

**MINUTES OF THE 15TH ANNUAL MEETING
OF THE STOCKHOLDERS OF
ANVAYA COVE BEACH AND NATURE CLUB, INC.**

July 30, 2021, Friday at 9:00 a.m.
Conducted via Remote Videoconferencing (via Zoom)

**STOCKHOLDERS PRESENT
OR REPRESENTED BY PROXY:**

(See attached list)

1. CALL TO ORDER

Atty. Paullolindo Elauria acted as the Chairman of the meeting. He called the meeting to order at 9:00 a.m. and presided over the same. Atty. Elauria welcomed the stockholders and stated that because of the health crisis facing the country, the meeting will be held in a virtual format again. He thanked the shareholders participating in the meeting through the Club's voting *in absentia* system or through the appointment of the Chair as proxy.

Atty. Elauria also welcomed all the members of the Board of Directors and officers of the Club, representatives of its legal counsel, Co Ferrer Ang-Co Gonzales Law Offices, and its external auditor, SyCip Gorres Velayo (SGV) & Co.

2. CERTIFICATION OF NOTICE AND DETERMINATION OF QUORUM

The Acting Chairman inquired if notices were sent to the stockholders. Atty. Sydney Guadalupe, the Assistant Corporate Secretary, informed the Chairman that Notice of the Annual Stockholders' Meeting was published in three (3) ways:

- (a) First, by publication in the business section of two (2) newspapers of general circulation for two consecutive days;
- (b) Second, by posting on the Corporation's website; and
- (c) Third, by email to all stockholders who have provided us with their e-mail addresses.

She stated that the stockholders were thus notified in accordance with the Club's by-laws and applicable rules, including its internal guidelines on Requirements and Procedure for Electronic Voting in Absentia and Participation by Remote Videoconferencing which are embodied in the Definitive Information Statement that the Securities and Exchange Commission had approved.

Atty. Guadalupe further certified that a quorum was present and that the stockholders of the Club may therefore conduct its annual meeting.

The Chairman informed the stockholders that although the meeting is being held in a virtual format because of government regulations that prevent in-person meetings, the Club has strived to provide the shareholders the opportunity to participate in the meeting to the same extent possible as in-person meetings. He then requested the Assistant Corporate Secretary to share the rules of conduct and voting procedures for the meeting.

Atty. Guadalupe proceeded to discuss the following rules of conduct and voting procedures as set forth in the Definitive Information System which forms part of the Notice of the Annual Stockholders' Meeting. She emphasized the following points:

- (i) Stockholders who registered through the online shareholder registration system or who notified the Company by email via acbnc.agm@anvayacove.com by July 20, 2021 of their intention to participate in this meeting by remote communication may send their questions or comments to the same email address on or before July 28, 2021.
- (ii) Mr. Joseph Carmichael Jugo will read the questions or comments during the Q and A period, which will take place as item 8 of the Agenda, on "Other Business as May Properly Come Before the Meeting."
- (iii) As indicated in the ballot for the voting of shareholders, there are four (4) resolutions proposed for adoption by the stockholders in this meeting and the election of directors. The proposed resolution will be shown on the screen as the same is being taken up.
- (iv) Stockholders could cast their votes on the proposed resolutions and in the election of directors beginning July 09, 2021 online. The polls will remain open until the end of this meeting for stockholders who have successfully registered to cast their votes electronically.
- (v) The votes cast as of July 20, 2021 after the end of the proxy validation process, have been tabulated. These votes are from stockholders owning 5,162 voting shares representing 99.39% of the total voting shares represented in this meeting and 75.91% of the total outstanding voting shares.
- (vi) The results of the final tabulation of votes with full details of the affirmative and negative votes and abstentions will be reflected in the Minutes of this Meeting.

3. APPROVAL OF THE MINUTES OF THE PREVIOUS MEETING

The Acting Chairman then proceeded with the next order of business, the approval of the Minutes of the Annual Stockholders' Meeting held on September 25, 2020. He stated that an electronic copy of the Minutes was posted on the website of the Corporation.

The Secretary presented the following resolution proposed by Management and reported the stockholders' approval of the same in accordance with the preliminary voting results:

“**RESOLVED**, to approve the minutes of the Annual Stockholders' Meeting held on September 25, 2020.”

