

ANCHOR LAND HOLDINGS, INC.

**NOTICE OF ANNUAL
STOCKHOLDERS' MEETING**

AND

**INFORMATION STATEMENT
(SEC FORM 20-IS)**

**July 6, 2023
At 10:00 a.m.**

The Annual Stockholders' Meeting will be will be conducted at Admiral Hotel Manila, Roxas Boulevard, Barangay 701, Malate Manila.

ANCHOR LAND HOLDINGS, INC.
15th Floor L.V. Locsin Building, 6752 Ayala Ave. cor. Makati Ave., Makati City
Phone: (02)-8988-7988

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

TO OUR STOCKHOLDERS:

NOTICE IS HEREBY GIVEN that the Annual Meeting of Stockholders of **Anchor Land Holdings, Inc. (ALHI)** will be conducted on **July 6, 2023, 10:00 AM** at **Admiral Hotel Manila, Roxas Boulevard, Barangay 701, Malate Manila** with the following agenda:

1. Call to order;
2. Proof of notice and due calling of meeting;
3. Determination of a quorum;
4. Approval of the Minutes of the Regular Meeting of the Stockholders held on July 15, 2022
5. Report of the President;
6. Presentation and approval of the Financial Statements as of December 31, 2022;
7. Ratification of acts of the Board of Directors and Officers;
8. Election of the members of the Board of Directors;
9. Appointment of external auditors;
10. Other matters; and,
11. Adjournment.

Minutes of the Regular Meeting of the Stockholders held on July 15, 2022 will be available for examination during office hours at the Office of the Corporate Secretary.

In accordance with Section 7 of Article II of the Company's By-Laws and for purposes of election of the Board of Directors, any and all nominations shall be submitted to and received at the principal office of the Company on or before the date of the meeting, addressed to the attention of the Corporate Secretary.

Any questions for the Board must also be emailed at the address mentioned above on or before June 22, 2023.

Makati City, May 30, 2023


CHRISTINE P. BASE
Corporate Secretary

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 20-IS

Information Statement
of
ANCHOR LAND HOLDINGS, INC.
Pursuant to Section 20 of the Securities Regulation Code

1. Check the appropriate box:
Preliminary Information Statement
 Definitive Information Statement
2. Name of Registrant as specified in its charter: **ANCHOR LAND HOLDINGS, INC.**
3. **Makati City, Philippines**
Province, country or other jurisdiction of incorporation or organization
4. SEC Identification Number: **CS-200411593**
5. BIR Tax Identification Code: **232-639-838**
6. **15th Floor, L.V. Locsin Building, 6752 Ayala Avenue cor. Makati Avenue, Makati City, Philippines**
Address of principal office
7. Registrant's telephone number, including area code **(02) 8988-7988**
8. Date, time and place of the meeting of security holders
July 6, 2023 at 10:00 a.m., The Annual Stockholders' Meeting will be conducted at Admiral Hotel Manila, Roxas Boulevard, Barangay 701, Malate Manila
9. Approximate date on which the Information Sheet is first to be sent or given to security holders:
June 14, 2023
10. Securities registered pursuant to Sections 8 and 12 of the Code or Sections 4 and 8 of the RSA (information on number of shares and amount of debt is applicable only to corporate registrants):

Title of Each Class	Number of Shares of Common Stock Outstanding or Amount of Debt Outstanding (As of December 31, 2022)
Common Stock, Php1.00 par value	1,040,001,000 Shares
Preferred Shares, Php1.00 par value	346,667,000 Shares
Loans Payable	₱19,966,468,476

11. Are any or all of registrant's securities listed on a Stock Exchange?
Yes No

If yes, disclose the name of such Stock Exchange and the class of securities listed therein:
Philippine Stock Exchange, Common shares

**ANCHOR LAND HOLDINGS, INC.
INFORMATION STATEMENT**

A. GENERAL INFORMATION

ITEM 1: DATE, TIME AND PLACE OF MEETING OF SECURITY HOLDERS

Date : July 6, 2023

Time : 10:00 a.m.

Place : The Annual Stockholders' Meeting will be conducted at Admiral Hotel Manila, Roxas Boulevard, Barangay 701, Malate Manila

Principal Office: 15th Floor, L.V. Locsin Building, 6752 Ayala Avenue cor. Makati Avenue, Makati City, Philippines

Approximate Date of Distribution to Security Holders: June 14, 2023

**WE ARE NOT ASKING YOU FOR A PROXY AND YOU ARE
REQUESTED NOT TO SEND US A PROXY**

ITEM 2: DISSENTER'S RIGHT OF APPRAISAL

There are no matters to be acted upon at the meeting involving instances set forth in the Revised Corporation Code of the Philippines for which a stockholder may exercise the right of appraisal.

Pursuant to *Section 80 Title X, Appraisal Right, Revised Corporation Code of the Philippines*, any stockholder of a corporation shall have the right to dissent and demand payment of the fair value of his shares in the following instances: (a) in case of any amendment to the articles of incorporation that has the effect of changing or restricting the rights of any stockholder or class of shares, or authorizing preferences in any respect superior to those of outstanding shares of any class, or extending or shortening the term of corporate existence; (b) in case of sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets, and (c) in case of merger.

Section 81 of the Revised Corporation Code also provides that, this appraisal right may be exercised by any stockholder who shall have voted against the proposed action, by making a written demand on the corporation within thirty (30) days after the date on which the vote was taken for payment of the fair value of his shares. Failure to make the demand within such period shall be deemed a waiver of the appraisal right. If the proposed action is implemented or affected, the corporation shall pay to such stockholder, upon surrender of the certificate or certificates of stock representing his shares, the value thereof as of the day prior to the date on which the vote was taken, excluding any appreciation or depreciation in anticipation of such corporate action.

If within a period of sixty (60) days from the date the corporate action was approved by the stockholders, the withdrawing stockholder and the corporation cannot agree on the value of the shares, it shall be determined and appraised by three (3) disinterested persons, one of whom shall be named by the stockholder, another by the corporation, and the third by the two thus

chosen. The findings of the majority of the appraisers shall be final, and their award shall be paid by the corporation within thirty (30) days after such award is made. No payment shall be made to the dissenting stockholder unless the bank has unrestricted retained earnings in its book to cover such payment. Upon payment by the Corporation of the agreed or awarded price, the stockholder shall forthwith transfer his shares to the Corporation.

From the time of demand for payment of the fair value of a stockholder's shares until either the abandonment of the corporate action involved or the purchase of the said shares by the corporation, all rights accruing to such shares, including voting and dividend right, shall be suspended, except the right of such stockholder to receive payment of the fair value thereof: Provided, that if the dissenting stockholder is not paid the value of his shares within 30 days after the award, his voting right and dividend rights shall immediately be restored (*Section 82 of the Revised Corporation Code*).

Within ten (10) days after demanding payment of his shares, a dissenting stockholder shall submit the certificate(s) of stock representing his shares to the Corporation for notation thereon that such shares are dissenting shares. His failure to do so shall, at the option of the Corporation, terminate his appraisal right (*Section 85, Revised Corporation Code*). No demand for payment as aforesaid may be withdrawn by the dissenting stockholder unless the Corporation consents thereto (*Section 83, Revised Corporation Code*).

The appraisal right shall be exercised in accordance with Title X of the Revised Corporation Code.

ITEM 3. INTEREST OF CERTAIN PERSONS IN OR OPPOSITION TO MATTERS TO BE ACTED UPON

Other than the election to office, there is no matter to be acted upon during the Annual Stockholders' Meeting to which a beneficial owner, director or officer has any substantial interest.

No director or nominees has informed the Company in writing of his intentions to oppose any action to be taken by the Company during the Annual Stockholders' Meeting.

