

COVER SHEET

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SEC Registration Number

E V E R - G O T E S C O R E S O U R C E S A N D

H O L D I N G S , I N C . A N D S U B S I D I A R I E S

(Company's Full Name)

3 / F M a n i l a R e a l R e s i d e n c e s

1 1 2 9 J . N a t i v i d a d L o p e z S t r e e t ,

E r m i t a , M a n i l a

(Business Address: No. Street City/Town Province)

CYNTHIA T. DIZON

Contact Person

+632 8243-2921

Company Telephone Number

1 2 3 1

Month Day
Fiscal Year

S E C F O R M 1 7 A

FORM TYPE

August – Last Friday

Month Day
Annual Meeting

N/A

Secondary License Type, If Applicable

C R M D

Dept. Requiring this Doc
Number/Section

Amended Articles

5,580

Total No. of
Stockholders

Total Amount of Borrowings

₱ 616.6 million

Domestic

-

Foreign

To be accomplished by CRMD Personnel Concerned

File Number

Document ID

STAMPS

SECURITIES AND EXCHANGE
COMMISSION SEC FORM 17-A

ANNUAL REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE
AND SECTION 141 OF CORPORATION CODE OF THE PHILIPPINES

1. For the Year ended **December 31, 2021**
2. SEC Identification Number **AS 094-8752**
3. BIR Tax Identification No. **004-817-595-000**
4. Exact name of issuer as specified in its charter **EVER- GOTESCO RESOURCES & HOLDINGS, INC.**
5. Philippines (SEC Use Only) Industry Classification Code:
Province country code or other jurisdiction of incorporation or organization
7. 3/F Manila Real Residences, 1129 J. Natividad Lopez St. Ermita, Manila 1000
Address of registrant's principal office Postal Code
8. 8243-2921; 8243-6159 loc. 116/117
Issuers telephone number, including area
9. Former name, former address and former fiscal year, if changed since last report - None
10. Securities registered pursuant to Sections 8 and 12 of the SRC, or Sec. and 8 of the RSA

Title of Each Class	No. of Shares of Common and amount of debt outstanding
Common Stock, ₱1.00 par value	5,000,000,000
Amount of Debt as of December 31, 2021	₱616.6 Million

11. Are any or all of these securities listed on a Stock Exchange?
Yes [☒] No [☐]
If yes, state the name of such stock exchange and the classes of securities listed therein: Philippine Stock Exchange
12. Indicate by check mark whether the registrant:
 - (a) Has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17 thereunder or Section 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of The Corporation Code of the Philippines during the preceding twelve (12) months (or for such shorter period that the registrant was required to file such report);
Yes [☒] No [☐]

(b) Had been subject to such filing requirements for the past ninety (90) days.

Yes [☒] No [☐]

13. Aggregate market value of voting stocks held by non-affiliate – **₱1,186,257,271**

14. Check whether the issuer has filed all documents and reports required to be filed by Section 17 of the Code subsequent to the distribution of securities under a plan confirmed by a court or the commission.

Yes [☒] No [☐]

15. There are no documents that are incorporated by reference in this SEC Form 17-A.

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NON-FINANCIAL DISCLOSURE REQUIREMENTS

PART 1 - BUSINESS

ITEM 1. Description of Business.

(1) Business Development

The Company was registered with the Securities and Exchange Commission (SEC) on September 27, 1994 primarily to purchase, subscribe for, or otherwise acquire or exchange, or otherwise dispose of real and personal property of any kind of description, including shares of stock, and to do every act and thing covered generally by the denomination “holding company”. The Company started its commercial operations on December 1, 1995.

In 2021, the stockholders approved the change of principal office from 12/F Ever Gotesco Corporate Center, 1958 C.M. Recto Avenue, Manila to 3/F Manila Real Residences, 1129 J. Natividad Lopez St., Ermita, Manila. The amendment of Articles of Incorporation is pending regulatory approval.

The Company owns 100% of the outstanding capital stock of Gotesco Tyan Ming Development, Inc. (GTMDI).

On December 15, 2021, the Group acquired the net assets of Agriwave Organic Inc and. 3-J Development Corporation to manage the agri businesses and eco-agri tourism , respectively.

(2) Business of Issuer

(a) Description of Registrant Products

The Company used to build shopping malls and leased them out to commercial tenants. However with the fierce competition and the pandemic that has severely affected the industry, the management has shifted its directions towards more resilient revenue sources. It is venturing into agro-industrial businesses alongside eco-tourism projects. In particular are the production of high-value crops; bamboo farming including manufacturing of bamboo products; and promotion of eco-agri tourism through the two new subsidiaries mentioned above.

Agriwave Organic, Inc. is engaged in agricultural production of high value crops and orchids. Takeover of operations started in December 2021.

On the other hand, 3-J Development Corporation begun its management of Forest Crest Nature Resort in January 2022 and is intended to position the 17-hectare leisure complex into an eco-tourism hub integrated with an appreciation of agricultural processes. The production farm of Agriwave is located within this leisure complex.

Competition

There is a huge market for agricultural products, food being a basic necessity, which was highlighted when the pandemic struck. Sufficiency of food supply from within the local economy is seen as an advantage when shipments from offshore sources was constricted due to quarantine policies of many countries. This opens opportunities for bigger scale agro-industrial production which the Company will take advantage of.

To complement the revenues to be derived from farming and as Filipinos desire for more outdoor activities for good health, EGRHI is likewise pursuing farm tourism as a way of educating the people as to how food is grown and promote the well-being of Filipinos.

Customers

The general public in the National Capital Region and those in CALABARZON are the primary targets of the Company.

Transactions with and/or dependence on related parties

The company and its subsidiaries had some cash advances from related parties as disclosed in the audited financial statements.

Patents, trademarks, licenses, franchises, concessions and royalty agreements.

During the past three years the Company and its subsidiaries had no transactions related to the above.

Need for any governmental approval of principal products or services

No principal product or services that the Company has introduced needed that governmental approval.

Effects of existing or probable governmental regulations on the business

Aside from the strict implementation of quarantine procedures in the past two years which has directly affected the generated revenues, the Company and its subsidiaries are not aware of any material effect of government regulations on their respective businesses.

Amount spent for research and development activities.

During the past three years, the Company and its subsidiaries have not spent for research and didn't have development activities..

Cost and effects of compliance with environmental laws

EGRHI and its subsidiaries meet all government, environment, health and safety requirements.

Employees

EGRHI and subsidiaries have the following manpower under its payroll:

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Executive	1	0	0
Manager	1	0	0
Officer	0	0	0
Rank and File	11	2	2
Total	13	2	2

Administrative	0	0	0
Operations	10	0	0
Finance and Accounting	3	2	2
Total	13	2	2

Employees of the Company and its subsidiary have not formed nor are they subject to any collective bargaining agreements (CBA). Wage increases are based from the legislated wage orders or based on meritorious work performances.

(b) Additional Requirements as to Certain Issues or Issuers Debt Issues

EGRHI and subsidiary company has been in business since 1995. Total consolidated net worth as of December 31, 2021 amounted to ₱2.65 billion. EGRHI does not engage in unsecured bonds or securities.

