluntarily changed its accounting policy on the following:

- Service residences and aircrafts presented under "Property and equipment" from revaluation model to cost model
- Investment properties from fair value model to cost model.

The change was accounted retrospectively and resulted to a reduction of retained earnings as at January 1, 2022 of ₱43.7 billion. The impact of the change in accounting policy are summarized in Note 5.

Measurement Bases
The consolidated financial statements are presented in Philippine Peso, the Group's functional currency. All amounts are rounded to the nearest thousands unless otherwise stated.

The consolidated financial statements of the Group have been prepared on a historical cost basis, except for club shares for sale which are designated at fair value through other comprehensive income (FVOCI);

Historical cost is generally based on the fair value of the consideration given in exchange of assets and fair value of the consideration received in exchange for incurring a liability.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Group uses market observable data to a possible extent when measuring the fair value of an asset or a liability. Fair values are categorized into different levels in a fair value hierarchy based on inputs used in the valuation techniques as follows:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

If the inputs used to measure the fair value of an asset or a liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in Notes 12, 13, 14 and 26.

Adoption of Amendments to PFRS and PIC Issuances
The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of the relevant amendments to PFRS effective January 1, 2022:

- Amendments to PAS 16, *Property, Plant and Equipment - Proceeds Before Intended Use* – The amendments prohibit deducting from the cost of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for its intended use. Instead, the proceeds and related costs from such items shall be recognized in profit or loss.

- Amendments to PAS 37, *Provisions, Contingent Liabilities and Contingent Assets - Onerous Contracts - Cost of Fulfilling a Contract* – The amendments clarify that for the purpose of assessing whether a contract is onerous, the cost of fulfilling a contract comprises both the incremental costs of fulfilling that contract and an allocation of costs directly related to contract activities.

- Amendments to PFRS 3, *Business Combinations - Reference to Conceptual Framework* – The amendments replaced the reference of PFRS 3 from the 1989 Framework to the current 2018 Conceptual Framework. The amendments include an exception that specifies that, for some types of liabilities and contingent liabilities, an entity applying PFRS 3 should refer to PAS 37, *Provisions, Contingent Liabilities and Contingent Assets,* or IFRIC 21, *Levies,* instead of the Conceptual Framework. The requirement ensures that the liabilities recognized in a business combination will remain the same as those recognized applying the current requirements in PFRS 3. The amendments also clarify that an acquirer shall not recognize contingent assets acquired in a business combination.

- Annual Improvements to PFRS 2018 to 2020 Cycle:

  - Amendments to PFRS 9, *Financial Instruments - Fees in the '10 per cent' Test for Derecognition of Financial Liabilities* – The amendment clarifies which fees an entity includes when it applies the '10 per cent' test in assessing whether to derecognize a financial liability (i.e. whether the terms of a new or modified financial liability is substantially different from the terms of the original financial liability). These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or the lender on the other's behalf.

The adoption of the amendments to PFRS did not materially affect the financial statements of the Group. Additional disclosures were included in the financial statements, as applicable

Amendments to PFRS and PIC Issuances in Issue But Not Yet Effective or Adopted
Relevant amendments to PFRS and PIC issuances which are not yet effective as at December 31, 2022 and have not been applied in preparing the consolidated financial statements are summarized below.

Effective for annual periods beginning on or after January 1, 2023:

- Amendments to PAS 1, *Presentation of Financial Statements,* and PFRS Practice Statement 2, *Making Materiality Judgments - Disclosure Initiative - Accounting Policies* – The amendments require an entity to disclose its material accounting policies, instead of its significant accounting policies and provide guidance on how an entity applies the concept of materiality in making decisions about accounting policy disclosures. In assessing the materiality of accounting policy information, entities need to consider both the size of the transactions, other events or conditions and its nature. The amendments clarify (1) that accounting policy information may be material because of its nature, even if the related amounts are immaterial, (2) that accounting policy information is material if users of an entity's financial statements would need it to understand other material information in the financial statements, and (3) if an entity discloses immaterial accounting policy information, such information should not obscure material accounting policy information. In addition, PFRS Practice Statement 2 is amended by adding guidance and examples to explain and demonstrate the application of the 'four-step materiality process' to accounting policy information. The amendments should be applied prospectively. Earlier application is permitted.

- Amendments to PAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates* – The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies, and the correction of errors. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". An entity develops an accounting estimate if an accounting policy requires an item in the financial statements to be measured in a way that involves measurement uncertainty. The amendments clarify that a change in accounting estimate that results from new information or new developments is not a correction of an error, and that the effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result from the correction of prior period errors. A change in an accounting estimate may affect only the profit or loss in the current period, or the profit or loss of both the current and future periods. Earlier application is permitted.

- Amendments to PAS 12, *Income Taxes - Deferred Tax Related Assets and Liabilities from a Single Transaction* – The amendments require companies to recognize deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. The amendments should be applied on a modified retrospective basis. Earlier application is permitted.

Effective for annual periods beginning on or after January 1, 2024:

- Amendments to PFRS 16, *Leases - Lease Liability in a Sale and Leaseback* – The amendments clarify that the liability that arises from a sale and leaseback transaction, that satisfies the requirements in PFRS 15, *Revenue from Contracts with Customers,* to be accounted for as a sale, is a lease liability to which PFRS 16 applies and give rise to a right-of-use asset. For the subsequent measurement, the seller-lessee shall determine 'lease payments' or 'revised lease payments' in a way that the seller-lessee would not recognize any amount of the gain or loss that relates to the right of use retained by the seller-lessee. Applying this subsequent measurement does not prevent the seller-lessee from recognizing any gain or loss relating to the partial or full termination of a lease. Any gain or loss relating to the partial or full termination of the lease does not relate to the right of use retained but to the right of use terminated. The amendments must be applied retrospectively. Earlier application is permitted.

- Amendments to PAS 1, *Presentation of Financial Statements - Classification of Liabilities as Current or Noncurrent* – The amendments clarify the requirements for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period. The amendments also specify and clarify the following: (i) an entity's right to defer settlement must exist at the end of the reporting period, (ii) the classification is unaffected by management's intentions or expectations about whether the entity will exercise its right to defer settlement, (iii) how lending conditions affect classification, and (iv) requirements for classifying liabilities where an entity will or may settle by issuing its own equity instruments. The amendments must be applied retrospectively. Earlier application is permitted. If applied in earlier period, the Company shall also apply Amendments to PAS 1 - *Noncurrent Liabilities with Covenants* for that period.

- Amendments to PAS 1, *Noncurrent Liabilities with Covenants* – The amendments clarified that covenants to be complied with after the reporting date do not affect the classification of debt as current or noncurrent at the reporting date. Instead, the amendments require the entity to disclose information about these covenants in the notes to the financial statements. The amendments must be applied retrospectively. Earlier application is permitted. If applied in earlier period, the Company shall also apply Amendments to PAS 1 - *Classification of Liabilities as Current or Noncurrent* for that period.

- PIC Q&A 2018-12-D, *PFRS 15, Implementing Issues Affecting the Real Estate Industry (as amended by PIC Q&A 2020-4)* – On December 15, 2020, the SEC issued SEC MC No. 34-2020 providing relief to the real estate industry by deferring the application of "assessing if the transaction price includes a significant financing component as discussed in PIC Q&A 2018-12-D (with an addendum in PIC Q&A 2020-04)" until December 31, 2023.

- PIC Q&A 2018-12-E, *Treatment of Land in the Determination of the POC* – The PIC Q&A clarified that the cost of the land should be excluded in measuring the POC of performance obligation and should be accounted for as fulfillment cost.

  On December 15, 2020, the SEC issued SEC MC No. 34-2020 providing relief to the real estate industry by deferring the application of "exclusion of land in calculation of POC as discussed in PIC Q&A 2018-12-E" until December 31, 2023.

Deferred effectivity -

- Amendments to PFRS 10, *Consolidated Financial Statements,* and PAS 28 - *Sale or Contribution of Assets Between an Investor and its Associate or Joint Venture* – The amendments address a conflicting provision under the two standards. It clarifies that a gain or loss shall be recognized fully when the transaction involves a business, and partially if it involves assets that do not constitute a business. The effective date of the amendments, initially set for annual periods beginning on or after January 1, 2016, was deferred indefinitely in December 2015 but earlier application is still permitted.

- *IFRIC Agenda Decision on Over Time Transfer of Constructed Goods (PAS 23, Borrowing Cost) for the Real Estate Industry* – In March 2019, IFRIC published an Agenda Decision on whether borrowing costs can be capitalized on real estate inventories that are under construction and for which the related revenue is/will be recognized over time under paragraph 35(c) of International Financial Reporting Standards 15 (PFRS 15). IFRIC concluded that borrowing costs cannot be capitalized for such real estate inventories as they do not meet the definition of a qualifying asset under PAS 23 considering that these inventories are ready for their intended sale in their current condition.

  On December 15, 2020, the SEC issued SEC MC No. 34, Series of 2020, which extends the relief on the application of the IFRIC Agenda Decision provided to the real estate industry until December 31, 2023.

  The Group availed of the SEC relief with respect to accounting for borrowing costs. The adoption of this guidance would have an impact on land and development costs, property and equipment, deferred taxes and the opening balance of retained earnings in the year of adoption.

- PIC Q&A 2018-12-D, *PFRS 15 Implementing Issues Affecting the Real Estate Industry (as amended by PIC Q&A 2020-04)*. On December 15, 2020, the SEC issued SEC MC No. 34-2020 providing relief to the real estate industry by deferring the application of “assessing if the transaction price includes a significant financing component as discussed in PIC Q&A 2018-12-D (as amended by PIC Q&A 2020-04)” until December 31, 2023.

  The Group availed of the SEC relief with respect to accounting for significant financing component. The adoption of this guidance would have an impact to the interest income (expense), revenue from real estate sales, contract assets, income tax and the opening balance of retained earnings in the year of adoption. The Group is still assessing if the mismatch between the POC and right to an amount of consideration constitutes a significant financing component.

Under prevailing circumstances, the adoption of the foregoing amendments to PFRS and PIC issuances, except for the potential impact of accounting for borrowing costs and assessing if the transaction price includes a significant financing component, is not expected to have any material effect on the consolidated financial statements of the Group. Additional disclosures will be included in the consolidated financial statements, as applicable.

Basis of Consolidation

The consolidated financial statements include the accounts of the Parent Company and its subsidiaries. Subsidiaries are entities controlled by the Parent Company. Control is achieved when the Parent Company is exposed, or has right, to variable returns from its investment with the investee and it has the ability to affect those returns through its powers over the investee.

The Parent Company re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to elements evidencing control.

Subsidiaries are consolidated from the date of acquisition or incorporation, being the date on which the Parent Company obtains control, and continue to be consolidated until the date such control ceases. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

The financial statements of the subsidiaries are prepared for the same reporting period as the Parent Company, using consistent accounting policies. All intra-group balances, transactions, unrealized gains and losses resulting from intra-group transactions and dividends are eliminated in full.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

Noncontrolling interests (NCI) represent the portion of net results and net assets not held by the Parent Company. These are presented in the consolidated statements of financial position within equity, apart from equity attributable to equity holders of the parent and are separately disclosed in the consolidated statements of comprehensive income. NCI pertains to the equity interest in ASAI as at and for the years ended December 31, 2022, 2021 and 2020.

Losses within a subsidiary are attributed to the NCI even if that results in a deficit balance.

If the Parent Company loses control over a subsidiary, it derecognizes the assets including goodwill, liabilities and NCI in the subsidiary. The Parent Company recognizes the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in the consolidated statements of comprehensive income.

Business Combinations and Goodwill - Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any NCI in the acquiree. For each business combination, the acquirer measures the NCI in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date and any resulting gain or loss is recognized in profit or loss.

Goodwill is initially measured at cost being the excess of the aggregate of the consideration transferred and the amount recognized for NCI over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognized in profit or loss.

Common Control Business Combinations and Group Reorganizations
Where there are group reorganizations and business combinations in which all the combining entities within the Group are ultimately controlled by the same ultimate owner before and after the business combination and the control is not transitory, the Group accounts for such group reorganizations and business combinations similar to the pooling-of-interests method. The assets and liabilities of the acquired entities and that of the Group are reflected at their carrying values at the stand-alone financial statements of the investee companies.

Under the pooling-of-interests method:

- The assets and liabilities of the combining entities are reflected in the consolidated financial statements at their carrying amounts;
- No adjustments are made to reflect fair values, or recognize any new assets or liabilities at the date of the reorganization;
- No "new" goodwill is recognized as a result of the reorganization;
- The consolidated statements of comprehensive income reflects the results of the combining entities for the full year, irrespective of when the combination took place

Financial Assets and Liabilities

Date of Recognition. The Group recognizes a financial asset or a financial liability in the consolidated statements of financial position when it becomes a party to the contractual provisions of a financial instrument. In the case of a regular way purchase or sale of financial assets, recognition and derecognition, as applicable is done using settlement date accounting.

Initial Recognition. Financial instruments are recognized initially at fair value, which is the fair value of the consideration given (in case of an asset) or received (in case of a liability). The initial measurement of financial instruments, except for those designated at fair value through profit and loss (FVPL), includes transaction cost.

"Day 1" Difference. Where the transaction in a non-active market is different from the fair value of other observable current market transactions in the same instrument or based on a valuation technique whose variables include only data from observable market, the Group recognizes the difference between the transaction price and fair value (a "Day 1" difference) in profit or loss. In cases where there is no observable data on inception, the Group deems the transactions price as the best estimate of fair value and recognizes "Day 1" difference in profit or loss when the inputs become observable or when the instrument is derecognized. For each transaction, the Group determines the appropriate method of recognizing the "Day 1" difference.

Classification of Financial Instruments. The Group classifies its financial assets at initial recognition under the following categories: (a) financial assets at FVPL, (b) financial assets at amortized cost and, (c) financial assets at FVOCI. The classification of a financial asset largely depends on the Group's business model and the contractual cash flow characteristics of the instrument.

The Group reclassifies its financial assets when, and only when, it changes its business model for managing those financial assets. The reclassification is applied prospectively from the first day of the first reporting period following the change in the business model (reclassification date).

Financial liabilities, on the other hand, are classified as either financial liabilities at FVPL or financial liabilities at amortized cost.

As at December 31, 2022 and 2021, the Group does not have financial assets and liabilities at FVPL.

Financial Assets at Amortized Cost. A financial asset shall be measured at amortized cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured at amortized cost using the effective interest method, less allowance for impairment, if any. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees that are an integral part of the effective interest rate. Gains and losses are recognized in profit or loss when the financial assets are derecognized and through amortization process. Financial assets at amortized cost are included under current assets if realizability or collectability is within 12 months after the reporting period. Otherwise, these are classified as noncurrent assets.

Included in this category are cash and cash equivalents, trade and other receivables (excluding advances to officers and employees), advances to related companies, restricted cash (presented under “Other current assets” account), advances to an associate and refundable deposits (presented under “Other noncurrent assets” account).

Financial Assets at FVOCI. Equity securities which are not held for trading may be irrevocably designated at initial recognition under the FVOCI category.

Financial assets at FVOCI are initially measured at fair value plus transaction costs. After initial recognition, financial assets at FVOCI are measured at fair value with unrealized gains or losses recognized in other comprehensive income. These fair value changes are accumulated in equity and are not reclassified to profit or loss in subsequent periods. On disposal of these equity securities, any cumulative valuation gains or losses will be reclassified to retained earnings.

Classified under this category are the Group’s club shares for sale.

The Group does not have debt instruments measured at FVOCI as at December 31, 2022 and 2021.

Financial Liabilities at Amortized Cost. Financial liabilities are categorized as financial liabilities at amortized cost when the substance of the contractual arrangement results in the Group having an obligation either to deliver cash or another financial asset to the holder, or to settle the obligation other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of its own equity instruments.

These financial liabilities are initially recognized at fair value less any directly attributable transaction costs. After initial recognition, these financial liabilities are subsequently measured at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any discount or premium on the issue and fees that are an integral part of the effective interest rate. Gains and losses are recognized in profit or loss when the liabilities are derecognized or through the amortization process.

This category includes trade and other payables (excluding deposits from sale of real estate, statutory payables and unearned rental income), advances from related companies and customers' deposits.

Impairment of Financial Assets at Amortized Cost
The Group records an allowance for expected credit loss (ECL) on financial assets at amortized cost based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive. The difference is then discounted at an approximation to the asset's original effective interest rate.

The Group measures loss allowances at an amount equivalent to the 12-month ECL for financial assets on which credit risk has not increased significantly since initial recognition or that are determined to have low credit risk at reporting date. Otherwise, impairment loss will be based on lifetime ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at reporting date with the risk of a default occurring on the financial instrument on the date of initial recognition and consider reasonable and supportable information, that is available without undue cost or effort. In addition, the Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

If, in a subsequent year, the amount of the estimated impairment loss decreases because of an event occurring after the impairment was recognized, the previously recognized impairment loss is reduced by adjusting the allowance account. Any subsequent reversal of an impairment loss is recognized in profit or loss to the extent that the carrying amount of the asset does not exceed its amortized cost at reversal date.

Trade Receivables. The Group has applied the simplified approach in measuring the ECL on trade receivables. Simplified approach requires that ECL should always be based on the lifetime ECL. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECL at each reporting date.

The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

Other Financial Instruments Measured at Amortized Cost. For these financial assets, the Group applies the general approach in determining ECL. The Group recognizes an allowance based on either the 12-month ECL or lifetime ECL, depending on whether there has been a significant increase in credit risk since initial recognition.

A financial asset is written off when there is no reasonable expectation of recovering the financial asset in its entirety or a portion thereof. This is generally the case when the Group determines that the counterparty does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Derecognition of Financial Assets and Liabilities

Financial Assets. A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognized when:

- the right to receive cash flows from the asset has expired;
- the Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement; or
- the Group has transferred its right to receive cash flows from the asset and either: (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its right to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Group's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Financial Liabilities. A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in profit or loss.

