

COVER SHEET

SEC Registration Number

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COMPANY NAME

A	N	V	A	Y	A	C	O	V	E	G	O	L	F	A	N	D	S	P	O	R	T	S	C		
L	U	B	,	I	N	C	.	(A	N	o	t	-	f	o	r	-	p	r	o	f	i	t	C	o
r	p	o	r	a	t	i	o	n)																

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

A	N	V	A	Y	A	C	O	V	E																
M	o	r	o	n	g	,	B	a	t	a	a	n													

Form Type

1	7	-	A
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Department requiring the report

S	E	C
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Secondary License Type, If Applicable

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COMPANY INFORMATION

Company's Email Address financedept@anvayacove.com	Company's Telephone Number 9943-4400	Mobile Number N/A
No. of Stockholders 795	Annual Meeting (Month / Day) 09/30	Fiscal Year (Month / Day) FTY 2025

CONTACT PERSON INFORMATION

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

Name of Contact Person Joven I. Galivo	Email Address galivo.joven@ayalalandhospitality.com	Telephone Number/s 9943-4400	Mobile Number 0998-8506-467
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CONTACT PERSON'S ADDRESS

Anvaya Cove Golf & Sports Club, Morong, Bataan

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

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

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 fiscal year ended **December 31, 2025**
2. SEC Identification Number **CS201014919**
3. BIR Tax Identification No. **007-875-261-000**
4. Exact name of issuer as specified in its charter: **ANVAYA COVE GOLF AND SPORTS CLUB, INC.**
5. Province, country or other jurisdiction of incorporation or organization: **Morong, Bataan, Philippines**
6. Industry Classification Code : (SEC Use Only)
7. Address of issuer's principal office: **Anvaya Cove, Morong, Bataan**
Postal code: **2108**
8. Issuer's telephone number, including area code: **9943-4400**
9. Former name, former address, former fiscal year, if changed since last report: **Not Applicable**
10. Securities registered pursuant to Sections 8 and 12 of the Code; or Sections 4 and 8 of the RSA

<u>Title of Each Class</u>	<u>No. of Shares of Common Stock Registered</u>	<u>No. of Shares Registered & Sold</u>
Class A	5,420	5,420
Class B	2,846	2,846
Class C	154	154
Class D	80	-
TOTAL	8,500	8,420

11. Are any or all of the securities listed on a Stock Exchange?
Yes[] No[x]

If yes, state the name of such Stock Exchange and the class/es of securities listed therein:

Not Applicable

12. Check whether the issuer:

- (a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 there under or Sections 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 the registrant was required to file such reports);

Yes[]

No[]

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

Yes[]

No[]

13. Aggregate market value of the voting stock held by non-affiliates:

Class B Common Shares - ₱4,000,000.00

Class C Common Shares - ₱6,000,000.00

**APPLICABLE ONLY TO ISSUERS INVOLVED IN
INSOLVENCY/SUSPENSION OF PAYMENTS PROCEEDINGS
DURING THE PRECEDING FIVE YEARS**

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.

Not Applicable

DOCUMENTS INCORPORATED BY REFERENCE

15. Briefly describe documents incorporated by reference and identify the part of the SEC Form 17-A which the document is incorporated:

2025 Audited Financial Statements (incorporated as reference for Items 5, 7, 10 & 12 of SEC Form 17-A)

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PART I – BUSINESS AND GENERAL INFORMATION

ITEM 1. BUSINESS

Business Development

Form and Date of Organization

Anvaya Cove Golf and Sports Club, Inc. (the “Club”) was organized and registered with the Philippine Securities and Exchange Commission (SEC) on September 21, 2010. The primary purpose of the Club is to maintain, operate, manage, and carry on the business and operation of a golf and sports club and its facilities in the Municipality of Morong, Province of Bataan, for the amusement, entertainment, recreational and athletic activities, on a non-profit basis of its members.

Bankruptcy, Receivership or Similar Proceedings

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

Material Reclassification, Merger, Consolidation or Purchase or Sale of a Significant Amount of Assets (not ordinary)

There are no material reclassifications, mergers, consolidations, or purchases or sales of a significant amount of assets involving the Club.

Business of Issuer

The year 2025 marked another significant chapter in the Club’s continued pursuit of excellence, building upon the strong foundation established in the previous year. While we experienced a more selective volume of visitors following the implementation of enhanced exclusivity policies, this strategic direction has yielded highly encouraging results—most notably, a measurable increase in overall member satisfaction and engagement.

The Club successfully hosted a robust calendar of member events under its Premier League series, maintaining the prestige and quality that members have come to expect. Flagship tournaments such as the Presidents Cup and the Pawikan Cup once again stood as highlights of the year, drawing strong participation and reinforcing a deep sense of community among members. Notably, while overall visitor numbers were intentionally moderated, member participation rates continued to rise, reflecting a more focused and enriched club experience.

The introduction of exclusivity measures in 2025 has allowed the Club to further refine its offerings, ensuring that members enjoy greater access, enhanced service quality, and a more personalized environment. This shift has been positively received, as evidenced by improved satisfaction metrics and increased member retention. The Club firmly believes that prioritizing member experience over volume is a key driver of long-term sustainability and brand distinction.

Operationally, the Club has continued to strengthen its commitment to excellence. Improvements in course conditioning, clubhouse services, and overall facilities have been initiated, with more enhancements scheduled in the coming year. These developments are part of a broader, forward-looking plan to further elevate the Club’s standards and deliver an even more exceptional experience for its members.

Our dedication to Corporate Social Responsibility (CSR) remains unwavering. The Club has sustained its partnerships with neighboring public schools and local communities, continuing to create meaningful and lasting impact through outreach and support programs. These initiatives remain an integral part of the Club’s identity and purpose.

Building on the prestigious recognition received in 2025 as the Most Sustainable 18-Hole Golf Course, Most Sustainable Championship Golf Course, Most Sustainable Private Golf Course, Most Sustainable Ocean Golf Course, GEO Award, and Top 100 Golf Courses Asia Award, the Club has continued to advance its sustainability efforts. New environmental programs and resource management initiatives are being developed to further strengthen our position as a leader in sustainable golf operations within the region.

Financial discipline and prudent cost management remain key priorities. The Club has enhanced its internal controls and efficiency measures to ensure long-term stability while maintaining the premium level of service expected by its members. This balanced approach positions the Club strongly for future growth and resilience.

Looking ahead to 2026, the Club is poised for even greater progress. Several improvement projects are already underway, including upgrades to facilities, expansion of member programs, and the introduction of innovative services designed to further enrich the overall Club experience. With a clear vision and a steadfast commitment to excellence, the Club is confident that the coming year will bring even more meaningful advancements.

In closing, the Club remains dedicated to its core mission: to provide an exceptional, exclusive, and sustainable environment for its members. Guided by strong leadership and a forward-thinking approach, we move into the next year with optimism, confidence, and a renewed commitment to continuous improvement.

Principal Products or Services Contributing 10% or More to Sales or Revenues

Membership dues contributed 53.83% of total Club revenues.

Service income consists of room accommodation, guest fees, sport complex amenities and income from the use of Club golf course, collectively contributed 24.19% of the total Club revenues.

Sale of goods which consist of sales of food, beverage and merchandise recorded at 18.55% of total Club revenues.

Percentage of sales or revenues and net income contributed by foreign sales

All income of the Club is derived from domestic sales of goods and services; hence, the Club has no foreign sales.

Distribution Method of Products

As the Club is an exclusive membership club, updates of its products and services are sent by email blasts to Club members.

New Products or Services

The Club has not introduced new products or services other than as provided hereunder.

Competition

The Club's all-weather championship golf course was designed by Golf plan, a California-based firm which has designed 150 courses in 60 different countries, including The Club at Nine Bridges in South Korea, the one and only five Asian courses ranked on GOLF magazine's newly issued World Top 100.

The course is one of the most eco-sensitive courses to debut in Asia Pacific in the 21st century with its turf grass, a special salt tolerant zoysia and its specimen dita and cuphon trees preserved across a 470-

hectare property.

The Club has successfully pinned itself on the international golf map after being voted as the Best New Course in Asia Pacific on the Asian Golf Awards held in Singapore in November 2014; Best Course in the Philippines for 2015, 2016 and 2017 on Asian Golf Awards; 1st Runner Up in Best Golf Resort in Asia Pacific for 2016 and 2017 on Asian Golf Awards; Philippine's Best Golf Course in World Golf Awards for 2021 and 2022 Best Golf Course in the Philippines on Golf Digest; Top 100 Golf Course in Asia for the year 2024.

In 2025, the Club has been awarded as the Most Sustainable 18 Hole Golf Course, Most Sustainable Championship Golf Course, Most Sustainable Private Golf Course and Most Sustainable Ocean Golf Course by the Sustainability Luxury Awards.

Sources and Availability of Raw Materials

The Club has no major existing supply contracts. Raw materials such as food and vegetables, beverage, and drinks as well as operational supplies are sourced from the open market onsite and from Manila. Power is supplied by Peninsula Electric Cooperative and water is supplied by Manila Water Philippine Ventures (MWPV) and through a deep well. Diesel and gasoline are supplied by local petrol stations located within the vicinity of the Club.

Customer Base

The business of the Club is in no way dependent upon a single customer or few customers, the loss of any one or more of which would have no material adverse effect on the business of the Club. Being a membership club, there are no major existing sales contracts by the Club with an individual or entity.

Transactions with and/or dependence on related parties

The Club, in the normal course of business, entered transactions with Ayala Land, Inc. (ALI), a stockholder, and an affiliate, Anvaya Cove Beach and Nature Club Inc. (ACBNCI) consisting primarily of reimbursement of cost and expenses. Outstanding balances at year-end are unsecured, noninterest-bearing and is normally settled in cash, and is due and demandable.

The Club entered into a Management Agreement with Ayala Land Club Management Inc. (ACMI) for the latter to provide management services over general management, administration, financial management, human resources management, and property management of the Club. Management fees include the basic management fee amounting to ₱206,103.15 per month with an escalation clause of 7.5% per annum and incentive fee equivalent to 3% of the Gross Operating Profit (GOP). The agreement has been transferred to Ayalaland Premier Inc. (ALPI), after the SEC approved the merger of Ayala Land Sales, Inc. (ALSI), ACMI and ALPI on October 17, 2023, with the latter as the surviving entity. The agreement was concluded last June 30, 2025 and the Club's entered into a new Management Agreement with Ayalaland Hotels and Resort Corp. to manage the Club's operation for a period of three (3) years starting July 1, 2025.

Intellectual Property

The Club does not own any intellectual property rights such as patents, trademarks, copyrights, or licenses, and has not entered any franchises, concessions, and royalty agreements.

Government Approvals/Regulations

The principal product and service of the Club consist in the provision of amenities for leisure and recreation for its members. No special government approvals are required for the provision of such services.

The Club renews annually its business permit with the Municipality of Morong.

Effect of Existing and Probable Government Regulations

The following are the key changes to the Philippine tax law which have an impact on the Club:

Ease of Paying Taxes (EOPT) Act

On 5 January 2024, RA No 11976 or the Ease of Paying Taxes Act (EOPT Act) was signed into law. This is a significant tax reform law aimed at improving the ease and efficiency of the tax compliance process for businesses and individuals in the Philippines. Below is a summary of the key highlights of the EOPT Act:

- Simplification of tax filing and payment procedures
- Removal of certain documentary requirements when substantiating invoices for the purpose of claiming input VAT
- Enhancements to taxpayer services
- Introduction of electronic tax payments to remit taxes, promoting cashless transactions and reducing errors in manual processes
- Modernization of tax systems, including the automation of tax assessments, collections, and the enforcement of tax compliance
- Tax rate reductions for small and medium enterprises (SMEs) in an effort to promote business growth and sustainability
- Stricter penalties for non-compliance with tax filing deadlines or failure to use the digital systems established under the law
- Strengthened Taxpayer Education Programs to ensure that businesses and individuals are aware of their tax obligations and the available digital tools for compliance
- Revised Taxpayer Identification System (Small, Medium, and Large Taxpayers)

Effective January 22, 2024, the Bureau of Internal Revenue (BIR) will cease collecting the Annual Registration Fee (ARF) from business taxpayers. This change complies with the Republic Act No. 11976, the “Ease of Paying Taxes Act”. As a result, business taxpayers are exempt from filing BIR Form No. 0605 and paying the Five Hundred Pesos (PHP 500.00) ARF on or before January 31 every year. Business taxpayers with existing BIR Certificate of Registration (COR) that includes the Registration Fee will retain its validity.

Development Activities

The Club has been fully completed and conveyed by Ayala Land, Inc. since May 2014. No development activities have been done since then.

Environmental Compliance

Club allocates a portion of the membership dues for the environmental fund which is utilized for environmental initiatives of the Club. For the year 2025, the Club collected a total of ₱1.98 million for the Environmental Fund. The Club has spent ₱8,775 to cover the costs and expenditures for its different programs for the protection and conservation of the environment.

Employees

As of December 31, 2025, the Club was operated through its complement of approximately one hundred twenty-nine permanent and contractual employees, the breakdown of which is as follows:

	Organic	Non-organic	Total
Managers	7	–	7

Rank and file	40	95	135
Total	47	95	142

Of the 47 organic employees, 4 perform administrative functions, 12 perform clerical functions, and 31 perform operational functions.

Of the 95 non-organic employees, 4 perform clerical functions, and 91 perform operational functions.

There are no Collective Bargaining Agreements entered into by the Club with its employees. The Club's employees have not been on strike in the past 3 years nor have they threatened to strike.

The employees are entitled to the thirteenth-month pay.

Risk Factors relating to the Company

Risks in Business of the Club

During the lean season, the Club is offering lower rates for room accommodations and golf tournaments as well as a flexible approach during weekends of allowing guests of members to have access to the services of the Club even without the member present. However, the Club ensures a manageable number of guests coming to visit with the addition of a more aggressive food and beverage promotion.

ITEM 2. PROPERTIES

On October 20, 2010, the Club and the Subic Bay Development and Industrial Estate Corporation (SUDECO) executed a Deed of Assignment which transfers seventeen (17) adjoining parcels of land with an aggregate area of approximately 817,624 square meters to the Club. In exchange for the land, the Club issued 1,082 Class A shares, 537 Class B shares and 24 Class C shares.

The facilities and amenities of the Club will lie on these parcels of land. Facilities and amenities of the Club include a Sports Center, a Golf Clubhouse and an 18-hole Championship Golf Course.

The property, plant and equipment are properly maintained as the Club has a yearly capital expenditure budget for this purpose. Depreciation of property and equipment commences once the property and equipment are available for use and is computed on straight-line basis over the estimated useful lives of the property and equipment as follows:

Land improvements	25 years
Buildings	35 years
Furniture, fixtures, and equipment	5 years

There is no mortgage, lien or encumbrance on the properties owned by the Club.

ITEM 3. LEGAL PROCEEDINGS

There are no material pending legal proceedings to which the Club is a party or of which any of its properties is subject.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

The annual meeting of stockholders was held virtually on September 30, 2025. The following actions were approved by at least a majority of the shareholders present to vote at such meeting:

- (a) Approval of the Minutes of the 2024 Annual Stockholders' Meeting held on September 30, 2024.

- (b) Noting of the President’s Report and approval of the audited financial statements as of December 31, 2024;
- (c) Ratification of all resolutions adopted by the Board of Directors and all acts of Management beginning September 30, 2024 until September 30, 2025:
- (i) Election of officers
 - (ii) Appointment of Chairmen and members of the Board Committees
 - (iii) Designation of Lead Independent Director
 - (iv) Updating of Attorneys-in-Fact
 - (v) Approval of the 2024 third quarter results of operation and audit findings
 - (vi) Appointment of the new Chief Audit Executive
 - (vii) Approval of the 2024-2025 internal audit plan
 - (viii) Approval of the retirement plan
 - (ix) Approval of the increase of dues
 - (x) Approval of the 2025 operating budget and capital expenditure budgets
 - (xi) Approval of green fee rates for 2025
 - (xii) Approval of the Christmas fund special assessment
 - (xiii) Approval of the management representation letter
 - (xiv) Approval of the full year 2024 financial audit and operating results
 - (xv) Approval of the appointment of the external auditor for 2025 and fixing of its remuneration
 - (xvi) Approval of the report of the Audit and Risk Oversight Committee to the Board
 - (xvii) Approval of the amendments to the Audit and Risk Oversight Committee Charter and Internal Audit Charter
 - (xviii) Approval of the performance bonus and cash incentive
 - (xix) Approval of the 2025 first quarter financial and operating results
 - (xx) Approval of the auction of shares
 - (xxi) Appointment of the independent auditor for 2025 and fixing of its remuneration
 - (xxii) Approval of auction-related fees
 - (xxiii) Approval of the appointment of the General Manager
 - (xxiv) Approval of the schedule of 2025 Annual Stockholders’ Meeting and relevant dates
 - (xxv) Approval of the participation and voting by remote communication in all meetings of the Board of Directors and stockholders
 - (xxvi) Delegation of authority to the Corporate Governance and Nomination Committee to approve the final list of nominees to the Board
 - (xxvii) Approval of the first half 2025 financial and operating results
 - (xxviii) Approval of the 2025 external audit plan
 - (xxix) Approval of the 2025 internal audit plan and proposed key results area
- (e) Election of the members of the Board of Directors, including independent directors, for the ensuing calendar year. The following shareholders were nominated and voted as members of the Board of Directors of the Club for the ensuing year or until their successors are duly elected and qualified:

AYALA LAND, INC. (ALI)

1. George Israel C. Aquino
2. Augusto D. Bengzon
3. Joseph Carmichael Z. Jugo
4. Darwin L. Salipsip
5. Paolo O. Viray
6. Maria Cristina Carmen M. Zuluaga

SUDECO

1. Jocelyn F. de Leon
2. Paullolindo A. Elauria

INDEPENDENT DIRECTORS

1. George Edwin T. Lee
2. Agustin R. Montilla IV
3. Bernadine T. Siy

(f) Election of PwC Isla Lipana & Co. (PwC) as external auditor and the fixing of its remuneration.

The Corporation received one (1) vote against the appointment of the external auditor. There were no abstentions on the foregoing actions. Proxies were requested to be issued in the name of the Chairman.

PART II - OPERATIONAL AND FINANCIAL INFORMATION

ITEM 5. MARKET FOR ISSUER'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

Market Price Information

ALI and SUDECO sell their shares in a secondary market, which includes GG&A Club Shares Brokers, Inc. These shares are not traded in a stock exchange.

The following table shows the selling prices of the shares of the Club for each quarter of 2024 and 2025:

Quarter of Fiscal Year	Class B Share Price	Class C Share Price
Q1 2024	₱3,500,000	₱4,400,000
Q2 2024	₱3,500,000	₱4,400,000
Q3 2024	₱3,500,000	₱4,400,000
Q4 2024	₱4,000,000	₱6,000,000
Q1 2025	₱4,000,000	₱6,000,000
Q2 2025	₱4,000,000	₱6,000,000
Q3 2025	₱4,000,000	₱6,000,000
Q4 2025	₱4,000,000	₱6,000,000

As of the end of December 2025, the Club has sold the following number of shares:

Share	Volume	Value
Class A	5,420	₱137,793,900
Class B	2,846	71,993,500
Class C	154	3,839,600
Total	8,420	₱213,627,000

Stockholders

The Club has a total of about 1,204 stockholders as of December 31, 2025.