ITEM 2. Description of Property

Land

Land holdings of EGRHI and subsidiaries as of December 31, 2021 include:

1. Eleven (11) parcels of land owned by EGRHI with a total area of 796,275 square meters, more or less, situated in the barrios of Babag and Malubog, City of Cebu. These lots were acquired by EGRHI as settlement of its receivables from various affiliates in the latter part of 2021.
2. Two (2) parcels of land owned by GTMDI with a total area of 49,731 square meters, more or less, situated in the barrios of Babag and Malubog, City of Cebu. These lots were also acquired by GTMDI as partial settlement of its receivables from an affiliate in the latter part of 2021.

Properties under lease agreements

Subsidiaries have the following lease agreements as of December 31, 2021:

1. A three-year contract of lease was entered into by 3-J Development Corporation commencing on December 16, 2021 for parcels of land together with building and improvements located at Km. 72, Nasugbu, Batangas, known as the Forest Crest Nature Hotel and Resort.
2. Agriwave Organic Inc. also has existing contract of lease commencing on December 16, 2021 for parcels of land and improvements located at Km. 72, Nasugbu, Batangas.

ITEM 3. Legal Proceedings

Land Bank of the Philippines vs. Ever Gotesco Resources and Holdings, Inc.

On August 10, 1999, Land Bank of the Philippines (LBP) filed a complaint for Collection of Sum of Money with Damages against EGRHI and Jose Go. After hearing, the Regional Trial Court (RTC) issued a Decision on September 11, 2015 directing the defendants to pay LBP ₱50 million with interest, damages and attorney's fees. The case was appealed to the Court of Appeals. While on appeal, the parties reached an amicable settlement. The Compromise Agreement involved an amount of ₱73M subject to 4% rate p.a. payable for 5 years.

This Compromise Agreement was submitted to the Court of Appeals in a joint motion by the parties on April 8, 2022.

Garnishment of Cash and Receivables - *Bangko Sentral ng Pilipinas (BSP) vs. Orient Commercial Banking Corporation*

The Company and its subsidiary company together with other affiliated companies were served a “Notice of Garnishment on Lease/Rental Payments” issued by the Regional Trial Court of Manila Branch 12, last January 27, 2000 in relation to a civil case complaint by the Bangko Sentral ng Pilipinas .

In summary, the BSP filed a case of sum of money against Orient Commercial Banking Corporation (OCBC) and other affiliate corporations of Gotesco. As a provisional remedy, BSP prayed for the granting of a writ of preliminary attachment against OCBC and other companies to which the Board of Directors of OCBC has substantial interest, including EGRHI and GTMDI, which the Court granted. OCBC, EGRHI, GTMDI and other companies filed a Petition for Certiorari with the Court of Appeals which ruled in favor of OCBC and other defendants. BSP filed a Petition before the Supreme Court, but before it could rule on it, the parties entered into a Compromise Agreement which was consequently, approved by the trial Court. Said Compromise Agreement has effectively lifted the writ of preliminary attachment and the whole obligation shall be settled on staggered basis.

BSP filed a motion for execution which was granted by the RTC. EGRHI et. al., filed a Motion for reconsideration but was denied.

EGRHI et. al., elevated the case to the Court of Appeals. An urgent Motion for Inhibition of Justice Villamor was filed by petitioners.

ITEM 4. Submission of Matters to a Vote of Security Holders

The latest Stockholders’ meeting was held on December 16, 2021. In that Stockholders’ Meeting, the following were submitted to a vote by the majority Stockholders:

- a. Approval of the Minutes of the Annual Stockholders’ Meeting held on August 30, 2019
- b. Approval of the Audited Financial Statements of the Company as of December 31, 2019,
- c. Approval of the delegation of authority to nominate new auditor to the Audit Committee
- d. Approval and ratification of all Acts of the Board of Directors, Standing Committees and Management since the last Annual Meeting,
- e. Election of Directors
- f. Appointment of External Auditors
- g. Amendment of Article III of the Articles of Incorporation

PART 11 - OPERATIONAL AND FINANCIAL INFORMATION

ITEM 5. Market Price of and Dividends on Registrant's Common Equity and Related Stockholder Matters

(1) Market Information

The principal market of the Company's common equity is the Philippine Stock Exchange. Below are the quarterly stock prices for the last three years:

	2021		2020		2019	
Quarter	High	Low	High	Low	High	Low
First	0.124	0.081	0.110	0.080	0.147	0.115
Second	0.740	0.095	0.145	0.051	0.130	0.130
Third	0.580	0.265	0.112	0.084	0.132	0.110
Fourth	0.410	0.290	0.102	0.080	0.134	0.103

The last trading date during the year was on December 31, 2021 of which price per share was at ₱0.330.

(2) Holders

The number of stockholders of record as of December 31, 2021 was 5,580, Common shares outstanding as of the same date total 5 billion at ₱1 par value per share. Listed below are the top twenty (20) stockholders as of December 31, 2021:

Stockholders	No. of Shares Held	% of O/S
1. CONSOLIDATED VENTURES, INC	1,592,000,000	31.84%
2. PCD NOMINEE CORPORATION (FILIPINO)	1,311,264,210	26.23%
3. GOTESCO PROPERTIES, INC.	1,069,235,000	21.38%
4. JOEL TING GO	228,672,598	4.57%
5. JOSE C. GO	227,820,000	4.56%
6. GOTESCO INVESTMENTS, INC.	105,000,000	2.10%
7. LI CHIH-HUI	80,000,000	1.60%
8. PCCI SECURITIES BROKERS CORP.	78,125,000	1.56%
9. JOHANN TING GO	65,000,000	1.30%
10. JONATHAN TING GO	65,000,000	1.30%
11. PCD NOMINEE CORPORATION (FOREIGN)	23,980,100	0.48%
12. ERNESTO B. LIM	12,050,000	0.24%
13. ZHENG YUAN MING	8,000,000	0.16%
14. ANTONIO KAW	7,700,000	0.15%
15. WANG BI LING	7,000,000	0.14%
16. QUI YI MAN	5,300,000	0.11%
17. MENDOZA ALBERTO &/OR JEANIE C. MENDOZA	2,710,000	0.05%
18. ROSALIND O. DY	2,500,000	0.05%
19. EVELYN C. GO	2,371,315	0.05%
20. PHILIPPINE TA SECURITIES INC.	2,094,000	0.04%
OTHERS	104,177,777	2.08%

3)Dividends

Dividend Policy - Dividends shall be declared and paid out of the unrestricted retained earnings which shall be payable in cash, property, or stock to all stockholders on the basis of outstanding stock held by them, as often and at such times as the Board of Directors may determine and in accordance with law and applicable rules and regulations.

Covenants - Under the syndicated loan agreements signed with their respective lenders, the Company and its subsidiary -GTMDI, shall not declare or pay any dividend to their respective stockholders without the written consent of their respective syndicate lenders until the termination of commitments there under and the full payments of debt obligations and other amounts due them.

Declaration of Dividend - The Company and its subsidiaries have not declared any dividend since the start of its commercial operation including the current year.

(4) Recent Sales of Unregistered Securities

The Company and its subsidiary company did not have any sale of securities which were not registered under the RSA since its operation. Likewise, there were no sales of reacquired securities, as well as new issues, securities issued in exchange for property, services, or other securities and new securities resulting from the modification of outstanding securities.