As tabulated by the office of the Corporate Secretary, the votes for the adoption of the resolution approving the Minutes of the previous Annual Stockholders' Meeting held on September 25, 2020 are as follows:

	For	Against	Abstain
No. of Shares Voted	5,162	-	-
% of Shares of Shareholders Present	99.59%	0%	0%

4. APPROVAL OF THE PRESIDENT'S 2020 ANNUAL REPORT

Atty. Elauria proceeded to the next item on the agenda and invited Mr. Jugo, Director and Vice President of the Club, to provide the 2020 Annual Report, including the 2020 Audited Financial Statements. Copies of the Annual Report and Audited Financial Statements were posted in the Club's website prior to the meeting.

Mr. Jugo greeted everyone with a warm welcome and, on behalf of the Board, reported on the accomplishments of the Club for 2020 and the first half of 2021, as well as the plans for the remainder of the year. The highlights of his report are as follows:

- The Club ended the year with a strong balance sheet with over Php 760 million in Assets, including a cash balance of more than Php 12 million and short-term investments of about Php 109 million.
- The bulk of the Php 26 million-peso receivables mostly composed of unpaid membership dues and Club charges from the sale of room accommodation, food and beverage, rental of water sports equipment and merchandise. The collection of these amounts continues to be a top priority for the Club, hence its collection efficiency is at 71%. Receivables from affiliates amounted to Php 8 million.
- Property, Plant & Equipment is recorded at over Php 579 million pesos.
- Current liabilities decreased in 2020 by Php 6 million pesos, i.e., from Php 82 million pesos to Php 76 million pesos.
- The Club recorded a significant decrease in Total Revenue impacted by the COVID19 outbreak and the limited facilities open for operation. Corollary to the pandemic outbreak, Room Accommodations, Sale of Goods, Transfer Fees and Other Income decreased as compared with last year. Cost and Expenses were down from last year with recorded decreases in Cost of Sales and Cost of Services because of the shortfall in revenue.

- If the Club were to add the non-cash depreciation expense, the Club's comprehensive loss would be Php 12 million.
- A review of the statement of cash flow highlights and the operating performance of the Club shows that as of the 2020 year-end, the Club had a cash balance of Php 12 million.
- For members and guests patronage for 2020, the Club experienced a decrease of 74% compared to 2019. The average monthly attendance is 1,322. Occupancy decreased to 16% from 70% the previous year, while Club functions for 2020 reflected revenues of Php 3.6 million.
- For the current year 2021, the Club welcomed 5,455 day visitors from January to June or 909 persons per month.
- Casitas bookings went down because of the temporary closure of the Club owing to the Covid-19 pandemic. There were no Club functions for the first half of the year.
- The pandemic drastically slowed down Club operations last year. With the sudden drop in arrivals owing to restrictions in travel, some facilities had to be closed. Operating hours were adjusted, but the maintenance of Club facilities was consistent and at par with its standards by retaining a skeletal staff since March last year.
- For Club events, the Club resorted to a virtual strategy. Members were participative in most of the Club's online activities. On the summer of last year, the Club organized virtual yoga sessions for Members. The Club also partnered with a fitness organization to launch a series of wellness activities via Zoom.
- While Anvaya Cove continues to grow as a community, the Club consciously ensures its presence in the lush mountains and sea of Bataan is soundly synergized with Club operations.
- The Club initiated the rehabilitation of the green house to supply the herb requirements of the Club's kitchens. This is part of a broader project which aims to cut down carbon footprint from Club operations.
- A home gardening workshop was done online. The Club partnered with Plant Project Ph for this activity.
- While there was a pause in tourism around Morong, the Club's sustainability team actively organized projects to help the Buin reef recover. Among these projects was the regular removal of Crown of Thorns starfish that feed heavily on corals.
- The Club engaged the local community to participate in this year's Earth Hour celebration. More than 50 high school students sent their entries for our poster- and essay-writing contests while Anvaya Cove residents joined the Club's virtual celebration of Earth Hour. Winning entries from the contests may be viewed in the Club's website.
- Olive ridley sea turtles continued coming into the Club shore. The Club observed the need for further intervention in the nesting process since higher tides destroyed some of the eggs laid along our shore. Rising sea levels have also affected conservation activities by other groups in Luzon and Visayas.
- For the Club safety initiatives, the Club continued to strictly enforce its health and safety protocols to curb transmission within the property. All guidelines were consistent with the local government's advisories. The Club routine swab testing rate is now averaging 186