Offsetting Financial Assets and Liabilities
Financial assets and liabilities are offset and the net amount is reported in the consolidated statements of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously. This is not generally the case with master netting agreements, and the related assets and liabilities are presented gross in the consolidated statements of financial position.

Classification of Financial Instrument between Liability and Equity
A financial instrument is classified as liability if it provides for a contractual obligation to:

- Deliver cash or another financial asset to another entity;
- Exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the Group; or
- Satisfy the obligation other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of own equity shares.

If the Group does not have an unconditional right to avoid delivering cash or another financial asset to settle its contractual obligation, the obligation meets the definition of a financial liability.

Land and Development Costs and Parking Lots for Sale

Property acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as inventory and is measured at the lower of cost and net realizable value (NRV).

Costs include:

- Cost of the land;
- Construction and development costs; and
- Borrowing costs, planning and design costs, costs of site preparation, professional fees, property transfer taxes, construction overheads and other related costs.

NRV is the estimated selling price in the ordinary course of the business, based on market prices at the reporting date, less estimated specifically identifiable costs to complete and the estimated costs to sell.

Other Current Assets

This account mainly consists of advances to contractors and suppliers, the excess of input value-added tax (VAT) over output VAT, creditable withholding taxes (CWT), supplies and prepayments.

Advances to Contractors and Suppliers. Advances to contractors and suppliers represent advance payments on goods and services to be incurred in connection with the Group's projects and operations. These are charged to expense or capitalized to projects in the consolidated statements of financial position, upon actual receipt of services or goods. These are considered as nonfinancial instruments as these will be applied against future billings from contractors and suppliers. Advance payments to contractors and suppliers, relating to the portion of projects that are classified as investment property and advance payments that will be applied against future billings beyond 12 months from the reporting date, are presented as part of "Other noncurrent assets" account in the consolidated statements of financial position.

VAT. Revenues, expenses and assets are recognized net of the amount of VAT, except:

- where the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the tax is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables that are stated with the amount of tax included.

The net amount of tax recoverable from the taxation authority is included as part of "Other current assets" account in the consolidated statements of financial position.

CWT. CWT represents the amount withheld by the Group's customers in relation to its income. CWT can be utilized as payment for income taxes provided that these are properly supported by certificates of creditable tax withheld at source subject to the rules on Philippine income taxation. CWT is stated at its net realizable amount.

Supplies. Supplies are valued at the lower of cost and NRV. Cost is determined using the weighted average method and includes expenditures incurred in acquiring the supplies and bringing them to their existing location and condition. NRV is the current replacement cost.

Prepayments. Prepayments are expenses not yet incurred but paid in advance. Prepayments are apportioned over the period covered by the payment and charged to the appropriate account in profit or loss when incurred. Prepayments that are expected to be realized for no more than 12 months after the reporting period are classified as current assets. Otherwise, these are classified as noncurrent assets.

Interests in Joint Operations
A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities relating to the arrangement.

The Group recognizes in relation to its interest in a joint operation:

- its assets, including its share of any assets held jointly;
- its liabilities, including its share of any liabilities incurred jointly;
- its revenue from the sale of its share of the output arising from the joint operation;
- its share of the revenue from the sale of the output by the joint operation; and
- its expenses, including its share of any expenses incurred jointly.

Investment in an Associate
An associate is an entity in which the Group has significant influence. Investment in an associate is carried at its estimated recoverable value since the associate is in the process of liquidation. Dividends received are recognized in profit or loss.

The financial statements of the associate are prepared for the same reporting period as the Group.

Investment Properties
In 2022, the Group changed its accounting policy from fair value model to the cost model to provide management more reliable and relevant information about the effects of transactions, other events or conditions on the Group's financial position, financial performance or cash flows. Accordingly, the investment properties are carried at cost.

Investment properties comprise of completed properties and land for future development held by the Group to earn rentals or for capital appreciation, or both. Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the cost of replacing part of existing investment properties at the time that cost is incurred and if the recognition criteria are met, and excludes the costs of day-to-day servicing of investment properties. Subsequent to initial recognition, investment properties, except land, are carried cost less depreciation and impairment. Land is stated at cost less any impairment in value.

Investment properties, except land, are depreciated on a straight-line basis over a period of 40 years. The estimated useful lives and method of depreciation and amortization are reviewed, and adjusted if appropriate, at the end of each reporting year.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner occupied property becomes an investment property, the Group accounts for such property in accordance with the policy on property and equipment up to the date of change in use.

Investment properties are derecognized when either they have been disposed of or when the investment properties are permanently withdrawn from use and no further economic benefit is expected from its disposal. Any gain or loss on the retirement of disposal of an investment property is recognized in profit or loss in the year of retirement or disposal.

Property and Equipment

In 2022, the Group changed its accounting policy on serviced residences and aircrafts from revaluation model to the cost model to provide management more reliable and relevant information about the effects of transactions, other events or conditions on the Group's financial position, financial performance or cash flows.

Property and equipment, are stated at cost less accumulated depreciation, amortization and impairment in value, if any. Land is stated at cost less any impairment in value.

The initial cost of property and equipment consists of its purchase price, including import duties, nonrefundable taxes and any directly attributable costs in bringing the asset to its working condition and location for its intended use. Such cost includes the cost of replacing part of such property and equipment when that cost is incurred if the recognition criteria are met.

Expenditures incurred after the property and equipment have been put into operation, such as repairs and maintenance, are normally charged to profit or loss in the period when the costs are incurred. In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property and equipment beyond its originally assessed standard of performance, the expenditures are capitalized as additional cost of property and equipment.

Each part of the property and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

Depreciation and amortization are computed on the straight-line basis over the estimated useful lives of the depreciable assets. The depreciation and amortization periods for property and equipment, based on the above policies, are as follows:

Asset Type	Number of Years
Serviced residences and club facilities	50
Aircrafts	15 to 25
Buildings	20 to 40
Transportation equipment	2 to 5
Machinery, equipment and tools	2 to 15
Office furniture and equipment	2 to 5
Leasehold improvements	2 to 10 or lease term, whichever is shorter

The estimated useful lives and depreciation and amortization method are reviewed periodically to ensure that the periods and method of depreciation and amortization are consistent with the expected pattern of economic benefits from items of property and equipment.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognized.

Construction in progress, which includes cost of construction and other direct costs, is stated at cost and is not depreciated until such time as the relevant assets are completed and put into operational use. Assets under construction are reclassified to a specific category of property and equipment when the construction and other related activities necessary to prepare the assets for their intended use are completed and the assets are available for use.

Fully depreciated assets are retained in the accounts until these are no longer in use.

Deferred Input VAT

In accordance with the Revenue Regulations (RR) No. 16-2005, input VAT on purchases or imports of the Group of capital goods (depreciable assets for income tax purposes) with an aggregate acquisition cost (exclusive of input VAT) in each of the calendar months exceeding ₱1.0 million are claimed as credit against output VAT over 60 months or the estimated useful lives of capital goods whichever is higher.

Where the aggregate acquisition cost (exclusive of VAT) of the existing or finished depreciable capital goods purchased or imported during any calendar month does not exceed ₱1.0 million, the total input VAT will be allowable as credit against output VAT in the month of acquisition.

For periods starting January 1, 2022, the Company accounted for input VAT in accordance with the provisions of Republic Act (RA) No. 10963 or TRAIN Law. Accordingly, all input VAT on purchases of capital goods made after January 1, 2022 were no longer deferred but recognized upon purchase. However, any unutilized deferred input VAT resulting from purchases of capital goods or imports made on or before December 31, 2021, were still amortized as scheduled.

Software

Software is measured initially at cost. Software is recognized if it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. After initial recognition, software is measured at cost less accumulated amortization and any impairment loss.

Amortization of software is computed on a straight-line basis over the estimated useful life of five years.

The amortization period and method are reviewed periodically to ensure that these are consistent with expected pattern of economic benefits from the software.

Impairment of Nonfinancial Assets

Nonfinancial assets are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating unit's (CGU) fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation and amortization, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in profit or loss unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase. After such reversal the depreciation and amortization charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

Goodwill. The Group assesses whether there are any indicators that goodwill is impaired at each financial reporting date. Goodwill is tested for impairment annually and when circumstances indicate that the carrying amount may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of the CGU, to which the goodwill relates.

Where the recoverable amount of the CGU is less than their carrying amount, an impairment loss is recognized. Impairment losses relating to goodwill cannot be reversed in future periods.

Capital Stock and Additional Paid-in Capital

Capital stock is measured at par value for all shares issued. Proceeds and/or fair value of considerations received in excess of par value, if any, are recognized as additional paid-in capital.

Incremental costs directly attributable to the issue of new capital stock are recognized as a deduction, net of tax, from the equity.

Retained Earnings

Retained earnings represent the cumulative balance of the Group's results of operations, reclassification adjustments on disposal of club shares for sale and amortization of revaluation surplus, net of dividend distribution, if any.

Parent Company's Shares Held by a Subsidiary

Parent Company's shares which are held by a subsidiary are treated similar to treasury shares and recognized and deducted from equity at cost. No gain or loss is recognized in the consolidated statements of comprehensive income on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration is recognized as additional paid-in capital.

Treasury Stock

Own equity instruments which are reacquired (treasury shares) are recognized at cost and deducted from equity. No gain or loss is recognized in the consolidated statements of comprehensive income on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognized as additional paid-in capital. Voting rights related to treasury shares are nullified for the Group and no dividends are allocated to them.

Other Comprehensive Income
Other comprehensive income comprises of items of income and expenses that are not recognized in profit or loss for the year in accordance with PFRS. Other comprehensive income of the Group pertains to cumulative unrealized valuation gain on club shares for sale, revaluation surplus and accumulated remeasurement gain on retirement liability.

Revenue Recognition
Revenue from contract with customers is recognized when the performance obligation in the contract has been satisfied, either at a point in time or over time. Revenue is recognized over time if one of the following criteria is met: (a) the customer simultaneously receives and consumes the benefits as the Group performs its obligations; (b) the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or (c) the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date. Otherwise, revenue is recognized at a point in time.

The Group has generally concluded that it is the principal in its revenue arrangements. The following specific recognition criteria must also be met before revenue is recognized.

Real Estate Sales. Revenue from sale of completed projects is recognized at a point in time when the customer obtains control of the assets. Revenue from sale of real estate projects that are under pre-completion stage are generally recognized over time during the construction period (or POC). In measuring the progress of its performance obligation over time, the Group uses the output method, i.e. revenue is recognized as the related obligations are fulfilled, measured principally on the basis of the estimated completion of a physical portion of the contract work.

The Group accounts for any cash received from buyers as "Contract liabilities" account in the consolidated statements of financial position when the related performance obligation for which payment was made has not yet been performed. Excess of collections over satisfied performance obligation is also classified as contract liabilities. Contract liabilities are reduced by the amount of revenue recognized during the reporting period. Receivables that are conditional upon the performance of other obligations are recognized as "Contract assets" (presented under "Trade and other receivables" account) in the consolidated statements of financial position. Contract assets are reclassified to trade receivables upon completion of the performance obligation.

For sale of condominium units and preferred shares under a single contract to sell, the selling price is allocated to each component. Collections received are applied pro-rata based on the selling price of the condominium unit, net of VAT and interest, and the selling price of the preferred share.

Air Transport, Medical and Security Services. These are recognized at a point in time when the related service has been rendered.

Room Revenues. Revenue is recognized at a point in time i.e., when the room facilities are used and the related services are rendered.

Rental Income. Rental income from operating leases is recognized on a straight-line basis over the term of the lease. Contingent rent income is recognized when it arises. This also includes common utilities, services and maintenance charges, as well as other incidental income in providing the service.

Interest Income. Interest income is recognized as the interest accrues taking into account the effective yield on the assets.

Other Income. Income from other sources is recognized at a point in time i.e., when earned during the period.

Cost and Expense Recognition

Costs and expenses are decreases in economic benefits during the accounting period in the form of outflows or depletions of assets or incurrence of liabilities that result in decrease in equity, other than those relating to distributions to equity participants.

Cost of Real Estate Sold. Cost of real estate sold is recognized consistent with the revenue recognition method applied. Cost of real estate properties sold before the completion of the project is determined based on actual costs and project estimates of building contractors and technical staff.

Contract costs include all direct materials and labor costs and those direct costs related to contract performance. Expected losses on contracts are recognized immediately when it is probable that the total contract costs will exceed total contract revenue. Changes in contract performance, contract conditions and estimated profitability, including those arising from contract penalty provisions, and final contract settlements which may result in revisions to estimated costs and gross margins are recognized in the year in which the changes are determined.

Cost of Services. Cost of services is recognized as expense when services are rendered.

General and Administrative Expenses. General and administrative expenses constitute costs of administering the business. These are expensed as incurred.

Finance Costs. Finance costs are recognized as they accrue. This includes the amortization of any discount or premium or other differences between the initial carrying amount of an interest-bearing instrument and its amount at maturity calculated in an effective interest rate basis.

Employee Benefits

Short-term Benefits. The Group recognizes a liability net of amounts already paid and an expense for services rendered by employees during the accounting period. A liability is also recognized for the amount expected to be paid under short-term cash bonus or profit sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

Short-term employee benefit liabilities are measured on an undiscounted basis and are expensed as the related service is provided.

Retirement Benefit Costs. The Group has an unfunded, non-contributory defined benefit plan covering all qualified employees. Retirement benefit costs are actuarially determined using the projected unit credit method which reflects services rendered by employees to the date of valuation and incorporates assumptions concerning employees' projected salaries.

The Group recognizes service costs, comprising of current service costs, past service costs, gains and losses on curtailments and nonroutine settlements, and interest expense in profit or loss. Interest is calculated by applying the discount rate to the retirement liability.

Current service costs pertain to the increase in the present value of a defined benefit obligation resulting from employee service in the current period.

Past service costs are recognized in profit or loss on the earlier of the date of the plan amendment or curtailment, and the date that the Group recognizes restructuring-related costs.

Remeasurements comprising actuarial gains and losses and return on plan assets are recognized immediately in other comprehensive income in the period in which these arise. Remeasurements are not reclassified to profit or loss in subsequent periods.

The defined retirement benefits obligation is the aggregate of the present value of the defined benefit obligation and the fair value of plan assets out of which the obligations are to be settled directly. The present value of the retirement liability is determined by discounting the estimated future cash outflows using interest rate on government bonds that have terms to maturity approximating the terms of the related retirement liability.

Actuarial valuations are made with sufficient regularity so that the amounts recognized in the consolidated financial statements do not differ materially from the amounts that would be determined at the reporting date.

Leases

The Group as a Lessee. At the commencement date, the Group recognizes right-of-use (ROU) assets and lease liabilities for all leases, except for leases with lease terms of 12 months or less (short-term leases) and leases for which the underlying asset is of low value, in which case the lease payments associated with those leases are recognized as an expense in profit or loss on a straight-line basis. For leases with lease terms of 12 months or less but with an option to extend the lease, the management assesses whether there is reasonable certainty that the Group will extend the lease, by considering all relevant facts and circumstances that create an economic incentive for the lessee to extend or terminate the lease, to determine the appropriate lease term.

ROU Assets. At commencement date, the Group measures ROU assets at cost which is comprised of the following:

a) the amount of the initial measurement of lease liabilities;

b) any lease payments made at or before the commencement date less any lease incentives received;

c) any initial direct costs; and

d) an estimation of costs to be incurred by the Group in dismantling and removing the underlying asset, when applicable.

After the commencement date, the ROU assets are carried at cost less any accumulated amortization and accumulated impairment losses, and adjusted for any remeasurement of the related lease liabilities. The ROU assets are amortized over the shorter of the lease terms or the useful lives of the underlying assets.

Lease Liabilities. At commencement date, the Group measures a lease liability at the present value of future lease payments using the interest rate implicit in the lease, if that rate can be readily determined. Otherwise, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of a lease liability consist of the following:

a) fixed payments, including in-substance fixed payments;

b) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;

c) amounts expected to be payable by the lessee under residual value guarantees; and

d) the exercise price under a purchase option that the Group is reasonably certain to exercise; lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option; and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

A lease liability is subsequently measured at amortized cost. Interest on the lease liability and any variable lease payments not included in the measurement of lease liability are recognized in profit or loss unless these are capitalized as costs of another asset. Variable lease payments not included in the measurement of the lease liability are recognized in profit or loss when the event or condition that triggers those payments occurs.

If there is a change in the lease term or if there is a change in the assessment of an option to purchase the underlying asset, the lease liability is remeasured using a revised discount rate considering the revised lease payments on the basis of the revised lease term or reflecting the change in amounts payable under the purchase option. The lease liability is also remeasured using the revised lease payments if there is a change in the amounts expected to be payable under a residual value guarantee or a change in future lease payments resulting from a change in an index or a rate used to determine those payments.

Group as a Lessor. Leases in which the Group does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same bases as rent income. Contingent rents are recognized as revenue in the period in which these are earned.

Borrowing Costs

Borrowing costs are capitalized if these are directly attributable to the acquisition or construction of a qualifying asset. Capitalization of borrowing costs commences when the activities to prepare the asset are in progress and expenditures and borrowing costs are being incurred. Borrowing costs are capitalized until the assets are substantially ready for their intended use. If the carrying amount of the asset exceeds its estimated recoverable amount, an impairment loss is recorded. All other borrowing costs are expensed in the period these occur.

Foreign Currency Denominated Transactions

Transactions denominated in foreign currencies are initially recorded in Philippine Peso using the exchange rate prevailing at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are restated at the functional currency using the rate of exchange prevailing at the reporting date. Foreign exchange differences between the rate at transaction date and settlement date or reporting date are credited to or charged against profit or loss. Nonmonetary items that are measured in terms of historical cost in foreign currency are translated using the exchange rate at the dates of initial transactions.

Income Taxes

Current Tax. Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and the tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period.