Item 6. Management's Discussion and Analysis or Plan of Operations

1. Plan of Operations

For the next 12 months, the Company, through its subsidiaries will continue its endeavor to become a leading player in the agri-eco-tourism industries. The management of Forest Crest Nature Hotel and Resort commences in January 2022 and is intended to operate as an eco-tourism hub integrated with an appreciation of agricultural processes and products. Agricultural production of high value crops and orchids has started during the last half of December 2021 and will continue to grow in the years to come. It is likewise undertaking aggressive initiatives to develop value chain of bamboo production from farming to finish products by second half of the year.

2. Management Discussion and Analysis

Year 2021 vs. Year 2020

Cause for Material Changes from Period to Period of the Income Statement

Total consolidated revenues in 2021 amounted to ₱0.14 million while nil in 2020. The increase during 2021 consists of the revenue of the new subsidiary during the last half of December 2021. Direct costs amounted to ₱0.26 million and nil in 2021 and 2020, respectively which can also be attributed to the costs incurred by the subsidiary.

General and Administrative expenses increased by 24% or ₱0.54 million from ₱2.2 million in 2020 to ₱2.73 million in 2021. The increase is mainly attributed to the fees incurred for engaging professional services of third parties as well as the operating expenses of the subsidiary.

On the other hand, interest expense decreased by 41% as a result of the compromise settlement of the Company's long outstanding loan with the lender bank from ₱12 million in 2020 to ₱7.12 million in 2021.

Other income increased by ₱1.89 billion from ₱262.7 million in 2020 to ₱2.16 billion in 2021. The increase can be attributed to the recovery of doubtful accounts amounting to ₱2.03 billion, gain on acquisition of property amounting to ₱23.6 million and gain on loan modification amounting to ₱258.99 million in 2021.

Net income amounted to ₱2.14 billion and ₱248.48 million in 2021 and 2020, respectively

Cause for material Changes from Period to Period of the Balance Sheet

Current Assets

Current Assets increased by ₱2.6 million from ₱1.2 million in 2020 to ₱3.8 million in 2021 representing the cash position of the new subsidiaries.

Non-Current Assets

Receivables decreased by 100% or ₱1.6 billion due to the recovery of outstanding receivables from affiliates thru *dacion en pago*. Consequently, the investment properties increased by ₱3.08 billion representing the value of properties received.

Current Liabilities

Current portion of bank loans decreased by 67% or ₱33.8 million from ₱50 million in 2020 to ₱16.3 million in 2021 due to the compromise settlement of loan with the Land Bank of the Philippines resulting to a compromised amount of ₱73.0 million. Accordingly, portion of the loan amounting to ₱53.4 million was reclassified as non-current liability.

Accounts payable and other liabilities also decreased by 55% or ₱680.5 million due to the extinguishment of payables from affiliate amounting to ₱443.5 million as part of the settlement thru real properties as well as the reversal of accrued interest on loans amounting to ₱258.9 million.

Total current liabilities decreased by 56% from ₱1.3 billion in 2020 to ₱0.56 billion in 2021.

Noncurrent Liabilities

Total noncurrent liabilities increased by 100% or ₱53.4 million in 2021 due the reclassification of bank loan from current to noncurrent.

Stockholder's Equity

Total Equity increased by ₱2.14 billion representing the net income generated during the year.

FINANCIAL CONDITION

The Company's effort in recovering its receivables coupled by the compromise settlement with the creditor bank resulted to the improvement in current ratio from 0:1 in 2020 to 0.01:1 in 2021. Moreover, debt to assets ratio also improved from 0.80:1 in 2020 to 0.20:1 in 2021.

There are no material commitments in capital expenditures to date other than those performed in the ordinary course of trade or business.

Other than government policies on quarantine procedures due to the pandemic, there are no other known trends, events, or uncertainties that have had or that are reasonably expected to have a material impact on the net sales, revenues or income from continuing operations.

The Group has no goods or services that are subject to seasonal changes, which might have a material effect on the financial condition or results of Group's operations.

Year 2020 vs. Year 2019

Cause for Material Changes from Period to Period of the Income Statement

Total consolidated revenues and direct costs and expenses remained nil in 2020 due to the non-renewal of lease at Ever Gotesco Commonwealth Center on March 31, 2017 when the Company ceased its operation as lessor of the mall.

General and Administrative expenses decreased by 100% or ₱780.26 million from ₱782.46 million in 2019 to ₱2.2 million in 2020. This consists mainly of provision for doubtful accounts amounting to *nil* and ₱775.86 million in 2020 and 2019, respectively. Interest expense amounted to ₱12.0 million and ₱10.59 million in 2020 and 2019, respectively.

Net income amounted to ₱248.48 million in 2020 while net loss of ₱935.69 million in 2019.

Cause for material Changes from Period to Period of the Balance Sheet

Current Assets

Current Assets consist only of cash amounting to ₱1.2 million in 2020 and 2019.

Non-Current Assets

Total non-current assets increased by ₱21.5 million or 1% from ₱1.58 billion in 2019 to ₱1.6 billion in 2020 which is mainly attributed to the recovery of allowance for doubtful accounts of receivables.

Current Liabilities

Total current liabilities also decreased by 15% from ₱1.5 billion in 2019 to ₱1.3 billion in 2020 due to reversal of provision for probable losses.

Stockholder's Equity

Total Equity increased by ₱248.48 million representing the net income generated during the year.

FINANCIAL CONDITION

The Company has no significant transactions during the year due to the non-renewal of the lease contract which was the main source of revenues for the past years.

The Company has a low current ratio due to the garnishment of rental receivables excluding dues and other collections on some tenants that allows the continuity of the normal operations. The Garnishment case is still ongoing and the management is doing some remedies to improve the Company's cash position.

There are no material commitments in capital expenditures other than those performed in the ordinary course of trade or business.

There are no known trends, events, or uncertainties that have had or that are reasonably expected to have a material impact on the net sales, revenues or income from continuing operations.

The Group has no goods or services that are subject to seasonal changes, which might have a material effect on the financial condition or results of Group's operations.

Year 2019 vs. Year 2018

Cause for Material Changes from Period to Period of the Income Statement

Total consolidated revenues and direct costs and expenses remained nil in 2019 due to the non-renewal of lease at Ever Gotesco Commonwealth Center on March 31, 2017 when the Company ceased its operation as lessor of the mall.

General and Administrative expenses decreased by 8% or ₱55.14 million from ₱727.32 million in 2018 to ₱782.46 million in 2019. This includes provision for doubtful accounts amounting to ₱775.86 million and ₱720.12 million in 2019 and 2018, respectively. Interest expense amounted to ₱10.59 million and ₱12.0 million in 2019 and 2018, respectively.

Net loss amounted to ₱935.69 million and ₱748.74 million in 2019 and 2018, respectively.

Cause for material Changes from Period to Period of the Balance Sheet

Current Assets

Receivables decreased by 100% or ₱1.51 billion due to reclassification of receivables from current to non-current assets.

Other current assets also decreased by 100% from ₱0.43 million in 2018 to nil in 2019 due to reclassification of receivables from current to non-current assets.

Total Current Assets decreased by 100% or ₱1.51 billion from ₱1.51 billion in 2018 to ₱1.7 million in 2019 due to the reclassification of receivables.

Non-Current Assets

Total non-current assets increased by ₱0.74 billion or 88% from ₱0.842 billion in 2018 to ₱1.6 billion in 2019 which is mainly attributed to the reclassification of receivables.