Class A Shares

There were eighteen (18) registered holders of Class A shares of the Corporation as of December 31, 2025.

	Stockholder Name	No. of Class A shares	Percentage of Class A shares
1.	Ayala Land, Inc.	4,322	79.7417%
2.	Subic Bay Development and Industrial	1,082	19.9631%

	Estate Corp.		
3.	Augusto Bengzon	1	0.0185%
4.	Jocelyn F. De Leon	1	0.0185%
5.	Paullolindo A. Elauria	1	0.0185%
6.	Joseph Carmichael Z. Jugo	1	0.0185%
7.	George T. Lee Jr.	1	0.0185%
8.	Agustin R. Montilla IV	1	0.0185%
9.	Bernadine T. Siy	1	0.0185%
10.	Paolo O. Viray	1	0.0185%
11.	Darwin L. Salipsip	1	0.0185%
12.	George Israel C. Aquino	1	0.0185%
13.	Maria Cristina Carmen M. Zuluaga	1	0.0185%
14.	Others (5)	5	0.0923%

Class B Shares

There were 1,096 registered holders of Class B shares of the Corporation as of December 31, 2025.

	Stockholder Name	No. of Class B shares	Percentage of Class B shares
1.	Ayala Land, Inc.	1,663	58.43%
2.	Subic Bay Development and Industrial Estate Corp.	83	2.92%
3.	Others (1,094)	1,100	38.65%

Class C Shares

There were 94 registered holders of Class C shares of the Corporation as of December 31, 2025.

	Stockholder Name	No. of Class C shares	Percentage of Class C shares
1.	Ayala Land, Inc.	57	37.01%
2.	Subic Bay Development and Industrial Estate Corp.	2	1.30%
3.	Others (92)	95	61.69%

Dividends

Article Seventh, Paragraph B (2) of the Club's Articles of Incorporation provides, "xxx No profit shall inure to the exclusive benefit of any of its shareholders, hence, no dividends shall be declared in their favor. Shareholders shall only be entitled to a pro-rata share of the assets of the Club at the time of the dissolution or liquidation thereof."

Recent Sales of Unregistered or Exempt Securities

There was no sale of unregistered securities of the Club nor the issuance of securities of the Club constituting an exempt transaction in 2025.

ITEM 6. MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION

Management's Discussion and Analysis of Results of Operations and Financial Conditions

Results of Operations

Total Club revenues recorded at ₱255.58 million for the year ended 2025, significantly higher by ₱18.31 million or 7.72% as compared to previous year.

- Membership dues recorded at ₱137.59 million or 53.83% of the total revenues, higher by ₱25.13 million or 22.34% as compared to last year. The increase mainly attributed to increase in membership dues last May 2025.
- Service income amounted to ₱61.82 million or 24.19 % of total revenues, decreased by ₱3.58 million or 5.47% as compared to last year.
- Sale of goods totaled ₱47.42 million or 18.55% of total revenues, lower by ₱1.69 million or 3.45% as compared to last year.
- Transfer fee for the period reached ₱8.75 million or 3.42 % of the total revenues, lower by ₱1.54 million or 14.97%. This refers to required fee for the processing of change of ownership and nominees.

Total cost and expenses for the year recorded at ₱292.34 million, ₱32.57 million or 12.54% higher as compared last year.

- Cost of services recorded at ₱131.20 million or 44.88% of the total cost and expenses. Higher by ₱9.26 million or 7.60% compared to previous year of ₱121.93 million.
- Cost of sales recorded at ₱47.64 million or 16.29% of total cost and expenses. Higher by ₱6.47 million or 15.72% compared to prior year of ₱41.17 million.
- General and administrative expenses amounted to ₱113.51 million or 38.83% of total cost and expenses. Higher by ₱16.84 million or 17.42% as compared to previous year of ₱96.67 million.

Other Income, 3.92% of total revenues, recorded at ₱10.01 million. Slightly lower by ₱2.27 million or 18.49%

- Interest income for the year ended 2025, recorded at ₱4.62 million or 1.81% of total revenues, higher by ₱0.18 million or 4.06% as compared to last year.
- Miscellaneous income recorded at ₱5.39 million or 2.11 % of the total revenues, decreased by ₱2.45 million or 31.24% compared to previous year.

For the year ended 2025 recorded a net comprehensive loss of ₱27.58 million, after deducting provision for income tax.

Financial Condition

Total assets amounted to ₱918.31 million, lower by ₱28.73 million or 3.23% as compared to previous year. The changes attributed to the following:

- Cash and cash equivalent amounted to ₱41.20 million or 4.49% of the total assets. Significant increase of ₱20.15 million compared to previous year.
- As of December 31, 2025, the investments in financial assets at fair value through profit or loss has been fully redeemed.
- Accounts and other receivables recorded at ₱66.44 million or 7.23% of the total assets, significantly increased by ₱20.31 million or 44.03% compared to last year.

- Receivables from related parties computed at ₱82.03million, 8.93% of the total assets, recorded an increase of ₱14.71 million or 21.86% compared to previous year.
- Inventories recorded at ₱2.75 million or 0.30% of total asset, increased by ₱0.68 million or 32.52% from ₱2.08 million of previous year.
- Other current asset of ₱40.31 million, 4.39% of total revenues, higher by ₱4.33 million or 12.04% as compared to prior year.
- Property and equipment recorded at ₱684.36 million or 74.52% of the total assets. A decrease of ₱25.88 million or 3.64% on account of depreciation as compared to previous year.
- As of yearend 2025, advances and other noncurrent asset recorded at ₱1.23 million, lower by ₱4.52 million or 78.65% compared to previous year.

Total liabilities of the club amounted to ₱225.96 million or 24.61% of Total Liabilities and Member's Equity. An increase of ₱56.31 million or 33.19% as compared to last year's ₱169.64 million. The changes attributed to the following:

- Increase of ₱28.14 million in accounts and other payables or 54.99% as compared to previous year. Mainly due to increase in yearend accruals for system cost and manpower cost.
- Contract liabilities, 4.25% of total liabilities and equity, amounted to ₱38.99 million, higher by 31.10% as compared to CY 2024.
- Compared to prior year, recorded an increase of ₱19.16 million or 22.18% on payable to related parties, recorded at ₱105.54 million as at yearend of 2025.

Statement of Cash Flow

- Cash provided (used) by operating and investing activities for the year ended 2025, recorded at ₱49.03 million and (₱28.88) million, respectively.
- At the end of the year 2025, the cash balance amounted to ₱41.20 million

Key Performance Indicators

The Club looks closely at the following to determine its overall performance:

Ratio	Formula	2025	2024
Current ratio	Current assets / Current liabilities	1.04	1.04
Acid test ratio	Quick assets / Current liabilities	0.85	0.81
Debt-to-equity ratio	Total debt / Total stockholders' equity	0.33	0.24
Asset-to-equity ratio	Total assets / Total stockholders' equity	1.33	1.24
Solvency ratio	EBITDA / Total debt	0.08	0.21
Return on equity	Net income after tax/ Average total stockholders' equity	-0.04	-0.01
Return on assets	Net income after tax / Average total assets	-0.03	-0.01

Net profit margin	Net income after tax / Total revenue	-0.10	-0.04
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Current ratio stood steady at 1.04 and acid test ratio increase by 0.04 as compared to 2024.

Both debt-to-equity ratio and asset-to-equity ratio increased by 0.09, recorded at 0.33 and 1.33, respectively.

Solvency ratio decreases by 0.13, computed at 0.08 versus 0.21 of prior year.

Return on equity recorded at -0.04 for the year ended 2025, compared to -0.01 of prior year.

Return on assets at -0.03, compared to -0.01 of CY 2024.

Net profit margin registered at -0.10 in 2025, compared to -0.04 of CY 2024.

(a) Satisfaction of cash requirements and fund-raising plans

Operating Cash Requirement

No operating cash is required since the Club has started commercial operations and construction of the Club's facilities is being financed by capital infusion.

Project Development Cash Requirement

With respect to the cash requirement for project development, ALI had infused additional paid-in capital in the amount of ₱763.88 million for the complete development of the Club.

(b) Product research and development

No plan for product research and development. Architectural design planning for the golf course, structures and facilities of the Club was already complete.

(c) Purchase or sale of plant and significant equipment

All of the necessary and significant equipment of the Club has been purchased since the course and the structures of the Club are already completed.

(d) Significant changes in the number of employees

The Club already has 142 hired employees as of December 2025.

Others

As of the year ended December 31, 2025, there are no material events and uncertainties known to management that would have an impact on future operations except on item C:

- (a) Known trends, demands, commitments, events, or uncertainties that would have an impact on the Club;
- (b) Material commitments for capital expenditures, the general purpose of such commitment and the expected sources of funds for such expenditures;
- (c) There is a known viral outbreak known as Covid 19 pandemic that may result to the unfavorable

impact on the net sales or revenues or income from operation.

- (d) Significant elements of income or loss that did not arise from the Club's continuing operations;
- (e) Causes for any material changes from period to period in one or more line item of the Club's financial operations;
- (f) Seasonal aspects that had a material effect on the financial condition or results of the operations;

There are no events that will trigger direct or contingent financial obligation that is material to the Club, including any default or acceleration of an obligation.

ITEM 7. FINANCIAL STATEMENTS

The financial statements and schedules listed in the accompanying Index to Financial Statements and Supplementary Schedules are filed as part of this Form 17-A.

ITEM 8. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

There are no disagreements with the auditors on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, which, if not resolved to their satisfaction, would have caused the auditors to refer thereto in their reports on the financial statements of the Club.

Independent Public Accountants

The Club has engaged the services of PwC for the year 2025.

External Audit Fees and Services

The Club paid its external auditors the following audit and audit related fees in the past three years:

Year	Audit Fee
2025	₱186,000
2024	₱179,900
2023	₱179,900

For the year 2025, the Club paid the external auditors for the additional scope of work due to system migration amounting to ₱231,000, inclusive of out-of-pocket expenses.

The audit committee approved the policies and procedure for said services. No other fees were paid to said auditors for other services.

PART III - CONTROL AND COMPENSATION INFORMATION

ITEM 9. DIRECTORS AND EXECUTIVE OFFICERS OF THE ISSUER

Board of Directors

The members of the Board of Directors of the Club as of December 31, 2025 are as follows:

Director	Nationality
George Israel C. Aquino	Filipino

Augusto D. Bengzon	Filipino
Jocelyn F. De Leon	Filipino
Paullolindo A. Elauria	Filipino
Joseph Carmichael Z. Jugo	Filipino
Darwin L. Salipsip	Filipino
Paolo O. Viray	Filipino
Maria Cristina Carmen M. Zuluaga	Filipino
George Edwin T. Lee	Filipino
Agustin R. Montilla IV	Filipino
Bernadine T. Siy	Filipino

Independent Directors

The stockholders of the Club have elected Messrs. George Edwin T. Lee and Agustin R. Montilla IV, and Ms. Bernadine T. Siy as independent directors in compliance with the requirements of the SRC Rule 38.

Executive Officers

The executive officers of the Club since December 31, 2025 are as follows:

Position	Officer
President	Joseph Carmichael Z. Jugo
Vice President	Paolo O. Viray
Treasurer	Desiree Joy S. Miranda
Finance Director, Compliance Officer, and Chief Risk Officer	Lester M. Lulu
General Manager	Raymond A. Bunquin
Corporate Secretary	Maria Franchette M. Acosta
Assistant Corporate Secretary	Maria Paula G. Romero-Bautista
Data Protection Officer	Roscoe M. Pineda

Comprehensive Background

The following describes the relevant business experience of the Club's directors and officers for the past five (5) years:

Augusto D. Bengzon, 63, Filipino, has served as Director of the Club since incorporation and was the former Chairman of the Board from September 2021 to February 2024. He is currently the Senior Vice President, Treasurer and Chief Finance Officer of Ayala Land, Inc. He is a Director of AREIT, Inc. and Treasurer of AyalaLand Logistics Holding Corp., publicly listed companies under the Ayala Land Group. His other significant positions include: Chairman of Aprisa Business Process Solutions Inc.; Chief Finance Officer of Altaraza Development Corporation; Director and Treasurer of ALI Eton Property Development Corp., Aurora Properties Inc., AyalaLand-Tagle Properties, Inc., Ceci Realty Inc., Philippine Integrated Energy Solutions Inc., AyalaLand Premier Inc., Alveo Land Corporation and Vesta Property Holdings Inc.; Director of Amicassa Process Solutions, Inc., Makati Development Corporation and Station Square East Commercial Corp.; Comptroller of Nuevocentro, Inc.; Treasurer of Alabang Commercial Corporation, AKL Properties, Inc., Amaia Land Corp., Amaia Southern Properties, Inc., Avida Land Corp., Ayala Property Management Corporation, Bellavita Land Corp., BGWest Properties, Inc., Serendra Inc. and Hero Foundation, Inc.; Assistant Treasurer of Ayala Greenfield Golf & Leisure Club, Inc. and Ayala Greenfield Development Corporation; Trustee of Philippine National Police Foundation, Inc.. He received his Bachelor of Science degree in Business Management from the Ateneo de Manila University and is a graduate of the Philippine Trust Institute.

He was granted the Andres K. Roxas scholarship at the Asian Institute of Management where he received his Masters in Business Management degree.

Joseph Carmichael Z. Jugo, 51, Filipino, has served as a Director and President of the Club since July 6, 2017. He is currently a Senior Vice President of Ayala Land, Inc. He is concurrently President & Director of Ayalaland Premier, Inc., Alveo Land Corp., and BGSouth Properties, Inc.; Chairman & President of Roxas Land Corp., OLC Development Corp., Southportal Properties, Inc.; Garden Towers Condo Corp., & Serendra, Inc.; Chairman of Ayala Hotels Inc., Collines Du Capitole Clubholdings, Inc., and Verde Golf Development Corp.; President of AyalaLand-Tagle Properties, Inc.; President & Chief Executive Officer of Ayala Greenfield Development Corp., Ayala Greenfield Golf & Leisure Club, Inc.; President of Anvaya Cove Golf & Sports Club, Inc.; Vice President of Anvaya Cove Beach & Nature Club, Inc.; Director of Amicassa Process Solutions, Inc.; Ayala Center Estate Association, and Algofil, Inc. In his 20 years in the company, he has been a part of and handled various business lines including business development for the retail and malls group, project development for the residential business group, project development for the leisure group and sales for the local and international markets. He graduated from the Ateneo de Manila with a degree in Management Economics in 1997 and completed his MBM from the Asian Institute of Management (with Distinction) in 2002. He attended the International Graduate Student Exchange Program at the Tuck School of Business, Dartmouth College in 2002 and completed the INSEAD Asian International Executive Programme (AIEP) in 2015.

Paulloindo A. Elauria, 60, Filipino, has served as Director of the Club since its incorporation. He also served as Vice President of the Club since incorporation until February 2024. He is also the President of Anvaya Cove Beach and Nature Club. He has been the President of SUDECO since 2002. He is also the President of the Philippine Petrochemical Products, Inc., Seaport Development and Industrial Corporation, Leungs Holdings, Inc., Subic West Integrated Development Corporation, Sideli International Trading Corporation, Zambales Farms and Forest, Inc., Shining Star Corporation, and Subic West Development Corporation. He holds a Bachelor of Laws Degree from the Manuel L. Quezon University and passed the bar in 1992. Atty. Elauria is also a Professor of Commercial, Civil, and Labor Laws, having taught at De La Salle University, Lyceum of the Philippines University and Manuel L. Quezon University. He graduated with a Bachelor's degree in Mathematics for Teachers from the Philippine Normal University in 1986 and Bachelor of Laws at the Manuel L. Quezon University in 1992. He is the Founder, President and Commissioner of the Professional Chess Association of the Philippines, the first and only government-licensed professional chess league in the world.

Jocelyn F. De Leon, 64, Filipino, has served as Director of the Club since 2011. She is also a Director in Anvaya Cove Beach and Nature Club. She is the Chairman of the Board and a Director of Subic Bay Development & Industrial Estate Corporation (SUDECO). She also holds similar positions in the various companies spearheaded by the De Leon Family, such as Seaport Development and Industrial Corporation, Philippine Petrochemical Products, Inc., Leungs Holding, Inc., Subic West Integrated Development Corporation, Zambales Farms and Forest, Inc., Shining Star Farms and Forest Development Corporation, Fort West Realty and Development Corporation, Sampaloc Point Agro-Forestry and Development Corporation, and Solar Plastics Corporation. Graduating from De La Salle University in 1986 with a degree in Bachelor of Science, majoring in Marketing and reinforcing this with a Master's degree in Business Administration from the same university, Ms. De Leon has competently held managerial positions with companies based locally and abroad.

George Israel C. Aquino, 61, Filipino, has served as a director of the Club since August 9, 2024. He is a Vice President of Ayala Land, Inc. since May 2024. He is currently the President and CEO of the Ayala Land Hospitality Group. He is a seasoned executive with over 35 years of experience in the hospitality business. Under his leadership, AHC Hospitality grew to multiple properties with additional 5 in development. He oversees all aspect of the business including financial, management, operational efficiency, guest experience, and brand positioning. He also developed and implemented strategies to drive revenue growth, enhance profitability, and ensured highest standards of service and hospitality.

He used to be the Vice President and Managing Director of AHC Hospitality, General Manager of JW Marriott Grand Rapids, Michigan, and General Manager of Peter Island Resort & Spa, among others. Mr. Aquino took up journalism and creative writing at University of Iowa in 1986, and interior design at Columbia College in Chicago in 1990. He obtained his Advance Management Program Certificate in 1996 and Accounting and Finance Certificate in 1995 at Cornell University – School of Hotel Administration.

Paolo O. Viray, 46, Filipino, is a Vice President of Ayala Land, Inc. and has served as director of the Club since March 17, 2017. He is currently the Chief Operating Officer of AyalaLand Premier Inc., Director and Vice President of Ayala Greenfield Golf and Leisure Club, Inc.; Director, Vice Chairman and President of Ayala Hotels, Inc., Director of Anvaya Cove Beach and Nature Club, Inc., Amicassa Process Solutions, Inc., AKL Properties, Inc. and Verde Golf Development Corporation. He served as General Manager for Ayala Land International Marketing, USA, and General Manager for Ayala Greenfield Development Corporation, and Project Development Manager for Ayala Land Premier. He joined Ayala Land in 2004 and has been involved in various residential and special projects handling business development, project development, marketing and sales. He holds a degree in Civil Engineering from De La Salle University, Manila and a Master's Degree in Business Administration from Hult International Business School, San Francisco, California.