B. CONTROL AND COMPENSATION INFORMATION

ITEM 4. VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

As of April 30, 2023, there are 1,040,001,000 subscribed, issued and outstanding common shares and 346,667,000 subscribed, issued and outstanding preferred shares entitled to vote at the meeting, with each share entitled to one vote.

All stockholders of record at the close of business hours on May 17, 2023 shall be entitled to cumulative voting rights with respect to the election of directors. A stockholder may vote such number of shares for as many persons as there are directors to be elected or he may cumulate said shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of his shares shall equal, or he may distribute them on the same principle among as many candidates as he shall see fit: Provided, that the total number of votes cast by him shall not exceed the number of shares owned by him as shown in the books of the Company as of May 17, 2023 multiplied by the whole number of directors to be elected.

Security Ownership of Certain Record & Beneficial Owners and Management

(1) Security Ownership of Certain Record and Beneficial Owners of more than 5%

There were no delinquent stocks, and the direct and indirect record and beneficial owners of more than five percent (5%) of the Company's voting securities as of April 30, 2023 are as follows:

Title of Class	Name and Address of Record Owner and Relationship with Issuer	Name of Beneficial ownership and relationship with record owner	Citizenship	No. of Shares	Percentage Held Per Class	Percentage Held Out of the Total Outstanding Shares
Common	LTC Prime Holdings, Inc. Lots 2-7, Kaingin Road, Multinational Village, Paranaque City	LTC Prime Holdings, Inc. *	Filipino	248,108,100	23.86%	26.56%
Preferred				120,134,048	34.65%	
Common	Sybase Equity Investments Corporation	Sybase Equity Investments Corporation	Filipino	202,609,200	19.48%	19.49%
Preferred				67,609,400	19.50%	
Common	Steve Li 15 th Floor, LV Locsin Bldg. 6752 Ayala Avenue corner Makati Avenue, Makati City	Steve Li	Hong Kong National	156,000,000	15.00%	15.00%
Preferred				52,000,000	15.00%	
Common	Cindy Sze Mei Ngar Room 21B Ocean Tower Roxas Boulevard, Manila	Cindy Sze Mei Ngar	British	155,999,298	15.00%	15.00%
Preferred				51,999,766	15.00%	
Common	PCD Nominee Corporation (Non-Filipino)	Various clients and PDTC participants who hold the shares on behalf of their clients.**	Non-Filipino	78,814,490	7.58%	5.68%

* Avelino Guzman will vote for the shares held by LTC

** PCD Nominee Corporation is not related to the Company. PCD Nominee Corporation is the registered owner of shares beneficially owned by Participants of the Philippine Depository and Trust Corporation (PDTC), a private company organized to implement an automated book entry system for the handling securities transactions in the Philippines. Under the PDTC procedures, when an issuer of a PDTC -eligible security will hold a stockholders' meeting, PCD Nominee Corporation shall execute a pro-forma proxy in favor of the Participants for the total number of shares in their respective principal securities account as well as for the total number of shares in their client securities account. For the shares held in the principal securities account, the Participant concerned is appointed as proxy with full voting rights and powers as registered owner of such shares. For the shares held in the client securities account, the Participant concerned is appointed as proxy, with the obligation to constitute a sub-proxy in favor of its clients with full voting and other rights for the number of shares beneficially owned by such clients.

***. There are 390,813,788 common shares and 103,994,766 preferred shares which are foreign owned or equivalent to 35.71%

The Company expects to receive the proxy form at least 10 days prior to the Annual Stockholders' Meeting.

As of April 30, 2023 , the following are known to the Company as participants of the PCD holding 5% or more of the Company’s common shares:

Title	Member Name / Address	No. of Shares	Percentage Held
Common	Lucky Securities Corporation Unit 1402 b, Philippine Stock Exchange Center, Exchange Road, Pasig City	226,844,290	21.81%
Common	BDO Securities Corporation 20 th Floor BDO Corporate Centre BDO South Tower Makati Avenue, Makati City	66,710,054	6.41%
Common	COL Financial Group Inc. Unit 2401B East Tower, PSE Centre, Exchange Road, Ortigas Center, Pasig City	61,402,890	5.90%
Common	Eastern Securities Development Corporation Unit 1603-1605 PSE Tower 5 th Avenue corner 28 th St. BGC Taguig City address	60,017,700	5.77%
Common	HSBC Clients Account 7 th Floor HSBC Centre 3058 5 th Avenue West Bonifacio Global City Taguig City	51,000,000	4.9%

(2) Security Ownership of Management

The following is a summary of the aggregate shareholdings of the Company's directors and executive officers in the Company and the percentage of their shareholdings as of April 30, 2023:

Title of Class	Name of Beneficial Owner / Address	Amount and Nature of Beneficial Ownership	Citizenship	Percentage Per Class of Share	Percentage Held Out of the Total Outstanding Shares
Common	Charles Stewart Sze Lee Chairman /Director Rm. 21B Ocean Tower, Roxas Boulevard, Manila	15,000,900 Direct	British National	1.44%	1.44%
Common	Steve Li Vice-Chairman/Director	156,000,000 Direct	Hong Kong National	15.00%	15.00%
Preferred	15 th Floor, LV Locsin Bldg. 6752 Ayala Avenue corner Makati Avenue, Makati City	52,000,000 Direct		15.00%	
Common	Avelino M. Guzman, Jr. Director Unit 403 Alfaro Place Condominium, 146 L.P. Leviste St., Salcedo Village, Makati City, Philippines	1,000 Direct	Filipino	0.00%	0.00%
Common	Christine P. Base Corporate Secretary/Director	300,003 Direct	Filipino	0.03%	0.03%
Preferred	8/F Chatham House, 116 Valero St., Salcedo Village, Makati City	100,000 Direct		0.03%	
Common	Lorna Pangilinan Independent Director Unit 8G, The Shang Grand Tower, Perea corner Dela Rosa Streets, Makati City	1000 Direct	Filipino	0.00%	0.00%
Common	Digna Elizabeth Ventura President/Director	300 Direct	Filipino	0.00%	0.00%
Preferred	15/F LV Locsin Bldg., Ayala Avenue Makati City	100 Direct		0.00%	
Common	Clinton Steven Lee Director 15/F LV Locsin Bldg., Ayala Avenue Makati City	603,490 Direct	British National	0.06%	0.06%

Title of Class	Name of Beneficial Owner / Address	Amount and Nature of Beneficial Ownership	Citizenship	Percentage Per Class of Share	Percentage Held Out of the Total Outstanding Shares
Common	Violeta Josef Independent Director 217 Santiago St., Ayala Alabang Village, Muntinlupa City	1,000 Direct	Filipino	0.00%	0.00%
Common	Ma. Victoria Villaluz Independent Director 116 J. P. Rizal St., Project 4, Quezon City	1,000 Direct	Filipino	0.00%	0.00%
Common	Neil Y. Chua Chief Financial Officer/Director	5,400 Direct	Filipino	0.00%	0.00%
Preferred	15/F LV Locsin Bldg., Ayala Avenue Makati City	1,800 Direct		0.00%	
	TOTAL FOR THE GROUP				16.53%

(3) Voting Trust Holders of 5% or More

There is no voting trust or similar arrangement executed among holders of five percent (5%) or more of the issued and outstanding shares of common stock of the Company.

(4) Description of any arrangement which may result in a change in control of registrant

Since the beginning of its last three fiscal years, there have been no arrangements that resulted in a change in control of the Company.

ITEM 5. DIRECTORS AND EXECUTIVE OFFICERS

Except in cases where a higher vote is required under the Revised Corporation Code, the approval of any corporate action shall require the majority vote of all the stockholders present in the meeting, if constituting a quorum.