Current Liabilities

Total current liabilities also increased by 12% from ₱1.34 billion in 2018 to ₱1.5 billion in 2019 due to provision for probable losses and accrual of interest expenses on bank loans.

Stockholder's Equity

Total Equity decreased by 93% due the net loss incurred during the year.

FINANCIAL CONDITION

The Company has no significant transactions during the year due to the non-renewal of the lease contract which was the main source of revenues for the past years.

The Company has a low current ratio due to the garnishment of rental receivables excluding dues and other collections on some tenants that allows the continuity of the normal operations. The Garnishment case is still ongoing and the management is doing some remedies to improve the Company's cash position.

There are no material commitments in capital expenditures other than those performed in the ordinary course of trade or business.

There are no known trends, events, or uncertainties that have had or that are reasonably expected to have a material impact on the net sales, revenues or income from continuing operations.

There are no significant elements of income arising from continuing operations.

The Group has no goods or services that are subject to seasonal changes, which might have a material effect on the financial condition or results of Group's operations.

Basis of Preparation

The consolidated financial statements have been prepared on a historical cost basis and are presented in Philippine peso (Peso), which is the Group's functional and presentation currency. All values are rounded to the nearest peso, except when otherwise indicated.

Statement of Compliance

The financial statements are prepared in accordance with Philippine Financial Reporting Standards (PFRSs). The term PFRSs includes all applicable PFRSs, Philippine Accounting Standards (PAS) and interpretations issued by the Philippine Interpretations Committee and International Financial Reporting Interpretations Committee (IFRIC) which have been approved by the Philippine Financial Reporting Standards Council (FRSC) and adopted by the Philippine SEC.

Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as of December 31, 2021 and 2020 and for each of the three years in the period ended December 31, 2021.

As of December 31, 2021, 2020 and 2019, the Company's ownership over the foregoing subsidiaries and their respective nature of business are as follows:

	Country of Incorporation	Nature of Business	Percentage of ownership		
			2021	2020	2019
GTMDI	Philippines	Mall operations	100%	100%	100%
3-J Development, Inc.*	Philippines	Eco-tourism	100%	—	—
Agriwave Organic, Inc.*	Philippines	Agriculture	100%	—	—

**acquired by the Company effective December 15, 2021.*

Subsidiaries are all entities over which the Company or its subsidiary has control. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements; and
- The Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins from the date of acquisition, being the date on which control is transferred to the Group and continue to be consolidated until the date that 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.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the parent company loses control over its subsidiary, it:

- Derecognizes the assets (including goodwill) and liabilities of the subsidiary
- Derecognizes the carrying amount of any noncontrolling interests
- Derecognizes the cumulative translation differences recorded in equity
- Recognizes the fair value of the consideration received
- Recognizes the fair value of any investment retained
- Recognizes any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognized in Other Comprehensive Income (OCI) to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. Adjustments, where necessary, are made to ensure consistency with the policies adopted by the Group.

The financial statements of the subsidiaries are prepared for the same balance sheet date as the Company.

Inter-company transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated but are considered as an impairment indicator of the assets transferred.

Changes in Accounting Policies and Disclosures

The accounting policies adopted are consistent with those of the previous financial year except that the Group has adopted the following new pronouncements starting January 1, 2021. Unless otherwise indicated, the adoption of these pronouncements did not have any significant impact on the Group's financial position or performance.

- Amendment to PFRS 16, *COVID-19-related Rent Concessions beyond 30 June 2021*

The amendment provides relief to lessees from applying the PFRS 16 requirement on lease modifications to rent concessions arising as a direct consequence of the COVID-19 pandemic. A lessee may elect not to assess whether a rent concession from a lessor is a lease modification if it meets all of the following criteria:

- The rent concession is a direct consequence of COVID-19;
- The change in lease payments results in a revised lease consideration that is substantially the same as, or less than, the lease consideration immediately preceding the change;
- Any reduction in lease payments affects only payments originally due on or before June 30, 2022; and
- There is no substantive change to other terms and conditions of the lease.

A lessee that applies this practical expedient will account for any change in lease payments resulting from the COVID-19 related rent concession in the same way it would account for a change that is not a lease modification, i.e., as a variable lease payment.

The amendment is effective for annual reporting periods beginning on or after April 1, 2021. Early adoption is permitted.

The Group adopted the amendment beginning April 1, 2021, which has no impact since the Group has no ongoing lease arrangement.

- Amendments to PFRS 9, PAS 39, PFRS 7, PFRS 4 and PFRS 16, *Interest Rate Benchmark Reform - Phase 2*

The amendments provide the following temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR):

- Practical expedient for changes in the basis for determining the contractual cash flows as a result of IBOR reform
- Relief from discontinuing hedging relationships
- Relief from the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component

The Company shall also disclose information about:

- The nature and extent of risks to which the entity is exposed arising from financial instruments subject to IBOR reform, and how the entity manages those risks; and
- Their progress in completing the transition to alternative benchmark rates, and how the entity is managing that transition

The Group adopted the amendments beginning January 1, 2021, which has no impact to the Group.

Future Changes in Accounting Policies

Pronouncements issued but not yet effective are listed below. Unless otherwise indicated, the Company does not expect that the future adoption of the said pronouncements will have a significant impact on its financial statements. The Company intends to adopt the following pronouncements when they become effective.

Effective beginning on or after January 1, 2022

- Amendments to PFRS 3, *Reference to the Conceptual Framework*
- Amendments to PAS 16, *Plant and Equipment: Proceeds before Intended Use*
- Amendments to PAS 37, *Onerous Contracts - Costs of Fulfilling a Contract*
- *Annual Improvements to PFRSs 2018-2020 Cycle*
 - Amendments to PFRS 1, *First-time Adoption of Philippines Financial Reporting Standards, Subsidiary as a first-time adopter*
 - Amendments to PFRS 9, *Financial Instruments, Fees in the '10 per cent' test for derecognition of financial liabilities*
 - Amendments to PAS 41, *Agriculture, Taxation in fair value measurements*

Effective beginning on or after January 1, 2023

- Amendments to PAS 12, *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*
- Amendments to PAS 8, *Definition of Accounting Estimates*
- Amendments to PAS 1 and PFRS Practice Statement 2, *Disclosure of Accounting Policies*

Effective beginning on or after January 1, 2024

- Amendments to PAS 1, *Classification of Liabilities as Current or Non-current*

Effective beginning on or after January 1, 2025

- PFRS 17, *Insurance Contracts*

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*

Significant Accounting Policies

The significant accounting policies that have been used in the preparation of the consolidated financial statements are summarized below. These accounting policies have been consistently applied to all the years presented, unless otherwise stated.

Financial Instruments

Initial recognition and measurement

A financial instrument is any contract that gives rise to financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets are classified, at initial recognition, and subsequently measured at amortized cost, FVTOCI and FVTPL.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at fair value plus, in the case of a financial asset not at FVTPL, transaction costs.

In order for a financial asset to be classified and measured at amortized cost or FVTOCI, it needs to give rise to cash flows that are SPPI on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortized cost (debt instruments)
- Financial assets at FVTOCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at FVTOCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at FVTPL

The Group has no financial assets at FVTOCI with recycling of cumulative gains and losses (debt instruments), financial assets designated at FVTOCI with no recycling of cumulative gains and losses upon derecognition (equity instruments) and financial assets at FVTPL.