George Edwin T. Lee, Jr., 63, Filipino, has been elected as an Independent Director of the Club on January 28, 2020. He is President of Armstrong Realty Investments, Inc. since 1990. Prior to joining Armstrong Realty Investments, Inc., he was a marketing analyst at Philip Morris USA New York. He was the Chairman of Ortigas Center Association, Inc. in 2010 to 2018 and served as President in 2006 to 2010. He is currently the Chairman of the Board of Solana Resorts. He is a director of Greenhills West Association and was President from 2006 to 2010 and Vice Chairman from 2010 to 2018. Mr. Lee is currently a Director of Perla Insurance. He is also a director and member of the Membership Committee of Sta. Elena Golf & Country Club. He graduated from Ateneo de Manila University in 1984 with a degree in AB Economics and finished his Master's in Business Administration from Fordham University in New York in 1989.

Agustin R. Montilla IV, 56, Filipino, has served as an independent director of the Club since September 25, 2021. He joined Romulo Mabanta Buenaventura Sayoc & de los Angeles as an Associate in 1996 and has been a Senior Partner since 2016. He is also a Director of Lex Mundi, one of the largest global networks of independent law firms; a member of the Board of Trustees of the Beacon International School Foundation, Inc. and Manila Polo Club, Inc.; member of the Board of Trustees and Secretary of the Cancer Resource and Wellness (Carewell) Community Foundation, Inc.; President and shareholder of Dueno Alegre, Inc.; President of ETM Philippines Holdings, Inc.; Director and Corporate Secretary of SAL Buendia Holding Corp., and Corporate Secretary of The Asia Society Foundation Philippines, Montivar, Inc. and BF Jade E-Services Philippines, Inc.. He has served as a Lecturer in Law at Ateneo De Manila University School of Law from 1999 to 2004 and graduated with honors from the same school in April 1995. In May 2002, he earned his Legum Magister from Columbia Law School in New York.

Bernadine T. Siy, 67, Filipino, has served as an independent director of the Club since September 25, 2021. She currently serves as an independent director of Cebu Air, Inc. since February 2021 and of PLDT Inc. since June 2021. Concurrently, she is also a director in Epicurean Partners Exchange Inc., Coffee Masters Inc., Fil-Pacific Apparel Corporation, and Authentic American Apparel Corporation. She also holds the following positions in several non-profit institutions and organizations: Chairperson/member of the Ateneo de Manila University Board of Trustees; member of the board of the Foundation for Economic Freedom; and member of the Management Association of the Philippines. She has served as a President and CEO of Epicurean Partners Exchange Inc., Coffee Masters Inc. and Fil-Pacific Apparel Corporation. Her past positions also include being a member of the Board of Trustees of Habitat for Humanity Philippines, a director in the Garment Business Association of the Philippines, and a director in Hands-On Manila. She earned her Bachelor of Arts in Economics at Ateneo De Manila University and graduated Magna Cum Laude in March 1980. In June 1984, she

finished her Masters in Management with Majors in Finance and Accounting at the J.L. Kellogg Graduate School of Management, Northwestern University in Chicago, Illinois.

Darwin L. Salipsip, Filipino, 52, is a Senior Vice President of ALI and is currently the Head of the Construction Management Group and member of the Management Committee of ALI. In his more than 25 years with the Company, he has been part of the various business lines of residential and commercial businesses across his assignments in both ALI and Makati Development Corporation (MDC). Prior to his current role, he was President of MDBI, a joint venture partnership between MDC and Bouygues Batiment International (BBI). He likewise served 15 years in MDC as Head of Construction Operations Group 3, Construction Management Group and Commercial Group as well as an officer in MDC's Management Committee. He graduated with honors (cum laude) from the University of the Philippines with a Bachelor's degree in Civil Engineering in 1993 and completed his Masters of Engineering from Massachusetts Institute of Technology in 1997. He is a licensed Civil Engineer, ranked Top 2 when he took the National Licensure Examination for Civil Engineers.

Maria Cristina Carmen M. Zuluaga, Filipino, 54, is a Vice President of AyalaLand Estates, Inc., a wholly-owned subsidiary of ALI. She is the head of the Leisure Estates Group wherein she handles strategic business management, project development, business development, site operations, lease and lease administration, sales, site and property management, locator partnerships, master planning, design and overall maintenance for Leisure Estates projects, including airport operations. She is currently the President of Ten Knots Phils., Inc., Bacuit Bay Development Corp., and Swift Aerodrome Services, Inc. She is also a director of Ten Knots Development Corp., Chirica Resorts Corp., Pangulasian Island Resort Corp., North Liberty Resort Ventures, Inc., Turista.Ph Technologies, Inc., Lio Tourism Estate Management Corp., and AKL Properties, Inc. She is a Board Certified Real Estate Broker. She graduated from De La Salle University with a degree in B.S. Industrial Management Engineering, with Minor in Mechanical Engineering.

Desiree Joy S. Miranda, 40, Filipino, has served as the Treasurer of the Club since September 25, 2021. She also served as the Compliance Officer of the Club from September 25, 2021 to November 11, 2021. Concurrently, she serves as Director, Treasurer and Chief Finance Officer of Ayala Hotels, Inc., AyalaLand Club Management, Inc., and Verde Golf Development Corporation; Director and Chief Finance Officer of Ayala Land Sales, Inc., OLC Development Corporation and SouthPortal Properties, Inc.; Chief Finance Officer and Comptroller of Ayala Greenfield Development Corporation and Ayala Greenfield Golf & Leisure Club, Inc.; and Chief Finance Officer of AyalaLand Premier, Inc. and Anvaya Environmental Foundation, Inc.. Prior to joining Ayala Land, Inc., she worked at SyCip Gorres Velayo & Co. She graduated from the University of Santos Tomas with a degree in Bachelor of Science in Accountancy and placed 19th in the Certified Public Accountants' Board Exam.

Raymond A. Bunquin, Filipino, has served as the General Manager since June 4, 2025. He brings 27 years of experience in golf club management, having led several golf clubs throughout his career. His expertise spans club operations, member engagement, and course management, making him a valuable addition to the Club. A strong advocate for continuous learning, he specialized in Golf Complex Management at the San Diego Academy, equipping him with a deep understanding of the industry. Prior to joining the Club, he was the General Manager of Forest Hills Golf and Country Club

Lester M. Lulu 36, brings over 15 years of solid experience in financial management across the hospitality industry, including hotels, convention centers, membership clubs, and international hostel groups. He has held key leadership roles such as Global Financial Controller and Chief Accountant with established organizations, including Mad Monkey Hostels Group, SMX Convention Center, Pico Sands Hotel, and Park Inn by Radisson. Mr. Lulu's expertise spans financial planning and analysis, internal audit, policy development, and process optimization. He is also well-versed in Philippine tax regulations and proficient in systems such as SAP, OPERA, EBMS, Micros Symphony, and Xero. He graduated cum laude from the Polytechnic University of the Philippines and is a Certified Public Accountant.

Maria Franchette M. Acosta, 53, Filipino, is the Corporate Secretary of the Club since March 15, 2024. She is also the Corporate Secretary, Chief Legal Officer, Compliance Officer, Data Protection Officer and Corporate Governance Group Head and Managing Director of Ayala Corporation. She is also the Corporate Secretary of ACEN CORPORATION, Globe Telecom, Inc, Integrated Micro-Electronics, Inc. and AREIT, Inc; and Group General Counsel and Corporate Secretary of ALI. She is a practicing lawyer for 24 years, with 18 years in Villaraza & Angangco Law Firm where she was a Senior Partner, Co-Managing Partner and Head of its Corporate and Commercial Department. Ms. Acosta was an Assistant Secretary at the Office of the Chief Presidential Legal Counsel of the Republic of the Philippines where she served from 2001 to 2003. She is recognized as an expert counsel in leading legal journals and publications such as Chambers Global, Chambers Asia Pacific and Legal 500. She is a consistent Asia Business Law Journal's top 100 lawyers of the Philippines. Ms. Acosta graduated from New York University with a Master of Laws in 2003. She ranked 3rd in the Philippine Bar Examination and earned her Bachelor of Laws from the University of the Philippines College of Law in 1998 where she graduated Class Valedictorian and Cum Laude. She holds a Bachelor of Science in Business Economics from the University of the Philippines School of Economics in 1994 where she graduated Magna Cum Laude.

Maria Paula G. Romero-Bautista, 41, Filipino, has served as Assistant Corporate Secretary of the Club since September 28, 2018. She was a Senior Counsel at Ayala Group Legal, assigned to the Corporate Services and Compliance Unit. She is a Legal Counsel in Amicassa Process Solutions, Inc. beginning January 2, 2023, assigned to the Compliance and Corporate Services Group. She handles various corporate and assistant corporate secretarial functions for several companies within the Ayala Group. Prior to joining Ayala Group Legal, she worked at Gatchalian Castro & Mawis Law Office and Cruz Marcelo & Tenefrancia Law Office. She graduated with a Juris Doctor degree from Ateneo de Manila University in 2009 and for her undergraduate studies, from De La Salle University Manila with a degree in Bachelor of Science in Commerce Majoring in Legal Management in 2005.

Roscoe M. Pineda, 53, Filipino, is a Vice President and the appointed Chief Information Officer (CIO) of ALI since October 1, 2023. He is also the Data Protection Officer of the ALI group since January 1, 2024 until August 18, 2025. Prior to his appointment as CIO, he was the IT Director of the Residential Business Group. He joined ALI on March 1, 2023. Previously, Mr. Pineda was with ANZ as Chief Operating Officer & Technology Service Center Lead of its Manila Global Services Center. Prior to ANZ, he was with Sun Life of Canada as Chief Shared Services Officer, and AIG Shared Services in various IT leadership roles. Mr. Pineda has a BS degree in Mathematics, major in Computer Science from the University of Santo Tomas.

Significant Employees

The Club considers its entire work force as significant employees. Everyone is expected to work together as a team to achieve the Club's goals and objectives.

Family Relationships

None of the Directors or Executive Officers is related to another by affinity or consanguinity.

Involvement in Certain Legal Proceedings (over the past 5 years)

The Club has no knowledge of any of the following events that occurred during the past five (5) years up to the date of this report which are material to an evaluation of the ability or integrity of any director or executive officer:

- (a) None of them has been involved in any bankruptcy petition.
- (b) None of them has been convicted by final judgment in a criminal proceeding or being subject to a pending criminal proceeding both domestic and foreign.

- (c) None of them has been subject to any order, judgment or decree of any court of competent jurisdiction (domestic or foreign) permanently or temporarily, enjoining, barring, suspending or otherwise limiting their involvement in any type of business, securities, commodities or banking activities.
- (d) None of them has 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.

ITEM 10. EXECUTIVE COMPENSATION

Compensation Table

Executive Compensation

ACMI, a wholly owned subsidiary of ALI, manages the operation of the Club under a Management Agreement which was renewed on January 1, 2022 and shall be effective until January 1, 2025. By virtue of the approval of the merger of ACMI, ALPI, and ALSI by the SEC on October 17, 2023 wherein ALPI was the surviving entity, contract has now been transferred to ALPI.

Effective July 1, 2025, AyalaLand Hotels and Resorts Corp. (ALH) now manage the operations of the Club by virtue of a Management Agreement.

ALPI, ALH, and ALI did not charge any cost pertaining to the compensation of the Corporation's directors and officers for its management and operation.

Below is the summary of the aggregate compensation paid or accrued during the last two (2) years and the ensuing fiscal year to the Company's President and other most highly compensated executive officers (excludes other managers):

Name	Principal Position	<i>(Projected)</i> 2026	2025	2024
Joseph Carmichael Z. Jugo	President			
Paolo O. Viray	Vice President			
Desiree S. Miranda	Treasurer			
Raymond A. Bunquin (hired under ALPI)	General Manager			
Lester M. Lulu (effective September 30, 2025)	Finance Director			
All Officers as a group unnamed and Mr. Lulu		3,077,933	3,468,184	2,893,208

Mr. Joseph Carmichael Z. Jugo, Mr. Paolo O. Viray, and Ms. Desiree S. Miranda are not directly employed by the Club and thus receive no compensation from the Club.

Compensation of Directors

- (1) Standard Arrangement (Current Compensation)

Article VII, Section 1 (2nd paragraph) of the Corporation's By-Laws provides:

“xxx Directors shall receive no salaries from the Club.”

(2) Other Arrangement

None of the directors, in their personal capacity, has been contracted and compensated by the Corporation for services other than those provided as a director.

The Corporation has no other arrangement with regard to the remuneration of its existing directors and officers aside from the compensation received as herein stated.

Warrants and Options Outstanding

The Club has not offered any stock warrants or stock options to any of its directors, executive officers or employees.

ITEM 11. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL AND RECORD SHAREHOLDERS

Security ownership of certain record and beneficial owners of more than 5% of common shares as of December 31, 2025:

Title of Class	Name & Address of Record Owner & Relationship w/ Issuer	Name of Beneficial Owner & Relationship w/ Record Owner	Citizenship	No. of Shares	Percentage (out of total issued and outstanding)
Class A Class B Class C	Ayala Land, Inc. (ALI) 31/F Tower One & Exchange Plaza, Ayala Ave. Makati City ALI is the parent of the Corporation	ALI is both the beneficial and record owner of the Issuer.	Filipino	4,322 1,663 57	71.77%
Class A Class B Class C	Subic Bay Development and Industrial Estate Corp. (SUDECO) 8/F Vernida IV Condominium 128 L.P. Leviste St., Salcedo Village, Makati City SUDECO is a stockholder of the Corporation	SUDECO is both the beneficial and record owner of the Issuer.	Filipino	1,082 83 2	13.86%

- The Board of Directors of ALI has the power to decide how ALI's shares in the Club are to be voted. Augusto D. Bengzon and Joseph Carmichael Z. Jugo have been named and appointed to exercise the voting power.
- The Board of Directors of SUDECO has the power to decide how SUDECO's shares in the Club are to be voted. Jocelyn F. de Leon or in her absence Paullolindo A. Elauria has been named and appointed to exercise the voting power.

Security Ownership of Management

Security ownership of directors and management as of December 31, 2025:

Title of Class	Name	Position	Amount & Nature of Ownership	Citizen-ship	Percent-age
Class A	Augusto D. Bengzon	Chairman of the Board of Directors	1 (record owner)	Filipino	0.0119%
Class A	Joseph Carmichael Z. Jugo	Director & President	1 (record owner)	Filipino	0.0119%
Class A	Paolo O. Viray	Director & Vice President	1 (record owner)	Filipino	0.0119%
Class A	George Israel C. Aquino	Director	1 (record owner)	Filipino	0.0119%
Class A	Jocelyn F. de Leon	Director	1 (record owner)	Filipino	0.0119%
Class A	Paullolindo A. Elauria	Director	1 (record owner)	Filipino	0.0119%
Class A	Darwin L. Salipsip	Director	1 (record owner)	Filipino	0.0119%
Class A	Maria Cristina Carmen M. Zuluaga	Director	1 (record owner)	Filipino	0.0119%
Class A	George Edwin T. Lee	Independent Director	1 (record owner)	Filipino	0.0119%
Class A	Agustin R. Montilla IV	Lead Independent Director	1 (record owner)	Filipino	0.0119%
Class A	Bernadine T. Siy	Independent Director	1 (record owner)	Filipino	0.0119%
-	Desiree Joy C. Suarez	Treasurer	0	Filipino	N/A
-	Maria Franchette M. Acosta	Corporate Secretary	0	Filipino	N/A
-	Maria Paula G. Romero-Bautista	Assistant Corporate Secretary	0	Filipino	N/A
-	Roscoe M. Pineda	Data Protection Officer	0	Filipino	N/A
-	Raymond A. Bunquin	General Manager	0	Filipino	N/A
-	Lester M. Lulu	Compliance Officer, Finance Director, and Chief Risk Officer	0	Filipino	N/A
Security Ownership of all Directors and Officers			11		0.1306%

No director or member of the Corporation's management owns 2% or more of the outstanding capital stock of the Corporation.

Voting Trust Holders of 5% or More

The Club knows of no person holding more than 5% of common shares under a voting trust or similar agreement.

Change in Control

No change of control in the Corporation has occurred since the beginning of its last fiscal year.

ITEM 12. CERTAIN RELATIONSHIP AND RELATED TRANSACTIONS

Please refer to Note 17, *Related Party Transactions*, of the Notes to Financial Statements of the 2025 Audited Financial Statements, which is incorporated herein in the accompanying Index to Exhibits.

PART IV – CORPORATE GOVERNANCE

ITEM 13. CORPORATE GOVERNANCE

Compliance with Corporate Governance

The Club amended the Manual of Corporate Governance (the “Revised Manual of Corporate Governance”) on July 8, 2020 in accordance with the provisions of SEC Memorandum Circular No. 24, Series of 2019. The Club is attentive to the rules of the SEC so that improvements to its corporate governance policies may be faithfully adopted and implemented.

The evaluation system which was established to measure or determine the level of compliance of the Board of Directors and top-level management with its Revised Manual of Corporate Governance consists of a Board Performance Assessment which is accomplished by the Board of Directors indicating the compliance ratings. The above is submitted to the Compliance Officer who issues the required certificate of compliance with the Club's Revised Manual of Corporate Governance to the Securities and Exchange Commission.

To ensure good governance, the Board establishes the vision, strategic objectives, key policies, and procedures for the management of the Club, as well as the mechanism for monitoring and evaluating Management's performance. The Board also ensures the presence and adequacy of internal control mechanisms for good governance.

On June 30, 2025, the Club submitted to the SEC its Annual Corporate Governance Report for the year 2024 pursuant to SEC Memorandum Circular No. 13, Series of 2021, wherein the Club disclosed its compliance or non-compliance with the recommendations under the Code of Corporate Governance for Public Companies and Registered Issuers.

The Club is taking further steps to enhance adherence to principles and practices of good corporate governance.

PART V - EXHIBITS AND SCHEDULES

ITEM 14. EXHIBITS AND REPORTS ON SEC FORM 17-C

(a) Exhibits - See accompanying Index to Exhibits

The following exhibit is incorporated by reference in this report:

2025 Financial Statements

The other exhibits, as indicated in the Index to Exhibits, are either not applicable to the Club or require no answer.

(b) Reports on SEC Form 17-C

The following reports on SEC Form 17-C, as amended, was filed during the six (6)-month period immediately preceding the period covered by this report:

SEC Form 17-C dated September 30, 2025: disclosing the results of the 2025 Annual Stockholders' Meeting and Organizational Meeting of the Board of Directors.

SIGNATURES

Pursuant to the requirements of Section 17 of the Code and Section 177 of the Revised Corporation Code, this report is signed on behalf of the issuer by the undersigned; thereunto duly authorized, in the City of Makati on the _____.

By:

Signature and Title :  **JOSEPH CARMICHAEL Z. JUGO**
President

Signature and Title :  **DESIREE JOY S. MIRANDA**
Treasurer

Signature and Title :  **JOVEN L. GALIVO**
Finance Director, Compliance Officer, and
Chief Risk Officer

Signature and Title :  **MARIA FRANCHETTE M. ACOSTA**
Corporate Secretary 

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)
Makati City) SS.