Deferred Tax. Deferred tax is provided on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes except for:

- When it arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit or loss nor taxable profit or loss; or

- When the taxable temporary difference is associated with interests in subsidiaries or associates and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, carryforward benefits of unused tax credits (excess of minimum corporate income taxes or MCIT over regular corporate income taxes or RCIT) and unused tax losses (net operating loss carryover or NOLCO), only if it is probable that sufficient future taxable profit will be available against which the deductible temporary differences and carryforward benefits of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient future taxable profit will be available to allow all or part of the deferred tax assets to be utilized. Unrecognized deferred tax assets are re-assessed at the end of each reporting period and are recognized to the extent that it has become probable that sufficient future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the end of reporting period.

Deferred tax assets and liabilities are offset if a legally enforceable right exists to offset the current tax assets against the current tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in relation to the underlying transaction either in other comprehensive income or directly in equity.

Related Parties and Transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence.

A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.

Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions are made using the best estimates of the amount required to settle the obligation and are discounted to present values using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. Changes in estimates are reflected in profit or loss in the period these arise.

Contingencies

Contingent liabilities are not recognized in the consolidated financial statements. These are disclosed in the notes to consolidated financial statements unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the consolidated financial statements but are disclosed when an inflow of economic benefits is probable.

Events after the Reporting Date

Post year-end events that provide additional information about the Group's financial position at reporting date (adjusting events) are reflected in the consolidated financial statements. Post year-end events that are not adjusting events are disclosed in the notes to consolidated financial statements when material.

3. Significant Judgment, Accounting Estimates and Assumptions

The preparation of the consolidated financial statements in accordance with PFRS requires management to exercise judgment, make estimates and use assumptions that affect amounts of assets, liabilities, income and expenses reported in the consolidated financial statements. The judgment, estimates and assumptions used in the consolidated financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of the consolidated financial statements. While management believes that the assumptions are reasonable and appropriate, significant differences in the actual experience or significant changes in the assumptions may materially affect the estimated amounts. Actual results could differ from such estimates.

Judgment

In the process of applying the Group's accounting policies, management has made the following judgment, apart from those involving estimations, which have the most significant effect on the amounts recognized in the consolidated financial statements.

Recognizing Revenue from Real Estate Sales. The recognition of revenue at a point in time requires certain judgment on when the customer obtains control over the promised goods and services. In determining whether control has been transferred to the customer, the Group considers the following indicators:

- The Group has a present right to payment for the asset.
- The customer has legal title to the asset.
- The Group has transferred physical possession of the asset.
- The customer has the significant risks and rewards of ownership of the asset.
- The customer has accepted the asset.

For real estate sales recognized over time, the Group recognizes revenue using POC method. This method requires certain judgments based on the buyer's commitment on the sale which may be ascertained through the significance of the buyer's initial investment and completion of development. The buyer's commitment is evaluated based on collections and credit standing of the buyers. The POC of development is determined based on engineer's judgment and estimates on the physical portion of contract work done and that the development is beyond the preliminary stage.

Real estate sales recognized amounted to ₱1,070.2 million, ₱2,057.5 million and ₱1,034.9 million in 2022, 2021 and 2020, respectively (see Note 20).

Determining the Functional Currency. Based on the economic substance of the underlying circumstances relevant to the Group, functional currency has been determined to be the Philippine Peso. The Philippine Peso is the currency of the primary economic environment in which the Group operates.

Determining the Classification of Lease Commitments - The Group as a Lessor. The Group entered into a number of operating lease agreements as a lessor. The Group has determined that it retains substantially all the risks and rewards of ownership of the assets being leased out under operating lease agreements.

The Group recognized rent income amounting to ₱373.7 million, ₱336.3 million and ₱491.8 million in 2022, 2021 and 2020, respectively (see Note 20).

Determining the Classification of Lease Commitments and Appropriate Lease Term - The Group as a Lessee. The Group has lease agreements for the use hangar premises. The Group recognizes ROU assets and lease liabilities based on the present value of lease payments over the lease term using the Group's incremental borrowing rate, except for leases with lease terms of 12 months or less (short-term leases) and leases for which the underlying asset is of low value in which case the lease payments associated with those leases are recognized as an expense on a straight-line basis.

The Group has exercised significant judgment in determining the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or in any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The leases for hangar premises are renewable upon mutual agreement by both parties which are to be covered by a separate and new lease agreement. In June 2021, the Group renewed its existing long-term lease contracts for hangar premises for another five-year period. The original scope of the lease remained unchanged.

Management assessed that the substance of such lease term extension constitutes a modification of the existing lease and thus accounted the renewal as a lease modification effective on the date of agreement of both parties. Accordingly, the Group remeasured the existing lease liability to include the lease payments covered by the new lease using a revised discount rate.

ROU assets amounted to ₱18.2 million and ₱24.2 million as at December 31, 2022 and 2021, respectively. Lease liabilities amounted to ₱21.6 million and ₱26.5 million as at December 31, 2022 and 2021, respectively (see Note 19).

Determining the Fair Value and Classification of Investments in Clubs' Preferred Shares. The Group establishes fair value by using recent arm's length market transactions between market participants. The fair value of investments in preferred shares of the Clubs is determined based on the current cash selling price to third parties.

The Group assesses the number of shares that can be disposed within 12 months after reporting date based on its marketing strategies and classified such as current assets. All remaining shares are classified as noncurrent.

In 2022, the Group's investment in club's preferred shares has been eliminated due to the acquisition of APMC (See Note 6)

The Group's investments in club's preferred shares classified as club shares for sale amounted to ₱31,010.9 million as at December 31, 2021, respectively, of which ₱1,071.3 million are classified as current assets as at December 31, 2021, respectively (see Note 12).

Determining Control, Joint Control or Significant Influence over an Investee Company. Control is presumed to exist when an investor has power over the investee, is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. On the other hand, joint control is presumed to exist when the investors contractually agreed to share control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. The Group has assessed it has control over its subsidiaries and joint control in its joint arrangement.

The Group has a 50% interest in Alphaland Heavy Equipment Corporation (AHEC) as at December 31, 2022 and 2021. The Group accounts for this investment as an associate since management has assessed that there is no joint control between the parties.

Accounting for Business Combination under Common Control. The business combinations involving entities under common control are outside the scope of PFRS 3 and there is no other specific PFRS guidance. Accordingly, the management used its judgment to develop an accounting policy that is relevant and reliable, in accordance with PAS 8.

The management assessed that the substance of the business combination does not constitute "purchase" of companies but pooling or merging of the assets and liabilities of the Group. Hence, the most relevant and reliable accounting policy adopted by the Group is the pooling of interest method of accounting.

The Group elected a policy to not to restate the financial information in the consolidated financial statements for prior periods to the transaction. Accordingly, equity reserves arising from the transaction is carried at book value considering the transaction as an initial recognition of net assets.

Determining the Classification of a Joint Arrangement. The joint venture agreement with Boy Scouts of the Philippines (BSP) is accounted for as a joint operation since the parties that have joint control of the arrangement, have rights to the assets, and obligations for the liabilities, relating to the arrangement.

Determining Transfers. Transfers between investment properties, land and development costs and property and equipment of the Group are made after determining that there is a change in use, evidenced by ending of owner-occupation, commencement of an operating lease to another party or ending of construction or commencement of development with a view to sale. These transfers are recorded using the carrying amounts of the investment properties, land and development costs and property and equipment at the date of change in use.

Evaluating Legal Contingencies. There are on-going litigations involving the Group which management believes would not have a material adverse impact on the Group's financial position and results of operations. The estimate of the probable costs for the resolution of possible claims have been developed in consultation with legal counsel handling the Group's defense in these matters and is based upon an analysis of potential results (see Note 27).

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the financial reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Recognizing Revenue and Cost. The Group's revenue and cost recognition policies require management to make use of estimates and assumptions that may affect the reported amounts of revenue and cost. Revenue and cost from sale of real estate recognized based on the POC are measured principally on the basis of the estimated completion of physical proportion of the contract work, and by reference to the actual costs incurred to date over the estimated total costs of the project.

Revenue from AMPI's sale of condominium units and preferred shares under a single contract to sell are allocated to each component using the residual method.

The fair value of the preferred shares is measured at its current cash selling price to third parties on a stand-alone basis and the fair value of the condominium unit is the residual amount of the transaction price.

Revenue recognized based on POC amounted to ₱1,070.2 million, ₱2,057.5 million and ₱1,034.9 million in 2022, 2021 and 2020, respectively (see Note 20). Cost recognized based on POC amounted to ₱458.9 million, ₱1,047.4 million and ₱424.5 million in 2022, 2021 and 2020, respectively (see Note 21).

Assessing the Impairment Losses on Trade and Other Receivables and Advances to an Associate and Related Companies. The Group determines allowance for impairment losses based on ECL.

The Group estimates ECL on trade receivables and contract assets using a provision matrix that is based on days past due for groupings of various customer segments that have similar loss patterns. Depending on the diversity of its debtor's base, the Group uses its historical credit loss experience adjusted for forward-looking factors, as appropriate.

The Group's advances to an associate and related companies are noninterest-bearing and repayable on demand. These credit exposures are considered to be in default when there is evidence that the related party is in significant financial difficulty such that it will not have sufficient liquid assets to repay its obligation upon demand. This is assessed based on a number of factors including key liquidity and solvency ratios. After taking into consideration the associate and related parties' ability to pay depending on the sufficiency of liquid assets, financial support from stockholders, and available forward-looking information, the risk of default of the related parties are assessed to be minimal.

Impairment loss amounting to ₱0.1 million and ₱17.3 million was recognized in 2022 and 2020, respectively. The Group recognized a reversal of allowance for impairment losses amounting to ₱8.8 million in 2020 (see Note 8).

Allowance for impairment loss on trade and other receivables amounted to ₱58.7 million and ₱44.9 million as at December 31, 2022 and 2021, respectively (see Note 8).

The aggregate carrying amount of trade and other receivables, and advances to an associate and related companies amounted to ₱2,731.0 million and ₱6,714.3 million as at December 31, 2022 and 2021, respectively (see Notes 8, 11 and 18).

Determining the NRV of Land and Development Costs and Parking Lots for Sale. The Group writes down the carrying amount of land and development costs and parking lots for sale whenever the NRV becomes lower than cost due to changes in market prices or other causes. The NRV of projects under construction is assessed with reference to market price at reporting date for similar completed property, less estimated costs to complete the construction and estimated costs to sell. The carrying amount is reviewed regularly for any decline in value.

The carrying amounts of land and development costs and parking lots for sale are disclosed in Note 9.

Estimating the Useful Lives of Investment properties, Property and Equipment, and ROU Assets. The Group estimates the useful lives of the property and equipment and ROU assets based on the period over which these assets are expected to be available for use. The estimated useful lives are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of these assets. In addition, estimation of the useful lives is based on collective assessment of industry practice, internal technical evaluation and experience with similar assets. It is possible, however, that future results of operations could be materially affected by changes in estimates brought about by changes in factors mentioned above. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances.

There is no change in the estimated useful lives of depreciable investment properties, property and equipment and ROU assets in 2022, 2021 and 2020. The aggregate carrying amount of depreciable investment properties, property and equipment and ROU assets are disclosed in Notes 13, 14 and 15.

Estimating the Residual Value of Aircrafts under Property and Equipment. The Group estimates the residual value of the aircrafts (presented under property and equipment) based on industry data on the asset's realizable value at the end of its useful life. The residual value are reviewed periodically and estimated on a collective assessment reviewing industry practice, internal technical evaluation and experience with similar assets. It is possible, however, that future results of operations could be materially affected by changes in estimates brought about by changes in factors mentioned above. The amounts and timing of recorded depreciation expenses for any period would be affected by changes in these factors and circumstances.

In 2022, no change in residual value of the aircrafts. In 2021, the Group applied a 20% of residual value on cost of its passenger aircrafts based on factors such as historical experience, expected level of usage, and policies adopted by other comparable airlines within the industry. The change in accounting estimate has been applied on a prospective basis from January 1, 2021. The effect of the above change in estimate on depreciation expense in the current and future periods are ₱16.3 million and ₱182.8 million, respectively (see Note 14).

Assessing Impairment of Nonfinancial Assets. The Group assesses impairment on nonfinancial assets other than investment properties whenever events or changes in circumstances indicate that the carrying amount of these assets may not be recoverable. The factors that the Group considers important which could trigger an impairment review include the following:

- Significant underperformance relative to expected historical or projected future operating results;
- Significant changes in the manner of use of the acquired assets or the strategy for overall business; and,
- Significant negative industry or economic trends.

An impairment loss is recognized whenever the carrying amount of an asset exceeds its estimated recoverable amount.

In determining the present value of estimated future cash flows expected to be generated from the continued use of the assets, the Group is required to make estimates and assumptions that can materially affect the consolidated financial statements.

No impairment loss on nonfinancial assets was recognized in 2022, 2021 and 2020. The carrying amounts of nonfinancial assets are as follows:

		(In Thousands)	
	Note	**2022**	2021 (As Restated - Note 5)
Other current assets*	10	**₱1,699,563**	₱1,058,419
Investment in an associate	11	**12,349**	12,349
Property and equipment	14	**10,261,197**	5,027,988
Other noncurrent assets**	15	**166,516**	147,492

**Excluding restricted cash and creditable withholding tax.*
***Excluding noncurrent portion of receivables and refundable deposits.*

Determining the Fair Value of Investment Properties for Disclosure. The Group engaged an independent appraiser to determine the fair value of its investment properties. The fair values of investment properties were mainly based on the valuation performed in 2022, 2021 and 2020. The fair values of the land were determined using sales comparison and land development approach. Sales comparison approach involves the comparison of the land to those that are more or less located within the vicinity of the appraised property and are subject of recent sales and offerings. If there is limited data within the area, the independent appraiser considers the expansion of the research on properties considered comparable. Adjustments were made to arrive at the market value by considering the location, size, shape, utility, desirability and time element. Land development approach is basically a discounting process wherein the present worth of the potential value of the property as "raw" land for subdivision purposes may be estimated. The fair value of properties held for lease was determined using income capitalization approach which considers income and expense data relating to the property being valued and estimated it through capitalization process. Capitalization relates income, usually a net income figure, and a defined value type by converting an income amount into a value estimate.

Further information about the assumptions made in measuring fair values of investment properties are discussed in Note 13.

Carrying amounts of investment properties and the related fair values are also disclosed in Note 13.

Determining Retirement Liability. The determination of the Group's obligation and cost for retirement benefits is dependent on the selection of certain assumptions used by actuaries in calculating such amounts. Those assumptions are described in Note 22 to the consolidated financial statements.

Retirement benefit cost amounted to ₱14.9 million, ₱21.5 million and ₱17.1 million in 2022, 2021 and 2020, respectively. Retirement liability amounted to ₱77.4 million and ₱94.8 million as at December 31, 2022 and 2021, respectively (see Note 22).

Assessing the Realizability of Deferred Tax Assets. The Group reviews its deferred tax assets at each reporting date and reduces the carrying amount to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized. The amount of deferred income tax assets that are recognized is based upon the likely timing and level of future taxable profits together with future tax planning strategies to which the deferred tax assets can be utilized.

Recognized deferred tax assets of the Group amounted to ₱82.7 million and ₱36.9 million as at December 31, 2022 and 2021, respectively. Unrecognized deferred tax assets amounted to ₱236.8 million and ₱127.2 million as at December 31, 2022 and 2021, respectively (see Note 23). Management believes that it is not probable that sufficient taxable income will be available to allow all these deferred tax assets to be utilized.

4. Joint Operation

On June 30, 2008, AMPI and BSP entered into a Joint Venture Agreement to develop the Malugay Property into a first class commercial development to be known as Alphaland Makati Place (the "Project") whereby BSP shall contribute the Malugay Property while AMPI shall contribute the improvements (the "Development Costs") and its exclusive right (the "Leasehold Rights") over the Malugay Property, as well as to provide all necessary funds, equipment, materials, construction works, expertise and related undertakings for the development of the Project.

The Project consists of three high-end residential towers atop an upscale six-storey podium, the bottom half of which is a shopping center and the top half a City Club for urban sports and leisure. The Project also includes a Boy Scout Convention Center as provided in the Joint Venture Agreement. Towers 1 and 2 were completed in 2016 while Tower 3 was completed in 2017.

AMPI and BSP agreed to share at 85% and 15%, respectively, of the total gross floor area of completed and disposable units in the Project. The 85% share of AMPI shall include The City Club and the 15% share of BSP shall include the Boy Scout Convention Center.

On June 2, 2011, BSP sold the Malugay Property to AMPI for a total consideration of ₱600.0 million. The amount of consideration paid to BSP was then contributed by BSP to the development of the Project. The Leasehold Right was effectively terminated when AMPI acquired the land from BSP in June 2011. Despite the sale, the Joint Venture remained and the partners continued the 85:15 Sharing Scheme. The partners have amended the Joint Venture Agreement accordingly.

On September 8, 2015, the Parties executed a Supplement to the Joint Venture Agreement. The Supplement expressly enumerates the specific units in the Project that constitute the BSP Share with respect to the Podium, Tower 1, Tower 2 and Parking Slots. The Supplement further provides that the BSP Share in Tower 3 shall be determined in another Supplement.