Financial assets at amortized cost (debt instruments)

This category is most relevant to the Group. The Group measures financial assets at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective 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 SPPI on the principal amount outstanding

Financial assets at amortized cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

The Group's financial assets at amortized cost include cash, trade receivables and other receivables as of December 31, 2021 and 2020.

Impairment of financial assets

The Group recognizes an allowance for ECL for all debt instruments not held at fair value through profit or loss. ECLs are 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, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For trade and other receivables, ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

The Group considers trade receivables in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Other financial liabilities

Other financial liabilities pertain to financial liabilities that are not held for trading and are not designated at FVTPL upon the inception of the liability. These include liabilities arising from operating (e.g., trade and other payables) and financing (e.g., short and long-term borrowings) activities.

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost using the effective interest method; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in profit or loss over the term of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of reporting year.

Trade and other payables are recognized in the year in which the related money, goods or services are received or when a legally enforceable claim against the Group is established. These are measured at amortized cost, which is normally equal to the nominal amount.

Other financial liabilities are recognized initially at fair value and are subsequently carried at amortized cost, taking into account the impact of applying the effective interest method of amortization (or accretion) for any related premium (or discount) and any directly attributable transaction costs. Classified as other financial liabilities are accounts payable and other current liabilities (excluding statutory payables and deferred income) and bank loans.

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 rights to receive cash flows from the asset have expired; or
- 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 rights 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.

Where the Group has transferred its rights 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 has expired.

Where 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, and the difference in the respective carrying amounts is recognized in profit or loss.

Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the consolidated balance sheet 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 asset and settle the liability simultaneously. The Group assesses that it has a currently enforceable right of offset if the right is not contingent on a future event and is legally enforceable in the normal course of business, event of default, and event of insolvency or bankruptcy of the Group and all of the counterparties.

Fair Value Measurement

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 fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a nonfinancial asset takes into account a market participant’s ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level of input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level of input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level of input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by reassessing categorization (based on the lowest level of input that is significant to the fair value measurement as a whole) at each balance sheet date.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

Creditable Withholding Tax

Creditable withholding tax represents the amount withheld from income payments and is deducted from income tax payable on the same year the revenue was recognized. Unused creditable withholding taxes can be carried forward to the ensuing years. The balance of creditable withholding tax is reviewed at each balance sheet date to determine if an objective evidence exists that amounts are no longer recoverable and reduced to the amount the Group expects to recover.

Value-added tax (VAT)

Revenues, expenses, and assets are recognized net of the amount of VAT, if applicable.

When VAT from sales of goods and/or services (output VAT) exceeds VAT passed on from purchases of goods or services (input VAT), the excess is recognized as payable in the consolidated balance sheet. When VAT passed on from purchases of goods or services (input VAT) exceeds VAT from sales of goods and/or services (output VAT), the excess is recognized as an asset in the consolidated balance sheet to the extent of the recoverable amount.

Investment Properties

Investment properties, consisting of parcels of land that are held either to earn rentals or for capital appreciation or both and that are not occupied by the entities in the Group.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment property is stated at fair value. Gains or losses arising from changes in fair value of investment properties are included in profit or loss in the year in which these arise.

The fair value of investment property is the price at which the property could be exchanged between knowledgeable, willing parties in an arm's-length transaction. Fair value specifically excludes an estimated price inflated or deflated by special terms or circumstances such as typical financing, sale and leaseback arrangements, special considerations or concessions granted by anyone associated with the sale. The fair value of investment property should reflect market conditions at the end of the reporting year.

Derecognition of an investment property will be triggered by a change in use, by sale or disposal. Gain or loss arising on disposal is calculated as the difference between any disposal proceeds and the carrying amount of the related asset, and is recognized in profit or loss in the period of derecognition. Transfers are made to investment property when, and only when, there is change in use, evidenced by cessation of owner-occupation, commencement of an operating lease to another party or completion of construction or development. Transfers are made from investment property when, and only when, there is a change in use, evidenced by commencement of owner occupation or commencement of development with a view to sale.

Other Comprehensive Income (OCI)

OCI comprises items of income and expense that are not recognized in profit or loss for the year in accordance with PFRSs. Other comprehensive income pertaining to remeasurements on the Group's defined benefit plans is recognized under "Remeasurement gain (loss) on retirement benefits" account in the consolidated balance sheet. Other items are closed directly to retained earnings (deficit).

Expenses and Other Charges

General and administrative expenses include costs of administering the business, which are recognized as incurred.

Borrowing Costs

Borrowing costs are expensed as incurred.

Income Taxes

Current income tax

Current income 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 tax laws used to compute the amount are those that have been enacted or substantively enacted at the balance sheet date.

Deferred income tax

Deferred income tax is provided, using the balance sheet liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax assets are recognized for all deductible temporary differences and carryforward benefits of unused net operating loss carryover (NOLCO) and excess of minimum corporate income tax (MCIT) over regular corporate income tax (RCIT), to the extent that it is probable that sufficient future taxable profits will be available against which the deductible temporary differences and carry forward benefits of unused NOLCO and excess of MCIT over RCIT can be utilized. Deferred income tax liabilities are recognized for all taxable temporary differences.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the deferred income tax assets to be utilized. Unrecognized deferred income tax assets are reassessed at each balance sheet date and are recognized to the extent that it has become probable that sufficient future taxable profits will allow the deferred income tax assets to be recovered.

Deferred income tax assets and deferred income tax 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 balance sheet date.

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

Deferred income tax relating to items recognized directly in equity is recognized directly in equity and not in profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Provisions and Contingencies

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 obligations and the amount of obligation can be reliably estimated.

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

Capital Stock

The proceeds from the issuance of ordinary or common shares are presented in equity as capital stock to the extent of the par value of the issued and outstanding shares and any excess of the proceeds over the par value of shares issued, less any incremental costs directly attributable to the issuance, net of tax, is presented in equity as “Additional paid-in capital”.

Retained Earnings (Deficit)

Retained Earnings (Deficit) represent the cumulative balance of periodic total comprehensive income or loss, dividend distributions, correction of prior year’s errors, effect of changes in accounting policy and other capital adjustments. A “deficit” is not an asset but a deduction from equity.

Basic/Diluted Earnings (Loss) Per Share

Basic earnings (loss) per share is computed by dividing net income (loss) for the year by the weighted average number of shares outstanding during the year.

Diluted earnings (loss) per share is calculated by dividing the income (loss) for the year attributable to stockholders by the weighted average number of shares outstanding during the year, excluding treasury shares and adjusted for the effects of all potential dilutive shares, if any.

In determining both the basic and diluted earnings (loss) per share, the effect of stock dividends, if any, is accounted for retroactively.

Segment Information

Until March 31, 2018, the Group was engaged in building shopping malls and leasing out to commercial tenants and considers such as its primary activity and only business segment. Starting 2022, the Group ventured into agro and eco-tourism business operations. Management monitors the operating results of the Group for the purpose of making decisions about resource allocation and performance assessment.

Events After the Balance Sheet Date

Events after the balance sheet date that provide additional information about the Group’s financial position at the balance sheet date (adjusting events) are reflected in the consolidated financial statements. Events after the balance sheet date that are not adjusting events are disclosed when material.