Except in cases where voting by ballot is applicable, voting and counting shall be *viva voce*. If by ballot, the counting shall be supervised by the external auditors and transfer agent of the Company.

In the election of directors, each common shareholder of record as of May 17, 2023 is entitled to as many votes as there are directors to be elected. A stockholder may vote such number of shares for as many persons as there are directors to be elected or he may cumulate said shares

and give one candidate as many votes as the number of directors to be elected multiplied by the number of his shares shall equal, or he may distribute them on the same principle among as many candidates as he shall see fit: Provided, that the total number of votes cast by him shall not exceed the number of shares owned by him multiplied by the number of directors to be elected.

All proxies must be in the hands of the Secretary at least ten (10) days before the time set for the meeting. Such proxies filed with the Secretary may be revoked by the stockholders either in an instrument in writing duly presented and recorded with the Secretary prior to a scheduled meeting or their personal attendance at the meeting (*Par. 2 Section 7, By-Laws*).

A forum for validation of proxies chaired by the Corporate Secretary or Assistant Corporate Secretary and attended by the Stock and Transfer Agent shall be convened seven (7) days before any meeting. Any questions and issues relating to the validity and sufficiency, both as to form and substance, of proxies shall only be raised during said forum and resolved by the Corporate Secretary. The Corporate Secretary's decision shall be final and binding upon the shareholders. Any such question or issue decided upon by the Corporate Secretary shall be deemed settled and those not brought before said forum shall be deemed waived and may no longer be raised during the stockholder's meeting (*Par. 3 section 7, By-Laws*).

(1) Board of Directors and Executive Officers

The incumbent directors, including independent directors and executive officers of the Company are as follows:

Name	Age	Office	Year of Assumption of Office	No. of Year/Month
Charles Stewart Lee	32	Director	2014	9 years
		Chairman of the Board	2020	3 years
Steve Li	53	Director	2004	19 years
		Vice Chairman	2007	16 years
		Chief Executive Officer	2013	10 years
Avelino Guzman	49	Director	2015	8 years
Digna Elizabeth L. Ventura	50	Director	2011	12 years
		President	2011	12 years
Lorna Pangilinan	67	Independent Director	2018	5 years
Christine P. Base	52	Director	2007	16 years
		Corporate Secretary	2007	16 years
Violeta Josef	77	Independent Director	2015	8 years
Ma. Victoria Villaluz	69	Independent Director	2015	8 years
Clinton Steven Lee	30	Director	2020	3 years

Name	Age	Office	Year of Assumption of Office	No. of Year/Month
Neil Y. Chua	53	Director	2013	10 years
		Chief Finance Officer/Treasurer	2009	14 years
Honorio A. Alvarez, Jr.	54	AVP for Engineering	2017	6 years
Benjamin C. Abordo	54	AVP for Procurement	2022	1 year

The Company has adopted SRC Rule 38 and SEC Circular No. 16, Series of 2002 on the Guidelines on Nomination and Election of Independent Directors as stated in the By-laws and Manual on Corporate Governance of the Corporation. The following are the procedures for the nomination and election of independent directors of the Company:

- A. All nominations for directors to be elected by the Stockholders of the Corporation shall be submitted in writing to the Corporate Secretary of the Corporation at the principal office of the Corporation not earlier than forty (40) days nor later than twenty (20) days prior to the date of the regular or special meeting of stockholders for the election of directors. Nominations which are not submitted within such nomination period shall not be valid. Only stockholder of record entitled to notice and vote at the regular or special meeting of the stockholders for the election of the directors shall be qualified to be nominated and elected a director of the Corporation (*Section 9, By Laws*).
- B. All nominations shall be signed by the nominating stockholder/s together with the acceptance and conformity of the would-be nominees (SRC Rule 38). After the nomination, the Nomination Committee shall prepare a Final List of Candidates, which shall contain all the information about all the nominees for independent directors. The list shall be made available to the Securities and Exchange Commission and to all stockholders through the filing and distribution of the Information Statement or Proxy Statement, or in such other reports the Corporation is required to submit to the Commission. The name of the person or group of person who recommended the nomination of the independent director shall be identified in such report including any relationship with the nominee.
- C. Only nominees whose names appear on the Final List of Candidates shall be eligible for election as an Independent Director. No other nomination shall be entertained after the Final List of Candidates shall have been prepared. No further nomination shall be entertained or allowed on the floor during the actual annual stockholders' meeting.
- D. It shall be the responsibility of the Chairman of the Meeting to inform all stockholders in attendance of the mandatory requirement of electing an independent director. He shall ensure that an independent director is elected during the stockholders' meeting.
- E. The specific slot for an independent director shall not be filled-up by the unqualified nominees.

F. The decision of the Nomination Committee, once confirmed by the Board of Directors, shall be final and binding upon the shareholders and may no longer be raised during the stockholders' meeting (*Section 10, By-Laws*).

G. In case of failure of election for the independent director, the Chairman of the Meeting shall call a separate election during the same meeting to fill-up the vacancy.

The nominees for independent directors of the Company are Lorna Pangilinan, Violeta J. Josef and Ma. Victoria A. Villaluz. They are nominated by Steve Li, a shareholder of the Company; and, to the Company's knowledge, there is no relationship between the nominees for independent directors and Steve Li.

The members of the Nomination Committee are as follows:

- | | | |
|--------------------------|---|----------|
| 1. Charles Stewart Lee | - | Chairman |
| 2. Steve Li | - | Member |
| 3. Ma. Victoria Villaluz | - | Member |

DIRECTORS AND EXECUTIVE OFFICERS

The following are the business experiences and positions held by the Directors and Executive Officers for the past five (5) years:

CHARLES STEWART LEE, British National, 32 years old, is the incumbent Chairman of the Board of Directors of Anchor Land Holdings, Inc. He is currently a Director of Pacific Apex Food Ventures, Inc. Mr. Lee studied at the University of Southern California, Los Angeles, California, USA where he obtained his Business of Arts Degree in Social Science with emphasis in Economics.

STEVE LI, Hong Kong SAR National, 53 years old, is the Vice-Chairman and Chief Executive Officer since 2007 and 2013, respectively. Mr. Li graduated from York University, Toronto, Canada with a Bachelor's Degree in Business Administration major in Finance and Accounting.

DIGNA ELIZABETH L. VENTURA, Filipino, 50 years old, is the President of Anchor Land Holdings, Inc. since August 15, 2011. She has served as Asst. Vice President from July 2005 and as Vice President from 2009 for Sales & Marketing. Prior to joining the Company, she was the Sales Director of Filinvest, Inc., Sales and Marketing Manager of the Waterfront Hotel and Megaworld Properties and Holdings, Inc. Ms. Ventura earned her Bachelor of Science Degree in Hotel and Restaurant Management from the University of Santo Tomas.

LORNA PANGILINAN, Filipino, is 67 years old, is an Independent Director of the Company. Currently, she does consultancy engagements with various companies. Her clients includes Fraport AG, Macroasia Corporation, Sublic Leisure Inc., Zuellig, MRT-4 (Bouygues), Asia's Emerging Dragon Corporation, Metropolitan Medical Center, and Ever-Gotesco Group of Companies. She held several executive positions from 1977 to 2010. She also served as director and committee member to different private and financial institutions such as Savers Dome Inc., Tong Yang Savings Bank, Chamber of Thrift Banks, Capwire and Pocketbell, Republic Telecommunications Holdings, Inc., AG Finance Inc., DBP Management Corporation, DBP

Data Center, Inc. and DBP Provident Fund Committee and DBP-Institutional Banking Group Credit Committee. She also earned her bachelor's degree in Economics at the University of the Philippines Diliman and a MA candidate in Economics at Ateneo de Manila University.