employees every month. All employees with travel history or exposure are also swabbed upon arrival. On top of the swab tests, staff with known history of travel are quarantined in the Club's isolation facility for 5 days prior to returning to work. Employees testing positive for COVID-19 are transported to the Isolation Facility before being transferred to the local government's quarantine facilities. The routine testing activities of the Club have identified 18 employees positive for the COVID-19 virus since October last year, all of whom have recovered.

- Wearing of face shields and face masks remain mandatory while inside Club premises. Guidelines on entry to the Club are based on the most recent safety, health and travel guidelines from the Mayor's office of the Municipality of Morong.

On behalf of the Board, Mr. Jugo thanked the officers and staff for their dedication to the Club and its members. He said that most of the staff have sacrificed a lot of time away from their families and loved ones to deliver the service level that the members continue to enjoy amidst the pandemic. He also thanked the members for their continued patronage, patience and support and assured the members that the Club is committed to providing the best possible Anvaya Cove Beach and Nature Club experience for the members and their family.

Upon the request of the Chairman, the Secretary presented the following resolution proposed by Management and reported the stockholders' approval of the same in accordance with the preliminary voting results:

“**RESOLVED**, to approve the President's Annual Report, and the Audited Financial Statements of the Club as of December 31, 2020, as audited by the Club's external auditor, Sycip Gorres Velayo & Co.”

As tabulated by the office of the Corporate Secretary, the votes for the approval of the President's Report and 2020 Audited Financial Statements of the Club are as follows:

	For	Against	Abstain
No. of Shares Voted	5,162	-	-
% of Shares of Shareholders Present	99.59%	0%	0%

5. RATIFICATION OF ALL ACTS OF DIRECTORS AND MANAGEMENT SINCE THE LAST ANNUAL STOCKHOLDERS' MEETING

The Chairman proceeded to the item on the stockholders' ratification of all the acts and resolutions of the Board, the Executive Committee and other Board Committees exercising powers delegated by the Board which were adopted from September 25, 2020 to date. Atty. Guadalupe stated that stockholders' ratification is sought for all the acts of the Company's officers performed in accordance with the said resolutions of the Board and its committees to implement such resolutions as part of the Club's general conduct of business. The Secretary explained that these acts and resolutions are reflected in the Minutes of the meetings, and these include:

- (i) the election of the officers and members of the various board committees,
- (ii) treasury matters,
- (iii) budget and funding plan,
- (iv) operational plans and projects,
- (v) suspension of the membership rights and privileges of the member violated the by-laws and rules and regulation of the club, and
- (vi) matters covered by disclosure to the SEC.

Upon the request of the Chairman, the Secretary presented the following resolution proposed by Management and reported the stockholders' approval of the same in accordance with the preliminary voting results:

“**RESOLVED**, to ratify each and every act and resolution, from September 25, 2020 to July 29, 2021 (the “Period”) of the Board of Directors (the “Board”), the Executive Committee, and other Board committees exercising powers delegated by the Board, and each and every act during the Period of the officers of the Corporation performed pursuant to the resolutions of the Board, the Executive Committee and other Committees as well as pursuant to the By-laws of the Corporation.”

As tabulated by the office of the Corporate Secretary, the votes for the ratification of the acts of the Board of Directors, Committees and officers of the Corporation and the adoption of the resolution are as follows:

	For	Against	Abstain
No. of Shares Voted	5,162	-	-
% of Shares of Shareholders Present	99.59%	0%	0%

6. **ELECTION OF DIRECTORS**

Atty. Elauria proceeded to the next item on the agenda, the election of directors. Mr. Paolo Viray, member of the Nomination Committee, informed the stockholders that the Nomination Committee shortlisted and screened the list of candidates for the Board of Directors of the Club in accordance with its By-laws, Manual of Corporate Governance and the rules of the Securities and Exchange Commission. The Committee further determined that the candidates possess all the qualifications and none of the disqualifications for the position and are therefore eligible to be nominated and elected as directors of the Club.