FIVE (5) KEY PERFORMANCE INDICATORS

The table below and the profit and loss determinants, earnings/loss per share and liquidity position set forth the comparative key performance indicators of the Company and its majority-owned subsidiaries.

	<i>End-December 2021</i>	<i>End-December 2020</i>
Current Ratio	0.01:1.00	0.00:1.00
Debt to Assets Ratio	0.20:1.00	0.80:1.00
Net Profit Ratio	-n/a	n/a
Return on Equity	87%	77%
Return on Assets ³	69%	16%

Manner of calculating the above indicators is as follows:

Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$
Debt to Assets Ratio	$\frac{\text{Total Liabilities}}{\text{Total Assets}}$
Net Profit Ratio	$\frac{\text{Net income for the period}}{\text{Net revenues for the period}}$
Return on equity	$\frac{\text{Net Income}}{\text{Total Equity}}$
Return on Assets	$\frac{\text{Net Income}}{\text{Total Assets}}$

The key operating performance indicators which remain to be the profit and loss determinants, earnings/losses per share and liquidity position of the Company and its wholly owned subsidiary are discussed hereunder.

1. Revenue – Consist of revenue of subsidiary for the last half of December 2021.

	FOR THE YEAR (in million Pesos)		
	2021	2020	2019
Rental Income/Sales	0.14	–	–
Total	0.14	–	–

2. Cost Effective Measures - During the year ended 2021, the Company has been able to control and manage costs to minimum effective levels.

	2021 (in million Pesos)
Revenues	0.14
Direct Cost	(0.26)
General and administrative expenses	(2.73)
Interest expense	(7.12)
Other Income (charges)	<u>2,155.20</u>
Total	<u>2,145.23</u>

	2020 (in million Pesos)
Revenues	-
Direct Cost	-
General and administrative expenses	(2.20)
Interest expense	(12.00)
Other Income (charges)	<u>262.67</u>
Total	<u>248.47</u>

3. Net Operating Profit – The Company's total revenue less the direct cost & expenses and General & Administrative expenses.

	FOR THE YEAR (in million Pesos)		
	2021	2020	2019
Rental Income	0.14	-	-
Income (Loss) from operation	(2.86)	(2.20)	(782.46)
Percentage	n/a	n/a	n/a

4. Earnings Per Share – Earnings/(Loss) per share for the year 2021 is ₱0.428, ₱0.049 in 2020 and (₱0.187) in 2019. The earnings per share is calculated by dividing the Net Income by the weighted number of shares outstanding. There were no factors that would have dilutive effects on the Earnings per share.
5. Liquidity Position – Current ratio is 0.01:1, 0:1, and 0:1 as of December 31, 2021, 2020 and 2019 respectively.

ITEM 7. Financial Statements

The consolidated financial statement and schedules listed in the accompanying index to Financial Statements and Supplementary Schedules are filed as part of the SEC Form 17A . This part will be accomplished together with the audited Financial Statements.

ITEM 8. Information on Independent Accountant and Other Related Matters

The principal accountants and external auditors of the Company is the accounting firm of SyCip Gorres Velayo & Co (SGV & Co).

Pursuant to SRC Rule 68, Paragraph 3(b) (iv) Memorandum Circular No. 8, on Series of 2003 (Rotation of External Auditors), the Company has engaged SGV & Co. as external auditor for 2021 with Shane Dave D. Tanguin as the Partner In-charge.

The audit and audit-related fees amounted to ₱380,000.00 in 2021 and ₱300,000.00 in 2020 and 2019.

The engagement of the external auditors was favorably endorsed by the Audit Committee to the Board of Directors and ultimately submitted for approval of the stockholders.

The Company's management has no changes in or disagreements with Accountants on Accounting and Financial disclosure.

PART 111 - CONTROL AND COMPENSATION

INFORMATION

ITEM 9. Directors, Executive Officers, Promoters and Control Persons of the Issuer

As of December 31, 2021, the members of the Board of Directors and the incumbent executive officers are as follows:

<u>Office</u>	<u>Name</u>	<u>Age</u>
Chairman	Joel T. Go	48
Director, Treasurer	Evelyn C. Go	67
Director	Lourdes Go-Ortiga	64
Director, President	Antonio L. Tiu	46
Director	Caesar R. Certeza	50
Independent Director	Christian Grant Yu Tomas	42
Independent Director	Francisco A. Sanchez III	64
Corporate Secretary	Christine P. Base	51
AVP-Comptroller	Cynthia T. Dizon	62

Board of Directors

JOEL T. GO, is a graduate in Bachelor of Science in Electronics & Communications Engineering from De Lasalle University. He is the first child of the three children of Mr. Jose C. Go. His work experiences are with the family businesses and at present he is the Chairman and President of Ever Plus Superstore, Inc. and Ever Commonwealth Center, Inc. He is also President and Director of United Doctors Service Corp. and Majestic Plus Holdings Intl. Inc.

Mr. Joel T. Go was elected Director of the Company on December 18, 2008 and as President from 2014-2021. On December 16, 2021, Mr. Joel Go was elected as Chairman of the Company.

EVELYN C. GO, is a graduate from the Philippine School of Business Administration with a degree in Business Management. Ms. Go started her practical business training at an early age covering various positions and aspects of the Go Tong family business enterprises. She is currently President/Chief Operating Officer of Gotesco Tyan Ming Development, Inc., and Director of Ever Commonwealth Center, Inc. and Ever Plus Superstore, Inc.

Ms. Go has been the Treasurer and Director of the Company since 1995.

LOURDES GO-ORTIGA, is a Fine Arts Major in Interior Design graduate from the University of Santo Tomas. Ms. Ortiga is presently Director and Corporate Secretary of Gotesco Tyan Ming Development, Inc., Ever Commonwealth Center, Inc., Gotesco Properties, Inc., Ever Shoppers, Inc., Gusset Realty & Development, Corp. and Revere Realty and Development, Corp. Ms. Ortiga is also a Director of Ever Emporium, Inc., and Ever Plus Superstore, Inc.

Ms. Ortiga has been Director of the Company from 1998 up to the present.

ANTONIO L. TIU – Filipino, holds a bachelor's degree on Commerce and majored in Business Management from De La Salle University. He also holds a master degree on Commerce major in International Finance from UNSW Sydney. He is currently the CEO of AgriNurture, Inc. (ANI), Philippine Infradev Holdings Inc. (IRC), The Big Chill Inc., Earthright Holdings Inc. and a Director of Makati City Subway, Inc. and Agricultural Bank of the Philippines, Inc., and Executive Chairman of Greenergy Holdings, Inc. (GREEN), Plentex Ltd., and Yakuru Co. Ltd. He has been awarded with The Outstanding Young Man award on 2011 and as EY Emerging Entrepreneur in 2010.

Mr. Tiu has been elected Director and President on December 16, 2021.

CEASAR R. CERTEZA, graduated from Ateneo De Manila University School of Law with a degree of Juris Doctor in 1995. He also graduated as Magna Cum Laude in Bachelor of Arts – Major in Economics in University of Santo Tomas in 1991. He passed the Philippine Bar Examination in 1995. He is currently the Corporate Legal Counsel in Metropolitan Medical Center. He became lawyer of CRCerteza Law Office in 2007-2011. A Partner in Halili Certiza Matibag Law Office 2000-2007. Legal Officer I of NGL Pacific, Ltd., 1998-2000. Associate Lawyer of Sebastian Liganor Galinato and Tierra Law Offices 1995-1998. He is a Legal Apprentice in Bautista Picazo Buyco Tan and Fider Law during summer of 1993 and 1994. Atty. Certeza is also an Instructor I in University of Santo Tomas – Faculty of Arts and Letters in schoolyear 1991 to 1998. A Member of The Fraternal Order of Utopia and Intergrated Bar of The Philippines.