CHRISTINE P. BASE, Filipino, 52 years old, is the Corporate Secretary and a member of the Audit Committee since April 10, 2007. She is currently a Corporate and Tax Lawyer at Pacis and Reyes, Attorneys and the Managing Director of Legisforum, Inc. She concurrently serves as the Corporate Secretary of Araneta Properties, Inc., SBS Philippines Corporation, Asiasec Equities, Inc., SL Agritech Corporation, and Ever-Gotesco Resources and Holdings, Inc.. She also acts as a director and corporate secretary of Italpinas Development Corporation. Ms. Base also acts as a Director and/or Corporate Secretary of several other private corporations. She was an Auditor and then a Tax Lawyer of Sycip Gorres Velayo & Co. She is a graduate of Ateneo De Manila University School of Law with a degree of Juris Doctor. She passed the Bar Examination in 1997. Ms. Base is also a Certified Public Accountant. She graduated from De La Salle University with a degree in Bachelor of Science in Commerce major in Accounting.

NEIL Y. CHUA, Filipino, 53 years old, is a Director and the Chief Finance Officer since 2013 and 2009, respectively. He was a Senior Manager at KPMG, Auckland, New Zealand from March 2008 to May 2009; and at Purwantono, Sarwoko & Sandjaja/Ernst & Young, Indonesia from October 2002 to February 2008. He was also an Andersen Worldwide Manager of Prasetio, Utomo & Co/Andersen, Indonesia and a supervisor at Sycip Gorres Velayo & Co./Arthur Andersen, Philippines from November 1991 to September 1996. Mr. Chua obtained his Bachelor of Accountancy from the University of San Carlos, Cebu City. He is also a Certified Public Accountant and a member of the Philippine Institute of Certified Public Accountants since 1992.

CLINTON STEVEN LEE, British, 30 years old, has been working for Anchor Land Holdings, Inc. since 2016 under the Office of the Chairman. He heads the Business Development Group as well as the Market Research Group. Mr. Lee graduated from the University of California, Los Angeles, California USA where he obtained his degree of Bachelor of Arts Degree in Sociology.

VIOLETA J. JOSEF, Filipino, 77 years old, was elected as Independent Director of the Company. She completed her Bachelor in Business Administration from the University of East. She is a Certified Public Accountant and received her Masters Degree in Business Administration-Top Executive Program from the Pamantasan ng Lungsod ng Maynila where she is now a part-time Lecturer in PLM's Graduate School of Business. She also completed her General Management Executive Program at the National University of Singapore, Faculty of Business Administration in 1992. She held various executive positions such as Senior Vice-President, Treasurer, Controller and Director at the Multinational Group of Companies from 1972-2014. She started her career in public practice in SGV and Co. immediately after completing her Bachelor's Degree. Ms. Josef was also a former board member of the Professional Regulatory Board of Accountancy, for years 1995 to 1998. She has held several positions in various professional and civic organizations, such as Past National President of the Philippine Institute of Certified Public Accountants in 2013-2014, Deputy Vice-President of the Philippine Federation of Professional Associations in 2014-2016, life-time member of the Philippine Association of Professional Regulatory Board Members since 1995, Past President of the Association of CPAs in Commerce and Industry in 1986 and a former member of the Auditing Standards and Practices Council. As PICPA President, she was a board and council member of various international accountancy organizations, such as the Asean Federation of Accountants (AFA), the Confederation of Asian and Pacific Accountants (CAPA) and the International Federation of Accountants (IFAC).

MA. VICTORIA A. VILLALUZ, Filipino, 69 years old, was elected as an Independent Director on June 25, 2015. She is a Member of the Integrated Bar of the Philippines, the UP Women Lawyers' Circle and the Tax Management Association of the Philippines where she also served as President in 2010. She previously worked with Sycip Gorres Velayo & Co. from 1980 until her retirement in 2014 as a Partner in the Tax Services Group where she provided, among others, tax advisory and tax planning, as well as quality and risk management, services to clients from various industries such as utilities (power, water, oil and gas), telecommunications, entertainment, engineering and construction, real estate, hotel, transportation, trading and manufacturing. Ms. Villaluz is an accredited lecturer in the Mandatory Continuing Legal Education (MCLE) prescribed by the Supreme Court for lawyers; she was also the tax training director for the Arthur Anderson New Tax Seniors' Training Seminar in Penang Malaysia until 2001 and was a lecturer in the Arthur Andersen New Manager's training seminars in St. Charles, Illinois. Ms. Villaluz obtained her Bachelor of Arts in Philosophy and her Bachelor of Laws from the University of the Philippines.

AVELINO M. GUZMAN, JR., Filipino, 49 years old, was elected as a Director on June 25, 2015. He is the Managing Partner of A.M. Guzman, Jr. and Associates Law Office, and of Golden Ace Credit Solutions Company, Ltd. He also serves as the President and Chairman of the Board of Whidbey Holdings Corporation and as the Corporate Secretary of Santino Metal Industries, Inc., Merckammed Concepts, Inc., Ideaship Phils. Holdings, Inc., LTC Group of Companies, VS Marketing Corporation, Anchor Land Global Corporation and Akuna (Philippines) Inc. He was previously a Senior Associate Lawyer at Saulog & De Leon Law Offices from January 1999-December 2009. Mr. Guzman, Jr. obtained his Bachelor of Arts major in Economics and his Bachelor of Laws from San Beda College. He became a Member of the Integrated Bar of the Philippines in 1999.

(2) Independent Director

Three (3) incumbent directors of the Company, namely Lorna Pangilinan, Violeta Josef and Ma. Victoria Villaluz, are the Independent Directors for the year 2022-2023. They are not employees of the Company and do not have any relationship with the Company, which would interfere with the exercise of their independent judgment in carrying out the responsibilities of a director.

The following are nominated for election to the Board of Directors during this year's Annual Stockholders' Meeting:

1. Charles Stewart Lee	Director
2. Steve Li	Director
3. Digna Elizabeth Ventura	Director
4. Christine P. Base	Director
5. Monina Jane S. Nazal	Director
6. Neil Y. Chua	Director
7. Clinton Steven Lee	Director
8. Avelino M. Guzman	Director
9. Lorna Pangilinan	Independent Director
10. Violeta J. Josef	Independent Director
11. Ma. Victoria A. Villaluz	Independent Director

Atty. Monina Jane S. Nazal, 44, Filipino, served as the Assistant Vice President for Legal Governance and Corporate Social Services of Clark International Airport. She earned her Bachelor's Degree in Law at the Arellano University School of Law, and Bachelor of Arts Major in Political Science at the De La Salle University. She is currently a Senior Associate at Pacis and Reyes, Attorneys. She was a director of Itaipinas Development Corporation from 2020 to 2021. She is also a director and/or corporate secretary for several private corporations.

The nominees for independent directors for this year's Annual Stockholders' meeting of the Company are Lorna Pangilinan, Violeta J. Josef, and Ma. Victoria A. Villaluz. They were nominated by Steve Li, a shareholder of the Corporation and, to the Company's knowledge; there is no relationship between nominees for independent directors and Mr. Steve Li.

The term of office of all directors, including independent directors shall be one (1) year until their successors are duly elected and qualified.