MAY 04 2026

BEFORE ME, a Notary Public for and in the City of Makati, this , personally appeared the following:

Anvaya Cove Golf and Sports Club, Inc.
represented by:

Name	Passport/Driver's License No.	Date & Place of Issue
Joseph Carmichael Z. Jugo	P6459871A	Apr. 7, 2018/ DFA, Manila
Desiree Joy C. Suarez- Miranda	P0497029C	June 15, 2022/DFA Manila
Joven I. Galivo	P7805965B	Oct. 8,2021/DFA NCR East
Maria Franchette M. Acosta	P2265706C	Nov. 4, 2022/DFA Manila

who are personally known to me and identified by me through competent evidence of identity to be the same persons described in the foregoing instrument, who acknowledged before me that their respective signatures on the instrument were voluntarily affixed by them for the purposes stated therein, and who declared to me that they have executed the instrument as their free and voluntary act and deed and that they have the authority to sign on behalf of their respective principals.

WITNESS MY HAND AND NOTARIAL SEAL affixed at the place and on the date first above written.

Doc. No. 27 ;
Page No. 07 ;
Book No. XX ;
Series of 2026.

Notarial DST pursuant to Sec. 61 of the TRAIN Act (amending Sec. 188 of the NIRC) affixed on Court's copy.



TRIXIE CARMELA J. GONZALES
Notary Public -- Makati City
Appl. No. MA115 until December 31, 2027
Roll of Attorneys No. 74043
TRP No. 596283; 01/20/2026; Manila IV
PTR No. MKT10766790; 01/05/2026; Makati City
MCLF Compliance No. VIII-0031268; issued on 05/01/2025
3rd Floor, Tower One and Exchange Plaza,
Ayala Triangle, Ayala Avenue
Makati City, Philippines

ANVAYA COVE GOLF AND SPORTS CLUB, INC.

INDEX TO EXHIBITS
Form 17-A – Item 7

No.		
(3)	Plan of Acquisition, Reorganization, Arrangement, Liquidation, or Succession	N/A*
(5)	Instruments Defining the Rights of Security Holders, Including Indentures	N/A
(8)	Voting Trust Agreements	N/A
(9)	Material Contracts	N/A
(10)	2023 Financial Statements (with notarized Statement of Management Responsibility)	Attached
(13)	Letter re: Change in Certifying Accountant	N/A
(16)	Report Furnished to Security Holders	N/A
(18)	Subsidiaries Registrant	N/A
(19)	Published Report regarding Matters Submitted to Vote of Security Holders	N/A
(20)	Consent of Experts and Independent Counsel	N/A
(21)	Power of Attorney	N/A
(29)	Additional Exhibits	N/A

**Not applicable or require no answer*

INDEX TO THE FINANCIAL STATEMENTS AND SUPPLEMENTARY SCHEDULES

Schedule	Contents
A	Financial Assets
B	Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Related parties)
C	Amounts Receivable from Related Parties which are Eliminated during Consolidation of Financial Statements
D	Long-term Debt
E	Indebtedness to Related Parties (Long-term Loans from Related Companies)
F	Guarantees of Securities Other Issuers
G	Capital Stock

COVER SHEET

for
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

C	S	2	0	1	0	1	4	9	1	9
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Company Name

A	N	V	A	Y	A		C	O	V	E		G	O	L	F		A	N	D		S	P	O	R	T	S		
C	L	U	B		I	N	C	.																				

Principal Office (No./Street/Barangay/City/Town/Province)

A	N	V	A	Y	A		C	O	V	E	,		M	O	R	O	N	G	,		B	A	T	A	A	N		

Form Type

A	F	S	
---	---	---	--

Department requiring the report

S	E	C	
---	---	---	--

Secondary License Type, if applicable

N	/	A	
---	---	---	--

COMPANY INFORMATION

Company's Email Address

financedept@anvayacove.com

Company's Telephone Number(s)

9943-44000

Mobile Number

N/A

No. of Stockholders

795

Annual Meeting (Month/Day)

September 30

Fiscal Year (Month/Day)

December 31

CONTACT PERSON INFORMATION

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

Name of Contact Person

Joven I. Galivo

Email Address

galino.joven@ayalalandhospitality.com

Telephone Number(s)

9943-44000

Mobile Number

0998-8506-467

Contact Person's Address

Anvaya Cove, Morong, Bataan

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



Isla Lipana & Co.

Independent Auditor's Report

To the Board of Directors and Shareholders of
Anvaya Cove Golf and Sports Club, Inc.
Anvaya Cove, Morong, Bataan

Report on the Audits of the Financial Statements

Our Opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Anvaya Cove Golf and Sports Club, Inc. (the "Club") as at December 31, 2025 and 2024, and its financial performance and its cash flows for the years then ended in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

What we have audited

The financial statements of the Club comprise:

- the statements of financial position as at December 31, 2025 and 2024;
- the statements of comprehensive income for each of the three years in the period ended December 31, 2025;
- the statements of changes in equity for each of the three years in the period ended December 31, 2025;
- the statements of cash flows for each of the three years in the period ended December 31, 2025; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Isla Lipana & Co., 29th Floor, AIA Tower, 8767 Paseo de Roxas,
1226 Makati City, Philippines
+63 (2) 8845 2728

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSA). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Club in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to our audit of the financial statements in the Philippines. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

Other Information

Management is responsible for the other information. The other information comprises the information included in the SEC Form 20-IS (Definitive Information Statement) and SEC Form 17-A, but does not include the financial statements and our auditor's report thereon, which are expected to be made available to us after the date of the auditor's report.

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

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

When we read the SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSA will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Club's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Club's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Club to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on the Bureau of Internal Revenue Requirement

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information in Note 19 to the financial statements is presented for purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements. Such supplementary information is the responsibility of management and has been subjected to the auditing procedures applied in our audits of the basic financial statements. In our opinion, the supplementary information is fairly stated, in all material respects, in related to the basic financial statements taken as a whole.

Isla Lipana & Co.



Dexter DJ V Toledaña
Partner

CPA Cert. No. 0121827

P.T.R. No. 0032961; issued on January 8, 2026 at Makati City

SEC A.N. (individual) as general auditors 121827-SEC, Category A;
valid to audit 2022 to 2026 financial statements

SEC A.N. (firm) as general auditors 0142-SEC, Category A;
valid to audit 2020 to 2025 financial statements

T.I.N. 255-979-765

BIR A.N. 08-000745-241-2026, issued on January 16, 2026; effective until January 15, 2029

BOA/PRC Reg. No. 0142/P-031, effective until November 14, 2028

Makati City
April 10, 2026



Isla Lipana & Co.

Statements Required by Rule 68 Securities Regulation Code (SRC)

To the Board of Directors and Shareholders of
Anvaya Cove Golf and Sports Club, Inc.
Anvaya Cove, Morong, Bataan

We have audited the accompanying financial statements of Anvaya Cove Golf and Sports Club, Inc. (the "Club") as at and for the year ended December 31, 2025, on which we have rendered the attached report dated April 10, 2026. The supplementary information shown in the Schedules A, B, C, D, E, F and G, as required by Part II, Section 7 of the Rule 68 of the SRC, is presented for the purposes of filing with the Securities and Exchange Commission and is not a required part of the basic financial statements. Such supplementary information is the responsibility of management and has been subjected to the auditing procedures applied in the audit of the basic financial statements. In our opinion, the supplementary information has been prepared in accordance with Rule 68 of the SRC.

Isla Lipana & Co.

Dexter DJ V Toledaña
Partner

CPA Cert. No. 0121827

P.T.R. No. 0032961; issued on January 8, 2026 at Makati City

SEC A.N. (individual) as general auditors 121827-SEC, Category A;

valid to audit 2022 to 2026 financial statements

SEC A.N. (firm) as general auditors 0142-SEC, Category A;

valid to audit 2020 to 2025 financial statements

T.I.N. 255-979-765

BIR A.N. 08-000745-241-2026, issued on January 16, 2026; effective until January 16, 2029

BOA/PRC Reg. No. 0142/P-031, effective until November 14, 2028

Makati City
April 10, 2026

Isla Lipana & Co., 29th Floor, AIA Tower, 8767 Paseo de Roxas,
1226 Makati City, Philippines
+63 (2) 8845 2728

Anvaya Cove Golf and Sports Club, Inc.

Statements of Financial Position
As at December 31, 2025 and 2024
(All amounts in Philippine Peso)

	Notes	2025	2024
Assets			
Current assets			
Cash	2	41,198,173	21,049,057
Financial assets at fair value through profit or loss	3	-	1,040,952
Accounts and other receivables	4	66,439,782	46,127,956
Receivables from related parties	15	82,025,336	67,313,293
Inventories	5	2,751,076	2,075,997
Other current assets	6	40,312,484	35,979,601
Total current assets		232,726,851	173,586,856
Noncurrent assets			
Property and equipment - net	7	684,357,731	710,242,311
Advances and other noncurrent assets	6	1,228,158	5,751,289
Total noncurrent assets		685,585,889	715,993,600
Total assets		918,312,740	889,580,456
Liabilities and Equity			
Current liabilities			
Accounts and other payables	8	79,309,322	51,169,862
Contract liabilities	10	38,993,668	29,742,606
Payables to related parties	15	105,544,527	86,386,236
Total current liabilities		223,847,517	167,298,704
Noncurrent liabilities			
Pension liability	13	1,946,459	1,915,729
Deferred tax liability	13,14	163,292	435,316
Total noncurrent liabilities		2,109,751	2,351,045
Total liabilities		225,957,268	169,649,749
Equity			
Paid-in capital	9	213,627,000	213,627,000
Additional paid-in capital	9	763,883,400	763,883,400
Cumulative remeasurement gain on pension liability	13	489,875	1,305,947
Deficit	9	(285,644,803)	(258,885,640)
Total equity		692,355,472	719,930,707
Total liabilities and equity		918,312,740	889,580,456

The notes on pages 1 to 33 are an integral part of these financial statements.

Anvaya Cove Golf and Sports Club, Inc.

Statements of Comprehensive Income
For each of the three years in the period ended December 31, 2025
(All amounts in Philippine Peso, except earnings per share)

	Notes	2025	2024	2023
Revenue	10			
Membership dues		137,589,800	112,464,000	91,615,000
Service income		61,821,219	65,397,552	61,450,665
Sale of goods		47,418,840	49,113,405	47,748,636
Transfer fees		8,750,000	10,290,179	10,388,393
		255,579,859	237,265,136	211,202,694
Costs and expenses	12			
Cost of services		131,197,656	121,933,495	115,369,422
Cost of sales		47,636,447	41,165,062	38,606,323
General and administrative expenses		113,508,475	96,669,265	80,097,662
		292,342,578	259,767,822	234,073,407
Other income				
Interest income	2,4,15,17	4,616,486	4,436,251	4,062,972
Miscellaneous income	11	5,393,242	7,843,581	21,023,700
		10,009,728	12,279,832	25,086,672
(Loss) income before income tax		(26,752,991)	(10,222,854)	2,215,959
Provision for income tax	14	6,172	4,705	5,521
Net (loss) income for the year		(26,759,163)	(10,227,559)	2,210,438
Other comprehensive (loss) income				
<i>Item that will not be reclassified to profit or loss:</i>				
Remeasurement (loss) gain on pension liability - net of tax		(816,072)	92,579	(118,790)
Total comprehensive (loss) income		(27,575,235)	(10,134,980)	2,091,648
Basic and diluted (loss) earnings per share	9	(3,178)	(1,215)	263

The notes on pages 1 to 33 are an integral part of these financial statements.

Anvaya Cove Golf and Sports Club, Inc.

Statements of Changes in Equity
For each of the three years in the period ended December 31, 2025
(All amounts in Philippine Peso)

	Paid-in capital (Note 9)	Additional paid-in capital (Note 9)	Deficit (Note 9)	Reserve for remeasurement on retirement liability, net of tax (Note 13)	Total equity
Balance at January 1, 2023	213,627,000	763,883,400	(250,868,519)	1,332,158	727,974,039
Comprehensive income					
Net loss for the year	-	-	2,210,438	-	2,210,438
Other comprehensive loss	-	-	-	(118,790)	(118,790)
Total comprehensive income	-	-	2,210,438	(118,790)	2,091,648
Balance at December 31, 2023	213,627,000	763,883,400	(248,658,081)	1,213,368	730,065,687
Comprehensive income					
Net income (loss) for the year	-	-	(10,227,559)	-	(10,227,559)
Other comprehensive income	-	-	-	92,579	92,579
Total comprehensive income (loss)	-	-	(10,227,559)	92,579	(10,134,980)
Balance at December 31, 2024	213,627,000	763,883,400	(258,885,640)	1,305,947	719,930,707
Comprehensive income					
Net income (loss) for the year	-	-	(26,759,163)	-	(26,759,163)
Other comprehensive income	-	-	-	(816,072)	(816,072)
Total comprehensive income (loss)	-	-	(26,759,163)	(816,072)	(27,575,235)
Balance at December 31, 2025	213,627,000	763,883,400	(285,644,803)	489,875	692,355,472

The notes on pages 1 to 33 are an integral part of these financial statements.

Anvaya Cove Golf and Sports Club, Inc.

Statements of Cash Flows
For each of the three years in the period ended December 31, 2025
(All amounts in Philippine Peso)

	Notes	2025	2024	2023
Cash flows from operating activities				
(Loss) income before income tax		(26,752,991)	(10,222,854)	2,215,959
Adjustments for:				
Depreciation	7,12	45,299,257	45,004,199	39,461,217
Interest income	2,4,15,17	(4,616,486)	(4,436,251)	(4,062,972)
Retirement expense	13	3,824,582	455,055	324,091
Unrealized gain on financial assets at FVPL	3,11	-	(40,952)	(126,719)
Realized gain on financial assets at FVPL	3,11	(4,395)	(19,164)	-
Net gain on disposal of property and equipment	7	(491,071)	-	(5,956,512)
Operating income before working capital changes		17,258,896	30,740,033	31,855,064
Decrease (increase) in:				
Accounts and other receivables		(20,311,826)	(10,759,685)	1,304,482
Receivables from related parties		(3,235,014)	10,660,737	(429,511)
Inventories		(675,079)	146,117	(128,402)
Other current assets		(4,332,883)	(104,849)	(4,243,575)
Advances and other noncurrent assets		4,523,131	(2,923,043)	357,851
Increase (decrease) in:				
Accounts and other payables		28,139,460	(7,472,547)	12,518,017
Contract liabilities		9,251,062	(930,421)	10,687,272
Payables to related parties		19,158,291	(1,978,069)	(24,467,399)
Net cash generated by operations		49,776,038	17,378,273	27,453,799
Interest received		4,139,457	6,625,431	1,656,014
Income tax paid		(6,172)	(4,705)	(5,521)
Payment of contribution to retirement plan		(4,881,948)	-	-
Net cash flows from operating activities		49,027,375	23,998,999	29,104,292
Cash flows from investing activities				
Additions to property and equipment	7	(19,414,677)	(22,029,930)	(30,046,188)
Redemptions of financial assets at FVPL	3	1,045,347	2,027,056	-
Disposal of property and equipment	7	491,071	-	5,966,552
Loans to related parties	17	(1,644,000,000)	(860,700,000)	(650,000,000)
Collection of loans to related parties	17	1,633,000,000	856,200,000	640,000,000
Net cash flows used in investing activities		(28,878,259)	(24,502,874)	(34,079,636)
Net increase (decrease) in cash		20,149,116	(503,875)	(4,975,344)
Cash				
At January 1		21,049,057	21,552,932	26,528,276
At December 31	2	41,198,173	21,049,057	21,552,932

The notes on pages 1 to 33 are an integral part of these financial statements.

Anvaya Cove Golf and Sports Club, Inc.

Notes to the Financial Statements

As at December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025
(In the notes, all amounts are shown in Philippine Peso unless otherwise stated)

1 General information

Corporate information

Anvaya Cove Golf and Sports Club, Inc. (the "Club") was incorporated in the Republic of the Philippines and was registered with the Philippine Securities and Exchange Commission (SEC) on September 21, 2010. The Club is a public interest entity, and is 74.32% owned by Ayala Land, Inc. (ALI or the "Parent Company"). The Club is considered a subsidiary of ALI. ALI is a subsidiary of Ayala Corporation (AC or the "Ultimate Parent Company"), a publicly listed company, 47.84%-owned by Mermac, Inc., and the rest by the public.

The Club's registered office address and principal place of business is Anvaya Cove, Morong, Bataan.

The primary purpose of the Club is to purchase, or otherwise acquire and own, hold, use, sell, assign, transfer, lease, mortgage, exchange, develop or otherwise dispose of real property, such as but not limited to clubhouses, lands and buildings, hotels, condominium units, with all the facilities, equipment and apparatus relative thereto, and to offer and issue proprietary shares.

Prior to 2012, the Club is exempt from payment of income tax on income received from social, recreational, and athletic activities on a nonprofit basis provided that no part of the Club's income shall inure to the benefit of any of its members, trustees and officers. Under Section 30 (E) of the Tax Reform Act of 1997, an organization organized for recreational, sports and athletic activities shall be exempt from payment of income tax on income received from aforementioned activities.

On August 3, 2012, the Bureau of Internal Revenue (BIR) has issued Revenue Memorandum Circular (RMC) No. 35-2012 clarifying that clubs organized and operated exclusively for pleasure, recreation and other non-profit purposes are subject to income tax and value-added tax (VAT) on their income from whatever source, including but not limited to membership fees, assessment dues, rental income, and service fees.

On August 13, 2019, the Supreme Court (SC) declared that membership fees, assessment dues, and fees of similar nature collected by Clubs which are organized and operated exclusively for pleasure, recreation, and other nonprofit purposes do not constitute as: (a) "the income of recreational clubs from whatever source" that are "subject to income tax"; and (b) part of the "gross receipts of recreational clubs" that are "subject to VAT". Starting January 1, 2020, the Club no longer collect output VAT on membership fees and fees of similar nature.

Status of Operations

The Club has a deficit amounting to P285,644,803 (2024 - P258,885,640) as at December 31, 2025.

Management has assessed that the Club is still able to maintain sufficient liquidity through the collection of membership dues and revenue from sale of goods and services, as well as the support from its Parent Company, to enable the Club to continue as a going concern at least for the next 12 months from the date of these financial statements.

Approval and Authorization for Issuance of the Financial Statements

The accompanying financial statements of the Club were approved and authorized for issuance by the Board of Directors (BOD) on April 10, 2026.

2 Cash

The account as at December 31 consists of:

	Note	2025	2024
Cash on hand		183,813	220,597
Cash in banks	15	41,014,360	20,828,460
		41,198,173	21,049,057

Cash on hand are funds readily available into cash. Cash in banks is stated at face amount and earns interest at the prevailing bank deposit rates.

In 2025, interest income earned on cash in banks amounted to P30,862 (2024 - P23,523 and 2023 - P27,604) gross of final tax.

3 Financial assets at fair value through profit or loss

The composition and the movement of the account as at and for the year ended follows:

	Notes	2025	2024
At January 1		1,040,952	3,007,892
Redemptions		(1,045,347)	(2,027,056)
Unrealized gain	11,15	-	40,952
Realized gain	11,15	4,395	19,164
At December 31		-	1,040,952

Financial assets at FVPL pertains to investments in the Bank of the Philippine Islands Money Market Fund (the "Fund"). The Fund, which is structured as a money market UITF, aims to generate liquidity and stable income by being invested in a diversified portfolio of primarily short-term fixed income instruments. It has no minimum holding period. As at December 31, 2024, the Club has remaining 3,560 units with total Net Asset Value amounting to P1,040,952. In 2025, the Club has fully redeemed its units held in the Fund.