Atty. Certeza was elected as director of the Company during the December 16, 2021 annual stockholders meeting.

CHRISTIAN GRANT YU TOMAS, Filipino, 43 years old is the Head, Legal Department, Tyche Consulting Ltd. Phils Regional Operating Headquarters. Previously, he worked as Legal Counsel of Alphaland Corporation; Executive Assistant, Commission on Elections, Office of Commissioner Larrazabal; and Associate, ZAMORA POBLADOR VASQUEZ & BRETANA LAW OFFICES. He is a graduate of Ateneo De Manila University School of Law with a Degree of Juris Doctor in 2004. He passed the Bar Examination in 2004. He graduated from De La Salle University with a Bachelor of Science Degree in Applied Economics in 1999.

Atty. Tomas has been an independent director since 2014.

FRANCISCO A. SANCHEZ III, Filipino, born on July 17, 1957. He obtained his Bachelor of Laws from Far Eastern University in 1984, and Bachelor of Arts in Economics in 1980 from the same school. He passed the Philippine Bar Examinations in 1985. He was a former Clerk of Court in Manila Regional Trial Court and later as Director of the Public Attorney's Office in Quezon City and Manila for fourteen (14) years until 2007. At present, he is practicing his profession and holding an office in Quezon City. He is a nominee for independent directorship for the forthcoming stockholders meeting.

Atty. Sanchez III has been elected as independent director since 2019.

CHRISTINE P. BASE, Corporate Secretary, Filipino, 50 years old, is currently a Corporate and Tax Lawyer at Pacis and Reyes, Attorneys and the Managing Director of Legisforum, Inc. She concurrently serves as the Corporate Secretary of Anchor Land Holdings, Inc., Araneta Properties, Inc., SBS Philippines Corporation, Asiasec Equities, Inc., SL Agritech Corporation, and Ever-Gotesco Resources and Holdings, Inc.. She also acts as a Director and Corporate Secretary of Itapinas Development Corporation. Ms. Base also acts as a Director and/or Corporate Secretary of several other private corporations. She was an Auditor and then a Tax Lawyer of Sycip Gorres Velayo & Co. She is a graduate of Ateneo De Manila University School of Law with a degree of Juris Doctor. She passed the Bar Examination in 1997. Ms. Base is also a Certified Public Accountant. She graduated from De La Salle University with a degree in Bachelor of Science in Commerce major in Accounting.

Atty. Base has been a Corporate Secretary since 2014.

CYNTHIA T. DIZON, AVP-Controller, graduated from Polytechnic University of the Philippines (3- yrs curriculum). She is a Certified Public Accountant and had been connected in various local and multinational companies with diverse industries like Hooven (Comalco) Phil. Inc., Windjammer Cruises, East Asiatic Corporation, Gold Packaging Corp., Richard Hamilton Properties Inc., and Century Canning Corporation. Before she joined the Company she was the Accounting Head of House of Investments Inc, the holding company of Yuchengco Group of Companies.

Ms. Dizon has been AVP-Controller since 2012.

(2) Significant Employee

No particular individual employee who is not an executive officer can be singularly identified as making significant contribution to the business, because the strength of the Company lies in the cooperative efforts of all officers, staff and employees of the organization.

(3) Family Relationships

Mr. Joel T. Go is a nephew of Evelyn Go and Lourdes Go. All other directors and officers have no family relationships in any civil degree either by consanguinity or affinity.

(4) Involvement in Certain Legal Proceedings

To the best of the Group's knowledge and upon due inquiry, none of the Group's directors, nominees for election as director, executive officer or control person has in the past five (5) years:

- a) Any bankruptcy petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time;
- b) Any conviction by final judgement, in a criminal proceeding, domestic or foreign, or being subject to a pending criminal proceeding, domestic or foreign, excluding traffic violations and other minor offenses;
- c) Been subjected/being subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court or competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities, commodities or banking activities; and
- d) Been found by a domestic or foreign court of competent jurisdiction (in a civil action), the commission or comparable foreign body, or a domestic or foreign exchange or other organized trading market or self-regulatory organization, to have violated a securities or commodities law or regulation, and the judgment has not been reversed, suspended, or vacated.

ITEM 10. Executive Compensation

(1) General Compensation of Executive Officers

The by-laws officers shall receive such remuneration as the Board of Directors may determine. All other officers shall receive such remuneration as the Board of Directors may determine upon recommendation of the President. A director shall not

be precluded from serving the corporation in any other capacity as an officer, agent or otherwise and receiving compensation thereof.

(2) Summary Compensation Table

The following table summarizes the names and aggregate compensation paid or accrued during the last two years and to be paid in the ensuing year to the Company's Chief Executive Officer and other officers.

I. Officers and Directors as a Group

Name	Position	2022 Estimate			2021			2020		
		Salary	Bonus	Other Annual Compensation	Salary	Bonus	Other Annual Compensation	Salary	Bonus	Other Annual Compensation
Joel T. Go	Chairman									
Antonio L. Tiu	President									
Cynthia T. Dizon	AVP-Controller									
Caesar R. Certeza	Director									
Evelyn C. Go	Director									
Christian Grant Yu Tomas	Director									
Lourdes G. Ortiga	Director									
Francisco Sanchez III	Director									
TOTAL		0.39			0.22			0.39		

Since December 1, 1995 up to the present, the directors (except for the Independent Directors) and some of the Executive officers of EGRHI did not receive any compensation from the Company. These executives (President, Treasurer, and Corporate Secretary) acted their positions at EGRHI in their concurrent capacities in other affiliates.

(3) Compensation of Directors

By resolution of the Board, each director, shall receive a per diem allowance of ₱ 5,000.00 for his attendance at each meeting of the Board. As compensation, the Board shall receive and allocate an amount of not more than ten percent (10%) of the net income before income tax of the Company during the preceding year. Such compensation shall be determined and apportioned among the directors in such manner as the Board may deem proper, subject to the approval of stockholders representing at least a majority of the outstanding capital stock at a regular or special meeting of the stockholders. For the last three years, the directors didn't draw any salaries or bonuses from the Company and there are no accruals for Directors' per diem.

The Independent Directors are given a monthly honorarium of ₱15,000.00 effective on the date of election as Director in the Company until December 31, 2020.

Effective April 1, 2021, the monthly fees for independent directors was be reduced to ₱8,000.00 by virtue of Board Resolution No. 2021-01-01 dated March 26, 2021.

(4) Employment Contracts and Termination of Employment and Change-in-Control Arrangements

There were no termination of employment and change in control arrangement and warrants, options outstanding and re-pricing held by the CEO and named executive officers and all other officers and directors for the past three years.

(5) Warrants and Options Outstanding: Re-pricing

There are no known outstanding warrants or options held by the Company's named executive officers, and other officers and directors as a group.