The Group accounts for the joint venture arrangement as a joint operation. As at December 31, 2022 and 2021, the Group recognized its share in the development costs of the Project (excluding the costs related to the City Club - see Note 9) in the following accounts:

		(In Thousands)	
	Note	**2022**	2021 (As Restated - Note 5)
Land and development costs and parking lots for sale	9	**₱489,622**	₱489,622
Investment properties		**2,383,422**	2,378,827
		₱2,873,044	₱2,868,449

5. **Prior Period Adjustments**

The consolidated financial statements have been restated to retrospectively effect the change in accounting policy on the Group's investment properties from the fair value model to the cost model and property and equipment from revaluation model to cost model. The following is the summary of the financial impact of the restatement to the Group's consolidated financial statements (in thousands):

	Assets	Liabilities	Equity	Net Income	Total Comprehensive Income
As previously reported as at December 31, 2021	₱113,072,134	₱27,013,111	₱86,059,023	₱4,228,152	₱4,510,451
Prior period adjustments:					
1. Change in policy for investment properties to cost model	(58,463,655)	–	(58,463,655)	(1,454,970)	(1,454,970)
2. Change in policy for serviced residences and aircrafts to cost model	(4,913,711)	–	(4,913,711)	(38,730)	(359,441)
3. To recognize related tax effect	–	(15,994,469)	15,994,469	(2,374,727)	(2,374,727)
	(63,377,366)	(15,994,469)	(47,382,897)	(3,868,427)	(4,189,138)
As restated – December 31, 2021	₱49,694,768	₱11,018,642	₱38,676,126	₱359,725	₱321,313
As previously reported as at January 1, 2021	₱110,852,524	₱28,861,237	₱81,991,287	₱2,695,311	₱1,571,675
Prior period adjustments:					
1. Change in policy for investment properties to cost model	(56,775,224)	–	(56,775,224)	(4,255,575)	(4,255,575)
2. Change in policy for serviced residences and aircrafts to cost model	(4,921,262)	–	(4,921,262)	271,216	271,216
3. To recognize related tax effect	–	(18,529,148)	18,529,148	1,293,282	1,293,282
	(61,696,486)	(18,529,148)	(43,167,338)	(2,691,077)	(2,691,077)
As restated – January 1, 2021	₱49,156,038	₱10,332,089	₱38,823,949	₱4,234	(₱1,119,402)

6. **Accounting for Business Combination**

In 2022, the ALPHA acquired 75% shares of APMC, an entity incorporated and registered in the Philippines and is engaged in operating, managing, maintaining, preserving and cleaning business, amusement or recreational places, including clubs and resorts for ₱1,500.0 million. The consideration was settled by applying its related advances with APMC as payment.

APMC is the Parent Company of TCCAMPI and ABICI.

The acquisition was considered as a business combination under common control. Accordingly, the acquisition is accounted for based on the recorded values of APMC and subsidiaries as reported in its financial statements prepared using the historical basis of accounting. Thus, the assets and liabilities of the consolidated entities were reflected at their carrying amounts and no goodwill was recognized. The consolidation of financial information as effect of the acquisition was effected prospectively.

The impact to retained earnings amounting to ₱2.68 billion is the excess of the consideration and preferred shares owned by the Group over the net assets of APMC, TCCAMPI and ABICI.

Assets and liabilities of APMC in the Group's financial statements follow:

	Note	(In Thousands)
Assets		
Cash		₱105,665
Trade and other receivables – net		277,594
Supplies		287,083
Advances to contractors		207,897
Other current assets		172,535
Investment property	13	56,591
Property and equipment	14	4,982,634
Other noncurrent assets		16,355
		₱6,106,354
Liabilities		
Trade and other payables		₱2,622,665
Retirement liability	22	16,661
Other noncurrent liabilities		5,869
		₱2,645,195

The following is the summary of significant eliminations as a result of the consolidation of APMC in the Group's financial statements:

	Assets	Liabilities	Equity
Impact of consolidation:			
Elimination of club shares for sale	(₱30,787,900)	₱–	(₱30,787,900)
Elimination of deferred tax liabilities	–	(4,055,620)	(4,055,620)
Elimination of related party advances	(3,766,008)	(3,766,008)	–

7. Cash and Cash Equivalents

This account consists of:

	(In Thousands)	
	2022	2021
Cash on hand and in banks	**₱266,063**	₱1,071,101
Short-term placements	**155,038**	100,637
	₱421,101	₱1,171,738

Cash in banks earn interest at prevailing bank deposit rates.

Short-term placements are made for varying periods of up to three months, depending on the immediate cash requirements of the Group and earn interest ranging from 1.00% to 6.00%, 0.75% to 2.5% and 2.0% to 6.5% in 2022, 2021 and 2020, respectively.

Sources of interest income recognized by the Group are as follows (see Note 20):

	Note	2022	2021	2020
		(In Thousands)		
Cash and cash equivalents		**₱16,829**	₱4,282	₱3,934
In-house financing	9	**15,271**	10,793	13,102
Trade and other receivables	8	**3,632**	5,328	10,108
Restricted cash	10	**–**	713	928
		₱35,732	₱21,116	₱28,072

8. **Trade and Other Receivables**

This account consists of:

	Note	2022	2021
		(In Thousands)	
Trade receivables from:			
Real estate sales		**₱1,120,572**	₱1,030,599
Air transport services	18	**331,884**	323,890
Hotel and club operations		**162,669**	22,344
Sale of club shares	12	**141,338**	179,984
Nontrade	18	**203,154**	204,075
Contract assets		**184,872**	399,217
Advances to officers and employees		**26,501**	15,750
Others		**428,251**	599,178
		2,599,241	2,775,037
Less allowance for impairment losses		**(58,691)**	(44,914)
		₱2,540,550	₱2,730,123

Receivables from sale of real estate are interest-bearing and have terms of up to five years.

Receivables from air transport services are unsecured, noninterest-bearing and are due and demandable.

Receivables from the sale of the club shares have terms ranging from one to five years. Noncurrent portion of these receivables are presented under "Other noncurrent assets" account in the consolidated statements of financial position (see Note 15). Amortization of interest on these receivables amounted to ₱3.6 million, ₱5.3 million and ₱10.1 million in 2022, 2021 and 2020, respectively (see Note 7).

Receivables from tenants are noninterest-bearing and are generally on a 30-day term.

Nontrade receivables pertain to advances to related companies. Advances to related companies are unsecured, noninterest-bearing and are due and demandable (see Note 18).

Advances to officers and employees are for business purposes, noninterest-bearing and are subject to liquidation.

Other receivables mainly consist of SSS claims and miscellaneous receivables.

Allowance for impairment losses mainly pertain to receivables from several lessees of ASTI and unit buyers of AMPI that are at least 90 days past due.

Movements of allowance for impairment losses are as follows:

	(In Thousands)		
	2022	2021	2020
Balance at beginning of year	**₱44,914**	₱44,914	₱36,457
Impact of acquisition of a subsidiary	**13,631**	–	–
Provisions	**146**	–	17,286
Reversal	**–**	–	(8,829)
Balance at end of year	**₱58,691**	₱44,914	₱44,914

Reversal of impairment loss in 2020 pertains to receivables from tenants assigned to the buyer of Alphaland Southgate Tower.

9. Inventories

This account consists of the following:

	(In Thousands)	
	2022	2021 (As Restated - Note 5)
Land and development costs:		
Alphaland Baguio Mountain Lodges	**₱1,007,724**	₱581,363
Alphaland Makati Place	**212,112**	212,112
Balesin Private Villa	**122,287**	173,324
Parking lots for sale	**277,510**	277,510
Inventories:		
Food	**55,025**	–
Beverage	**17,163**	–
Retail items	**1,701**	–
Others	**5,469**	–
	₱1,698,991	₱1,244,309

Deposit from the sale of real estate amounted to ₱396.9 million and ₱236.0 million as at December 31, 2022 and 2021, respectively (see Note 16).

Alphaland Baguio Mountain Lodges

Movements in the land and development costs pertaining to the Alphaland Baguio Mountain Lodges Project are as follows:

		(In Thousands)	
	Note	**2022**	2021 (As Restated – Note 5)
Balance at beginning of year		**₱581,363**	₱1,239,420
Development costs		**760,866**	280,328
Cost of real estate sold	21	**(356,522)**	(946,330)
Transfers from investment properties	13	**22,017**	7,945
Balance at end of year		**₱1,007,724**	₱581,363

The Alphaland Baguio Mountain Lodges Project pertains to 27.0 hectares of land situated in Benguet that is currently being developed as horizontal condominium for sale.

The property was previously classified as investment properties. Areas that are being developed as horizontal condominium for sale were reclassified to land and development costs. In 2021 additional areas with a carrying amount of ₱7.9 million were reclassified to this account (see Note 13).

In 2022, 2021 and 2020, capitalized depreciation included as part of development costs amounted to ₱2.8 million, ₱4.0 million and ₱4.1 million, respectively (see Note 14).

On October 25, 2018, the Housing and Land Use Regulatory Board (HLURB) issued a license to sell (LTS) the Alphaland Baguio Mountain Lodges Phase I project.

ABMLHI also sells log homes under an in-house financing arrangement at 30% down payment in 2022 and 2021, respectively, payable monthly over a maximum of 5 years with interest rate at 9% to 9.5% per annum. Interest earned from real estate sales under the in-house financing arrangement amounted to ₱15.3 million, ₱10.8 million and ₱13.1 million in 2022, 2021 and 2020, respectively (see Note 7).

Balesin Private Villa

Movements in land and development costs pertaining to the Balesin Private Villa project are as follows:

		(In Thousands)	
	Note	**2022**	2021 (As Restated - Note 5)
Balance at beginning of year		**₱173,324**	₱251,588
Cost of real estate sold	21	**(102,385)**	(101,075)
Development costs		**50,458**	22,811
Transfers from investment property		**890**	–
Balance at end of year		**₱122,287**	₱173,324

In 2020, the Group forfeited a sale with related cost amounting to ₱82.5 million, resulting to a loss on forfeiture amounting to ₱67.6 million. This was recognized in the consolidated statements of comprehensive income under "Other gains (losses)" account.

Alphaland Makati Place

Movements in land and development costs pertaining to the Alphaland Makati Place project are as follows:

		(In Thousands)	
	Note	**2022**	2021
Balance at beginning of year		**₱212,112**	₱226,938
Forfeited sales	28	**–**	18,013
Transfer to property and equipment	14	**–**	(18,013)
Cost adjustment		**–**	(14,826)
Balance at end of year		**₱212,112**	₱212,112

The Alphaland Makati Place Project, which is a joint venture with BSP (see Note 4), is located on a one-hectare lot along Ayala Avenue Extension corner Malugay Street, Makati City. Alphaland Makati Place consists of three residential towers atop a six-storey podium comprising of a shopping center and the City Club for sports and leisure (see Note 13). Towers 1 and 2 were completed in 2016 while Tower 3 was completed in 2017.

Project costs classified as land and development costs pertains to the Group's proportionate interest in the three residential towers of Alphaland Makati Place that are intended for sale. The cost of Tower 3 was reclassified to "Investment properties" when the Group subsequently leased out the property to third parties (see Note 13).

A number of condominium units of AMPI are now operated as serviced residences under "The Alpha Suites." Accordingly, the costs of these units were transferred to "Property and equipment" account (see Note 14).

The Group started the pre-selling of condominium units in October 2011 for Tower 1 and in November 2013 for Tower 2. The terms and conditions of the contract to sell (CTS) involve the sale of one condominium unit and one City Club share, i.e., a preferred share of The City Club at Alphaland Makati Place, Inc. (TCCAMPI), in which ownership of the condominium unit and the City Club share are inseparable. Under the CTS, the components are sold under a single selling price with downpayment payable upon signing of the CTS and the unpaid balance payable in monthly installments for a period of three years from date of CTS. Ownership of the City Club share will allow the buyer to enjoy the amenities and facilities of the City Club.

The HLURB issued the permanent LTS to AMPI for the sale of condominium units in Tower 1 of Alphaland Makati Place on October 9, 2012 and for the sale of condominium units in Tower 2 on May 27, 2014.

As discussed in Note 4, on September 8, 2015, the Parties executed a Supplement to the Joint Venture Agreement enumerating the specific units in the Project that constitute the BSP Share with respect to the Podium, Tower 1, Tower 2 and Parking Slots.

In 2021, the Group repossessed units with related cost amounting to ₱18.0 million respectively. The gain (loss) on forfeiture amounted to ₱17.4 million in 2021, was recognized in the consolidated statements of comprehensive income under “Other gains (losses)” account.

The repossessed condominium units in 2022 and 2021 were utilized for the Group’s serviced residences operations and therefore were subsequently transferred to “Property and equipment” account (see Note 14).

Parking Lots for Sale

Parking lots for sale amounted to ₱277.5 million as at December 31, 2022 and 2021.

10. Other Current Assets

This account consists of:

		(In Thousands)	
	Note	**2022**	2021 (As Restated - Note 5)
Advances to contractors and suppliers	27	**₱915,603**	₱500,245
Supplies		**350,808**	72,201
Input VAT		**337,555**	422,159
CWT		**157,864**	110,985
Prepayments		**76,290**	51,412
Accrued rent		**19,307**	12,402
Restricted cash		**9,416**	9,348
		₱1,866,843	₱1,178,752

Advances to Contractors and Suppliers

Advances to contractors and suppliers represent advance payments to contractors for the construction and development of the Group’s projects and are recouped upon every progress billing payment depending on the percentage of accomplishment. Advances to contractors and suppliers, relating to the portion of the project that is classified as investment property and to advance payments that will be applied against future billings beyond 12 months from the reporting date, amounting to ₱3.4 million and ₱4.0 million as at December 31, 2022 and 2021, respectively, are presented under “Other noncurrent assets” account in the consolidated statements of financial position (see Note 15).

Input VAT

Input VAT arises from the acquisition of land and payments to suppliers and contractors for the acquisition of goods and development of the Group’s projects.

Prepayments

Prepayments include prepaid rent, insurance and commissioning fees.

Restricted Cash

Restricted cash pertains to cash deposited with local banks pursuant to the Environmental Compliance Certificate issued to ABIRC relating to the rehabilitation of the Project-affected area throughout the construction and maintenance of the Island Club and ABMLHI's application for a certificate of registration and LTS with the Department of Human Settlements and Urban Development - Cordillera Administrative Region Office in relation to the completion of Alphaland Baguio Mountain Lodges Phase II project (see Note 9).

Interest income earned from restricted cash amounted to nil, ₱713,371 and ₱927,895 in 2022, 2021 and 2020, respectively (see Note 7).

11. Investment in and Advances to an Associate

The details of this account as at December 31, 2022 and 2021 are as follows:

		(In Thousands)	
	Note	**2022**	2021
Investment in an associate		**₱11,326**	₱11,326
Advances to an associate	18	**1,023**	1,023
		₱12,349	₱12,349

Investment in an associate comprises of a 50% interest in AHEC whose principal activity is sale and lease of heavy equipment as at December 31, 2022 and 2021.

On April 5, 2013, the BOD of AHEC approved a resolution to shorten the corporate life of AHEC to four years. As at December 31, 2022, AHEC's liquidation is still in progress. The remaining carrying amount represents the Group's share in the residual net assets of AHEC.

Condensed financial information of the associate prepared on the historical basis of accounting are as follows:

	(In Thousands)	
	2022	2021
Assets	**₱46,532**	₱46,532
Liabilities	**23,888**	23,888
Net assets	**₱22,644**	₱22,644

The Group has not entered into any capital commitments in relation to its investment in AHEC and did not receive any dividends from the associate in 2022, 2021 and 2020.

12. **Club Shares for Sale**

In 2022, ALPHA acquired APMC, the Parent Company of ABICI and TCCAMPI. As a result, the club shares for sale have been eliminated at the consolidated level in 2022 (see Note 6).

Club shares for sale consists of:

	(In Thousands) 2021
Unquoted Clubs' preferred shares:	
ABICI	₱25,348,400
TCCAMPI	5,662,500
	₱31,010,900
Current	₱1,071,311
Noncurrent	29,939,589
	₱31,010,900

The preferred shares held by the Group are not required to gain control of the Clubs and are intended to be disposed of over time to third parties. The preferred shareholders are entitled to name one to 10 nominee per share, depending on the class of preferred share, to become a member and avail of the amenities and facilities of the Clubs, unless as otherwise required by applicable laws. They are not entitled to vote and be voted for in all meetings of the shareholders of the Clubs. The preferred shares have preference over the issuer's common shares in the distribution of assets in case of dissolution and liquidation.

The cost of the Group's investments in the preferred shares of ABICI and TCCAMPI includes the cash consideration and the cost incurred to complete the Clubs' facilities.

a. ABICI

On February 10, 2011, ALPHA, ABIRC and ABICI entered into a Development Agreement (DA) for the development and construction of a resort club (the "Island Club"). It is agreed that ABIRC will develop and construct the Island Club with ALPHA extending any financing required for the completion of the Island Club and its amenities in exchange for the ABICI shares. ABICI agreed that the excess of the construction costs over the par value of the shares issued by ABICI shall be treated as additional paid-in capital. Furthermore, it was clarified that the ownership of the Island Club, its facilities and amenities will be transferred to ABICI as cost is incurred. In 2015, approximately 98 hectares were committed for transfer to ABICI. The transfer of certificate of title was completed in 2018 (see Note 13).

On February 24, 2011, the SEC approved ABICI's Registration Statement on the Island Club Offer Shares for the primary offering of 391 of its Class "B" preferred shares and secondary offering of its 3,519 Class "B" preferred shares (Offer Shares or Tranche 1). In 2013, the SEC approved ABICI's Amended Registration Statement to increase its offer price from ₱2,000,000 per share to ₱3,000,000 per share.

In 2012, ABIRC subscribed to additional Class “B” preferred shares of ABICI totaling 3,090 shares. As a consideration for the additional acquisitions of ABICI preferred shares, ABIRC entered into a Supplemental DA with ABICI in June 2012 increasing its obligation to complete the Island Club’s facilities. By virtue of these additional subscriptions, ABIRC transferred investment properties to ABICI amounting to ₱453.3 million.

On November 12, 2012, the shareholders of ABICI approved an amendment to the ABICI’s shareholder structure whereby additional 3,090 shares with a par value of ₱100 were split into 6,180 shares (Tranche 2) with a par value of ₱50 per share. As a result, ABIRC’s subscription to the above 3,090 shares was converted to 6,180 shares. On January 31, 2013, the stock split was approved by the SEC.

On January 5, 2017, the SEC approved the increase in authorized capital stock of ABICI from ₱2.1 million divided into 14,000 common shares with par value of ₱100 per share, and 10,090 Class “B” preferred shares divided further into 3,910 Class “B-1” preferred shares with par value of ₱100 a share and 6,180 Class “B-2” preferred shares with par value of ₱50 a share to ₱3.0 million divided into 20,000 common shares with par value of ₱100 per share, and 15,000 Class “B” preferred shares divided further into 2,000 Class “B-1” preferred shares with par value of ₱100 per share, 12,000 Class “B-2” preferred shares with par value of ₱50 per share, and 1,000 Class “B-3” preferred shares with par value of ₱200 per share.