The fair value of the Club's investment is determined by using the net asset value per unit, which is considered the market value per unit of an investment fund. The fair value measurement of the financial assets at FVPL is categorized under Level 1.

4 Accounts and other receivables

The account as at December 31 consists of:

	2025	2024
Trade receivables	62,774,186	45,965,657
Allowance for credit losses	(1,948,530)	(1,948,530)
	60,825,656	44,017,127
Receivable from employees	108,927	105,830
Other receivables	5,505,199	2,004,999
	66,439,782	46,127,956

Trade receivables pertain to unpaid charges from members for use of facilities, and sale of food, beverage, and merchandise from the shop. These are non-interest bearing and are due and demandable. The receivables from members are collateralized by a preferential lien on the Club shares owned by the said members. In 2025 and 2024, no additional provision for ECL was recognized.

Receivable from employees pertains salary loans granted to the Club's employees. These are collected through salary deduction. In 2025, interest income earned from loans amounted to P106,546 (2024 - P123,062 and 2023 - P33,178).

Other receivables include non-trade receivables such as receivables from the Club's service providers which are non-interest bearing and are to be settled within one year.

Critical accounting estimate - Estimating allowance for ECLs of receivables

The Club assesses long-outstanding member's receivable account periodically as to future collectability. Club shares of members with long-outstanding balances are placed to public auction for bidding at the management's own terms and minimum pricing to ensure that outstanding balances are delinquent members are recovered. The Club defines a financial asset as in default when contractual payments are 120 days past due. However, in certain cases, the Club may also consider a receivable to be in default when internal or external information indicates that the Club is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Club.

5 Inventories

The account as at December 31 consists of:

	2025	2024
At cost:		
Food and beverage	2,730,871	2,071,377
Merchandise	20,205	4,620
	<u>2,751,076</u>	<u>2,075,997</u>

Food and beverage consist of goods in the form of ingredients and supplies consumed in the production of food and beverages sold at the Club's cafes and bars.

The following table sets forth the costs of food and beverages recognized as cost of sales and cost of services:

	Note	2025	2024	2023
Cost of sales	12	16,147,643	15,886,910	14,915,489
Cost of services	12	1,362	36,400	7,523
		<u>16,149,005</u>	<u>15,923,310</u>	<u>14,923,012</u>

Merchandise pertains to items for sale at the Club's golf pro-shop. In 2025, cost of merchandise recognized as part of cost of sales amounted to P124,898 (2024 - P13,977 and 2023 - P111,492) (Note 12).

6 Other assets

The account as at December 31 consists of:

	2025	2024
Input VAT	23,531,846	22,319,418
Creditable withholding taxes	8,246,406	7,405,571
Supplies	4,540,962	3,266,199
Advances to suppliers	4,439,146	7,388,768
Prepaid expenses	782,282	1,327,850
Deferred input VAT	-	23,084
	<u>41,540,642</u>	<u>41,730,890</u>
Less: Non-current portion		
Deferred input VAT	-	23,084
Advances to suppliers	1,228,158	5,728,205
	<u>1,228,158</u>	<u>5,751,289</u>
Current portion	<u>40,312,484</u>	<u>35,979,601</u>

Input VAT refers to VAT paid on goods and services purchased by the Club for its operation.

Creditable withholding taxes are available for application against income tax payable in future periods.

Supplies include medical supplies, general storeroom, clearing inventories and china and crockery.

Advances to suppliers include advances made by the Club to vendors and applied against invoices from the vendor upon delivery of goods and payments intended for purchase of property and equipment.

Prepaid expenses mainly include prepayments for maintenance, taxes and licenses, and insurance which will be amortized for three to 12 months at the end of the financial reporting period.

Deferred input VAT pertains to purchases for which the invoice is not yet paid and those arising from purchases of capital goods.

7 Property and equipment

Details of the account are as follows:

	Land and land improvements	Building and improvements	Furniture, fixtures and equipment	Project-in-progress	Total
Cost					
At January 1, 2024	619,850,050	402,552,083	117,953,664	156,312	1,140,512,109
Additions	790,499	607,135	20,570,023	62,273	22,029,930
Reclassification	-	1,500	73,935	(75,435)	-
Disposal	-	-	(4,819,440)	-	(4,819,440)
At December 31, 2024	620,640,549	403,160,718	133,778,182	143,150	1,157,722,599
Additions	-	4,020,525	15,360,795	33,357	19,414,677
Disposal	-	-	(4,256,606)	-	(4,256,606)
At December 31, 2025	620,640,549	407,181,243	144,882,371	176,507	1,172,880,670
Accumulated depreciation					
At January 1, 2024	213,855,051	109,223,348	84,217,130	-	407,295,529
Depreciation	22,506,716	11,517,458	10,980,025	-	45,004,199
Disposal	-	-	(4,819,440)	-	(4,819,440)
At December 31, 2024	236,361,767	120,740,806	90,377,715	-	447,480,288
Depreciation	19,111,976	11,590,855	14,596,426	-	45,299,257
Disposal	-	-	(4,256,606)	-	(4,256,606)
At December 31, 2025	255,473,743	132,331,661	100,717,535	-	488,522,939
Net book value					
December 31, 2024	384,278,782	282,419,912	43,400,467	143,150	710,242,311
December 31, 2025	365,166,806	274,849,582	44,164,836	176,507	684,357,731

The project-in-progress pertains to renovations of the golf course car paths, drainages and trenches.

The following table sets forth the allocation of depreciation expense:

	Note	2025	2024	2023
Cost of services	12	36,250,792	37,549,446	36,819,998
Cost of sales	12	1,722,451	1,168,462	840,900
General and administrative expenses	12	7,326,014	6,286,291	1,800,319
		45,299,257	45,004,199	39,461,217

Fully depreciated property and equipment are retained in the books until these are no longer in use. As at December 31, 2025, the cost of fully depreciated property and equipment still in use amounted to P82,075,464 (2024 - P75,805,996).

In 2025, the Club disposed fully depreciated property and equipment items with an aggregate cost amounting to P4,256,606 (2024 - P4,819,440). In 2024, the Club did not incur gain or loss on disposal. In 2025, the proceeds and gain from these disposals amounted to 491,071 presented under miscellaneous income (Note 11).

Critical accounting estimate - Evaluating asset impairment

The Club reviews property and equipment, and other non-financial current and non-current asset for impairment in value. This includes considering certain indications of impairment such as significant changes in asset usage, significant decline in assets' market value, obsolescence or physical damage of an asset, significant underperformance relative to expected historical or projected future operating results and significant negative industry or economic trends, taking into consideration the impact of COVID-19 Pandemic.

Internal and external sources of information are reviewed at each statement of financial position date to identify indications that the Club's nonfinancial assets may be impaired, or an impairment loss previously recognized no longer exists or may be decreased. If any such indication exists, the recoverable amount of the non-financial asset is estimated.

As described in the accounting policy, the Club estimates the recoverable amount as the higher of the fair value less cost of disposal and value-in-use. In determining the present value of estimated future cash flows expected to be generated from the continued use of the assets, the Club is required to make estimates and assumptions that may affect other current and noncurrent assets, and property and equipment. An impairment loss would be recognized whenever evidence exists that the carrying value is not recoverable. For purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

In 2025 and 2024, no impairment losses were recognized for the Club's non-financial assets.

8 Accounts and other payables

The account as at December 31 consists of:

	2025	2024
Trade payables	10,626,438	6,566,787
Accrued expenses:		
Management fee	9,242,236	3,376,815
Payroll	7,235,421	4,412,142
Utilities	5,636,502	5,220,971
Contract services	4,662,621	833,652
Repairs and maintenance	1,018,606	583,782
Professional fees	618,695	188,895
Insurance	1,129,224	-
Others	1,628,785	330,962
Funds held for environmental activities	15,734,159	13,760,414
Payable to unit owners	13,321,956	10,975,725
Vouchers payable	6,757,255	2,036,854
Taxes payable	943,731	1,203,635
Due to employees	234,117	734,801
Service charge payable	219,384	658,913
Other payables	300,192	285,514
	79,309,322	51,169,862

Trade payables represent operational costs incurred and amount due to supplier for purchases of goods and services. These are non-interest bearing and are normally settled on 30-day credit terms.

Accrued expenses consist mainly of accruals for professional fees, utilities, salaries, wages and employee benefits which are noninterest bearing and are normally settled within one year.

Funds held for environmental activities pertain to restricted collections from members set aside for the environmental activities of the Club. These are utilized upon commencement of actual environmental activities.

Payable to unit owners represents the amount due to room owners for their contractually agreed share of profits derived from room accommodation revenues generated during the reporting period.

Vouchers payable pertains to net proceeds from auction of shares that will be used for paying incidental expenses related to transfer of shares' ownership.

Taxes payable represents withholding taxes from salaries and wages, expanded withholding taxes from purchases with suppliers and VAT payable. These are non-interest bearing and are normally settled within one year.

Due to employees pertains to collections from members set aside for the employee welfare fund to be used for employees' trainings, seminars and events.

Service charge payable pertains to service charge income due to employees on top of their regular salaries. These are non-interest bearing and are due to be settled within one year.

Other payables include reversal of liabilities due to stale checks and liabilities to government agencies, which are non-interest bearing and are normally settled within one year.

9 Equity

The details of the number of authorized and issued shares of the Club as at December 31, 2025 and 2024 follow:

	Stated value	Authorized	Issued	Amount
Class A	No par	5,420	5,420	137,793,900
Class B	No par	2,846	2,846	71,993,500
Class C	No par	154	154	3,839,600
Class D	No par	80	-	-
		8,500	8,420	213,627,000

The details of the Club's registered capital stock with the SEC as at December 31, 2025 and 2024 follow:

	Number of shares registered	Issue price	Date of approval
Class B	2,846	From P800,000 to P1,950,000	January 5,2011
Class C	154	From P1,600,000 to P2,450,000	January 5,2011

As at December 31, 2025 and 2024, the total number of shareholders are 795.

Class A shares

Class A shares are issued to the original subscribers of the Club and shall have the status of Founders' Shares with all the rights and privileges ascribed to Founders' shares. Founder's shares are subjected to the rights and restrictions within a period of five years from date of incorporation: (a) has sole and exclusive right to nominate persons who shall serve as director of the Club; (b) are prohibited from selling or transferring founder's share to third persons within a period of five years from the date of incorporation of the Club; (c) usage right without the need for activation fee; and (d) application and qualification of its nominee for membership to the Club.

Class B shares

Each class B shares shall be entitled to one usage right which shall be exercised by the holder thereof or its nominee in the manner set forth in the by-laws of the Club.

Holders of Class B shares shall not enjoy pre-emptive rights to subscribe to any or all original issues of Class A shares, Class C shares, and Class D shares of the Club.

Class C shares

Each Class C share shall be entitled to two usage rights which shall be exercised by its nominees in the manner set forth in the by-laws of the Club.

Holders of Class C shares shall not enjoy preemptive rights to subscribe to any or all original issues of Class A shares, Class B shares, and Class D shares of the Club.

Class D shares

Each Class D share shall be entitled to one usage right which shall be exercised by the holder thereof or its nominee in the manner set forth in the by-laws of the Club.

Holders of Class D shares shall not enjoy preemptive rights to subscribe to any or all original issues of Class A shares, Class B shares, and Class C shares of the Club.

Class E shares

In view of the issuance of Founders' shares, the voting rights pertaining to the Class B, C and D shares shall be suspended for the period commencing from the date of incorporation of the Club up to and including the date prior to the fifth anniversary of such date of incorporation. On the fifth anniversary of the date of incorporation of the Club, the voting rights of all Class B, C and D shares shall be automatically reinstated and shall be equal in all respects to those of the holders of all the other classes of shares.

Shareholders shall only be entitled to a pro-rata share of the assets of the Club at the time of the dissolution or liquidation thereof.

Additional paid-in capital

ALI contributed to the Club, by way of additional paid-in capital on its Class B and Class C shareholding, all the project development costs and expenses that the Club shall require in relation to the planning, development and construction of its facilities and amenities amounting to P763,883,400.

The Club is an exclusive club and is organized on a non-profit basis for the sole benefit of its shareholders. No profit shall inure to the exclusive benefit of any shareholders. Hence, no dividends shall be declared in their favor. Shareholders shall only be entitled to a pro-rate share of the assets of the Club at the time of the dissolution or liquidation thereof.

Capital Management

The primary objectives of the Club's capital management policies are to afford the financial flexibility to support its business initiatives and to maximize stakeholder value. The Club manages its capital structure and makes adjustments to it, in light of changes in economic conditions. No changes were made in the objectives, policies or processes for the years ended December 31, 2025 and 2024. The Club considers equity, excluding remeasurement gain on pension liability, as its capital as follows:

	2025	2024
Paid-in capital	213,627,000	213,627,000
Additional paid-in capital	763,883,400	763,883,400
Deficit	(285,644,803)	(258,885,640)
	691,865,597	718,624,760

The Club is not subjected to any externally imposed capital requirements.

Basic and Diluted Loss per Share

The following table presents information used to calculate loss per share:

	2025	2024
Deficiency of receipts over expenses after income tax	(26,759,163)	(10,227,559)
Number of shares (excluding shares of delinquent members)	8,420	8,420
Basic and diluted loss per share	(3,178)	(1,215)

Basic and diluted loss per share equal as the Club does not have any dilutive potential ordinary shares in 2025 and 2024.

10 Revenue

Disaggregated Revenue Information

The Club's disaggregation of each source of revenues for the years ended December 31 are presented below:

	2025	2024	2023
Membership dues	137,589,800	112,464,000	91,615,000
Service income:			
Golf course revenue	37,663,085	38,998,425	35,609,499
Room accommodation	17,432,271	19,079,659	18,519,966
Guest fees	4,524,865	4,911,914	5,043,967
Sports complex revenue	2,200,998	2,407,554	2,277,233
Sale of goods:			
Food and beverages	44,122,960	46,687,820	45,358,866
Merchandise	3,295,880	2,425,585	2,389,770
Transfer fees	8,750,000	10,290,179	10,388,393
	255,579,859	237,265,136	211,202,694

Timing of revenue recognition

In 2025, the Club has recognized revenues from room accommodation and guest fees under service income and membership dues over time amounting to P159,546,936 (2024 - P136,455,573 and 2023 - P115,178,933).

In 2025, the Club has recognized revenues from sale of goods, service income on golf course and sports complex, and transfer fees earned at a point in time amounting to P96,032,923 (2024 - P100,809,563 and 2023 - P96,023,761).

Contract balances

As at December 31, contract balances are as follows:

	Note	2025	2024
Trade receivables	4	60,825,656	44,017,127
Contract liabilities		38,993,668	29,742,606

As at December 31, 2025 and 2024, the Club identified unearned membership dues as contract liabilities. These amounts represent advance payments received from members for dues, consumables, and booked functions and events, typically settled annually.

The movements in the contract liabilities are as follows:

	2025	2024
At January 1	29,742,606	30,673,028
Additions	86,113,770	129,768,160
Recognized as revenue	(76,862,708)	(130,698,582)
At December 31	38,993,668	29,742,606

Critical accounting judgement - Identification of contract with customers under PFRS 15

The Club applies PFRS 15 guidance to a portfolio of contracts with similar characteristics as the Club reasonably expects that the effects on the financial statements if applying this guidance to the portfolio would not differ materially from applying this guidance to the individual contracts within that portfolio. Hence, the Club viewed each transaction receipt as one contract.

Critical accounting judgement - Identifying performance obligations

The Club identifies performance obligations by considering whether the promised goods or services in the contract are distinct goods or services. A good or service is distinct when the customer can benefit from the good or service on its own or together with other resources that are readily available to the customer and the Club's promise to transfer the good or service to the customer is separately identifiable from the other promises in the contract.

Critical accounting judgement - Determining whether the Club is acting as a principal or agent

The Club assesses its revenue arrangements against specific criteria to determine if it's acting as principal or agent. The following criteria indicate whether the Club is acting as a principal or an agent:

- The Club has the primary responsibility for providing services to the customer;
- The Club has latitude in establishing price, either directly or indirectly, for example by providing additional services; and,
- The Club bears the customer's credit risk for the amount receivable from the customer. The Club has concluded that generally, it is acting as a principal in its revenue arrangements.

11 Miscellaneous income

The account for the years ended consists of:

	Notes	2025	2024	2023
Surcharge revenue		3,786,242	3,577,779	12,366,066
Gain on disposal of property and equipment	7	491,071	-	5,966,552
Unrealized gain on financial assets at FVPL	3	-	40,952	126,719
Realized gain on financial assets at FVPL	3	4,395	19,164	-
Other income		1,111,534	4,205,686	2,564,363
		5,393,242	7,843,581	21,023,700

Surcharge revenue arises from charges imposed to members with outstanding balance for more than 30 days.

Other income includes laundry, room cleaning and storage services for golf equipment.

12 Costs and expenses

Cost of services consists of:

	Notes	2025	2024	2023
Depreciation	7	36,250,792	37,549,446	36,819,998
Contract services		31,351,507	31,615,829	21,482,914
Heat, light and water		29,542,600	26,570,877	26,077,643
Tournament expenses		8,460,389	4,668,459	5,669,566
Salaries, wages and employee benefits		7,815,012	6,121,610	13,528,915
Cleaning and other supplies		4,108,167	2,362,661	2,221,875
Communications		1,341,777	1,408,418	1,713,391
Repairs and maintenance		1,173,287	1,204,433	828,461
Laundry		1,106,102	1,240,975	1,100,573
Representation		540,733	119,465	100,630
Office supplies		496,711	623,365	550,061
Transportation		485,425	353,750	322,815
Food and beverage	5	1,362	36,400	7,523
Others		8,523,792	8,057,807	4,945,057
		131,197,656	121,933,495	115,369,422

Other cost of services includes expenses such as linen, signages, and uniforms.

Cost of sales consists of:

	Notes	2025	2024	2023
Food and beverage	5	16,147,643	15,886,910	14,915,489
Service contract		8,384,215	8,809,848	7,589,657
Salaries, wages and employee benefits		7,522,757	4,691,894	4,370,492
Heat, light and water		6,365,217	5,839,068	6,588,243
Cleaning and other supplies		3,421,714	1,305,180	1,225,170
Depreciation	7	1,722,451	1,168,462	840,900
Communication		554,108	587,063	749,729
Equipment rental		229,879	101,786	101,786
Merchandise	5	124,898	13,977	111,492
Office supplies		92,556	51,719	49,873
Transportation		17,028	10,533	26,401
Others		3,053,981	2,698,622	2,037,091
		47,636,447	41,165,062	38,606,323

Other cost of sales includes expenses incurred in food and beverage operations such as repairs and maintenance and laundry.