The following were nominated as Directors of the Club for the ensuing year or until their successors are duly elected and qualified:

Mr. Antonino T. Aquino
Mr. Augusto D. Bengzon

Ms. Jessie D. Cabaluna
Ms. Jocelyn F. De Leon
Atty. Paullolindo A. Elauria
Mr. Dindo R. Fernando
Mr. Joseph Carmichael Z. Jugo
Mr. Rex Maria A. Mendoza
Atty. Mercedita S. Nollo
Mr. Paolo O. Viray
Mr. Jesus Emmanuel M. Yujuico

He stated that Mr. Rex Maria A. Mendoza, Mr. Jesus Emmanuel M. Yujuico and Ms. Jessie D. Cabaluna have been nominated as independent directors. He also stated that all the nominees have accepted their nomination.

Atty. Guadalupe reported that each of the eleven (11) nominees has garnered at least 5,162 votes representing 75.91% of the total outstanding shares. Given this, she certified that each nominee has received enough votes for election to the Board and that the following resolution for the election of the eleven (11) nominees to the Board had been approved:

“**RESOLVED**, to elect the following nominees as directors of the Corporation to serve as such, beginning today until their successors are elected and qualified:

Mr. Antonino T. Aquino
Mr. Augusto D. Bengzon
Ms. Jessie D. Cabaluna
Ms. Jocelyn F. De Leon
Atty. Paullolindo A. Elauria
Mr. Dindo R. Fernando
Mr. Joseph Carmichael Z. Jugo
Mr. Rex Maria A. Mendoza
Atty. Mercedita S. Nollo
Mr. Paolo O. Viray
Mr. Jesus Emmanuel M. Yujuico”

7. APPOINTMENT OF EXTERNAL AUDITORS AND FIXING THEIR REMUNERATION

Upon the request of the Acting Chairman, Mr. Manny Villarba, the Financial Controller of the Club, informed the stockholders that the Committee evaluated the performance of the Club's external auditor, SGV & Co., for the past year and found it satisfactory. Thus, the Committee and the Board of Directors agreed to endorse the election of SGV & Co. as the Club's external auditor for the present

fiscal year for an audit fee of Three Hundred Sixteen Thousand (Php316,000.00), exclusive of value-added tax and out of pocket expense.

Atty. Guadalupe presented the resolution proposed by Management for the election of the Corporation's external auditor and fixing of its remuneration and reported that there were enough votes received for the approval of the following resolution:

“**RESOLVED**, as endorsed by the Board of Directors, to approve the appointment of SyCip Gorres Velayo & Co. (SGV) as the external auditor of the Club for the year 2021 for an audit fee of Three Hundred Sixteen Thousand Pesos (Php316,000.00), exclusive of Value Added Tax and out of pocket expenses.”

As tabulated by the office of the Corporate Secretary, the votes approving the appointment of SGV & Co. as external auditor, its audit fee, and the adoption of the resolution are as follows:

	For	Against	Abstain
No. of Shares Voted	5,162	-	-
% of Shares of Shareholders Present	99.59%	0%	0%

8. OTHER BUSINESS AS MAY PROPERLY COME BEFORE THE MEETING

The Acting Chairman requested Mr. Jugo, Director and Vice President of the Club, to read aloud the questions and comments pertaining to matters which have not been taken up during the meeting.

Mr. Jugo proceeded with the discussion of the questions from the stockholders. He acknowledged and thanked all the members who submitted their questions and inquiries. He clarified that the Club will be limiting the reading and answering to questions related to the Club and its operations. He further informed the members that questions concerning the developer or the rights of the residents will be forwarded to Ayala Land or the concerned homeowners' association or condominium corporation.

- (1) The first question asked by several members was the Club access for fully vaccinated members.

Mr. Jugo replied that as of the moment the LGU/IATF have not released any guidelines in relation to vaccinated individuals. He assured the membership that the Club will always follow the health protocols issued by the Municipality.