(3) Key Officers

The members of the management team, aside from those mentioned above, are as follows:

HONORIO A. ALVAREZ, JR., Filipino, 54 years old, is the Assistant Vice-President for Engineering. He was formerly the General Manager and Vice President of DD Happy Homes Residential Centers, Inc., a subsidiary of Double Dragon Properties, from June 2015 to January 2017. He also served as the Senior Assistant Vice President-Project Management Head, High Rise Division/Special Projects of Eton Properties Philippines, Inc. from March 2011 to March

2015. He graduated from the University of Santo Tomas with a Bachelor of Science in Civil Engineering in 1989.

BERNARD FLORENCIO MANUEL, Filipino, 37 year old, is now the Internal Audit of Manager of Anchor Land Holdings, Inc, who assumed office last March 1, 2023. He is a Certified Internal Auditor. He was a former Audit Manager of Autohub Group of Companies. Internal Audit Manager of Megawide Construction Corporation and Risk Supervisor of JG Summit Holdings, Inc.(Back Audit). He obtained his Bachelor's degree from Maupa University.

BENJAMIN C. ABORDO, Filipino, 54 years old, is the AVP for Procurement of Anchor Land Holdings, Inc. He is a former member of Philippine Institute of Supply Management. He worked as AVP Procurement at Raemulan Lance Inc., Supply Chain Manager of ProliftGroup of Companies, Procurement Manage of Aboitiz Transport System and as Procurement Manager at Sidem, UAE. He graduated from University of the East.

(4) Family Relationships

Aside from Charles Stewart Lee and Clinton Steven Lee, there are no family relationships, either by affinity or consanguinity up to the fourth civil degree among the directors, executive officers and persons nominated and chosen by the Company to become directors and executive officers.

(5) Involvement in Certain Legal Proceedings

To the knowledge of the Company, there has been no occurrence of any of the following events during the past five (5) years up to the present which are material to an evaluation of the ability and integrity of any director, any person nominated to become director, executive officer or control person of the Company:

1. Any insolvency or bankruptcy petition filed by or against any business of which such person was a general partner or executive officer whether at the time of insolvency or within two (2) years prior to that time;
2. Any conviction by final judgment in a criminal proceeding, domestic or foreign, in any pending criminal proceeding, domestic or foreign, excluding traffic violations and other minor offenses;
3. Any final and executory order, judgment or decree of any court of competent jurisdiction, domestic or foreign, permanently or temporarily, enjoining, barring, suspending or otherwise limiting involvement in any type of business, securities, commodities or banking activities; and
4. Any final and executory judgment by a domestic or foreign court or competent jurisdiction (in a civil action), the SEC, or comparable foreign body, or domestic or foreign exchange or electronic marketplace or self-regulatory organization, for violation of a securities or commodities law.

There are no legal proceedings to which the Company or its subsidiary or any of their properties is involved in or subject to, that would have a material effect adverse effect on the business or financial position of the Company or its subsidiary.

(6) Significant Employees

No single person is expected to make a significant contribution to the business since the Company considers the collective efforts of all its employees as instrumental to its success.

(7) Certain Relationships and Related Transactions

As of April 30, 2023, the following is a summary of the director who owns ten percent (10%) or more of the outstanding shares of the Company:

Name of Company and Director	Position Held	Percentage of Voting Securities
Steve Li	Vice Chairman and Chief Executive Officer	15.00%

Related Party Transactions

The Company, in the normal course of business, enters into transactions with its related parties consisting primarily of non-interest bearing advances for working capital requirements.

Outstanding balances with related parties included in the appropriate accounts in the consolidated balance sheets are as follows:

	2022	2021	2020
Advances to related parties	–	–	–
Advances from related parties	–	–	–

No transaction was entered by the Company with parties who are not considered related parties but with whom the Company or its related parties have a relationship that enables the parties to negotiate terms of material transactions.

There were no transactions with promoters in the past five years.

ITEM 6. COMPENSATION OF DIRECTORS AND EXECUTIVE OFFICERS

(1) Compensation Table

Information as to the aggregate compensation of the key management personnel of the Group, which includes all directors, executives and senior management during the last three (3) fiscal years is as follows:

Name and Principal Position	Fiscal Year	Total Group Salary	Total Group Bonus	Other Annual Compensation
1. Steve Li - CEO	Actual 2020	₱35.8M	₱1.4M	
2. Digna Elizabeth L. Ventura - President	Actual 2021	₱39.3M	-₱0-	
3. Neil Y. Chua - CFO				
4. Honorio Alvarez - AVP Engineering	Actual 2022	₱46.1M	-₱0-	
5. Jonathan Yap – AVP Engineering	Projected 2023	₱47.5M	-₱0-	
All other officers and directors as a group - unnamed	Actual 2020		₱34.1M	
	Actual 2021		₱34.7M	
	Actual 2022		₱34.7M	
	Projected 2023		₱32.5M	

(2) Compensation of Directors

Under the By-Laws of the Company, by resolution of the Board, each director shall receive a reasonable per diem allowance for his attendance at each meeting of the Board. As compensation, the Board shall receive and allocate an amount of not more than ten percent (10%) of the net income before income tax of the Company during the preceding year. Such compensation shall be determined and apportioned among directors in such manner as the Board may deem proper, subject to the approval of stockholders representing at least a majority of the outstanding capital stock at a regular or special meeting of the stockholders.

The total annual compensation of the Board of Directors is ₱6.9 million.

Other than those mentioned above, there are no other arrangements for compensation either by way of payments for committee participation or special assignments. There are also no outstanding warrants or options held by the Company's Chief Executive Officer and other officers and/or directors.

The above-stated compensation is in accordance with the Revised Corporation Code and rules of the Commission.

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

There are no other special contracts of employment between the Company and the named directors and executive officers, as well as special compensatory plans or arrangements, including payments to be received from the Company with respect to any named directors or executive. Employment contracts of all Supervisors and Rank are all hired as long-term employment period until regularization or termination of any cause.

ITEM 7. INDEPENDENT PUBLIC ACCOUNTANTS

Sycip Gorres Velayo & Co. (SGV) was the Independent Public Accountant for the year 2022. The reappointment of the said accounting firm as Independent Public Accountant for the incoming year will be submitted to the stockholders for their confirmation and approval. The Partner-in-Charge is Jennifer D. Tielao. Duly authorized representatives of SGV are expected to be present at the Annual Meeting of Stockholders and they will have the opportunity to make statements if they desire to do so and are expected to be available to respond to appropriate questions.

Based on the revised SRC rule 68, partner rotation should follow the prescribed number of years based on Code of Ethics for Professional Accountants which is 7 years. Should the 7-year limitation of such assigned partner be attained, the Company will require the rotation of such engagement partner.

(1) External Audit Fees and Services

The aggregate fees for each of the last three (3) years for professional services rendered by the Company's external auditors are as follows:

	2022	2021	2020
Audit Fees	₱3,650,250	₱3,305,252	₱3,297,000
Tax fees	–	–	–
Other Fees	–	700,000	–
Total	₱3,650,250	₱3,297,000	₱3,154,000

- (a) Audit and audit related fees for the Group was for expressing an opinion on the financial statements and review of the annual income tax return.
- (b) There are no other assurance and related services by the external auditor that are reasonably related to the performance of the audit or review of the registrant's financial statements.
- (c) There were no tax fees paid for the years 2022, 2021 and 2020.
- (d) Other fees in 2021 pertain to advisory services rendered. There were no other fees paid to the external auditors for the years 2022 and 2020.
- (e) Audit committee's approval policies and procedures for the above services – the committee will evaluate the proposals from known external audit firms. The review will focus on quality of service, commitment to deadline and fees as a whole, and no one factor should necessarily be determinable.

(2) Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

There were no changes in and disagreements with accountants on accounting and financial disclosure.

ITEM 8. COMPENSATION PLANS

No action with respect to any plan pursuant to which cash or non-cash compensation may be paid or distributed for the year shall be discussed during the meeting.