ITEM 11. Security Ownership of Certain Beneficial Owners and

Management a. Security Ownership of Certain Record and Beneficial

Owners

As of December 31, 2021, EGRHI knows of no one who beneficially owns in excess of 5% of EGRHI's common stock except as set forth in the table below:

Title of Class	Name	Address	Name of Beneficial Owner and Relationship with Record Owner	Citizenship	No. of Shares	%
Common	Consolidated Ventures, Inc.	Matapang cor. Progreso St., Quiapo, Manila	Consolidated Ventures, Inc.	FILIPINO	1,592,000,000	31.84%
Common	PCD Nominee Corporation (Filipino)	37F Enterprise Tower 1, Ayala Avenue, Makati City	PCD Nominee Corporation (Filipino)	FILIPINO	1,311,264,210	26.23%
Common	Gotesco Properties, Inc.	12/F Ever-Gotesco Corporate Center 1958 C.M.	Gotesco Properties, Inc.	FILIPINO	1,069,235,000	21.38%

There is no individual, record or beneficial owner of more than 5% of the shares of stocks under PCD Nominee Corp. as of December 31, 2021.

Mr. Jose C. Go and Mr. Joel T. Go are natural persons who have voting power over shares of Gotesco Properties, Inc. and Consolidated Ventures, Inc., respectively, as approved by the Board of Directors.

b) Security Ownership of Management

Title of Class	Name	Position	Record of Beneficial Ownershi	Nature of Beneficial Ownershi	Citizenship	%
Common	Joel T. Go	Chairman	228,672,598	Direct	Filipino	4.57%
Common	Antonio L. Tiu	President	1,000	Indirect	Filipino	0.00%
Common	Evelyn C. Go	Treasurer	2,371,315	Direct	Filipino	0.05%
Common	Caesar R. Certeza	Director	1,000	Indirect	Filipino	0.00%
Common	Lourdes G. Ortega	Director	81	Direct	Filipino	0.00%
Common	Christian Grant Yu Thomas	Independent Director	1	Direct	Filipino	0.00%
Common	Francisco A. Sanchez III	Independent Director	1	Direct	Filipino	0.00%
	Christine P. Base	Corporate Secretary			Filipino	
	Cynthia T. Dizon	AVP Comptroller			Filipino	
			231,045,996			4.62%

c) Voting Trust Holders

EGRHI is not a party to any voting trust. No stockholder of the Company holds more than 10% of its outstanding capital stock through a voting trust or other similar agreements.

d) Changes in Control

As of December 31, 2021, there are no arrangements which may result in a change in control of the Company.

ITEM 12. Certain Relationships and Related transactions

During the last two (2) years, there was no transaction with or involving the Company or any of its subsidiaries in which a director, executive officer or stockholder owns ten percent (10%) or more of total outstanding shares and members of their immediate family had or is to have a direct or indirect material interest.

PART IV – CORPORATE GOVERNANCE

ITEM 13. Corporate Governance

The Group adheres to and adopts the principles and practices of good governance as embodied in its Revised Manual on Corporate Governance. Monitoring and compliance with SEC Memorandum Circulars and Code of Ethics have been undertaken to ensure good corporate governance and management practices.

PART V - EXHIBITS AND SCHEDULE

ITEM 13. Integrated Annual Corporate Governance Report

*This was deleted pursuant to SEC Memorandum Circular No. 5
Series of 2013*

ITEM 14. Exhibits and Reports on SEC 17-C

- a) Exhibits - See accompanying Index to Exhibits
- b) Reports on SEC Form 17-C

During the year, the Company had filed one (1) report on Form 17-C, to wit.:

<u>Date of Report</u>	<u>Nature of Items Reported</u>
August 20, 2021	Postponement of Annual Stockholders Meeting
September 6, 2021	Change of Principal Office Address
October 28, 2021	Postponement of Annual Stockholders Meeting
December 16, 2021	Election of Directors and Other Matters

ITEM 15. Sustainability Report

See attached Sustainability Report.

SIGNATURES

Pursuant to the requirement of section 17 of SRC and section 141 of the Corporation Code, this report signed on behalf of the issuer by the undersigned, thereunto duly authorized, in the City of Manila on 13 MAY 2022.

By:


JOEL T. GO
Chairman

Date: 13 MAY 2022


ANTONIO L. TIU
President

Date: 13 MAY 2022


EVELYN C. GO
Treasurer

Date: 13 MAY 2022


CYNTHIA T. DIZON
AVP - Controller

Date: 13 MAY 2022


CHRISTINE P. BASE
Corporate Secretary

Date: 13 MAY 2022

MAY 13 2022

Subscribed and sworn to me this _____ day of _____ 2022 affiants exhibiting to me their Passport / Driver's Licenses/IBP as follows:

NAME	PPN / DLN	DATE OF ISSUE	PLACE OF ISSUE
Joel T. Go	P7197432B	valid until 07/13/2031	DFA NCR South
Antonio L. Tiu	N04-93-265667	valid until 08/09/2022	Manila
Evelyn C. Go	P4611560A	valid until 10/04/2022	DFA NCR West
Cynthia T. Dizon	P7723053A	valid until 06/27/2028	DFA NCR West
Christine P. Base	IBP 08661	lifetime validity	Albay

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ATTY. JOHN EDWARD TRINIDAD ANG
Notary Public for the City of Manila - Extended until June 30, 2022
Notarial Commission No. 2020-033
2/F Midland Plaza Hotel, Adriatico st., Ermita, Mla.
IBP No. 166318- Oct. 25, 2021/Pasig City
PTR No. 0097534/Jan. 3, 2022 at Manila
DRI No. 68731 MCLE Compliance No. Vi0017186-Jan.24, 2011

**EVER GOTESCO RESOURCES AND HOLDINGS, INC.
INDEX TO FINANCIAL STATEMENTS AND
SUPPLEMENTARY SCHEDULES TO SEC FORM 17-A**

Consolidated Financial Statements

Statement of Management's Responsibility for the Consolidated Financial Statements
Independent Auditor's Report
Consolidated Balances Sheets as of December 31, 2021 and 2020
Consolidated Statements of Income for the years ended December 31, 2021, 2020 and 2019
Consolidated statements of Changes in Equity
for the years ended December 31, 2021, 2020 and
2019
Consolidated Statements of Cash Flows
for the years ended December 31, 2021, 2020 and
2019
Notes to Consolidated Financial Statements

Independent Auditors' Report on Supplementary Schedules

Supplementary Schedules

A. Financial Assets*	N/A
B. Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other than Related Parties)	
C. Accounts Receivable from Related Parties Which are Eliminated During the Consolidation of Financial Statements	N/A
D. Intangible Assets - Other Assets*	N/A
E. Long-Term Debt	N/A
F. Indebtedness to Related Parties (Long-Term Loans from Related	N/A
G. Guarantees of Securities of Other	N/A
H. Issuers* Capital Stock	
I. List of Philippine Financial Reporting Standards (PFRSs) effective as at December 31, 2021 and List of New and Amended Standards and Interpretations and Improvements to PFRS that became effective as at January 1, 2022	N/A
J. Map Showing the Relationships Between and Among the Company, Its Parent Company, Subsidiaries and Associates	
K. Supplementary Schedule of Retained Earnings Available for Dividend Declaration	

** These schedules, which are required by Section 17.2 of SRC Rule 68.1, have been omitted because they are either not required, not applicable or the information required to be presented is included in the Company's consolidated financial statements or the notes to consolidated financial statements*