On May 31, 2017, ABIRC subscribed to additional 2,000 Class “B-2” preferred shares and 1,000 Class “B-3” (Tranche 3) preferred shares at a subscription price of ₱100 per share and ₱200 per share, respectively, or an aggregate amount of ₱400,000.

In April 2013, ABICI and ABIRC executed a Letter Agreement wherein the parties agreed that the difference between the budget under the Supplementary DA and the actual construction costs incurred will be treated as advances to ABICI. Advances to ABICI related to this agreement amounted to ₱1,575.5 million as at December 31, 2022 and 2021 (see Note 19). Starting 2015, ABICI already financed its own construction in the Island Club.

In 2019, sales of club shares includes 25 Class “B-1” preferred shares with carrying amount of ₱100.0 million at the date of transaction transferred to existing Balesin Island landowners under land-for-share swap in exchange for 5 hectares of land in Balesin Island, Polillo, Quezon (see Note 13).

The fair values of unsold shares as at December 31, 2021 are as follows:

	2021	
	Number of Shares	Amount*
Tranche 1	146	₱438,000
Tranche 2	11,964	24,910,200
Tranche 3	1,000	200
		₱25,348,400

**Amounts in thousands.*

On December 20, 2021, the SEC approved the amendment to the Articles of Incorporation of ABICI further increasing its authorized capital stock from ₱3.0 million (divided into 20,000 Class "A" common shares with par value of ₱100 per share and 15,000 Class "B" preferred shares divided further into 2,000 Class "B-1" preferred shares with par value of ₱100 per share, 12,000 Class "B-2" preferred shares with par value of ₱50 per share, and 1,000 Class "B-3" preferred shares with par value of ₱200 per share) to ₱3.75 million (divided into 25,000 Class "A" common shares with par value of ₱100 per share and 16,000 Class "B" preferred shares divided further into 2,000 Class "B-1" preferred shares with par value of ₱100 per share, 12,000 Class "B-2" preferred shares with par value of ₱50 per share, 1,000 Class "B-3" preferred shares with par value of ₱200 per share and 1,000 Class "B-4" preferred shares with par value of ₱250 per share).

In 2022, ABICI filed an amended Registration Statement to include the (a) secondary offering of 500 Class "B-2" preferred shares with maximum offer price of ₱2.5 million; (b) secondary offering of 100 Class "B-3" preferred shares with maximum offer price of ₱6.5 million and (c) primary offering of 50 Class "B-4" preferred shares with maximum offer price of ₱10.0 million; and (d) the increase in maximum offer price of Class "B-1" shares to ₱5.0 million.

On April 24, 2023, the ABICI received a memorandum from the SEC stating that their application for additional registration of securities and amendment of offer terms will be rendered effective subject to compliance with certain conditions. As at report date, the Company is in the process of completing the necessary requirements to comply with remaining conditions provided in the memorandum.

b. TCCAMPI

In October 2010, ASTI, AMPI and TCCAMPI entered into a DA for the development and construction of a City Club in Alphaland Makati Place. It is agreed that ASTI and/or AMPI will develop and construct the City Club with AMPI extending any financing required for its completion and amenities in exchange for the TCCAMPI shares.

On December 9, 2010, the SEC approved TCCAMPI's registration of an aggregate of 5,000 preferred shares, with issue price of ₱100 per share, comprising of 500 shares to be offered by way of primary offering and 4,500 shares by way of secondary offering.

In December 2010, ASTI, AMPI and TCCAMPI entered into a Supplemental DA to clarify that under the DA, it is AMPI who has the primary obligation to develop and construct the City Club. Moreover, it was clarified that, in consideration for the City Club's construction, TCCAMPI agrees to convert any and all advances provided by ASTI and AMPI to additional paid-in capital as cost is incurred. Furthermore, it was clarified that the ownership of the City Club, its facilities and amenities will be transferred to TCCAMPI as cost is incurred.

The City Club was fully completed in January 2014.

There are 3,770 and 3,775 unsold shares as at December 31, 2022 and 2021, respectively. As at December 31, 2022 and 2021, the fair value of unsold shares amounted to ₱5,655.0 million and ₱5,662.5 million, respectively.

Unrealized Valuation Gain on Club Shares for Sale

The Group's club shares for sale is marked-to-market using the fair value equivalent to the cash selling price of a recent sale to the public for the unquoted preferred shares.

Movements in the unrealized gain on club shares for sale are as follows:

	Note	(In Thousands) 2022	2021
Balance at beginning of year		**₱23,136,500**	₱23,482,648
Impact of acquisition of a subsidiary	6	**(22,983,758)**	–
Reclassification adjustments		**(161,264)**	(319,317)
Unrealized valuation gain (loss)		**8,522**	(31,566)
Income tax effect		**–**	4,735
Balance at end of year		**₱–**	₱23,136,500

Upon sale, the Group reclassified to retained earnings the cumulative valuation gain, gross of deferred tax, amounting to ₱183.9 million covering 72 shares, ₱373.4 million covering 169 shares and ₱524.3 million covering 354 shares in 2022, 2021 and 2020, respectively. Receivable arising from the sale of club shares amounted to ₱105.4 million and ₱145.1 million as at December 31, 2022 and 2021, respectively (see Notes 8 and 15). No dividends were recognized in 2022, 2021 and 2020.

13. **Investment Properties**

Movements in this account are as follows:

(in Thousands)	Note	December 31, 2022 **Land**	**Building**	**Total**
Cost				
Balance at beginning of year		**₱1,303,371**	**₱2,240,596**	**₱3,543,967**
Impact of acquisition of a subsidiary	6	**56,591**	**–**	**56,591**
Transfers to land and development cost	9	**(22,907)**	**–**	**(22,907)**
Capital expenditures		**8,400**	**6,588**	**14,988**
Balance at end of year		**1,345,455**	**2,247,184**	**3,592,639**
Accumulated Depreciation				
Balance at beginning of year		**–**	**385,007**	**385,007**
Depreciation		–	**76,787**	**76,787**
Balance at end of year		–	**461,794**	**461,794**
Net Carrying Amount		**₱1,345,455**	**₱1,785,390**	**₱3,130,845**

(in Thousands)	Note	December 31, 2021 (As Restated - see Note 5) Land	Building	Total
Cost				
Balance at beginning of year		₱1,290,982	₱2,238,409	₱3,529,391
Transfers to:				
Land and development costs	9	(7,945)	–	(7,945)
Property and equipment	14	(11)	–	(11)
Capital expenditures		20,345	2,187	22,532
Balance at end of year		1,303,371	2,240,596	3,543,967
Accumulated Depreciation				
Balance at beginning of year		–	308,779	308,779
Depreciation	14	–	76,228	76,228
Balance at end of year		–	385,007	385,007
Carrying Amount		₱1,303,371	₱1,855,589	₱3,158,960

Fair value of investment properties are as follows:

	(In Thousands) 2022	2021
Alphaland Balesin Island Property	**₱25,041,370**	₱24,784,042
Alphaland Makati Place:		
Tower 3	**10,319,166**	10,312,578
Podium	**3,571,118**	3,571,118
Baguio Property	**6,972,563**	7,780,492
Patnangunan Property	**7,530,734**	7,530,734
Silang Property	**6,300,017**	6,060,016
Atimonan Property	**14,704**	14,704
	₱59,749,672	₱60,053,684

Alphaland Balesin Island Property

ABIRC acquired approximately 419 hectares of land in Balesin Island, Polillo, Quezon. Of the total land acquired, 5 hectares were acquired in 2019 via land-for-share swap with existing Balesin Island landowners in exchange for 25 Class “B-1” preferred shares with carrying amount of ₱100.0 million at the date of transaction (see Note 12). Approximately 98 hectares of the total land ownership were committed for transfer to ABICI in 2015. The transfer of certificate of title was completed in 2018 (see Note 12).

Areas that are being developed for sale were reclassified to “Land and development costs” account (see Note 9).

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 (see Notes 4 and 9).

Rent income earned from Alphaland Makati Place amounted to ₱371.1 million, ₱336.3 million and ₱491.8 million in 2022, 2021 and 2020, respectively. Direct costs related to rent income amounted to ₱190.7 million, ₱78.9 million and ₱86.9 million in 2022, 2021 and 2020, respectively, which mainly comprised of utilities and commissary costs (see Note 19).

Baguio Property
This consists of parcels of land, measuring approximately 86.7 hectares that are situated in Itogon, Benguet, just ten minutes from Baguio City by land. The Group is developing the property into the Alphaland Baguio Mountain Lodges.

The beneficial owner of the entire property is RVO, the majority shareholder and Chairman of ALPHA. The Group acquired the property at zonal value which is substantially below the appraised value. As a consideration to RVO for having sold the property at zonal value, RVO shall have a 15% interest, to be finalized upon conclusion of the project, without need of any further investment or equity infusion. The Group will shoulder all development costs required for the project.

Areas that are being developed as a horizontal condominium for sale was reclassified to land and development costs while areas where the clubhouse, chapel and other amenities are situated were reclassified to property and equipment.

In 2021, investment properties with a carrying amount of ₱7.9 million were reclassified to land and development costs (see Note 9).

In 2022, ALPHA acquired additional parcels of land measuring approximately 2.1 hectares at a cost of ₱8.0 million. The total land area of the property measured approximately 89.8 hectares as at December 31, 2022. The remaining areas allocated to investment properties as at December 31, 2022 and 2021 is 59.3 hectares and 57.2 hectares, respectively.

Patnanungan Property
ABIGI's parcels of land in Patnanungan, Quezon, measuring a total of 735.2 hectares, more or less, is reserved for future development.

Silang Property
ASTI's three parcels of land in Silang, Cavite, measuring a total of 30 hectares, more or less, is reserved for future development.

Atimonan Property
ABIRC's land in Atimonan, Quezon Province, measuring a total of 21,005 square meters, more or less, is reserved for future development.

The fair values of the investment properties are based on valuations performed by accredited independent appraisers as at report date, except for Atimonan Property. Management evaluated that the carrying amount of the Atimonan property approximates its fair value as at reporting date since there were no significant changes in the condition of this property and economic environment between the last appraisal in 2015 and the report date.

14. **Property and Equipment**

The composition and movements of this account are presented below (in thousands):

2022

	Serviced Residences	**Club Facilities**	**Aircrafts**	**Buildings**	**Transportation Equipment**	**Machinery, Equipment and Tools**	**Office Furniture, and Equipment**	**Land and Leasehold Improvements**	**Land**	**Construction in Progress**	**Total**
Cost											
Balance at beginning of year	**₱4,141,703**	**₱–**	**₱1,366,404**	**₱137,061**	**₱77,169**	**₱354,915**	**₱190,427**	**₱138,418**	**₱551**	**₱5,241**	**₱6,411,889**
Impact of acquisition of a subsidiary		**4,427,041**	**–**	**–**	**741,583**	**–**	**427,248**	**930,464**	**449,544**	**–**	**6,975,880**
Additions	**–**	**–**	**151,951**	**5,126**	**122,906**	**61,041**	**15,258**	**895**	**–**	**118,219**	**475,396**
Balance at end of year	**4,141,703**	**4,427,041**	**1,518,355**	**142,187**	**941,658**	**415,956**	**632,933**	**1,069,777**	**450,095**	**123,460**	**13,863,165**
Accumulated Depreciation and Amortization											
Balance at beginning of year	**313,874**	**–**	**446,955**	**33,688**	**66,056**	**272,045**	**151,030**	**100,253**	**–**	**–**	**1,383,901**
Impact of acquisition of a subsidiary		**1,040,289**	**–**	**–**	**411,292**	**–**	**341,570**	**200,095**	**–**	**–**	**1,993,246**
Depreciation and amortization	**80,189**	**–**	**77,285**	**1,185**	**18,334**	**12,599**	**24,526**	**10,703**	**–**	**–**	**224,821**
Balance at end of year	**394,063**	**1,040,289**	**524,240**	**34,873**	**495,682**	**284,644**	**517,126**	**311,051**	**–**	**–**	**3,601,968**
Carrying Amount	**₱3,747,640**	**₱3,386,752**	**₱994,115**	**₱107,314**	**₱445,976**	**₱131,312**	**₱115,807**	**₱758,726**	**₱450,095**	**₱123,460**	**₱10,261,197**

2021
[As Restated – see Note 5]

	Note	Serviced Residences	Aircrafts	Buildings	Transportation Equipment	Machinery, Equipment and Tools	Office Furniture, and Equipment	Leasehold Improvements	Land	Construction in Progress	Total
Cost											
Balance at beginning of year		₱4,123,690	₱1,276,318	₱137,061	₱73,677	₱345,966	₱188,798	₱78,890	₱540	₱5,065	₱6,230,005
Additions		–	90,086	–	3,492	8,949	1,629	59,627	–	176	163,959
Transfer from investment properties	13	–	–	–	–	–	–	–	11	–	11
Transfer from land and development costs	9	18,013	–	–	–	–	–	–	–	–	18,013
Reclassifications		–	–	–	–	–	–	(99)	–	–	(99)
Balance at end of year		4,141,703	1,366,404	137,061	77,169	354,915	190,427	138,418	551	5,241	6,411,889
Accumulated Depreciation and Amortization											
Balance at beginning of year		233,685	383,096	29,570	57,318	256,958	128,697	76,641	–	–	1,165,965
Depreciation and amortization		80,189	63,859	4,118	8,738	15,087	22,333	23,670	–	–	217,994
Reclassifications		–	–	–	–	–	–	(58)	–	–	(58)
Balance at end of year		313,874	446,955	33,688	66,056	272,045	151,030	100,253	–	–	1,383,901
Carrying Amount		₱3,827,829	₱919,449	₱103,373	₱11,113	₱82,870	₱39,397	₱38,165	₱551	₱5,241	₱5,027,988

The Group reclassified a number of condominium units of AMPI from “Land and development costs” to “Property and equipment” account due to the change in use of the property from condominium units for sale to a property operated as serviced residences.

In 2020, the Group sold one of its aircrafts with a carrying amount of ₱423.9 million to its stockholder. The consideration received for the aircraft was 94,306,279 ALPHA shares equivalent to ₱523.1 million, resulting to a gain of ₱99.2 million (see Note 17).

In 2021, the Group applied a 20% residual value on the cost of its passenger aircrafts based on factors such as historical experience, expected level of usage, and policies adopted by other comparable airlines within the industry. The change in accounting estimate has been applied on a prospective basis from January 1, 2021 and will result to a lower depreciation expense in the current and future periods of ₱16.3 million and ₱182.8 million, respectively.

Depreciation and amortization arises from the following accounts:

		(In Thousands)		
	Note	**2022**	2021 (As Restated - Note 5)	2020 (As Restated - Note 5)
Property and equipment		**₱224,821**	₱217,994	₱250,813
Investment properties	13	**76,787**	76,228	109,963
ROU assets	19	**6,071**	5,457	4,535
Software	15	**770**	1,511	2,865
		₱308,449	₱301,190	₱368,176

Depreciation and amortization are allocated as follows:

		(In Thousands)		
	Note	**2022**	2021 (As Restated - Note 5)	2020 (As Restated - Note 5)
Cost of services	21	**₱130,280**	₱221,512	₱285,602
General and administrative expenses	21	**175,360**	75,636	78,434
Capitalized as part of land and development costs	9	**2,809**	4,042	4,140
		₱308,449	₱301,190	₱368,176

15. **Other Noncurrent Assets**

This account consists of:

	Note	2022 (In Thousands)	2021 (In Thousands)
Deferred input VAT		**₱122,959**	₱100,433
Refundable deposits		**30,990**	20,015
ROU assets	19	**18,169**	24,240
Prepayments		**18,518**	14,611
Receivables from sale of club shares	12	**8,956**	8,956
Advances to contractors and suppliers - net of current portion	10	**3,435**	4,003
Software		**1,435**	2,205
Others		**2,000**	2,000
		₱206,462	₱176,463

Refundable deposits include billing and meter deposits to Manila Electric Company (Meralco). These are refundable upon termination of service of Meralco.

The movements in software are as follows:

	Note	2022 (In Thousands)	2021 (In Thousands)
Cost			
Balance at beginning of year		**18,711**	₱18,400
Additions		**–**	311
Balance at end of year		**18,711**	18,711
Accumulated Amortization			
Balance at beginning of year		**16,506**	14,995
Amortization	14	**770**	1,511
Balance at end of year		**17,276**	16,506
Net Carrying Amount		**₱1,435**	₱2,205

16. **Trade and Other Payables and Other Noncurrent Liabilities**

<u>Trade and Other Payables</u>

This account consists of:

	Note	2022 (In Thousands)	2021 (In Thousands)
Trade		**₱2,155,547**	₱1,423,232
Accrued expenses:			
Construction costs		**334,134**	261,591
Others		**196,660**	263,798
Deposits from sale of real estate	9	**396,937**	235,965
Retention payable	27	**307,821**	270,485
Statutory payables		**282,378**	377,035

(Forward)

	Note	(In Thousands) 2022	2021
Member's advance payments		**₱240,814**	₱–
Nontrade		**21,185**	61,153
Unearned rental income		**12,517**	16,070
Current portion of lease liabilities		**8,014**	6,917
Others		**313,393**	205,500
		₱4,269,400	₱3,121,746

Trade payables are noninterest-bearing and are due for payment within 30 to 120 days.

Accrued expenses mainly pertain to accruals for development costs, capital gains tax, and general and administrative expenses which are generally settled within one year.

Noncurrent portion of deposits from sale of real estate amounted to ₱3.4 million as at December 31, 2022 and 2021, respectively, presented under "Other noncurrent liabilities" account in the consolidated statements of financial position.

Member's advance payments represent membership dues and payment for food and beverages collected in advance. These will be recognized as revenue in the applicable membership period or when the goods are delivered.