General and administrative expenses consist of:

	Note	2025	2024	2023
Corporate expense		19,820,171	11,268,901	4,557,521
Heat, light and water		16,304,521	15,999,700	15,933,537
Professional and management fees		10,032,616	9,644,648	12,366,219
Salaries, wages and employee benefits		8,875,215	6,277,831	5,480,831
Taxes and licenses		8,692,315	9,403,956	6,724,744
Contract services		8,639,856	8,758,234	7,960,805
Security		8,512,635	7,428,955	6,800,910
Depreciation	7	7,326,014	6,286,291	1,800,319
Collection charges		4,913,980	4,248,564	3,980,595
Insurance		4,366,470	4,121,664	3,083,533
Repairs and maintenance		3,503,233	2,741,368	3,326,365
Uniforms		460,783	340,119	164,019
Office supplies		418,550	634,490	336,053
Representation		20,115	36,923	74,524
Others		11,622,001	9,477,621	7,507,687
		113,508,475	96,669,265	80,097,662

Other general and administrative expenses include miscellaneous incurred such as cleaning and other supplies, transportation, and communications.

13 Retirement plans

The Club engaged an independent actuary to calculate the amount of retirement benefits obligation based on the provisions of PAS 19R, Employee Benefits. During 2025, the Club has availed funded, defined benefit type of retirement plan (the Plan) covering substantially all of its employees. The benefits are based on a defined benefit formula. The latest valuation report of the retirement plan was made as at December 31, 2025.

The following tables summarize the components of pension expenses recognized in the statements of comprehensive income and the liability amounts recognized in the statements of financial position.

The components of pension expense (included in cost of sales, cost of services and general and administrative expenses under salaries, wages and employee benefits) in Note 12 to the financial statements follows:

	2025	2024	2023
Current service cost	440,394	358,424	241,317
Past service cost	3,265,413	-	-
Interest cost	118,775	96,631	54,888
Total retirement expense	3,824,582	455,055	296,205

Cumulative remeasurement effect recognized in OCI included in equity under "Cumulative remeasurement gain on pension liability" in the statements of financial position:

	2025	2024
At January 1	1,741,263	1,617,824
Remeasurement (loss) gain on defined benefit obligation	(1,088,096)	123,439
Income tax effect	653,167	1,741,263
At December 31	(163,292)	(435,316)
	489,875	1,305,947

The remeasurement effects recognized in other comprehensive income (OCI) follow:

	2025	2024	2023
Actuarial (loss) gain due to:			
Changes in demographic assumptions	189,098	357,397	(55,733)
Experience adjustment	(1,392,510)	(233,958)	(102,654)
Cumulative actuarial gain	115,316	-	-
	(1,088,096)	123,439	(158,387)
Income tax effect	272,024	(30,860)	39,597
Remeasurement (loss) gain in OCI	(816,072)	92,579	(118,790)

As at December 31, the funded status and amounts recognized in the Club's statement of financial position for the pension plans are as follows:

	2025	2024
Defined benefit obligation	6,943,723	1,915,729
Plan assets	(4,997,264)	-
Net defined liability	1,946,459	1,915,729

Changes in the present value of defined benefit obligation follow:

	2025	2024	2023
At January 1	1,915,729	1,584,112	1,101,634
Current service cost	440,394	358,424	243,672
Past service cost	3,265,413	-	-
Interest cost	118,775	96,631	80,419
Remeasurement loss (gain) in OCI	1,203,412	(123,438)	158,387
At December 31	6,943,723	1,915,729	1,584,112

Changes in the fair value of plan assets follow:

	2025
At January 1	-
Contributions to the plan assets	4,881,948
Actuarial gain on plan assets	115,316
At December 31	4,997,264

As at December 31, 2025, the fair value of plan assets by each class are as follows:

	2025
Equity investments – Unit investment trust funds	4,997,264
	4,997,264

The Club's transactions with the Fund mainly pertain to contributions, benefit payments and settlements.

As at December 31, 2025, the carrying amount of plan assets approximates its fair value.

The cost of defined benefit pension plans and other post-employment benefits as well as the present value of defined benefits obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate and future salary increases. The principal assumptions used in determining pension and post-employment benefit obligations for the defined benefit plans are as follows:

	2025	2024
Discount rate	6.40%	6.20%
Salary increase rate	5.00%	5.00%

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

	Increase (decrease) in rates	Effect on DBO	
		2025	2024
Discount rate	+1.00%	(847,833)	(272,198)
	-1.00%	1,020,769	330,067
Salary rate	+1.00%	975,081	321,163
	-1.00%	(826,235)	(270,365)

The defined benefits obligation typically exposes the Club to a number of risks such as interest rate risk, longevity and salary risk.

Interest rate risk

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related retirement liability. An increase in government bond yields will decrease the defined benefit obligation. Hence, the present value of defined benefit obligation is directly affected by the discount rate to be applied by the Club.

Longevity and Salary Risks

The present value of the defined benefit obligation is calculated by reference to the best estimates of: (1) the mortality of the plan participants, and (2) the future salaries of the plan participants. Consequently, increases in life expectancy and salary of the plan participants will result in an increase in the defined benefit obligation.

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

	2025	2024
Year 1 to 5	1,694,017	181,740
Year 6 to 10	3,175,301	765,292
Year 11 to 15	8,888,850	4,575,197
More than 16 years	58,528,905	33,442,762
	72,287,073	38,964,991

At December 31, 2025 and 2024, the weighted average duration of the defined benefit obligation at the end of the reporting period is 14 years.

Critical accounting estimate - Estimating pension cost and liability

The cost of defined benefit pension plans and the present value of the pension obligation are determined using actuarial valuations. The actuarial valuation involves making various assumptions. These assumptions include, among others, the determination of the discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, defined benefit obligations are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

In determining the appropriate discount rate, management considers the interest rates of government bonds that are denominated in the currency in which the benefits will be paid, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on publicly available mortality tables for the specific country and is modified accordingly with estimates of mortality improvements. Future salary increases and pension increases are based on expected future inflation rates for the specific country.

14 Income tax

The account for the years ended December 31 consists of:

	2025	2024
Current	-	-
Final	6,172	4,705
	6,172	4,705

The reconciliation of the benefit from income tax computed at statutory tax rate to the provision for income tax shown in profit or loss follows:

	2025	2024
Benefit from income tax at statutory income tax rate of 25%	(6,688,248)	(2,555,714)
Tax effect of:		
Non-taxable membership dues	(34,397,450)	(28,116,000)
Non-deductible expenses	16,656,356	12,905,149
Changes in unrecognized deferred tax assets	24,437,057	17,772,446
Interest income subjected to final tax	(1,543)	(1,176)
Provision for income tax	6,172	4,705

Deferred tax assets are recognized only to the extent that taxable profits will be available against which the deferred tax assets can be used or when there are sufficient taxable temporary differences which are expected to reverse in the same period as the expected reversal of the deductible temporary differences. The Club assesses the unrecognized deferred tax assets and will recognize a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profits will allow all or part of the deferred tax assets to be recovered.

The Club has deductible temporary differences and NOLCO, for which no deferred tax assets were recognized as follows:

	2025	2024
NOLCO	282,226,556	310,134,550
Pension liability	7,272,707	3,448,125
Allowance for ECL	1,948,530	1,948,530
	291,447,793	315,531,205

On September 30, 2020, the BIR issued Revenue Regulations No. 25-2020 implementing Section 4(b) of “Bayanihan to Recover As One Act” which states that the NOLCO incurred for taxable years 2020 and 2021 can be carried over and claimed as a deduction from gross income for the next five consecutive taxable years immediately following the year of such loss.

The Club is entitled to NOLCO benefit which can be applied to its taxable income in the succeeding years from the year the loss was incurred. The details of the Club's NOLCO as at December 31 are as follows:

Year of incurrence	Year of expiry	2025	2024
2025	2028	93,923,647	-
2024	2027	70,634,727	70,634,727
2023	2026	51,377,613	51,377,613
2022	2025	46,080,803	46,080,803
2021	2026	66,290,569	66,290,569
2020	2025	75,750,838	75,750,838
		404,058,197	310,134,550
Applied during the year		-	-
Expired during the year		(121,831,641)	-
		282,226,556	310,134,550
Income tax rate		25%	25%
Unrecognized deferred tax assets on NOLCO		70,556,639	77,533,638

As at December 31, 2025, the Club recognized deferred tax liability on remeasurement gain on pension liability amounting to P272,024 (2024 - P435,316) (Note 13).

Critical accounting judgement - Recognizing deferred tax assets

Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which these can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized. These assets are periodically reviewed for realization. Periodic reviews cover the nature and amount of all deductible temporary differences, expected timing when assets will be used or liabilities will be required to be reported, reliability of historical profitability of businesses expected to provide future earnings and tax planning strategies which can be utilized to increase the likelihood that tax assets will be realized.

15 Related party transactions

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control or are controlled by, or are under common control with the Club, including holding companies, subsidiaries and fellow subsidiaries, are related parties of the Club. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Club that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Club and close members of the family of these individuals, and companies associated with these individuals also constitute related parties. In considering each possible related entity relationship, attention is directed to the substance of the relationship and not merely the legal form.

Terms and Conditions of Transactions with Related Parties

The Club, in the normal course of business, entered into transactions with related parties consisting primarily of the construction of the Club's leisure and recreational facilities, and charges for the use of the Club's facilities and services. Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at year-end are unsecured, noninterest bearing and are normally settled in cash.

Outstanding balances owed by related parties:

	2025		2024		Terms and conditions
	Amount/ volume	Outstanding balance	Amount/ volume	Outstanding balance	
Immediate Parent Company					
ALI (a)(i)	158,194	8,000	154,869	3,571,429	<ul style="list-style-type: none"> • Unsecured; • Non-interest bearing • Collectible in cash at gross amount on demand
ALI (a)(ii)	-	3,572,029	-	2,635,513	<ul style="list-style-type: none"> • Unsecured; • Non-interest bearing • Collectible in cash at gross amount on demand
ALI (loans)	15,000,000	-	232,000,000	-	<ul style="list-style-type: none"> • Unsecured;
ALI (interest)	22,018	-	678,854	77,578	<ul style="list-style-type: none"> • Interest bearing with rates ranging from 6.26% to 7.54% • Collectible in cash with 2 to 35 days term
Entities Under Common Control					
Amaia Land Corp. (loans)	65,579,146	1,953,238	-	-	<ul style="list-style-type: none"> • Unsecured;
Amaia Land Corp. (interest)	160,103	155,300	-	-	<ul style="list-style-type: none"> • Interest bearing with rates ranging from 6.72% to 7.05% • Collectible in cash with 10 to 27 days term
Arca South Hotel Ventures Inc. (loans)	-	-	25,000,000	-	<ul style="list-style-type: none"> • Unsecured;
Arca South Hotel Ventures Inc. (interest)	-	-	149,617	-	<ul style="list-style-type: none"> • Interest bearing with rates ranging from 6.69% to 7.54% • Collectible in cash with 31 to 60 days term
Airswift Transport Inc. (loans)	-	-	315,000,000	-	<ul style="list-style-type: none"> • Unsecured;
Airswift Transport Inc. (interest)	-	-	1,945,837	-	<ul style="list-style-type: none"> • Interest bearing with rates ranging from 6.69% to 7.54% • Collectible in cash with 30 to 62 days term
Ayala Land Malls (loans)	-	-	5,000,000	-	<ul style="list-style-type: none"> • Unsecured;
Ayala Land Malls (interest)	-	-	12,277	-	<ul style="list-style-type: none"> • Interest bearing with rates ranging from 6.69% to 7.54% • Collectible in cash with 30 to 62 days term
Bay City Commercial Ventures, Inc.(loans)	1,043,000,000	42,000,000	174,000,000	55,000,000	<ul style="list-style-type: none"> • Unsecured;
Bay City Commercial Ventures, Inc. (interest)	2,911,435	182,388	875,924	148,643	<ul style="list-style-type: none"> • Interest bearing with rates ranging from 6.69% to 7.54% • Collectible in cash with 30 to 62 days term
Capitol Central Commercial Ventures Inc. (loans)	24,000,000	1,200,000	38,200,000	1,200,000	<ul style="list-style-type: none"> • Unsecured;
Capitol Central Commercial Ventures Inc. (interest)	70,222	5,473	216,279	25,118	<ul style="list-style-type: none"> • Interest bearing with rates ranging from 6.69% to 7.54% • Collectible in cash with 30 to 62 days term
Cavite Commercial Town Center Inc. (loans)	-	-	17,500,000	-	<ul style="list-style-type: none"> • Unsecured;
Cavite Commercial Town Center Inc. (interest)	-	91,356	94,181	91,356	<ul style="list-style-type: none"> • Interest bearing with rates ranging from 6.69% to 7.54% • Collectible in cash with 30 to 62 days term
North Triangle Depot Commercial Corp. Inc. (loans)	12,000,000	6,000,000	16,000,000	-	<ul style="list-style-type: none"> • Unsecured;
North Triangle Depot Commercial Corp. Inc. (interest)	40,801	124,312	87,356	84,735	<ul style="list-style-type: none"> • Ranging from 6.69% to 7.54% • Collectible in cash with 30 to 62 days term
Unity Realty & Development Corp. (loans)	26,000,000	1,300,000	13,000,000	1,300,000	<ul style="list-style-type: none"> • Unsecured;
Unity Realty & Development Corp. (interest)	70,261	146,831	77,112	74,798	<ul style="list-style-type: none"> • Interest bearing with rates ranging from 6.69% to 7.54% • Collectible in cash with 30 to 62 days term
Soltea Commercial Inc. (loans)	-	-	3,000,000	-	<ul style="list-style-type: none"> • Unsecured;
Soltea Commercial Inc. (interest)	-	-	28,973	-	<ul style="list-style-type: none"> • Interest bearing with rates ranging from 6.69% to 7.84% • Collectible in cash with 17 to 33 days term

(forward)

(continuation)

	2025		2024		Terms and conditions
	Amount/ volume	Outstanding balance	Amount/ volume	Outstanding balance	
Cebu District Prop. Ent. (loans)	330,000,000	10,000,000	-	-	<ul style="list-style-type: none">• Unsecured;• Interest bearing with rates ranging from 6.69% to 7.57%• Collectible in cash with 12 to 62 days term
Cebu District Prop. Ent. (interest)	822,503	43,532	-	-	
Laguna Technopark Inc. (loans)	26,000,000	-	22,000,000	2,000,000	<ul style="list-style-type: none">• Unsecured;• Interest bearing; subject to 6.69% interest rate• Collectible in cash with 19 days term
Laguna Technopark Inc. (interest)	72,049	195,480	123,257	125,593	
Ten Knots Philippines, Inc.(loans)	72,420,854	8,046,762	-	-	<ul style="list-style-type: none">• Unsecured;• Interest bearing; subject to 6.69% interest rate• Collectible in cash with 19 days term
Ten Knots Philippines, Inc. (Interest)	175,680	32,577	-	-	
Makati Development Corporation (loans)	30,000,000	-	-	-	<ul style="list-style-type: none">• Unsecured;• Interest bearing; subject to 6.69% interest rate• Collectible in cash with 19 days term
Makati Development Corporation (interest)	131,548	127,601	-	-	
Makati Development Corporation (MDC) (c)	28,253	28,132	28,901	1,560	<ul style="list-style-type: none">• Unsecured;• Non-interest bearing• Collectible in cash at gross amount on demand
Anvaya Cove Beach and Nature Club. Inc. (ACBNCI) (b)	18,135,019	6,812,325	10,325,101	976,970	<ul style="list-style-type: none">• Unsecured;• Non-interest bearing• Collectible in cash at gross amount on demand
Ayala Property Management Corporation (APMC) (d)	-	-	-	6,086	<ul style="list-style-type: none">• Unsecured;• Non-interest bearing• Collectible in cash at gross amount on demand
Total		82,025,336		67,313,293	

The Club in the ordinary course of business, has entered into transactions with these related parties which consists mainly of the following:

- a. Receivables from ALI consists of the following:
 - i. Trade receivables from ALI includes unsecured non-interest bearing charges and unpaid membership dues from ALI nominees.
 - ii. Receivables from ALI-PPE pertains expenses reimbursement of the Club related to PPE transferred by ALI.
- b. Receivables from ACBNCI pertains to charges for the use of the Club's facilities and services by the members of ACBNCI.
- c. Receivable from MDC pertains to antigen test and meals purchased by the Club on behalf of the former for use of MDC personnel, including the gain on the furniture and fixtures transferred to MDC.
- d. Receivables from APMC pertains to the antigen test incurred by the Club on APMC employees.

Outstanding balances owed to related parties:

	2025		2024		Terms and conditions
	Amount/ volume	Outstanding balance	Amount/ volume	Outstanding balance	
Immediate Parent Company					
ALI (a)(i)	-	80,000,000	-	80,000,000	<ul style="list-style-type: none"> • Unsecured; • Non-interest bearing • Collectible in cash at gross amount on demand
ALI (a)(ii)	28,338,372	-	33,078,873	-	<ul style="list-style-type: none"> • Unsecured; • Non-interest bearing • Collectible in cash at gross amount on demand
ALI (a)(iii)	1,084,041	-	2,333,008	-	<ul style="list-style-type: none"> • Unsecured; • Non-interest bearing • Collectible in cash at gross amount on demand
Entities Under Common Control					
ACBNCI (b)	42,632,460	25,544,527	57,843,509	6,235,296	<ul style="list-style-type: none"> • Unsecured; • Non-interest bearing • Collectible in cash at gross amount on demand
MDC (c)	20,209,128	-	24,886,799	150,940	<ul style="list-style-type: none"> • Unsecured; • Non-interest bearing • Collectible in cash at gross amount on demand
Ayalaland Premier, Inc. (ALP) (d)	-	-	14,524,662	-	<ul style="list-style-type: none"> • Unsecured; • Non-interest bearing • Collectible in cash at gross amount on demand
Ayalaland Hotels and Resorts Corp.(e)	2,623,486	-	-	-	<ul style="list-style-type: none"> • Unsecured; • Non-interest bearing • Collectible in cash at gross amount on demand
Associates of Ayala Corporation (AC)					
Globe Telecom, Inc. (Globe) (f)	208,286	-	180,555	-	<ul style="list-style-type: none"> • Unsecured; • Non-interest bearing • Collectible in cash at gross amount on demand
Innove Communications, Inc. (Innove) (g)	1,485,626	-	2,666,445	-	<ul style="list-style-type: none"> • Unsecured; • Non-interest bearing • Collectible in cash at gross amount on demand
Manila Water Philippine Venture, Inc. (Manila Water) (h)	6,750,649	-	19,304,667	-	<ul style="list-style-type: none"> • Unsecured; • Non-interest bearing • Collectible in cash at gross amount on demand
Total		105,544,527		86,386,236	

The Club in the ordinary course of business, has entered into transactions with these related parties which consists mainly of the following:

- a. Payable to ALI consists of the following:
 - i. Costs incurred for the construction of the Club's initial assets.
 - ii. Costs incurred for electricity consumption, facilities management, share on common usage and real property taxes of the Club.
 - iii. Cost incurred for property insurance recorded as part of insurance in general and administrative expenses.
- b. Payable to ACBNCI are charges for the use of facilities and services of ACBNCI by the members of the Club.
- c. Payable to MDC pertains to ground maintenance services provided.