C. ISSUANCE AND EXCHANGE OF SECURITIES

ITEM 9. AUTHORIZATION OR ISSUANCE OF SECURITIES OTHER THAN FOR EXCHANGE

There are no matters or actions to be taken up in the meeting with respect to authorization or issuance securities.

ITEM 10. MODIFICATION OR EXCHANGE OF SECURITIES

There are no matters or actions to be taken up in the meeting with respect to the modification of any class of the Company's securities or the issuance of authorization for issuance of one class of the Company's securities in exchange for outstanding securities of another class.

ITEM 11. FINANCIAL AND OTHER INFORMATION

The audited financial statements as of and for the year ended December 31, 2022 and the interim unaudited financial statements as of and for the three-month period ended March 31, 2023. Management's Discussion and Analysis, Market Price of Shares and Dividends and other data related to the Company's financial information are attached hereto.

ITEM 12. MERGERS, CONSOLIDATIONS, ACQUISITIONS AND SIMILAR MATTERS

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

ITEM 13. ACQUISITION OR DISPOSITION OF PROPERTY

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

ITEM 14. RESTATEMENT OF ACCOUNTS

The Company is not taking any action, which involves the restatement of any of its assets, capital or surplus account.

D. OTHER MATTERS

ITEM 15. ACTION WITH RESPECT TO REPORTS

(1) Approval of the Minutes of the 2022 Annual Stockholders' Meeting held on July 15, 2022 covering the following matters:

1. Report of the President;
2. Presentation and approval of the Financial Statements as of December 31, 2021;
3. Ratification of acts of the Board of Directors and Officers;
4. Election of the members of the Board of Directors;
5. Appointment of external auditors
6. Other matters; and,
7. Adjournment.

(2) Resolutions for Ratification by the Stockholders

At the Annual Stockholders' Meeting, stockholders will be asked to approve and ratify all acts of the Board of Directors and management during their term of office. These include, but not limited to, opening and maintaining deposit accounts and/or trust accounts with various banking institutions, obtaining loans/credit accommodations and trust receipt agreements with various banks and approval of signing limits.

ITEM 16. MATTERS NOT REQUIRED TO BE SUBMITTED

Other than election to office, there is no matter to be acted upon during the Annual Stockholders' Meeting to which a beneficial owner, director or officer has any substantial interest.

No director has informed in writing of his intention to oppose any action to be taken during the proposed Annual Stockholders' meeting.

ITEM 17. AMENDMENT OF CHARTER, BY-LAWS OR OTHER DOCUMENTS

There are no amendment of charter and by-laws of the Corporation.

ITEM 18. OTHER PROPOSED ACTIONS

There are no other proposed actions to be taken up in the meeting.

ITEM 19. VOTING PROCEDURES

Except in cases where a higher vote is required under the Revised Corporation Code, the approval of any corporate action shall require the majority vote of all the stockholders present in the meeting, if constituting a quorum.

In the election of directors, each common shareholders of record as of May17, 2023 is entitled to as many votes as there are directors to be elected. A stockholder may vote such number of shares for as many persons as there are directors to be elected or he may cumulate said shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of his shares shall equal, or he may distribute them on the same principle among as many candidates as he shall see fit: Provided, that the total number of votes cast by him shall not exceed the number of shares owned by him multiplied by the number of directors to be elected.

Stockholders who opt to vote by proxy must submit and address their proxy to the attention of the Corporate Secretary at 8th Floor, Chatham House Bldg., Valero corner Rufino Sts., Salcedo Village, Makati City or via e-mail at corporatesecretary@anchorland.com.ph not later than 5:00 p.m. on or before July 3, 2023. Any questions for the Board must also be emailed the address mentioned above on or before July 3, 2023.

Stockholders may view the Notice and Agenda, Proxy Form, Definitive Information Statement, SEC Form 17-A (2022 Annual Report), SEC Form 17-Q (1st Quarter Report of 2023) and other pertinent documents related to ALHI's Annual Stockholders' Meeting at link <https://anchorland.com.ph/asm-2023> and via the PSE Electronic Disclosure Generation Technology (PSE EDGE) portal at <https://edge.pse.com.ph>.

**UNDERTAKING TO PROVIDE WITHOUT CHARGE A COPY OF THE
COMPANY'S ANNUAL REPORT**

**A COPY OF THE COMPANY'S ANNUAL REPORT ON SEC FORM 17-A
WILL BE PROVIDED WITHOUT CHARGE TO EACH PERSON UPON
WRITTEN REQUEST OF ANY SUCH PERSON ADDRESSED TO:**

**THE OFFICE OF THE CORPORATE SECRETARY
ANCHOR LAND HOLDINGS INCORPORATED
8th Floor, Chatham House,
116 Valero cor. V.A. Rufino St., Makati City**

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete and correct. This report is signed in the City of Makati on May 30, 2023.

ANCHOR LAND HOLDINGS, INC.

By:


CHRISTINE P. BASE
Corporate Secretary

MANAGEMENT REPORT

Propelled by extensive efforts in adapting and innovating, Anchor Land Holdings, Inc. (ALHI) optimized the upswing in the country's economy to finish 2022 strong and better positioned for expansion.

Our drive to stay ahead of the game boosted the Group's operational performance as demonstrated by the 23% year-on-year increase in our net profit, rising to ₱515.93 million from ₱419.23 million in 2021.

The Group's total consolidated revenues steadily picked up from the previous year's ₱4.38 billion to ₱4.48 billion. Anchoring this consistent growth was the stronger real estate sales due to increased demand for pre-selling and ready-for-occupancy condominiums.

Backed by higher construction accomplishment, sales mainly from 202 Peaklane, Cornell Parksuites, Copeton Baysuites, 8 Alonzo Parksuites, Anchor Grandsuites, and Juan Luna Logistics Center accounted for 61% of the total revenues in 2022.

The positive net take-up of our properties for leasing, such as our office development The Centrium Corporate Offices, and other completed commercial facilities including Two Shopping Center contributed 24% to the Group's total consolidated revenues.

Notably, the opening of our first luxury hospitality development, Admiral Hotel Manila is off to a promising start as it generated PhP79.78 million in recurring income during its soft opening. We are optimistic that we will surpass this stellar performance in 2023 amid the improvement of local and international tourism and the resumption of MICE (meetings, incentives, conferences, exhibitions) activities and social events.

The Group is confident to maintain this momentum as growth prospects across all segments in the real estate industry are boosted by strong macroeconomic fundamentals and increased demand for investment properties.

This optimism stems from our competitive edge in designing developments that meet the evolving needs of the market and building world-class and innovative properties in strategic locations across the country, thus ensuring sustained value for our clients and stakeholders.

We are well-positioned to capitalize on the renewed strength of economic activities in city centers. In Manila Bay Area, we offer the sustainable investment proposition of Copeton Baysuites, whose rental-ready units enable investors to offer premium hotel-alternative accommodation in the leisure- and business-driven district. Revolutionary smart upgrades like the smart digital lockset and an online property management app increase the efficiency of lease operations and make returns from rental income more sustainable.

Banking on the diversity of the Manila Bay Area, we expect the success of Cosmo Suites in filling the gap for co-living accommodations in Pasay City.

Amid rising consumer confidence and foot traffic, we foresee the continuous growth of our recurring income from our office and commercial rental businesses.

With the reactivation of event spaces and increased retail spending, we see Baylife Venue, along with its roster of merchants including East Ocean Palace, benefitting and contributing to the company's financial performance.

We also expect Kanlaon Tower to contribute to the Group's recurring income as it offers start-up companies and MSMEs a prime spot to take advantage of the resurgence of activities in the Manila Bay Area.