Statutory payables consist of expanded withholding taxes and contributions to regulatory agencies. These are normally settled within the following month.

Other Noncurrent Liabilities

This account consists of:

	(In Thousands) 2022	2021
Deferred output VAT	**₱549,614**	₱331,906
Unearned income	**15,796**	16,868
Others	**29,952**	39,517
	₱595,362	₱388,291

17. Equity

Capital Stock

The composition of ALPHA's capital stock consisting of all common shares are as follows:

	2022		2021	
	Number of Shares	**Amount***	Number of Shares	Amount*
Authorized - ₱0.1 Par Value	**50,000,000,000**	**₱5,000,000**	50,000,000,000	₱5,000,000
Issued				
Beginning of year	**27,013,232,720**	**₱2,702,323**	27,013,232,720	₱2,702,323
Issuance of shares during the year	**1,974,494**	**1,975**	–	–
End of year	**27,015,207,214**	**2,704,298**	27,013,232,720	2,702,323
Parent Company's shares held by a subsidiary				
Beginning and end of year	**(13,834,274,790)**	**(16,881,220)**	(13,834,274,790)	(16,881,220)
Treasury Stock	**(98,545,279)**	**(524,283)**	(98,545,279)	(524,283)
Outstanding	**13,082,387,145**	**₱2,180,015**	13,080,412,651	₱2,178,040

**In thousands.*

The total number of shareholders, which includes PCD Nominee Corporation, is 85 and 89 as at December 31, 2022 and 2021, respectively.

On January 2, 2020, a group of shareholders reduced the number of their subscribed ALPHA shares from 1,864,664,150 to 466,158,450. ALPHA and the shareholders executed a new Deed of Subscriptions (Deed) to supersede the previous Deed executed by the parties on June 11, 2018. This resulted to a decrease in capital stock and increase in additional paid-in capital amounting to ₱139.9 million.

In 2022, ALPHA issued 1,974,494 shares at ₱6.628 per share. Additional paid-in capital recognized from the issuance of shares amounted to ₱121.8 million.

Parent Company's Shares Held by a Subsidiary

On June 5, 2014, Alphaland Holdings (Singapore) Pte. Limited (AH) and Masrickstar Corporation (MC) on one hand, and another group affiliated with RVO including ALPHA and ASTI (collectively, the "RVO Group") entered into a Memorandum of Agreement (MOA) to settle a shareholder dispute. Pursuant to the MOA, ALPHA, through its 100%-owned subsidiary, ASTI acquired the shares of stock of ALPHA owned by AH, MC and Credit Suisse (Singapore) Limited (Credit Suisse), another shareholder, and received ₱2,500.0 million in cash in exchange for assets and liabilities mainly comprising of 100% ownership of Alphaland Makati Tower, Inc. (AMTI); 100% ownership of Alphaland Marina Corporation (AMC) including AMC's investment in preferred shares of Alphaland Marina Club, Inc. (AMCI); 50% ownership of Alphaland Bay City Corporation (ABCC), the joint venture company formed by ASTI and a group led by D.M. Wenceslao & Associates, Inc. (DMWAI) (the Wenceslao Group or "WG"); and 60% interest in the unincorporated joint venture between the Group and Akean Resorts Corporation and the additional parcels of land acquired by the Group with total area of approximately 10.81 hectares.

On October 17, 2014, these assets owned by the Group were transferred to Bedfordbury Development Corporation (BDC), a newly incorporated company owned by AH and MC. AH, MC and BDC will be collectively referred to as the "AH Group."

The Group's joint venture with WG is subject to litigation because of WG's actions in causing a delay in ASTI and AMC's construction and development of the Marina Club Project. With BDC's takeover of AMC and AMCI, BDC assumed the responsibility of handling the litigation with WG.

Pursuant to the implementation of the MOA discussed above, ASTI acquired shares of stock of ALPHA owned by AH, MC and Credit Suisse amounting to ₱16,818.0 million.

In 2017, ASTI acquired additional shares of stock of ALPHA owned by a minority shareholder amounting to ₱63.2 million.

Treasury Shares
In 2020, the Group sold one of its aircrafts with a carrying amount of ₱423.9 million to its stockholder. The consideration received for the aircraft was 94,306,279 ALPHA shares equivalent to ₱523.1 million, resulting to a gain of ₱99.3 million (see Note 14).

Retained Earnings
On March 3, 2021, the BOD of ALPHA resolved that ₱2.0 billion out of the retained earnings shall be appropriated to fund the corporate projects and programs to be identified and approved by the Executive Committee of the BOD.

On July 30, 2021 BOD of ALPHA approved the declaration of cash dividend of ₱523.2 million or ₱0.04 per share on all of the outstanding shares as of July 15, 2021, date of record. The dividend was paid in 2021.

On July 29, 2022, the BOD of ALPHA approved the declaration of cash dividend at ₱0.04 per share on all outstanding shares of the Corporation, payable as may be directed to the holder of record as of July 15, 2022.

18. Related Party Transactions

The Group, in its regular conduct of business, has transactions with its related companies. The following tables summarize the transactions with the related companies and outstanding balance arising from these transactions:

			(In Thousands)			
			2022		2021	
	Nature of Transactions	Note	**Amount of Transactions**	**Outstanding Balances**	Amount of Transactions	Outstanding Balances
Trade and other receivables						
Trade						
Related companies under common key management	Air transport services	8	**₱8,965**	**₱331,884**	₱160,348	₱323,890
Nontrade						
Related companies under common key management	Capital expenditures, debt servicing		**2,798**	**203,154**	151,610	204,075
				₱535,038		₱527,965
Advances to						
Associate -						
AHEC	Reimbursement of expenses		**₱–**	**₱1,023**	₱–	₱1,023

			(In Thousands)			
			2022		2021	
Related companies under common key management	Reimbursement of expenses		**₱–**	**₱190,489**	₱–	₱3,983,186
Trade and other payables						
Trade						
Related companies under common key management	Acquisition of properties		**₱–**	**₱647,301**	₱–	₱647,301
Advances from related companies						
Related companies under common key management	Advances		**₱563,282**	**₱903,070**	₱–	₱2,023,976
	Association dues	21		**33,618**	38,982	38,982
	Purchase of assets and reimbursement of expenses			**–**	311,170	466,791
				₱936,688		₱2,529,749

Other transactions of the Group with its related companies are as follows:

- As discussed in Note 11, RVO is the beneficial owner of certain investment properties (i.e. Baguio Property) acquired by the Group in 2015.
- In April 2013, ABICI and the ABIRC executed a Letter Agreement wherein the parties agreed that the difference between the budget under the Supplementary DA and the actual construction costs incurred will be treated as advances to ABICI. Advances to ABICI related to this agreement amounting to ₱1,575.5 million as at December 31, 2022 and 2021, is due and demandable (see Note 12).
- In 2022, the following assignments were executed by the group (in thousands):

Assignor	Assignee	Property Assigned	Amount
ABIRC	AC	Receivable from ABICI	₱2,381,550
AMPI	AC	Receivable from TCCAMPI	274,493
AMPI	AC	Receivable from ABICI	189,692
TCCAMPI	AC	Payable to AMPI	77,595
ABICI	APMC	Payable to AMPI	2,381,550
ABICI	APMC	Payable to ABIRC	189,692

  The above transactions were eliminated at the consolidated level.

- In 2022, ALPHA applied ₱1.5 billion from the outstanding due to related parties with APMC, to settle the consideration for the acquisition of APMC's common shares.

Terms and Conditions of Transactions with Related Companies

Outstanding balances as of year-end are unsecured, noninterest-bearing and settlement occurs in cash or equity. The Group has not made any provision for impairment losses relating to the amounts owed by related companies.

Compensation of Key Management Personnel

The details of compensation of key management personnel, follow:

	(In Thousands)		
	2022	2021	2020
Short-term employee benefits	**₱88,013**	₱91,882	₱75,660
Post-employment benefits	**33,005**	27,564	18,935
	₱121,018	₱119,446	₱94,595

Stock Option Plan

The Company's Stock Option Plan was approved by the BOD of ALPHA on June 5, 2013, and by stockholders representing more than 2/3 of the outstanding capital stock of ALPHA during the annual meeting held on December 3, 2014. The Stock Option Plan Committee awarded stock options to key officers and employees of the Group from 2017 to 2019. The effectivity date of the grant is one year after an option is awarded to the employee. One-third (1/3) of the total number of shares covered by a grant to an employee shall vest upon the effectivity of the grant. Another 1/3 of the shares shall vest one year after the effectivity date and the remaining 1/3 of the shares shall vest two years after the effectivity date of the grant. Furthermore, the Stock Option Plan shall not vest until the listing of ALPHA shares in a stock exchange. The Stock Option Plan was approved by the SEC on July 24, 2019.

19. Leases

The Group as a Lessee

Hangar Leases

In June 2011, the Group and Civil Aviation Authority of the Philippines (CAAP) entered into a noncancellable lease agreement for the use of a portion of CAAP's hangar, including the appurtenant structures, with an aggregate land area of approximately 1,580 square meters for 10 years at ₱70 per square meter subject to an escalation rate of 10% per annum. In 2021, the lease was renewed for a period of five years subject to an escalation rate of 5% per annum. The original scope of the lease remained unchanged.

Management assessed that the substance of such lease term extension constitutes a modification of the existing lease and thus accounted the renewal as a lease modification effective on the date of agreement of both parties. Accordingly, the Group remeasured the existing lease liability to include the lease payments covered by the new lease using a revised discount rate.

In July 2016, the Group and Clark International Airport Corporation (CIAC) entered into another noncancellable lease agreement for the lease of structure and open space with a total area of 2,590 square meters, for 9 years. The agreement requires for a minimum guaranteed lease payment plus 20% of gross rental income from sub-lessees, if any, and is subject to an escalation rate of 10% per annum.

The incremental borrowing rate applied to the lease liabilities ranges from 3.19% to 7.05%, depending on the lease term.

The balance of and movements in ROU assets as at December 31 are as follows:

	Note	(In Thousands) 2022	2021
Cost			
Balance at beginning of year		**₱38,767**	₱19,482
Addition		**–**	19,285
Balance at end of year		**38,767**	38,767
Accumulated Amortization			
Balance at beginning of year		**14,527**	9,070
Amortization		**6,071**	5,457
Balance at end of year		**20,598**	14,527
Carrying Amount	15	**₱18,169**	₱24,240

The balance of and movements in lease liabilities are as follows:

	Note	(In Thousands) 2022	2021
Balance at beginning of year		**₱26,487**	₱12,133
Addition		**–**	19,285
Rental payments		**(5,991)**	(5,991)
Interest		**1,060**	1,060
Balance at end of year		**21,556**	26,487
Current portion	16	**9,747**	6,917
Noncurrent portion		**₱11,809**	₱19,570

Operating Lease - Group as a Lessor

AMPI entered into various operating lease agreements as a lessor covering mall and office spaces at Alphaland Makati Place for a period ranging from two to ten years which may be renewed or extended under such new or additional terms or conditions agreed by the parties. Upon inception of the lease agreements, tenants are required to pay certain amounts of deposits.

Tenants likewise pay either a fixed monthly rent, which is calculated with reference to a fixed sum per square meter of area leased, or pay rent on a percentage rental basis, which comprises a basic monthly amount and a percentage of gross sales or a minimum set amount, whichever is higher. The terms of the lease agreements also provide for an increase in the rent generally at the rate of 5% to 7% escalation rate starting on the third year of the lease term for AMPI.

ASTI entered into various operating lease agreements as a lessor covering mall and office spaces at Alphaland Southgate Tower for a period ranging from one to ten years. The terms of the lease agreements also provide for an increase in the rent generally at the rate of 5% to 10% starting on the second year and annually thereafter for ASTI. As disclosed in Note 13, the Group sold Alphaland Southgate Tower in 2019.

Rent income and billings for common utilities, services and maintenance charges from Alphaland Southgate Tower and Alphaland Makati Place aggregated ₱373.7 million, ₱336.3 million and ₱491.8 million in 2022, 2021 and 2020, respectively (see Note 13). Direct costs related to rent income aggregated ₱190.7 million, ₱78.9 million and ₱86.9 million in 2022, 2021 and 2020, respectively, which mainly comprised of utilities and commissary costs (see Note 13).

As at December 31, 2022 and 2021, the Group's receivable from tenants amounting to ₱55.0 million and ₱22.3 million, respectively, were presented under "Trade and other receivables" account in the consolidated statements of financial position.

The Group's customers' deposits on lease contracts are as follows:

	(In Thousands)	
	2022	2021
Current	**₱176,397**	₱180,933
Noncurrent	**81,283**	80,105
	₱257,680	₱261,038

Customers' deposits on lease contracts are generally equivalent to six months rental and refundable at the end of the lease term. Current portion pertains to one year operating lease agreements while noncurrent portion pertains to two to five years' operating lease agreements.

The Group recognizes the customers' deposits at fair value. The fair value of the deposit is determined based on the prevailing market rate of interest for a similar loan. The excess of the principal amount of the deposit over its fair value is accounted for as deferred lease income and amortized on a straight-line basis. The deferred lease income amounted to ₱3.0 million as at December 31, 2022 and 2021, respectively, and is included under "Other noncurrent liabilities" account in the consolidated statements of financial position. Interest on the deposit is accounted for using the effective interest rate method.

Aside from customers' deposits paid by tenants, advance rentals generally equivalent to two months rental are also paid and included in the initial billing to tenants, which shall be applied to the monthly rental at the end of the lease term. Current portion of advance rentals amounted to ₱12.5 million and ₱16.1 million as at December 31, 2022 and 2021, respectively (see Note 16). Noncurrent portion amounting to ₱15.7 million and ₱12.2 million as at December 31, 2022 and 2021, respectively, are included under "Other noncurrent liabilities" account in the consolidated statements of financial position.

20. **Revenues**

This account consists of:

	Note	2022	2021	2020
		(In Thousands)		
Real estate sales of:				
Log homes		**₱701,691**	₱1,700,358	₱490,259
Private Villa		**368,534**	357,143	544,643
		1,070,225	2,057,501	1,034,902
Service income:				
Air transport services		**369,282**	189,576	84,237
Room revenues		**132,284**	186,202	243,021
Medical services		**43,717**	103,678	55,165
Security services		**29,145**	36,618	17,272
		574,428	516,074	399,695
Rental income	19	**373,654**	336,323	491,802
Interest income	7	**35,732**	21,116	28,072
Others		**159,614**	95,449	43,702
		₱2,213,653	₱3,026,463	₱1,998,173

Other revenues consist mainly of commission income and income from restaurant operations.

21. **Costs and Expenses**

Costs and expenses are classified in the consolidated statements of comprehensive income as follows:

	Note	2022	2021 (As Restated - Note 5)	2020 (As Restated - Note 5)
		(In Thousands)		
Cost of real estate sold -				
Land and development cost	9	**₱458,907**	₱1,047,405	₱424,481
Cost of services:				
Transportation		**₱169,008**	₱192,425	₱209,622
Utilities		**145,565**	148,837	86,901
Depreciation and amortization	14	**80,189**	79,274	176,451
Room services		**67,399**	63,756	25,916
Security services		**43,434**	50,367	66,880
Medical services		**32,425**	22,744	32,850
Food and beverage		**7,109**	2,640	1,038
		₱545,129	₱560,043	₱599,658

	Note	(In Thousands) 2022	2021 (As Restated - Note 5)	2020 (As Restated - Note 5)
General and administrative:				
Salaries and employees' benefits		**₱260,388**	₱175,163	₱154,024
Depreciation and amortization	14	**175,360**	75,636	78,434
Taxes and licenses		**108,093**	98,938	192,889
Service and professional fees		**98,812**	88,895	81,342
Utilities and rent		**88,972**	69,663	26,635
Representation		**47,036**	44,098	41,484
Travel and transportation		**42,808**	37,957	35,868
Repairs and maintenance		**39,033**	32,131	28,439
Insurance		**25,945**	27,723	20,055
Sales and marketing		**17,396**	55,450	24,318
Supplies		**10,102**	9,012	12,274
Communication		**6,336**	5,850	10,821
Association dues	17	**2,754**	38,982	162,514
Others		**169,557**	80,496	79,443
		₱1,092,592	₱839,994	₱948,540

Transportation expense, security services and medical services under "Cost of services" account includes depreciation amounting to ₱50.0 million, ₱142.2 million and ₱109.2 million in 2022, 2021 and 2020, respectively (see Note 14).

22. Retirement Liability

The Group has an unfunded defined benefit plan covering all its regular employees. Benefits are computed using an amount equivalent to one-half month's salary for every year of service, with six months or more of service considered as one year. The retirement liability is determined using the projected unit credit method. The latest available actuarial report of the Company is as at December 31, 2020.

The components of the retirement benefit expense included in "Salaries and employees' benefits" presented under "General and administrative" account in the consolidated statements of comprehensive income are as follows:

	(In Thousands) 2022	2021	2020
Retirement benefit cost:			
Current service cost	**₱11,969**	₱18,698	₱13,912
Interest cost	**2,970**	2,853	3,147
	₱14,939	₱21,551	₱17,059

The components of retirement liability recognized in the consolidated statements of financial position and the changes in the present value of defined benefit obligation as at December 31 are as follows:

	Note	(In Thousands) 2022	2021
Present value of defined benefit obligation:			
Balance at beginning of year		**₱94,809**	₱73,258
Impact of acquisition of a subsidiary	6	**16,661**	–
Current service cost		**11,969**	18,698
Remeasurement gain		**(8,524)**	–
Interest cost		**2,970**	2,853
Benefits paid		**(2,377)**	–
Other adjustments		**(38,144)**	–
Balance at end of year		**₱77,364**	₱94,809

The accumulated remeasurement gain on retirement liability, net of deferred income tax, recognized in the equity section of the consolidated statements of financial position amounted to ₱22.2 million and ₱34.7 million as at December 31, 2022 and 2021, respectively.