- d. Payable to Ayalaland Premier Inc. pertains to the basic management fee, incentive fee and system cost which were previously billed by ACMI. The payables consist of the following:
- i. Management fees, as agreed upon, include basic management fee amounting to P221,561 per month with an escalation clause of 7.50% per annum and incentive fee equivalent to 3.00% of gross operating profit per month included as part of total management fees in general and administrative expense. The agreement was concluded last June 30, 2025.
 - ii. System cost at a monthly fixed amount of P1,307,936 as at December 31, 2025 (2024 - P721,392), included as part of corporate expenses in general and administrative expenses.
- e. The Ayalaland Hotels and Resort Corp. entered into a Management Agreement with the Club to manage the operation of the latter for a period of three (3) years commencing on July 1, 2025. Payable to Ayalaland Hotels and Resort Corp. pertains to basic management fee, incentive fee and system cost.
- f. Payable to Globe consists of cost incurred for the prepaid mobile line and text blast communication to all members as billed by Automated Mobile Blaster (AMBER).
- g. Payable to Innove Communications, Inc. consists of cost incurred for the trunk line and direct internet of the Club.
- h. Payable to Manila Water Philippine Venture, Inc. consists of cost of water utilities incurred by the Club.

The amounts receivable from and payable to related parties are not offset because these differ in nature and are billed and paid separately rather than settled on a net basis.

Transactions with BPI

The Club maintains the following accounts with BPI (an associate of AC):

	Notes	2025			2024		
		Balance	Income earned	Realized and unrealized gain	Balance	Income earned	Realized and unrealized gain
Cash in banks	2	41,014,360	30,862	-	20,828,460	23,523	-
Financial assets at FVPL	3	-	-	4,395	1,040,952	-	60,116
		41,014,360	30,862	4,395	21,869,412	23,523	60,116

Compensation of key management personnel

Ayala Land Club Management, Inc. (ACMI), a wholly owned subsidiary of ALI, manages the operation of the Club under a Management Agreement which was renewed on January 1, 2022, and shall be effective until January 1, 2025. By virtue of the approval of the merger of ACMI, AyalaLand Premier, Inc. (ALPI), and Ayala Land Sales, Inc. by the SEC on October 17, 2023, wherein ALPI was the surviving entity, contract has now been transferred to ALPI. In 2025, compensation paid to key management personnel amounted to P16,662,594 (2024 - P8,656,699).

16 Financial instruments

Fair value information

The following methods and assumptions were used to estimate the fair value of each class of financial instrument for which it is practicable to estimate such value:

Cash, accounts and other receivables, receivables from related parties, accounts and other payables, contract liabilities and payables to related parties - Carrying amounts approximate fair values due to the relatively short-term nature of these amounts.

Financial assets at FVPL - These are investments in UITF. Fair value is based on net asset values as at each reporting date.

Fair value hierarchy

The Club classified financial assets at FVPL under Level 1 of the fair value hierarchy (Note 3). There have been no transfers between different categories.

Financial risk management objectives and policies

The Club's principal financial instruments comprise of cash, financial assets at FVPL, accounts and other receivables, receivables from related parties, accounts and other payables, contract liabilities and payables to related parties. The main purpose of the Club's financial instruments is to fund operational and capital expenditures.

The Club's financing and treasury function operates as a centralized service for managing financial risks and activities as well as providing optimum investment yield and cost-efficient funding for the Club.

The main risks arising from the use of financial instruments are credit risk and liquidity risk. The management reviews and approves the policies for managing each of these risks and they are summarized as follows:

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

The Club's maximum exposure to credit risk as at December 31, 2025 and 2024 is the carrying amounts of the financial assets. The Club's maximum exposure for cash excludes the carrying amount of cash on hand.

The table below shows the maximum credit risk exposure of the Club:

	2025	2024
Cash in banks	41,014,360	20,828,460
Financial assets at FVPL	-	1,040,952
Accounts and other receivables:		
Trade receivables, net	60,825,656	44,017,127
Receivable from employees	108,927	105,830
Others	5,505,199	2,004,999
Receivables from related parties	82,025,336	67,313,293
	189,479,478	135,310,661

Impairment of financial assets

The Club's financial assets that are subject to the ECL model consists of cash, accounts and other receivables, and receivables from related parties.

Cash in banks and financial assets at FVPL

The investment of the Club's cash resource is managed so as to minimize risk while seeking to enhance yield. Credit risk management involves entering into financial instruments only with counterparties with acceptable credit standing. The Club transacts only with bank which have demonstrated financial soundness for the past five years.

Receivables from related parties

The Club applies a simplified approach in calculating ECLs. Therefore, the Club does not track changes in credit risk but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Club has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Identified impairment losses for cash in banks and due from related parties are immaterial.

Accounts and other receivables

The Club is exposed to credit risk from its operating activities, primarily on its trade receivables. To manage credit risks, the Club maintains defined credit policies and monitors its exposure to credit risks on a continuous basis. The Club's trade receivables generally pertain to membership dues and club charges. The Club bills and collects from members on a monthly basis. It is the Club's policy to impose surcharge fees on members for any delinquency in payment. Once an account is tagged as delinquent, appropriate actions are taken by the Club such as prohibition of the use of Club's facilities and services. The Club assesses long-outstanding member's receivable account periodically as to future collectability. Club shares of members with long-outstanding balances are placed to public auction for bidding at the management's own terms and minimum pricing to ensure that outstanding balances are delinquent members are recovered.

The Club defines a financial asset as in default when contractual payments are 120 days past due. However, in certain cases, the Club may also consider a receivable to be in default when internal or external information indicates that the Club is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Club.

Below is the information about the credit risk exposure on the Club's trade receivables using a provision matrix:

December 31, 2025

	Current	< 30 days	< 90 days	> 90 days but < 360 days	Over 360 days	Total
Estimated total gross carrying amount of accounts receivable	24,642,122	6,662,593	7,321,801	13,535,408	10,612,262	62,774,186
ECL	-	-	-	-	1,948,350	1,948,350

December 31, 2024

	Current	< 30 days	< 90 days	> 90 days but < 360 days	Over 360 days	Total
Estimated total gross carrying amount of accounts receivable	14,325,007	8,457,130	5,130,774	7,271,890	10,780,856	45,965,657
ECL	-	-	-	-	1,948,530	1,948,530

Liquidity risk

Liquidity risk is defined by the Club as the risk of losses arising from funding difficulties due to deterioration in market conditions and/or the financial position of the Club that make it difficult for the Club to raise the necessary funds. This may result from either the inability to sell financial assets quickly at their fair values; or a counterparty failing on repayment of a contractual obligation; or the inability to generate cash inflows as anticipated.

The Club employs scenario analysis and contingency planning to actively manage its liquidity position and guarantee that all operating, investing and financing needs are met. The Club applies a prudent approach to liquidity through the prudent management of cash.

As at December 31, 2025 and 2024, the Club's financial assets and liabilities are all due within one year.

17 Supplementary note to the statements of cash flows

In 2025, the Club maximized its cash flow and continued to invest the excess fund in intercompany lending which generated an interest income of P4,479,078 (2024 - P4,289,666), with interest rate ranging from 6.02% to 7.25%.

During the year, the Club provided intercompany lending amounted to P1,644,000,000 (2024 - P860,700,000 and 2023 - P650,000,000) while collections amounted to P1,633,000,000 (2024 - P856,200,000 and 2023 - P640,000,000) on related party loans.

In 2024, ALI Capital Corp., a wholly owned subsidiary of ALI, sold its 100% ownership in Airswift Transport Inc. to Cebu Air Inc. (Cebu Pacific). The transactions with Airswift Transport Inc. prior to its sale are duly considered and reported under related party transactions (Note 15).

The Club recorded proceeds on disposal of property and equipment amounting to P491,071 (2024 - nil).

18 Summary of material accounting policies

18.1 Basis of preparation

Statement of compliance

The financial statements of the Club have been prepared in accordance with Philippines Financial Reporting Standards (PFRS) Accounting Standards. PFRS Accounting Standards comprise the following authoritative literature approved by the Financial and Sustainability Reporting Standards Council (FSRSC) and the Board of Accountancy, and adopted by the Securities and Exchange Commission (SEC):

- PFRS Accounting Standards,
- PAS Standards, and
- interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC), Philippine Interpretations Committee (PIC), and Standing Interpretations Committee (SIC).

Basis of measurement

The accompanying financial statements have been prepared on the historical cost basis and are presented in Philippine Peso, which is the Club's functional and presentation currency. All amounts are rounded to the nearest peso, unless otherwise indicated.

The preparation of financial statements in conformity with PFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Club's accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions changed. Management believes that the underlying assumptions are appropriate and that the financial statements therefore fairly present the financial position and results of the Club. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are as follows:

- Critical accounting judgement - Going concern assessment

The use of the going concern assumption involves management making judgments, at a particular point in time, about the future outcome of events or conditions that are inherently uncertain. The underlying assumption in the preparation of financial statements is that the Club has neither the intention nor the need to liquidate. Management takes into account a whole range of factors which include, but not limited to, Parent Company's ability to provide financial support, expected operations and profitability and potential sources of additional financing. Management prepares the financial statements on a going concern basis as management has future plans regarding the Club, as discussed in Note 1.

- Critical accounting judgement - Identification of contract with customers under PFRS 15 (Note 10)
- Critical accounting judgement - Identifying performance obligations (Note 10)
- Critical accounting judgement - Determining whether the Club is acting as a principal or agent (Note 10)
- Critical accounting estimate - Evaluating asset impairment (Notes 6 and 7)
- Critical accounting estimate - Estimating allowance for ECLs of receivables (Note 8)
- Critical accounting estimate - Estimating pension cost and liability (Note 13)
- Critical accounting judgement - Recognizing deferred tax assets (Note 14)

Changes in accounting policies and disclosures

(a) New standards, and amendments and interpretations to existing standards adopted

The Club has adopted the following amendments to existing standards starting January 1, 2025:

- Lack of Exchangeability - Amendments to PAS 21;

On 15 August 2023, the IASB amended IAS 21 to add requirements to help entities to determine whether a currency is exchangeable into another currency, and the spot exchange rate to use when it is not. Prior to these amendments, IAS 21 set out the exchange rate to use when exchangeability is temporarily lacking, but not what to do when lack of exchangeability is not temporary.

The adoption of the above amendment did not result in a material impact to the financial statements of the Club.

There are no other new standards, interpretations and amendments to existing standards effective January 1, 2025 that are considered to be relevant or have a material impact on the Club's financial statements

(b) New standards, and amendments and interpretations to existing standards not yet effective as at December 31, 2025

Certain new standards, and amendments and interpretations to existing standards have been published that are not mandatory for December 31, 2025 reporting periods and have not been early adopted by the Club. None of these are expected to be relevant and have a significant effect on the financial reporting of the Club, while the most relevant ones are set out as follows:

- Amendments to the Classification and Measurement of Financial Instruments - Amendments to PFRS 9 and PFRS 7

In May 2024, the IASB issued targeted amendments to IFRS 9 and IFRS 7 to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities. In July 2024, the FSRSC adopted the targeted amendments to PFRS 9 and PFRS 7. These amendments:

- clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;

- add new disclosures for certain instruments with contractual terms that can change cashflows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and
- update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

The adoption of the above amendments is not expected to have a material impact on the financial statements of the Fund except on the timing of derecognition of financial liability through electronic fund transfers and checks.

There are no other new standards, interpretations and amendments to existing standards not yet effective as at December 31, 2025 reporting period that are considered to be relevant or have a material impact on the Fund's financial statements.

- PFRS 18 Presentation and Disclosure in Financial Statements (*Effective beginning on or after January 1, 2027*)

PFRS 18 will replace PAS 1 Presentation of financial statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though PFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements.

Management is currently assessing the detailed implications of applying the new standard on the Club's financial statements. The Club does not expect there to be a significant change in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/disaggregation principles.

In addition, there will be significant new disclosures required for:

- management-defined performance measures;
- a break-down of the nature of expenses for line items presented by function in the operating category of the statement of profit or loss - this break-down is only required for certain nature expenses; and
- for the first annual period of application of PFRS 18, a reconciliation for each line item in the statement of profit or loss between the restated amounts presented by applying PFRS 18 and the amounts previously presented applying PAS 1.

From a cash flow statement perspective, interest paid will be presented as financing cash flows, which is a change from current presentation as part of operating cash flows.

The Club will apply the new standard from its mandatory effective date of January 1, 2027.

Retrospective application is required, and so the comparative information for the financial year ending December 31, 2026 will be restated in accordance with PFRS 18.

There are no other new standards, interpretations and amendments to existing standards not yet effective as at December 31, 2025 reporting period that are considered to be relevant or have a material impact on the Club's financial statements.

18.2 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 Club 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 financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly
- Level 3 - Valuation techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Club determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Club 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.

18.3 Financial instruments

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

(a.) Financial assets

i. Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, or fair value through profit or loss (FVPL), as applicable.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Club's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Club has applied the practical expedient, the Club initially measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs. Trade receivables that do not contain a significant financing component or for which the Club has applied the practical expedient are measured at the transaction price determined under PFRS 15.

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

Financial assets with cash flows that are not SPPI are classified and measured at FVPL, irrespective of the business model.

The Club'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. Financial assets classified and measured at amortized cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Club commits to purchase or sell the asset.

ii. Subsequent measurement

Financial assets at amortized cost (debt instruments)

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 Club's financial assets at amortized cost includes cash, accounts and other receivables and receivables from related parties.

Financial assets at FVPL

Financial assets at FVPL are carried in the statement of financial position at fair value with net changes in fair value recognized in the statement of comprehensive income. This category includes investment in Unit Investment Trust Fund (UITF).

iii. Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Club has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Club has transferred substantially all the risks and rewards of the asset, or (b) the Club has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

iv. Impairment of financial assets

The Club recognizes an allowance for estimated credit losses (ECLs) for all debt instruments carried at amortized cost. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Club 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 accounts and other receivables, the Club applies a simplified approach in calculating ECLs. Therefore, the Club does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Club has established a provision matrix that is based on its historical credit loss experience, adjusted for forward- looking factors specific to the debtors and the economic environment.

The Club considers a receivable in default when contractual payments are 120 days past due. However, in certain cases, the Club may also consider a receivable to be in default when internal or external information indicates that the Club is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Club. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

The Club implements a policy on its receivables, wherein members in the delinquent list or those with accounts that are past due for more than 120 days are reported to the BOD. The respective shares of the members or of the juridical entities they represent shall be ordered sold by the BOD, through an auction, to satisfy the claims of the Club.

(b.) Financial liabilities at amortized cost

i. Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs.

The Club's financial liabilities include accounts and other payables, except government payables, contract liabilities and payables to related parties and other obligations that meet the above definition (other than liabilities covered by other accounting standards, such as income tax payable).

ii. Subsequent measurement

Initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in the statement of income when the liabilities are derecognized as well as through EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as interest expense in the statement of income.

iii. Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

iv. Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the statements of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

18.4 Inventories

Inventories are valued at the lower of cost or net realizable value (NRV). NRV is the estimated selling price in the ordinary course of the business, based on market prices at the reporting date, less estimated costs of completion and the estimated costs of sale. The cost of inventories is determined using the moving average method.

An allowance for inventory losses is provided for slow-moving, obsolete and defective inventories based on management's physical inspection and evaluation.

18.5 Value-added tax (VAT)

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

For its VAT-registered activities, 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 statement of financial position. 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 statement of financial position up to the extent of the recoverable amount.

Input VAT on goods purchased on or after January 1, 2022 will be fully recognized outright and claimed as input tax credits against output tax.

For its non-VAT registered activities, the amount of VAT passed on from its purchases of goods or service is recognized as part of the cost of goods/asset acquired or as part of the expense item, as applicable.

18.6 Property and equipment

Property and equipment, except for land, are stated at cost, net of accumulated depreciation and accumulated impairment loss, if any. Land is carried at cost less any impairment in value. The initial cost of property and equipment comprises its construction cost or purchase price and any directly attributable costs of bringing the property and equipment to its working condition and location for its intended use. Major repairs are capitalized as part of property and equipment only when it is probable that future economic benefits associated with the item will flow to the Club and the cost of the items can be measured reliably. All other repairs and maintenance are charged against current operations as incurred.

Projects in progress are also capitalized as part of property and equipment under separate account, projects in progress. These projects will form part of building and improvements and furniture, fixtures and equipment. Items under the account are not depreciated until completed and proper reclassification is made.

Depreciation of property and equipment commences once the following month after acquisition and is computed on a straight-line basis over the estimated useful lives of the property and equipment as follows:

	Years
Building and improvements	35
Land improvements	25
Furniture, fixture and equipment	5

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

When property and equipment are retired or otherwise disposed of, the cost and the related accumulated depreciation and accumulated provision for impairment losses, if any, are removed from the accounts and any resulting gain or loss is credited to or charged against current operations.

Fully depreciated property and equipment are retained in the accounts while still in use although no further depreciation is charged to current operations.

18.7 Impairment of nonfinancial assets

Advances and other non-current assets

The Club provides allowance for impairment losses on advances and other noncurrent assets when these can no longer be realized. The amounts and timing of recorded expenses for any period would differ if the Club made different judgments or utilized different estimates. An increase in allowance for impairment losses would increase recorded expenses and decrease advances and other noncurrent assets.

Recovery of impairment losses recognized in prior year is recorded when there is an indication that the impairment losses recognized for the asset no longer exist or has decreased. The recovery is recorded in the statement of income. However, the increase in carrying amount of an asset due to recovery of an impairment loss is recognized to the extent it does not exceed the carrying amount that would have been determined had there been no impairment loss recognized for that asset in prior year.

Property and equipment

The Club assesses at each reporting date whether there is an indication that property and equipment may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Club estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an assets or cash generating unit's (CGU) fair value less costs of disposal and its value-in-use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses of continuing operations are recognized in profit or loss in those expense categories consistent with the function of the impaired asset.

An assessment is made at each reporting date to determine whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit or loss unless the asset is carried at revalued amount, in which case, the reversal is treated as a revaluation increase.

18.8 Retirement plans

The liability recognized in the statements of financial position in respect of defined benefits pension plans is the present value of the defined benefits obligation (DBO) at the reporting date less fair value of the plan assets, if any. The present value of the DBO is determined by using risk-free interest rates of long-term government bonds that have terms to maturity approximating the terms of the related pension liabilities or applying a single weighted average discount rate that reflects the estimated timing and amount of benefit payments.

Pension costs of the DBO is actuarially determined using the projected unit credit method. This method reflects services rendered by employees up to the date of valuation and incorporates assumptions concerning employees' projected salaries. Actuarial valuations are conducted with sufficient regularity, with option to accelerate when significant changes to underlying assumptions occur.

Defined benefit costs include:

- Service costs
- Net interest on the net defined benefit liability or asset
- Remeasurements of net defined benefit liability or asset

Service costs which include current service costs, past service costs and gains or losses on non-routine settlements are recognized as expense in profit or loss. Past service costs are recognized when plan amendment or curtailment occurs. These amounts are calculated periodically by independent qualified actuaries.