As corporate and commercial spaces regain momentum, ALHI is positioned to seize rising opportunities in the office rental business. The Centrium Corporate Offices at the core of Manila Bay City is primed to be the preferred office building in the district. With commercial components integrated, it is seen to strongly contribute to the company's financial standing.

On the other hand, the booming e-commerce industry in Manila Chinatown continues to generate a need for facilities that provide essential backroom support. ALHI is primed to meet this demand, further strengthening our rental revenue stream, through our logistics facilities namely One Soler, One Logistics Center, and Juan Luna Logistics Center.

We remain to be a key player in Manila – specifically in Binondo. As our stronghold, we fortify our presence in the trade district by providing upgraded residences meant to elevate living experiences. Included in the slate of our well-thought-out properties in the area are One Legacy Grandsuites, Cornell Parksuites, and 8 Alonzo Parksuites.

As we strengthen our ties with our valued clients in the world's oldest Chinatown, we continue to understand their evolving needs. Considering the growing requirements of businesses in this tight-knit community, Anchor Land will offer premium offices designed for improved efficiency and productivity through One Financial Center.

In relentless pursuit to redefine the Roxas Boulevard skyline, we look forward to the construction of the Panorama Manila. A 52-storey tower, it is poised to elevate the urban living experience in the City of Manila by offering waterfront residential units for sale.

Committed to delivering our promise, Anchor Land finds ways to expedite construction and operations. Capital expenditures have augmented the Group's total assets to PhP 39.13 billion. With PhP 1.86 billion increase in the organization's investment, we intend to reassure patrons, partners, and clients of steady site activities while speeding up the turnover of properties.

Other developments remain in our pipeline. While Panorama Manila is set to stand next to our Admiral properties, we look forward to providing the next generation of Filipino-Chinese families in Binondo with ultra-luxury homes through One Legacy Grandsuites. For the commercial segment, One Financial Center will provide office solutions to businesses scaling up their operations. In addition, our upcoming logistics centers in the area are designed to address the storage needs of entrepreneurs who may require modern warehousing facilities. Included in this category are RosAn Logistics Center, Divisoria Logistics Center,

and Recto Logistics Center. Finally, as we continue to anticipate the boost in the tourism industry, we see ALHI becoming more aggressive and immersed in hospitality with leisure projects in Boracay and Palawan.

With a positive outlook, we boost our efforts to amplify lead generation and conversion. While digital channels and infrastructures are being optimized, offline platforms are aggressively utilized. In collaboration with mainstream media outlets, we expect to strengthen our brand equity while we increase awareness.

Sales efforts are also further reinforced. Robust marketing strategies and support enable the teams to penetrate high-potential markets. With an enhanced Sales Portal in place, efficiency is expected to increase. International sales initiatives are also set as Anchor Land intends to reach a wider target.

Always steered by our precise calculation of the changing segments, we are able to innovate while staying attuned to the ever-growing needs of our clients. This is evident in how we integrate advanced features in several of our Binondo properties. These include smart property technologies and home automation features that not only upgrade the standards of luxury in our developments but also contribute to operational and energy efficiency for unit owners. Collaborating with globally renowned architects and consultants, our projects are afforded world-class vibes with club-in-a-condo amenities. Moreover, all verticals are also master planned to provide configuration options that would aptly suit residential considerations for the new generation of families. Most importantly, we have recalibrated our portfolio by introducing a category meant to yield better investment returns through Rentvestments.

Building upon a solid foundation, we are confident that we will continue to be industry trailblazers. Committed to innovating, we will strive to find more ways to serve through sustainable real estate investment options.

Through gains and lessons learned, we see a rewarding future ahead – adapting to advance in every aspect of our craft.



CHARLES STEWART LEE
Chairman

BUSINESS AND GENERAL INFORMATION

Business Overview

Anchor Land Holdings, Inc. (“ALHI” or the “Company”) was registered with the Philippine Securities and Exchange Commission (“SEC” or the “Commission”) on July 29, 2004 with an authorized capital stock of ₱10,000,000.00 divided into 100,000 common shares with a par value of ₱100.00.

The Company is the holding company of the ALHI Group (the “Group”) with principal business interest in real estate organized to acquire by purchase, lease, donation, or otherwise, and to own, use, improve, develop, subdivide, sell, mortgage, exchange, lease, and hold for investment, real estate of all kinds, whether to improve, manage or otherwise dispose of buildings, houses, apartments, and other structures of whatever kind, together with their appurtenances.

The Company traces its roots to Anchor Properties Corporation. Anchor Properties Corporation was incorporated in July 15, 2003. It commenced commercial operations on April 30, 2004, simultaneously with the start of the construction of its Lee Tower project.

The Company was founded by a group of entrepreneurs led by Mr. Stephen L. Keng and Mr. Steve Li. The Company was primarily organized to engage in real estate development and marketing focusing initially in high-end residential condominiums within the Manila area. It started business operations on November 25, 2005.

On December 13, 2006, the board of directors and stockholders of the Company approved and authorized the plan of merger of Anchor Properties Corporation, with the Company as the surviving entity. Simultaneously with the approval of the Company’s merger with Anchor Properties Corporation, the Company’s board of directors and stockholders also approved amendments to Company’s Articles as follows: (a) reduction of the par value from ₱100.00 to ₱1.00 resulting in stock split and increase in authorized capital stock from ₱10,000,000.00 to ₱1,000,000,000.00. Both companies are substantially under common control and the merger of the two companies was done to consolidate their real estate projects under one group.

On July 7, 2011, the board of directors and stockholders of the Company approved the amendment of the Company’s Articles of Incorporation as follows: a) increase in authorized capital stock of the Company from 1,000,000,000 shares of common stock with par value of ₱1.00 per share to 2,300,000,000 shares of common stock with par value of ₱1.00 per share; and b) increase in authorized capital stock of the Company by creating 1,300,000,000 units of 8%, voting, preferred shares with par value of ₱1.00 per share.

On November 8, 2013, the Philippine SEC approved the increase of capital stock of ALHI from ₱3,600,000,000.00 divided into 2,300,000,000 common shares and 1,300,000,000 preferred shares, both with a par value of ₱1.00 each to ₱4,800,000,000.00 divided into 3,500,000,000 common shares and 1,300,000,000 preferred shares, both with a par value of ₱ 1.00 per share.

Business Plan

A trailblazing vision complemented by market-driving strategies to redefine the Philippine real estate landscape paved the way for Anchor Land Holdings, Inc. (ALHI) to end 2022 stronger than 2021 after booking a net income of ₱515.93, 23% higher than the previous year's ₱419.23 million.

The group's strong financial outlook was the result of long-term efforts and the continuous pursuit of growth avenues in the real estate sector. With strong foresight for innovation in property development matching evolving customer preferences, we advanced to explore new territories and augment our signature luxury offerings.

RAISING THE BAR IN PROPERTY DEVELOPMENT WITH SMART TECHNOLOGY

As property buyers continuously embrace smart living, ALHI is determined to harness the latest technological advancements so that we may continuously evolve and exceed our signature brand of service to our customers.

In our end-use residential developments, we shall continuously integrate modern and intelligent building features with our fully-furnished units to elevate the living conditions of the new generation of discerning property buyers. These include smart property technologies like the digital lockset as well as automated controls for television, lighting, ACU, and curtains.

As we adapt to the rapidly changing property landscape, we shall fortify our lineup of sustainable investments (cashflow assets) with smart technology upgrades and expert property management and leasing support that contribute to their business- and-rental readiness. Further boosting our support to property investors, we offer an online property management system that enables seamless interaction between unit owners and Anchor Land's property management office.

With the adoption of these modern advancements, we intend to further increase our developments' investment value by enhancing operational efficiency for investors in search of convenient and hassle-free property investments.