Principal actuarial assumptions used to determine retirement benefit obligations are as follows:

	2022	2021
Discount rate	**7.13% - 7.22%**	4.85% - 5.06%
Salary increase rate	**5.00%**	5.00%

The sensitivity analysis below has been determined based on reasonably possible changes of each significant assumption on the present value of the defined benefit obligation as of the end of the reporting period, assuming all other assumptions were held constant:

	Change in Assumption	(In Thousands) Increase (Decrease) 2022	2021
Discount rate	+1.00%	**(₱7,070)**	(₱9,447)
	-1.00%	**8,486**	15,645
Salary increase rate	+1.00%	**8,592**	15,305
	-1.00%	**(7,268)**	(12,878)

Shown below is the maturity analysis of the undiscounted benefit payments as at December 31:

	(In Thousands) 2022	2021
Within one year	**₱618**	₱1,142
After than one year but not more than five years	**40,620**	33,211
More than five years	**43,252**	26,628

The average duration of the defined benefit obligation at the end of year is 12.9 years in 2022 and 12.0 years in 2021.

23. **Income Taxes**

The provision for current income tax represents RCIT in 2022, MCIT for AAI in 2021, AWCI and ABIGI in 2020, and RCIT for other companies within the Group.

For income tax purposes, full recognition is applied when more than 25% of the selling price of real estate sales has been collected in the year of sale. Otherwise, the installment method is applied.

The reconciliation of income tax computed at statutory tax rate to provision for (benefit from) income tax shown in the consolidated statements of comprehensive income follows:

	(In Thousands)		
	2022	2021 (As Restated - Note 5)	2020 (As Restated - Note 5)
Income tax computed at statutory tax rate	**₱37,693**	₱352,696	₱1,327
Effect of change in tax rate	**–**	2,976	–
Applied and expired NOLCO	**36,770**	33,308	48,608
Change in unrecognized deferred tax assets	**(22,234)**	(4,418)	17,670
Applied and expired MCIT	**237**	180	16,228
Additions to (reductions in) income tax resulting from:			
Nontaxable income	**(17,413)**	(173,421)	(6,133)
Nondeductible expenses and others	**11,993**	28,480	69,760
Interest income already subjected to final tax	**(462)**	(1,064)	(1,327)
	₱46,584	₱238,737	₱146,133

On March 26, 2021, the Corporate Recovery and Tax Incentives for Enterprises ("CREATE") was approved and signed into law by the country's President. Under the CREATE, the RCIT of domestic corporations was revised from 30% to 25% or 20% depending on the amount of total assets or total amount of taxable income. In addition, the MCIT was changed from 2% to 1% of gross income for a period of three years. The changes in the income tax rates shall retrospectively become effective beginning July 1, 2020.

The following are the components of the Group's net deferred tax assets (liabilities):

	(In Thousands)	
	2022	2021 (As Restated - Note 5)
Deferred tax assets:		
Difference of POC between accounting and tax	**₱39,092**	₱–
Accrued expense not yet deductible	**36,899**	36,899
NOLCO	**4,679**	–
MCIT	**1,545**	–
Unearned revenue	**440**	–
	82,655	36,899

(Forward)

	(In Thousands)	
	2022	2021 (As Restated - Note 5)
Deferred tax liabilities:		
Unrealized valuation gain on club shares for sale	**₱–**	₱4,082,571
Capitalized borrowing costs	**23,749**	26,325
Difference of POC between accounting and tax	**–**	16,663
Remeasurement gain on retirement liability	**2,895**	11,581
Difference in rent income on operating lease due to use of straight-line basis of accounting	**4,827**	3,101
	31,471	4,140,241
	₱51,184	(₱4,103,342)

The following deferred tax assets were not recognized as it is not probable that sufficient taxable profit will be available to allow the benefit of the net deferred tax assets to be utilized in the future:

	(In Thousands)	
	2022	2021
NOLCO	**₱153,338**	₱94,087
Unearned income	**41,934**	214
Retirement liability	**15,979**	7,914
Net lease liability	**11,407**	–
MCIT	**10,462**	861
Allowance for impairment loss on receivables	**3,650**	9,051
Unrealized foreign exchange losses	**–**	2,134
Accrued rent	**–**	12,942
	₱236,770	₱127,203

On September 30, 2020, the BIR issued RR No. 25-2020 to implement Section 4 (bbbb) of Republic Act No. 11494, *Bayanihan to Recover as One Act*, allowing the net operating losses for the taxable years 2020 and 2021 to be carried over for the next five (consecutive taxable years immediately following the year of such loss. Consequently, NOLCO incurred in 2022 and 2021 amounting to ₱103.5 million and ₱114.9 million are allowed as deduction from future taxable income until 2025 and 2026, respectively.

The details of NOLCO, which can be claimed as deduction against future taxable income is shown below (in thousands).

Year Incurred	Beginning Balance	Incurred/ Acquired	Applied/ Expired	Ending Balance	Valid Until
2022	₱–	₱103,510	₱–	₱103,510	2025
2021	114,889	–	–	114,889	2026
2020	218,825	–	–	220,845	2025
2019	164,928	–	(164,928)	–	2022
	₱498,642	₱103,510	(₱164,928)	₱439,244	

The details of MCIT which can be claimed as deduction from income tax due are as follows (in thousands):

Year Incurred	Beginning Balance	Incurred/ Acquired	Applied/ Expired	Ending Balance	Valid Until
2022	₱–	₱10,185	₱–	₱10,185	2025
2021	87	–	–	87	2024
2020	190	–	–	190	2023
2019	584	–	(584)	–	2022
	₱861	₱10,185	(₱584)	₱10,462	

24. Basic/Diluted Earnings Per Share and Book Value Per Share Computation

Basic/diluted earnings per share is computed as follows:

	2022	2021 (As Restated – Note 5)	2020 (As Restated – Note 5)
(a) Net income attributable to equity holders of the Parent Company (in thousands)	**₱72,532**	₱359,370	₱10,744
(b) Weighted average number of shares outstanding	**13,095,221,487**	13,080,412,651	13,166,860,073
Basic/diluted earnings per share (a/b)	**₱0.006**	₱0.028	₱0.001

The Group has no dilutive potential common shares outstanding, therefore basic earnings per share is the same as diluted earnings per share.

Book value per share is computed as follows:

	2022	2021 (As Restated - Note 5)
(a) Total equity (in thousands)	**₱13,627,833**	₱38,676,126
(b) Total number of shares outstanding at end of year	**13,100,157,765**	13,080,412,651
Book value per share (a/b)	**₱1.040**	₱2.957

The information presented above are intended as additional information for management reporting purposes only.

25. Risk Management Objectives and Policies

The Group's principal financial instruments comprise of cash and cash equivalents, trade and other receivables (excluding advances to officers and employees), advances to related companies, restricted cash (presented under "Other current assets" account), refundable deposits (presented under "Other noncurrent assets" account), advances to an associate, club shares for sale, trade and other payables (excluding deposits from sale, unearned rent income and statutory payables), customers' deposits and advances from related companies. The main purpose of these financial instruments is to provide funds for the Group's 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 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 are no other concentrations of credit risk within the Group.

Credit Quality of Financial Assets. The credit quality of financial assets is managed by the Group using internal credit ratings such as high grade, standard grade, past due but not impaired and impaired.

High Grade - pertains to deposits or placements to counterparties with good credit rating or bank standing. For receivables, this covers accounts of good paying customers, with good credit standing and are not expected by the Group to default in settling its obligations, thus credit risk exposure is minimal. This normally includes large prime financial institutions and companies.

Standard Grade - other financial assets not belonging to high quality financial assets are included in this credit rating.

Past due but not impaired - pertains to financial assets where contractual payments are past due but the Group believes that impairment is not appropriate based on the probability of collection of amounts owed to the Group.

Impaired - pertains to financial assets for which the Group determines that it is probable that it will not be able to collect the amount due based on the contractual terms and agreements.

The table below shows the credit quality of the Group's financial assets as at year end:

	(In Thousands) December 31, 2022					
		Neither Past Due nor Impaired			Past Due but	Past Due
	Total	**High Grade**	**Standard Grade**	**Total**	**not Impaired**	**and Impaired**
Financial Assets at Amortized Cost						
Cash and cash equivalents*	**₱419,421**	**₱419,421**	**₱–**	**₱419,421**	**₱–**	**₱–**
Trade and other receivables**	**2,572,740**	**2,514,049**	**–**	**2,514,049**	**–**	**58,691**
Advances to an associate and related companies	**190,489**	**190,489**	**–**	**190,489**	**–**	**–**
Restricted cash	**9,416**	**9,416**	**–**	**9,416**	**–**	**–**
Refundable deposits	**30,990**	**30,990**	**–**	**30,990**	**–**	**–**
	3,223,056	**3,164,365**	**–**	**3,164,365**	**–**	**58,691**

**Excluding cash on hand amounting to ₱1,680.*
***Excluding advances to officers and employees and including noncurrent portion of trade receivables amounting to ₱26,501 and ₱8,956, respectively.*

	(In Thousands) December 31, 2021					
		Neither Past Due nor Impaired			Past Due but	Past Due
	Total	High Grade	Standard Grade	Total	not Impaired	and Impaired
Financial Assets at Amortized Cost						
Cash and cash equivalents*	₱1,168,743	₱1,168,743	₱–	1,168,743	₱–	₱–
Trade and other receivables**	2,750,331	2,705,417	–	2,705,417	–	44,914
Advances to an associate and related companies	3,983,186	3,983,186	–	3,983,186	–	–
Restricted cash	9,348	9,348	–	9,348	–	–
Refundable deposits	20,015	20,015	–	20,015	–	–
	7,931,623	7,886,709	–	7,886,709	–	44,914
Financial Assets at FVOCI						
Unquoted Clubs' preferred shares	31,010,900	31,010,900	–	31,010,900	–	–
	₱38,943,546	₱38,898,632	₱–	₱38,898,632	₱–	₱45,046

**Excluding cash on hand amounting to ₱2,995.*
***Excluding advances to officers and employees and including noncurrent portion of trade receivables amounting to ₱15,750 and ₱8,956, respectively.*

The following are the aging analyses of financial assets as at year end:

	(In Thousands) December 31, 2022						
			Past Due But Not Impaired				Past Due
	Total	**Neither Past Due nor Impaired**	**1–30 Days**	**31–60 Days**	**61–90 Days**	**More than 90 Days**	**And Impaired**
Financial Assets at Amortized Cost							
Cash and cash equivalents*	**₱419,421**	**₱419,421**	**₱–**	**₱–**	**₱–**	**₱–**	**₱–**
Trade and other receivables**	**2,572,740**	**2,514,049**	**–**	**–**	**–**	**–**	**58,691**
Advances to an associate and related companies	**190,489**	**190,489**	**–**	**–**	**–**	**–**	**–**
Restricted cash	**9,416**	**9,416**	**–**	**–**	**–**	**–**	**–**
Refundable deposits	**30,990**	**30,990**	**–**	**–**	**–**	**–**	**–**
	3,223,056	**3,164,365**	**–**	**–**	**–**	**–**	**58,691**

**Excluding cash on hand amounting to ₱1,680.*
***Excluding advances to officers and employees and including noncurrent portion of trade receivables amounting to ₱26,501 and ₱8,956, respectively.*

	(In Thousands)						
	December 31, 2021						
			Past Due But Not Impaired				Past Due
	Total	Neither Past Due nor Impaired	1–30 Days	31–60 Days	61–90 Days	More than 90 Days	And Impaired
Financial Assets at Amortized Cost							
Cash and cash equivalents*	₱1,168,743	₱1,168,743	₱–	₱–	₱–	₱–	₱–
Trade and other receivables**	2,750,331	2,705,417	–	–	–	–	44,914
Advances to an associate and related companies	3,984,209	3,984,209	–	–	–	–	–
Restricted cash	9,348	9,348	–	–	–	–	–
Refundable deposits	20,015	20,015	–	–	–	–	–
	7,932,646	7,887,732	–	–	–	–	44,914
Financial Assets at FVOCI							
Unquoted Clubs' preferred shares	31,010,900	31,010,900	–	–	–	–	–
	₱38,943,546	₱38,898,632	₱–	₱–	₱–	₱–	₱44,914

**Excluding cash on hand amounting to ₱2,995.*
***Excluding advances to officers and employees and including noncurrent portion of trade receivables amounting to ₱15,750 and ₱8,956, respectively.*

Liquidity Risk

Liquidity risk is the risk that the Group will not be able to settle or meet its obligations on time. Management is responsible for liquidity, funding, as well as settlement management. In addition, liquidity and funding risks, related processes and policies are overseen by management. 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. 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.

The tables below summarize the maturity profile of the Group's financial liabilities based on undiscounted cash flows:

	(In Thousands)					
	December 31, 2022					
	On Demand	**1–30 Days**	**31–60 Days**	**61–90 Days**	**More than 90 Days**	**Total**
Financial Liabilities						
Trade and other payables*	**₱870,042**	**₱2,707,526**	**₱–**	**₱–**	**₱–**	**₱3,577,568**
Customers' deposits	**176,397**	**–**	**–**	**–**	**81,283**	**257,680**
Advances from related companies	**936,688**	**–**	**–**	**–**	**–**	**936,688**
	₱1,983,127	**₱2,707,526**	**₱–**	**₱–**	**₱81,283**	**₱4,771,936**

**Excluding deposits from sale, unearned rent income, and statutory payables amounting to ₱691,832.*

	(In Thousands)					
	December 31, 2021					
	On Demand	1–30 Days	31–60 Days	61–90 Days	More than 90 Days	Total
Financial Liabilities						
Trade and other payables*	₱432,743	₱2,064,989	₱–	₱–	₱–	₱2,497,732
Customers' deposits	180,933	–	–	–	80,105	261,038
Advances from related companies	2,529,749	–	–	–	–	2,529,749
	₱3,143,425	₱2,064,989	₱–	₱–	₱80,105	₱5,288,519

**Excluding deposits from sale, unearned rent income, and statutory payables amounting to ₱629,070.*

Capital Management

The primary objective of the Group's capital management is to ensure that the Group has sufficient funds in order to support its business, pay existing obligations and maximize shareholder value. The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To manage or adjust the capital structure, the Group may obtain additional advances from stockholders, adjust the return capital to stockholders or issue new shares. No changes were made in the objectives, policies or processes in 2022 and 2021. The Group monitors capital using the monthly cash position report and financial statements. The Group considers its equity as its core capital. The Parent Company is not subject to externally imposed capital requirements.

26. Fair Value Measurements

The following table provides the fair value hierarchy of assets and liabilities measured at fair value:

		(In Thousands)				
		December 31, 2022				
				Fair value measurement using		
	Note	**Carrying Amount**	**Fair Value**	**Quoted prices in active markets (Level 1)**	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**
Fair Values are Disclosed						
Financial Assets at Amortized Cost-						
Noncurrent trade receivables		**₱8,956**	**₱6,575**	**₱–**	**₱–**	**₱6,575**
Nonfinancial Assets -						
Investment properties	13	**3,130,845**	**59,749,672**	**–**	**–**	**59,749,672**
Serviced residences		**3,955,541**	**8,559,778**	**–**	**–**	**8,559,778**
Aircrafts	14	**994,115**	**1,010,915**	**–**	**–**	**1,010,915**
Financial Liabilities -						
Customers' deposits		**257,680**	**191,644**	**–**	**–**	**191,644**

		(In Thousands)				
		December 31, 2021				
				Fair value measurement using		
	Note	Carrying Amount	Fair Value	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Measured at Fair Value						
Financial Assets -						
Club shares for sale	12	₱31,010,900	₱31,010,900	₱–	₱31,010,900	₱–
Fair Values are Disclosed						
Financial Assets at Amortized Cost-						
Noncurrent trade receivables		₱8,956	₱7,292	₱–	₱–	₱7,292
Nonfinancial Assets -						
Investment properties	13	3,158,960	60,053,684	–	–	60,053,684
Serviced residences	14	3,827,829	8,650,073	–	–	8,650,073
Aircrafts	14	919,449	1,010,915	–	–	1,010,915
Financial Liabilities -						
Customers' deposits		261,038	212,538	–	–	212,538

The following methods and assumptions were used to determine the fair value of each class of financial instrument for which it is practicable to estimate such value.

Financial Assets (Excluding Club Shares for Sale, Noncurrent Trade Receivables and Customers' Deposits). Due to the short-term nature of these financial assets, the fair values approximate the carrying amount as at reporting date.

Club Shares for Sale. The fair values of club shares for sale were determined based on the current cash selling price to third parties.

Investment Properties. The fair values of the investment properties were based on valuations performed by accredited independent appraisers, as discussed in Note 13.

Noncurrent Trade Receivables and Customers' Deposits. The fair values of noncurrent trade receivables and customers' deposits were determined by discounting the principal amounts using risk-free interest rates.

27. Commitments and Contingencies

Commitments

The Group entered into various construction contracts for the development of its projects (see Note 10). Total advances to contractors amounted to ₱919.0 million and ₱504.2 million as at December 31, 2022 and 2021, respectively (see Notes 10 and 15).

The significant construction contracts that gave rise to the advances are as follows:

	(In Thousands)		
Subsidiary	**2022**	2021	Nature
ABMLHI	**₱448,007**	₱302,588	Supply of labor, materials, equipment and all related construction works for Alphaland Baguio Mountain Lodges Project
AMPI	**95,712**	82,403	Civil, structural, masonry works and supply and installation of materials for Alphaland Makati Place

Retention Payable

Retention payable is based upon specifically identified construction contracts that stipulate the right of the Group to retain a portion of the progress billings of contractors. Depending on the terms of the contract, all retention payable shall be released to contractors upon 100% completion and acceptance of works normally within one year after completion. Total retention payable amounted to ₱307.8 million and ₱270.5 million as at December 31, 2022 and 2021, respectively (see Note 16). Significant contract with retention clause arises from the civil, structural and masonry works for Towers 1 to 3 and the construction of the Podium.