- (2) The second set of questions related to beach maintenance as there were complaints about bugs.

Mr. Jugo stated that, this is a seasonal occurrence and regular treatment is being practiced in the Club, such as spraying and misting of insecticides.

- (3) Mr. Jugo stated that a number of members asked about the Club policy against abusive and disrespectful members to Club employees.

He pointed out that the Club have that policy in place, as written in the Handbook in Article 6, 3.1.1 G which states that:

"Membership privileges may be suspended or terminated by the Board of Directors if, in the sole judgement of the Board, the member: e.g. - treated the personnel or employees of the Club in an unreasonable or abusive manner."

He assured the membership that the Club will be strictly implementing this moving forward.

Mr. Jugo also took the opportunity to recognize and thank the following Service Awardees for their years of dedicated service to the Club:

- a. Mr. Alexis Muñoz, Chief Steward - 5 years
- b. Mr. Gener Marquez, Events Officer - 5 years
- c. Mr. Oscar Suva, Purchasing Manager - 5 years
- d. Mr. Antonio Geronimo, Food & Beverage Manager - 10 years

9. ADJOURNMENT

Before closing, the Acting Chairman thanked the Management and employees of the Company for working together and making the necessary adjustments to show solidarity with the rest of the nation in trying to contain and stop the pandemic. He further extended his appreciation for their resilience and loyal service to the Club and its members.

On behalf of the Board and Management, Atty. Elauria also expressed his gratefulness to the members who participated in the past year's programs and activities to make such programs and activities a success. He added that Anvaya Cove Beach and Nature Club will not be where it is now without the members' loyal patronage.

There being no other matters to discuss, the Acting Chairman adjourned the meeting and informed the stockholders that the link to the recorded webcast of the meeting will be posted on the Club's website.

Certified Correct:

Attested:

SYDNEY HERSHEY C. GUADALUPE
Assistant Corporate Secretary

PAULLOLINDO A. ELAURIA
Acting Chairman

ATTENDEE REPORT

	No. of Outstanding and Voting Shares	Percentage of Total
STOCKHOLDERS PRESENT OR REPRESENTED BY PROXY:	5,186	76.26%

Name	Type of Participant
Ayala Land, Inc. <i>(Represented by Joseph Carmichael Z. Jugo)</i>	Stockholder/Member
Subic Bay Development & Industrial Estate Corp. <i>(Represented by Jocelyn F. De Leon)</i>	Stockholder/Member
Gilbert Tan	Stockholder/Member
Ma. Eloisa Diaz	Stockholder/Member
Vishal Daseani	Stockholder/Member
John Romeo Espinocilla	Stockholder/Member
Raissa Bautista	Stockholder/Member
Heidi Hocson	Stockholder/Member
Arne Vhoi Agdipa	Stockholder/Member
Jose Maria Cardenas	Stockholder/Member
Zabrina Nunga	Stockholder/Member
Bonadelvert Suarez	Stockholder/Member
He Ching Yu	Stockholder/Member
Marc Apellado	Stockholder/Member
Mateo Mayuga	Stockholder/Member
Toti Bengzon	Stockholder/Member
JP Yujuico	Stockholder/Member
Jessie Cabaluna	Stockholder/Member

ATTENDEE REPORT

MEMBERS OF THE BOARD, CORPORATE OFFICERS AND REPRESENTATIVES OF THE COMPANY'S LEGAL COUNSEL AND EXTERNAL AUDITOR

Name
Antonino T. Aquino
Jocelyn F. De Leon
Atty. Paullolindo A. Elauria
Dindo R. Fernando
Joseph Carmichael Z. Jugo
Rex Maria Mendoza
Mercedita S. Nollo
Paolo O. Viray
Atty. Sydney Guadalupe
Jovie Reyes
Sean Cuesta
Emmanuel G. Villarba
Ulyses Mojica
Raymond Sandoval
Desiree Suarez Miranda
Josh de Jesus
Carla Dinglasan
Atty. Angeli Ferrer
Mabel Sabado
Atty. Paula Romero-Bautista
Almira Valdez
Ria Jamhiene Abo
Gener Marquez
Jose Dagdagan