Net interest on the net defined benefit liability or asset is the change during the period in the net defined benefits liability or asset that arises from the passage of time which is determined by applying the discount rate based on government bonds to the net defined benefit liability or asset. Net interest on the net defined benefit liability or asset is recognized as expense or income in statement of comprehensive income.

Remeasurements, comprising of actuarial gains or losses, the effect of the asset ceiling, excluding net interest cost and the return on plan assets (excluding net interest), if any, are recognized immediately in the statements of financial position with a corresponding debit or credit to other comprehensive income in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

18.9 Provisions

Provisions are recognized when the Club has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. When the Club expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Contingent liabilities are not recognized in the financial statements. These are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

18.10 Equity

Paid-in capital

Paid-in Capital is measured at stated value for all shares subscribed, issued and outstanding. When the shares are sold at premium, the difference between the proceeds and the stated value is credited to "Additional paid-in capital" account. Direct costs incurred related to original equity issuance are chargeable to "Additional paid-in capital" account. If additional paid-in capital is not sufficient, the excess is charged against retained earnings. When the Club issues more than one class of stock, a separate account is maintained for each class of stock and the number of shares issued.

18.11 Revenue from contracts with customers

The Club's revenue from contracts with customers primarily consist of membership dues, service income and sale of goods. Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Club expects to be entitled in exchange for those goods or services. The Club has generally concluded that it is the principal in its revenue arrangements.

The disclosures of critical accounting judgments, estimates and assumptions relating to revenue from contracts with customers are provided in Note 18.1.

The following are the Club's performance obligations:

Membership dues

Revenue from membership dues is recognized over the time the members are provided access to the Club's room accommodation, golf course, sports complex, game rooms, restaurants and other amenities.

Transaction price is determined to be the BOD-approved rate for monthly membership dues. Each monthly membership dues are considered as a single performance obligation; therefore, it is not necessary to allocate the transaction price. Any advance payments are recorded under "Contract liabilities" account in the statements of financial position.

Service income

Service income includes revenue from providing room accommodation, guest fees and income from the use of the Club's facilities and amenities such as golf course, sports complex, game rooms and other Club amenities. Revenue is recognized over the time the services are rendered and/or facilities and amenities are used.

Sale of goods

Revenue from sale of food and beverages and merchandise are recognized when control of the goods is transferred to the customers, generally when goods are delivered to and accepted by the customers.

Transfer fees

Transfer fees pertain to earnings from transfer of member's ownership recorded upon initiation of transfer process. Revenue is recorded at point in time when the services are rendered.

18.12 Contract balances

Trade receivables

A receivable is recognized if an amount of consideration that is unconditional is due from the customer (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities

A contract liability is recognized if a payment is received or payment is due (whichever is earlier) from a customer before the Club transfers the related goods or services. Contract liabilities are recognized as revenue when the Club performs under the contract. Membership dues and consumables collected in advance are recognized as contract liabilities in the statements of financial position.

18.13 Leases

The Club assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Short term lease and leases of low-value assets

The Club applied the short-term lease recognition to its short-term leases of office equipment. It also applies the lease of low-value assets recognition exemption to its leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

18.14 Taxes

Current income tax

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

Current income tax for current and prior periods shall, to the extent unpaid, be recognized as a liability and is presented as income tax payable in the statements of financial position. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess shall be recognized as an asset and is presented as part of other current assets in the statements of financial position.

Deferred tax

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

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

Income tax relating to items recognized directly in equity is recognized in equity and not in the statements of comprehensive income.

18.15 Events after the reporting period

Post year-end events up to the date when the financial statements are authorized for issue that provide additional information about the Club's financial position at the reporting date (adjusting events) are reflected in the financial statements. Post year-end events that are not adjusting events are disclosed in the financial statements when material.

19 Supplementary tax information required under Revenue Regulations (RR) No. 15-2010

In compliance with the requirements set forth by RR No. 15-2010 hereunder are the information on taxes, duties and license fees paid or accrued during the taxable year.

Details of the Club's net sales/receipts, output VAT and input VAT accounts are as follows:

(i) *Value added tax (VAT)*

VAT Net Sales/Receipt and Output VAT declared in the Club's VAT returns for the year 2025:

	Gross revenue	Output VAT
Vatable sales	137,952,235	16,554,268
Exempt sales	149,054,356	-
	287,006,591	16,554,268

Sale of services subject to VAT pertains to gross revenue from room accommodation, guest fees, spa services and rental of recreational equipment. Sale of goods pertains to gross revenues from sale of food, beverage and merchandise in the Club's restaurants and shop.

The Club has exempt sales pursuant to SC Ruling G.R. No. 228539 [*Association of Non-Profit Clubs, Inc. (ANCP) vs. Bureau of Internal Revenue (BIR)*] dated August 13, 2019.

The amount of input VAT input taxes claimed are broken down as follows:

	Amount
Beginning of the year	22,319,416
Input tax deferred on capital goods	40,896
Current year's domestic purchases/payments for:	
Purchase of capital goods	566,869
Domestic purchases of goods	18,353,220
Domestic purchases of services	2,625,082
Total input VAT available	43,905,483
Less: input tax on capital goods subject to amortization, deferred for the succeeding period	(17,813)
Less: input tax allocable to exempt sales	(3,801,556)
Input VAT applied during the current year	40,086,114
Less claims against output VAT	(16,554,268)
Balance at the end of the year	23,531,846

(ii) *Other taxes and licenses*

This includes all other taxes, local and national, included under the taxes and licenses account under general and administrative expenses. Details of other taxes and licenses in 2025 follow:

<i>Local</i>	
Real estate taxes	4,669,590
Licenses and permits	4,012,225
Community tax certificate	10,500
	8,692,315

(iii) Withholding taxes

Details of withholding taxes in 2025 follows:

	Paid	Accrued	Total
Expanded withholding taxes	2,715,762	840,230	3,555,992
Withholding taxes on compensation and benefits	698,065	90,343	788,408
Final withholding taxes	62,462	13,158	75,620
	3,476,289	943,731	4,420,020

(iv) Tax assessments and cases

The Club has no deficiency tax assessments or any tax cases, litigation, and/or prosecution in courts or bodies outside the Bureau of Internal Revenue as at December 31, 2025.

All other requirements of RR No. 15-2010 are not applicable to the Club due to absence of relevant transactions.

Anvaya Cove Golf and Sports Club, Inc.
Supplementary Schedules for the Securities and Exchange Commission
December 31, 2025

Supplementary Schedules Required Under Annex 68-J

Schedule A - Financial assets

Schedule B - Amounts receivable from directors, officers, employees, related parties and principal stockholders

Schedule C - Amounts receivable from related parties which are eliminated during the consolidation of financial statements

Schedule D - Long-term debt

Schedule E - Indebtedness to a related party (Long-term Loans from Related Companies)

Schedule F - Guarantees of securities and other issuers

Schedule G - Capital stock

Other Supporting Schedules

Financial Soundness Indicators

Supplementary Schedule for External Auditor Fee-Related Information

Anvaya Cove Golf and Sports Club, Inc.
 Supplementary Schedules Required Under Annex 68-J
 As at December 31, 2025

Schedule A. Financial assets

Name of Issuing Entity and Association of Each Issue	Number of Shares or Principal Amount of Bonds and Notes	Amount Shown in the Statements of Financial Position	Interest Income Received and Accrued	Realized /Unrealized Gain on Financial Asset at FVPL
A. Cash in banks				
Bank of the Philippine Islands (BPI)	Not applicable	41,014,360	30,862	-
B. Financial assets at FVPL				
BPI Money Market Fund	Not applicable	-	-	4,395
C. Accounts and other receivables				
Trade receivables	Not applicable	60,825,656	-	-
Receivable from employees	Not applicable	108,927	106,546	-
Other receivables	Not applicable	5,505,199	-	-
D. Receivables from related parties				
	Not applicable	82,025,336	4,479,078	-
		189,479,478	4,616,486	4,395

Anvaya Cove Golf and Sports Club, Inc.
Supplementary Schedules Required Under Annex 68-J
As at December 31, 2025

Schedule B. Amounts receivable from directors, officers, employees, related parties and principal stockholders

Name and Designation of Debtor	Balance At Beginning of Period	Additions	Amounts Collected	Amounts Written Off	Current	Not Current	Balance at End of Period
Employees	105,830	439,820	436,723	-	-	-	108,927

Anvaya Cove Golf and Sports Club, Inc.
Supplementary Schedules Required Under Annex 68-J
As at December 31, 2025

Schedule C. Amounts receivable from related parties which are eliminated during the consolidation of financial statements

Name and Designation of Debtor	Balance At Beginning of Period	Additions	Amounts Collected	Amounts Written Off	Current	Not Current	Balance at End of Period
Not applicable							

Anvaya Cove Golf and Sports Club, Inc.
Supplementary Schedules Required Under Annex 68-J
As at December 31, 2025

Schedule D. Long-term debt

Title of Issue and Type of Obligation	Amount Authorized by Indenture	Amount Shown under Caption "Current Portion of Long-term Debt" in Related Statement of Financial Position	Amount Shown under "Long-Term Debt" in Related Statement of Financial Position
Not applicable			

Anvaya Cove Golf and Sports Club, Inc.
Supplementary Schedules Required Under Annex 68-J
As at December 31, 2025

Schedule E. Indebtedness to a related party (Long-term Loans from Related Companies)

Name of Related Party	Balance at Beginning of Period	Balance at End of Period
	Not applicable	

Anvaya Cove Golf and Sports Club, Inc.
Supplementary Schedules Required Under Annex 68-J
As at December 31, 2025

Schedule F. Guarantees of Securities Other Issuers

Name of Issuing Entity of Securities Guaranteed by the Club for which this Statement is filed	Title of Issue of Each Class of Securities Guaranteed	Total Amount Guaranteed and Outstanding	Amount Owned by Person for which Statement is filed	Nature of Guarantee
				Not applicable

Anvaya Cove Golf and Sports Club, Inc.
 Supplementary Schedules Required Under Annex 68-J
 As at December 31, 2025

Schedule G. Capital Stock

Title of Issue	Number of Shares Authorized	Number of Shares Issued and Outstanding as Shown under Related Statement of Financial Position Caption	Number of Shares Reserved for Options, Warrants, Conversion and Other Rights	Number of Shares Held by Related Parties	Directors Officers and Employees	Others
Common Stock:						
Class A	5,420	5,420	-	4,320	11	1,089
Class B	2,846	2,846	-	1,663	-	1183
Class C	154	154	-	57	-	97
Class D	80	-	-	-	-	-
Total	8,500	8,420	-	6,040	11	2,369

Anvaya Cove Golf and Sports Club, Inc.
Financial Soundness Indicators
As at December 31, 2025

Ratio	Formula	2025	2024
Current ratio	Current assets / Current liabilities	1.04	1.04
Acid test ratio	Quick assets (Total current assets excluding inventory and other current assets) / Current liabilities	0.85	0.81
Solvency ratio	EBITDA / Total debt (Total debt includes short-term debt, long-term debt and current portion of long-term debt)	0.08	0.21
Debt-to-equity ratio	Total debt / Total stockholders' equity	0.33	0.24
Asset-to-equity ratio	Total assets / Total stockholders' equity	1.33	1.24
Return on equity	Net income after tax / Average total stockholders' equity	-0.04	-0.01
Return on assets	Net income after tax / Average total assets	-0.03	-0.01
Net profit margin	Net income after tax / Total revenue	-0.10	-0.04

Anvaya Cove Golf and Sports Club, Inc.
Supplementary Schedule for External Auditor Fee-Related Information
December 31, 2025 and 2024

	2025	2024
Total audit fees (excluding OPE)	406,000	179,900
Non-audit services fees:		
Other assurance services	-	-
Tax services	-	-
All other services	-	-
Total non-audit fees	-	-
Total audit and non-audit fees	406,000	179,900

FW: Your BIR AFS eSubmission uploads were received

From ACGSC Esmael, Rio <rio.esmael@anvayacove.com>
Date Thu 14/05/2026 8:41 AM
To ACBNC Hizola, Carol <carol.hizola@anvayacove.com>

Hi Ma'am Carol,

Good morning.

Please see below email for your reference.

Regards,
Joepryl Nolasco

From: eafs@bir.gov.ph <eafs@bir.gov.ph>
Sent: Thursday, 30 April 2026 9:13 pm
To: ACGSC Esmael, Rio <rio.esmael@anvayacove.com>
Cc: ACGSC Esmael, Rio <rio.esmael@anvayacove.com>
Subject: Your BIR AFS eSubmission uploads were received

Hi ANVAYA COVE GOLF AND SPORTS CLUB, INC.,

Valid files

- EAFS007875261OTHTY122025.pdf
- EAFS007875261TCRTY122025-01.pdf
- EAFS007875261RPTTY122025.pdf
- EAFS007875261ITRTY122025.pdf
- EAFS007875261TCRTY122025-02.pdf
- EAFS007875261AFSTY122025.pdf
- EAFS007875261TCRTY122025-03.pdf

Invalid file

- <None>

Transaction Code: **AFS-0-PTM2YNXT0MNMVNPQM SXN34M034TXMRQ3**
Submission Date/Time: **Apr 30, 2026 09:12 PM**
Company TIN: **007-875-261**

Please be reminded that you accepted the terms and conditions for the use of this portal and expressly agree, warrant and certify that:

- The submitted forms, documents and attachments are complete, truthful and correct based on the personal knowledge and the same are from authentic records;

- The submission is without prejudice to the right of the BIR to require additional document, if any, for completion and verification purposes;
- The hard copies of the documents submitted through this facility shall be submitted when required by the BIR in the event of audit/investigation and/or for any other legal purpose.

This is a system-generated e-mail. Please do not reply.

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of **Anvaya Cove Golf and Sports Club, Inc.** (the Club) is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, for the years ended December 31, 2025 and 2024 in accordance with the Philippine Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

The Board of Directors (BOD) is responsible for overseeing the Club's financial reporting process.

The BOD reviews and approves the financial statements including the schedules attached therein, and submits the same to the members.

Isla Lipana & Co. (PricewaterhouseCoopers), the independent auditor, appointed by the members, has audited the financial statements of the Club in accordance with Philippine Standards on Auditing, and in its report to the members, has expressed its opinion on the fairness of presentation upon completion of such audit.


AUGUSTO D. BENGZON
Chairman of the Board 


JOSEPH CARMICHAEL Z. JUGO
President


DESIREE JOY S. MIRANDA
Treasurer



ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)
Makati City) SS.

BEFORE ME, a Notary Public for and in the City of Makati, this APR 29 2026 personally appeared the following:

Anvaya Cove Golf & Sports Club, Inc.
represented by:

<u>Name</u>	<u>Passport/Driver's License No.</u>	<u>Date & Place of Issue</u>
Augusto D. Bengzon	P4323352B	Jan. 8, 2020/DFA NCR East
Joseph Carmichael Z. Jugo	P6459871A	Apr. 7, 2018/DFA Manila
Desiree Joy S. Miranda	P0497029C	June 15, 2022/DFA Manila

who are personally known to me and identified by me through competent evidence of identity to be the same persons described in the foregoing instrument, who acknowledged before me that their respective signatures on the instrument were voluntarily affixed by them for the purposes stated therein, and who declared to me that they have executed the instrument as their free and voluntary act and deed and that they have the authority to sign on behalf of their respective principals.

WITNESS MY HAND AND NOTARIAL SEAL affixed at the place and on the date first above written.

Doc. No. 37 ;
Page No. 09 ;
Book No. VI ;
Series of 2026.

Notarial DST pursuant to Sec. 61 of the TRAIN Act (amending Sec. 188 of the NIRC) affixed on Court's copy.



JPV
JOHN PAULO S. VICENCIO
Notary Public - Makati City
Appt. No. M-195 until December 31, 2026
Roll of Attorneys: No. 78727
IBP No. 588048 - 01/05/2026 - Makati City
PTR No. MKT10766783 - 01/05/2026 - Makati City
MCLE Compliance No. VIII-0031197 - 05/01/2025
28th Floor, Tower One and Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City, Philippines



COVER SHEET

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A	N	V	A	Y	A	C	O	V	E	G	O	L	F	A	N	D	S	P	O	R	T	S		
C	L	U	B	,		I	N	C	.															

(Company's Full Name)

A	N	V	A	Y	A	C	O	V	E	,	M	O	R	O	N	G	,	B	A	T	A	A	N		

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

MARIA PAULA G. ROMERO-BAUTISTA

Contact Person

9943-4400

Company Telephone Number

1	2	3	1
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Month Day
Fiscal Year

1	7	-	C
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Secondary License Type, if Applicable

0	9	3	0
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Month Day
Annual Meeting

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C	G	F	D
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Dept. Requiring this Doc.

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Amended Articles Number/Section

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Total No. Of Stockholders

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Domestic

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Foreign

Total Amount of Borrowings

To be accomplished by SEC Personnel concerned

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File Number

_____ LCU

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Document I.D.

_____ Cashier

S T A M P S

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17 OF THE SECURITIES REGULATIONS CODE (SRC) AND SRC RULE 17(a)-1(b)(3) THEREUNDER

1. **10 April 2026**
Date of Report (Date of earliest event reported)
2. **CS201014919**
SEC Identification Number
3. **007-875-261**
BIR Tax Identification Number
4. **ANVAYA COVE GOLF AND SPORTS CLUB, INC.**
Exact Name of registrant as specified in its charter
5. **PHILIPPINES**
Province, country or other jurisdiction of incorporation
6. (SEC Use Only)
Industry Classification Code
7. **Anvaya Cove, Morong, Bataan**
Address of principal office
- Postal code
8. **(02)9943-4400**
Registrant's telephone number, including area code
9. **N/A**
Former name or former address, if changed since last report
10. Securities registered pursuant to Sections 4 and 8 of the SRC

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Class A	5,420 shares
Class B	2,846 shares
Class C	154 shares
Class D	80 shares

: **Item 9- Other Events**

Re: Results of the Board Meeting held on 10 April 2026.

Pursuant to the requirements of the Securities Regulations Code, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**ANVAYA COVE GOLF AND
SPORTS CLUB, INC.**

Registrant

Date : **15 April 2026**


MARIA PAULA G. ROMERO-BAUTISTA

Assistant Corporate Secretary

* Print name and title of the signing officer under the signature.



10 April 2026

SECURITIES AND EXCHANGE COMMISSION

7907 Makati Avenue, Salcedo Village
Barangay Bel-Air, Makati City, 1209

Attention: Atty. Rachel Esther J. Gumtang-Remalante
Director, Corporate Governance and Finance Department

Dear Director Gumtang-Remalante:

Please be informed that at our regular board meeting held on 10 April 2026, the Board approved the following:

1. Election of Mr. Gustavo Morales as director to replace Mr. George Israel Aquino;
2. Appointment of Mr. Joven I. Galivo as Finance Director, Chief Risk Officer and Compliance Officer to replace Mr. Lester M. Lulu; and
3. Appointment of Isla Lipana & Co. as Independent Auditor for 2026.

Thank you.

Very truly yours,

A handwritten signature in blue ink, appearing to read "M. Romero-Bautista", is written over the typed name.

MARIA PAULA G. ROMERO-BAUTISTA
Assistant Corporate Secretary