Contingencies

Outstanding Legal Cases

The dispute between the Group and with the WG (see Note 18), resulted to legal cases. However, the agreement signed by the major shareholders of ALPHA, as discussed in Note 18, includes the transfer of the Group's interest in ABCC, AMC and AMCI including the assumption by BDC of the responsibility of handling all litigation and/or settling all disputes with the WG.

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.

Deficiency Tax Assessments

Alphaland Southgate Tower, Inc. On June 20, 2016, ASTI received deficiency VAT assessment for the taxable year 2014 and submitted a petition to dispute the claims. As at December 31, 2021, ASTI's appeal is pending before the Court of Tax Appeals (CTA) En Banc.

On October 7, 2021, ASTI received additional deficiency tax assessments mainly on excess retained earnings for taxable year 2014 and submitted a petition to dispute the claims. As at December 31, 2021, ASTI's appeal is pending before the Third Division of the CTA.

Alphaland Makati Place, Inc. On June 20, 2016, AMPI received deficiency VAT assessments. On January 15, 2020, the CTA issued a decision cancelling and setting aside the assessments. As at December 31, 2021, the Commissioner of Internal Revenue's appeal is pending before the CTA En Banc.

Alphaland Balesin Island Resort Corporation. On February 18, 2021, ABIRC received deficiency tax assessments mainly on income tax and VAT covering the taxable year 2015 and submitted a petition to dispute the claims. As at December 31, 2021, ABIRC's appeal is pending before the Third Division of the CTA.

In the opinion of the Group's management and in consultation with its legal counsel, the ultimate disposition of these cases, disputes and assessments will not have a material adverse impact on the financial position or results of operations of the Group.

28. **Note to Consolidated Statements of Cash Flows**

The Group's noncash activities are presented below:

		(In Thousands)		
	Note	**2022**	2021	2020 (As Restated - Note 5)
Forfeited sales:				
Land and development costs	9	**₱–**	₱18,013	₱75,921
Parking lots for sale	9	–	–	4,815
Club shares for sale	12	–	–	4,288
Recognition of:	19			
ROU assets		–	19,285	–
Lease liabilities		–	19,285	–
Transfers from investment properties to:	13			
Land and development costs	9	**22,907**	7,945	–
Property and equipment	14	–	11	–
Sale of aircraft in exchange of shares				
Property and equipment	14	–	–	423,874
Treasury shares	17	–	–	523,069
Cancelled sale -				
Land and development costs	9	–	–	82,494
Transfers from land and development costs to:	9			
Property and equipment	14	–	18,013	75,921

The reconciliation of the Group's liabilities arising from financing activities is presented below:

	(In Thousands)			
	2021	**Cash Flows**	**Noncash Flows**	**2022**
Advances from related companies	**₱2,529,749**	**(₱1,117,684)**	**(₱475,377)**	**₱936,688**
Other noncurrent liabilities	**388,291**	**207,071**	**–**	**595,362**
	₱2,918,040	**(₱910,613)**	**(₱475,377)**	**₱1,532,050**

	(In Thousands)			
	2020	Cash Flows	Noncash Flows	2021
Advances from related companies	₱2,342,111	₱187,638	₱–	₱2,529,749
Other noncurrent liabilities	183,221	204,010	1,060	388,291
	₱2,540,451	₱391,648	₱1,311	₱2,933,159

ALPHALAND CORPORATION AND SUBSIDIARIES

SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS

DECEMBER 31, 2022 and 2021

(Amounts in Thousands)

Ratio	**Formula**	**2022**	2021 (As restated)
Current Ratio			
	Current assets	**₱6,717,974**	₱11,379,419
	Divided by: Current liabilities	**5,998,169**	6,352,095
		1.12:1	1.79:1
Acid Test Ratio			
	Quick assets	**4,851,131**	10,200,667
	Divide by: Current liabilities	**5,998,169**	6,352,095
		0.81:1	1.60:1
Solvency Ratio			
	Net income after depreciation and amortization	**₱72,701**	₱359,725
	Add: Depreciation and amortization	**308,449**	301,190
	Net income before depreciation and amortization	**381,150**	660,915
	Divided by: Total liabilities	**6,752,178**	11,018,642
		0.06:1	0.06:1
Debt-to-Equity Ratio			
	Total liabilities	**₱6,752,178**	₱11,018,642
	Divided by: Total equity	**13,627,833**	38,676,126
		0.48:1	0.28:1
Asset-to-Equity Ratio			
	Total assets	**₱20,380,011**	₱49,694,768
	Divided by: Total equity	**13,627,833**	38,676,126
		1.50:1	1.28:1
Return on Equity			
	Net income	**₱72,701**	₱359,725
	Divided by: Average equity	**26,151,980**	38,750,038
		0.28%	0.93%
Return on Assets			
	Net income	**₱72,701**	₱359,725
	Divided by: Average total assets	**35,037,390**	49,425,403
	Return on Assets	**0.21%**	0.73%
Net Profit Margin			
	Net income	**₱72,701**	₱359,725
	Divided by: Revenue	**2,213,653**	3,026,463
	Net Profit Margin	**3.28%**	11.89%

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8741 Paseo de Roxas
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**REPORT OF INDEPENDENT AUDITORS
TO ACCOMPANY CONSOLIDATED FINANCIAL STATEMENTS FOR FILING WITH THE
SECURITIES AND EXCHANGE COMMISSION**

The Stockholders and the Board of Directors
Alphaland Corporation and Subsidiaries
Alphaland Makati Place
7232 Ayala Ave. ext. cor. Malugay Street
Makati City

We have audited the accompanying consolidated financial statements of Alphaland Corporation (the Parent Company) and Subsidiaries as at December 31, 2022 and 2021 and for each of the three years ended December 31, 2022, 2021 and 2020, on which we have rendered our report dated June 15, 2023.

In compliance with the Revised Securities Regulation Code Rule 68 we are stating that as at December 31, 2022 and 2021, the Parent Company has 71 and 75 stockholders, respectively, owning 100 or more shares each.

REYES TACANDONG & CO.

EMMANUEL V. CLARINO
Partner
CPA Certificate No. 27455
Tax Identification No. 102-084-004-000
BOA Accreditation No. 4782; Valid until April 13, 2024
SEC Accreditation No. 27455-SEC Group A
Issued January 28, 2020
Valid for Financial Periods 2019 to 2023
BIR Accreditation No. 08-005144-005-2022
Valid until October 16, 2025
PTR No. 9564558
Issued January 3, 2023, Makati City

June 15, 2023
Makati City, Metro Manila

CERTIFICATION

I, **CHARLES EDWARD M. CHENG,** Corporate Secretary of ALPHALAND CORPORATION with SEC registration number 183835 with principal office at 5th Flr. Alphaland Makati Place, 7232 Ayala Ave., cor. Malugay St., Makati City, on oath state:

1. That on behalf of ALPHALAND CORPORATION, I have caused this SEC Form 20-IS (Preliminary Information Statement) to be prepared;
2. That I read and understood its contents which are true and correct of my own personal knowledge and/or based on true records;
3. That the company ALPHALAND CORPORATION will comply with the requirements set forth in SEC Notice dated June 24, 2020 for a complete and official submission of reports and/or documents through electronic mail; and
4. That I am fully aware that documents filed online which requires pre-evaluation and/or processing fee shall be considered complete and officially received only upon payment of a filing fee.

In witness whereof, I have hereunto set my hand this OCT 23 2023.

CHARLES EDWARD M. CHENG
Corporate Secretary

SUBSCRIBED AND SWORN TO before me this OCT 23 2023 day of ____________ at Makati City. Affiant exhibiting to me his TIN 255-721-029.

Doc No. 50;
Page No. 11;
Book No. XL;
Series of 2023.

ATTY. ROLANDO E. LAS PIÑAS
Notary Public City of Manila
Notarial Commission No. 2023/016
Until Dec. 31 2024
240-C A.H. Lacson St., Samp. Mla
Roll of Attorney No. 84035
PTR No. 0822024/JAN 3, 2023/ MLA
IBP Membership No. 243549 / 06/20/2022
MCLE Exempted G.B.O. 1s. 2008

Unaudited Consolidated Interim Financial Statements as at and for the Three Months Period Ended September 30, 2023 and Audited Consolidated Financial Statements as of and for the Year Ended December 31, 2022

ALPHALAND CORPORATION AND SUBSIDIARIES

CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(Amounts in Thousands, Except for Book Value per Share)

	September 30, 2023 Unaudited	December 31, 2022 Audited
ASSETS		
Current Assets		
Cash and cash equivalents	**₱381,348**	₱421,101
Trade and other receivables	**1,746,097**	2,540,550
Land and development costs and parking lots for sale	**1,725,728**	1,698,991
Advances to related companies	**107,329**	190,489
Other current assets	**1,850,732**	1,866,843
Total Current Assets	**5,811,234**	6,717,974
Noncurrent Assets		
Investment in and advances to an associate	**12,349**	12,349
Investment properties	**3,082,365**	3,130,845
Property and equipment	**10,104,638**	10,261,197
Net deferred Tax Assets	**–**	51,184
Other noncurrent assets	**202,344**	206,462
Total Noncurrent Assets	**13,401,696**	13,662,037
	₱19,212,930	₱20,380,011

LIABILITIES AND EQUITY		
Current Liabilities		
Trade and other payables	**₱3,123,617**	₱4,269,400
Advances from related companies	**1,074,814**	936,688
Customers' deposits	**65,014**	176,397
Income tax payable	**697,107**	615,684
Total Current Liabilities	**4,960,552**	5,998,169
Noncurrent Liabilities		
Customers' deposits - net of current portion	**90,046**	81,283
Retirement liability	**78,555**	77,364
Net deferred tax liabilities	**207,379**	–
Other noncurrent liabilities	**523,194**	595,362
Total Noncurrent Liabilities	**899,174**	754,009
Total Liabilities	**5,859,726**	6,752,178

(Forward)

	September 30, 2023 Unaudited	December 31, 2022 Audited
Equity Attributable to Equity Holders of the Parent Company		
Capital stock	**₱2,704,298**	₱2,704,298
Additional paid-in capital	**13,031,369**	13,031,369
Retained earnings	**14,984,140**	14,390,125
Other comprehensive income:		
Accumulated remeasurement gain on retirement liability	**22,389**	x 22,200
	30,742,196	30,147,992
Less:		
Parent Company's shares held by a subsidiary	**16,881,220**	16,881,220
Cost of treasury shares	**524,283**	524,283
	13,336,693	12,742,489
Noncontrolling interests	**16,511**	885,344
Total Equity	**13,353,204**	13,627,833
	₱19,212,930	₱20,380,011
Book value per share	**₱1.019**	₱1.040

ALPHALAND CORPORATION AND SUBSIDIARIES

CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE INCOME
(Amounts in Thousands, Except for Earnings per Share)

	For the Nine Months Ended September 30	
	2023	2022
	(Unaudited)	(Unaudited)
REVENUES		
Real estate sold	**₱891,575**	₱935,789
Club Operations	**795,765**	–
Rental income	**328,432**	270,930
Service income	**387,678**	448,807
Interest income	**17,135**	16,079
Others	**70,514**	69,695
	2,491,099	1,741,300
COSTS AND EXPENSES		
Cost of services	**803,262**	506,024
Cost of real estate sold	**454,129**	431,549
General and administrative	**1,061,699**	645,440
	2,319,090	1,583,013
OTHER INCOME (EXPENSES)		
Other gains (losses) – net	**(47)**	1,285
	(47)	1,285
INCOME BEFORE INCOME TAX	**171,962**	159,572
PROVISION FOR INCOME TAX		
Current	**51,854**	49,689
Deferred	**–**	–
	51,854	49,689
NET INCOME	**120,108**	109,883
OTHER COMPREHENSIVE INCOME		
Not to be reclassified to profit or loss in subsequent years:		
Unrealized valuation gain on club shares for sale	**–**	(26,193)
Income tax effect	**–**	3,929
	–	(22,264)
Remeasurement gain(loss) on retirement liability	**(6,061)**	74
	(6,061)	(22,190)
TOTAL COMPREHENSIVE INCOME	**₱114,047**	₱87,693
Net income attributable to:		
Equity holders of the Parent Company	**₱102,814**	₱109,509
Noncontrolling interests	**17,294**	374
	₱120,108	₱109,883
Total comprehensive income attributable to:		
Equity holders of the Parent Company	**₱96753**	₱87,329
Noncontrolling interests	**17,294**	364
	₱114,047	₱87,693

ALPHALAND CORPORATION AND SUBSIDIARIES

CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY
(Amounts in Thousands)

	For the Nine Months Ended September 30	
	2023 (Unaudited)	2022 (Unaudited)
CAPITAL STOCK		
Balance at beginning and of period	**₱2,704,298**	₱2,702,323
Additional Subscription	**–**	1,975
Balance at end of period	**2,704,298**	2,704,298
ADDITIONAL PAID-IN CAPITAL		
Balance at beginning and end of period	**13,031,369**	12,909,581
Additional Subscription	**–**	121,788
Balance at end of period	**13,031,369**	13,031,369
RETAINED EARNINGS		
Balance at beginning of period	**13,995,153**	60,917,075
Net income	**102,860**	109,506
Reclassification adjustments on disposal of club shares for sale	**–**	484,374
Dividend Declaration	**–**	(524,006)
Balance at end of period	**14,098,013**	60,986,949
OTHER COMPREHENSIVE INCOME		
Cumulative Unrealized Valuation Gain on Club Shares for Sale		
Balance at beginning of period	**–**	23,136,499
Reclassification adjustments on disposal of clubs hares for sale	**–**	(22,264)
Unrealized valuation gain (loss)	**–**	(118,186)
Balance at end of period	**–**	22,996,049
Revaluation Surplus		
Balance at beginning and end of period	**–**	3,633,745
Accumulated Remeasurement Gain on Retirement Liability		
Balance at beginning of period	**22,389**	34,744
Remeasurement loss	**–**	6,316
Balance at end of period	**22,389**	41,060
	22,389	26,670,854
PARENT COMPANY'S SHARES HELD BY A SUBSIDIARY		
Balance at beginning and end of period	**(16,881,220)**	(16,881,220)
TREASURY SHARES		
Balance at beginning and end of period	**(524,283)**	(524,283)
NONCONTROLLING INTERESTS		
Balance at beginning of period	**885,344**	(783)
Share in net income (loss)	**17,294**	374
Balance at end of period	**902,638**	(409)
	₱13,353,204	₱85,987,558

ALPHALAND CORPORATION AND SUBSIDIARIES

CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
(Amounts in Thousands)

	For the Nine Months Ended September 30	
	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	**₱172,156**	159,572
Adjustments for:		
Depreciation and amortization	**263,937**	183,739
Interest income	**(17,135)**	(16,079)
Unrealized foreign exchange losses (gains)	**(47)**	(1,267)
Operating income before working capital changes	**418,911**	325,965
Decrease (increase) in:		
Trade and other receivables	**794,453**	(312,756)
Land and development costs and parking lots for sale	**(26,737)**	(65,886)
Other current assets	**16,110**	(172,750)
Increase in:		
Trade and other payables	**(1,145,785)**	213,027
Customers' deposits	**(4,870)**	(38,070)
Retirement liability	**(102,620)**	(49,972)
Net cash generated from (used for) operations	**(50,538)**	(100,442)
Income taxes paid	**24,752**	16,079
Interest received	**17,135**	(54,354)
Net cash provided by (used in) operating activities	**(8,651)**	(138,717)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from:		
Sale of club shares for sale	–	176,307
Disposal of property and equipment	–	
Decrease (increase) in:		
Advances to related companies	**83,160**	465,774
Other noncurrent assets	**4,120**	(84,490)
Additions to:		
Property and Equipment	**(107,379)**	(197,511)
Investment Properties	**48,756**	277,138
Deferred Tax Liabilities	**(126,144)**	(41,299)
Net cash provided by (used in) investing activities	**(97,487)**	595,919
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase (decrease) in:		
Advances from related companies	**138,126**	(379,000)
Other noncurrent liabilities	**(72,165)**	(10,547)
Dividends Paid	**–**	(524,006)
Net cash provided by (used in) financing activities	**65,961**	(913,553)
EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	**47**	1,267
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**(40,130)**	(455,084)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD		
Cash and cash equivalents	**421,101**	1,171,738
Restricted cash	**9,416**	9,348
	430,517	1,181,086
CASH AND CASH EQUIVALENTS AT END OF PERIOD		
Cash and cash equivalents	**381,348**	716,964
Restricted cash	**9,038**	9,038
	₱390,386	₱726,002

CERTIFICATION

I, **CHARLES EDWARD M. CHENG,** Corporate Secretary of ALPHALAND CORPORATION with SEC registration number 183835 with principal office at 5th Flr. Alphaland Makati Place, 7232 Ayala Ave., cor. Malugay St., Makati City, on oath state:

1. That on behalf of ALPHALAND CORPORATION, I have caused this SEC Form 20-IS (Definitive Information Statement) to be prepared;
2. That I read and understood its contents which are true and correct of my own personal knowledge and/or based on true records;
3. That the company ALPHALAND CORPORATION will comply with the requirements set forth in SEC Notice dated June 24, 2020 for a complete and official submission of reports and/or documents through electronic mail; and
4. That I am fully aware that documents filed online which requires pre-evaluation and/or processing fee shall be considered complete and officially received only upon payment of a filing fee.

In witness whereof, I have hereunto set my hand this NOV 09 2023.

CHARLES EDWARD M. CHENG
Corporate Secretary

SUBSCRIBED AND SWORN TO before me this NOV 09 2023 day of ________ at Makati City. Affiant exhibiting to me his TIN 255-721-029.

Doc No. 48;
Page No. 11;
Book No. 33;
Series of 2023.

GEORGE DAVID D. SITON
Appointment No. M-132
Notary Public for Makati City
Until December 31, 2023
Executive Bldg. Center Makati Ave.
cor. Jupiter St., Makati City
Roll of Attorneys No. 68402
MCLE Compliance No. VI-0021936-3-29-2019
IBP No. 002282 / Lifetime Member / 5-8-17
PTR No. 8852509 / 01.03.2023 / Makati City