Within our organization, we have been successful in fully integrating offline and online strategies to advance our position in the real estate arena. While optimizing our presence in relevant social media and search engine platforms, we are also focusing on increasing the effectiveness of our efforts using lead routing and management technology.

With the intent to elevate the selling experience from our strongholds to any point across the globe, we have fully digitalized how we cascade information within our organization. Using the Sales Portal and Resource Center, we are able to synchronize and streamline marketing assets among our Sales team 24/7.

EXPLORING NEW TERRITORIES IN REAL ESTATE

Innovation has always been at the forefront of our strategy. Drawing upon our deep understanding of our target market and our mastery of the areas where we operate, we are able to pursue new opportunities to advance and expand our business.

By delivering the most luxurious real estate offerings in Manila Chinatown, ALHI has successfully captured a niche market, while steadily expanding its foothold through industry-first product offerings.

From the most technologically advanced residential tower in Binondo, ALHI is also set to deliver the tallest and most innovative office development in the City of Manila designed to address the dynamic needs of the new breed of entrepreneurs and business owners. One Financial Center shall rise as the pinnacle of modernization and progress at the bustling trade and commerce district. A premium Grade A office tower, it is designed to boost optimum productivity and operational efficiency through energy-saving features. Aside from inverter air conditioning units, double-glazed Low-e curtain walls are also utilized to maintain improved indoor conditions while translating to lower power consumption.

In Roxas Boulevard, Admiral Hotel, ALHI's maiden hotel development is now ready to capture the full velocity of tourism influx with its doors fully open. As the first five-star luxury boutique hotel in the country, it stands as a monument of Anchor Land's signature brand of luxury in the Manila Bay area.

FORGING A TRAILBLAZING PATH

Now in its 19th year, the Anchor Land brand signifies a legacy built over carefully designed masterpieces and handcrafted customer service.

Our success in continuously breathing new life into the world's oldest Chinatown is reflected in the growth in revenues from real estate sales in 2022. The growth was driven by increased construction accomplishment from our current projects for sale consisting of Cornell Parksuites, 8 Alonzo Parksuites, Anchor Grandsuites, and Juan Luna Logistics Center.

Following this feat, we are committed to delivering the most ambitious and high-tech residential condominium in Binondo with One Legacy Grandsuites. It is configured to deliver expansive residential suites equipped with automated unit features and world-class amenities. In the bustling area of Masangkay, we present another premium residential offering through Cornell Parksuites, a collection of residences preferred by moms with schooling children. Meanwhile, 8 Alonzo Parksuites is ideal for aspiring families who want to set up a bright future in the thriving trade district.

With a proven track record and commitment to providing property solutions that address customers' needs, ALHI continues to roll out real estate offerings in the dynamic Bay City Manila where it now enjoys the growth potential it envisioned years back.

Strategically located to capture the influx of tourism in the country's new entertainment center, Copeton Baysuites is a prime example of a sustainable "Rentvestment" property that will meet the requirements of property investors in pursuit of passive income opportunities.

Seeing the need for modern office space in this emerging business district, ALHI presents the Centrium Corporate Offices, a LEED Gold pre-certified development catering to traditional, BPO, and KPO companies in need of new workspaces amid the return to onsite work set-up. In Davao City, following the success of 202 Peaklane East Tower, we continue to extend our Rentvestment offerings to investors in Mindanao with the West Tower, which is built upon a framework that ensures sustainable passive income.

EXPANDING FOOTPRINT

Amidst the healthy pipeline of projects now in full swing, ALHI is poised to embark on a sectoral and geographical expansion to further strengthen its foothold in the market while continuously serving the evolving needs of the new generation.

In Manila Chinatown, Recto Logistics Center and O'racca Logistics Center shall address the demand for logistics and warehousing services of brick-and-mortar and e-commerce businesses.

Following our triumph in Roxas Boulevard with our multi-awarded luxury properties and the launching of Admiral Hotel, we are geared to bring forth Panorama Manila, another iconic skyscraper that will adorn the skyline of Manila Bay.

Following the successful opening of our maiden boutique luxury hotel, Admiral Hotel Manila, we shall soon launch our next hospitality ventures in popular tourist hotspots Boracay and Palawan.

ADAPTING TO ADVANCE

Drawing on the experiences built over the last 19 years, ALHI takes on a confident stance as a key player in the Philippine real estate arena.

Passionate to bring our signature brand of luxury to greater heights, we will continue to build on where we started by constantly adapting to the ever-changing behavior of our customers and adopting advancements in property development technology. This is evident in our ongoing projects where we have introduced smart offerings like a digital lockset, an online property management app, and automated unit features. These not only elevate the property ownership experience of unit owners but also lead to greater operational and energy efficiency. In addition, we also put a premium on enhanced rental business operations through our designated team of leasing experts through Anchor 100, Anchor Land's leasing and asset management group.

Staying true to our promise of redefining landscapes and skylines, we are geared to provide a high level of customer service. While adapting to the demands of the new generation, we aim to continuously advance through the changing times.

MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION

Basis of Presentation of Financial Statements

Basis of Preparation

The consolidated financial statements of the Group have been prepared using the historical cost basis. The consolidated financial statements are presented in Philippine Peso (₱), the Parent Company's functional currency and presentation currency under Philippine Financial Reporting Standards (PFRS). All amounts are rounded to the nearest peso, except when otherwise indicated.

The accompanying consolidated financial statements have been prepared under the going concern assumption. While the government eases restrictions of business activities to revive economic growth, the impact of COVID-19 may continue to evolve giving inherent uncertainties on businesses.

Statement of Compliance

The accompanying consolidated financial statements, are prepared in accordance with PFRS, as modified by the application of the following reporting reliefs issued and approved by the Philippine SEC under Memorandum Circular No. 34-2020 in response to the COVID-19 pandemic:

- a) Deferral of the application of PIC Q&A No. 2018-12, accounting for significant financing component and the exclusion of land in the calculation of percentage of completion; and
- b) Deferral of the application of IFRIC Agenda Decision on Over Time Transfers of Constructed Goods under PAS 23, Borrowing Cost.

SEC Memorandum Circular No. 34-2020 further allowed the deferral of application of these accounting pronouncements for another three years, or until December 31, 2023.

The details and the impact of the adoption of the above financial reporting reliefs are discussed in the Adoption of New and Amended Accounting Standards and Interpretations in the notes to the consolidated financial statements.

PFRSs include PFRS, PAS and Interpretations issued by the PIC.

Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. The financial statements of the subsidiaries are prepared for the same reporting period as the Company using consistent accounting policies.

The subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continues to be consolidated until the date that such control ceases.

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

The following management's discussion and analysis of the Group's financial condition and results of operations should be read in conjunction with the Group's audited financial statements, including the related notes, contained in this report. This report contains forward-looking statements that involve risks and uncertainties. The Group cautions investors that its business and financial performance is subject to substantive risks and uncertainties.

Results of Operations (January – March 31, 2023 vs. January – March 31, 2022)

The Group has reported a consolidated net income of ₱156.47 million for the three-month period ended March 31, 2023, resulting in an increase of 5% compared to the same period in the prior year. The Group's revenue from real estate sales significantly contributed to this increase, due to the successful launch of new projects and higher project accomplishments.

Revenue from real estate sales contributed the most to the Group's consolidated revenues, accounting for ₱1,373.50 million or 73% of the total revenue. Significant real estate sales generated during the first quarter of 2023 were from the Group's ongoing projects, namely 8 Alonzo Parksuites, 202 Peaklane, Anchor Grandsuites, Cornell Parksuites, Copeton Parksuites, and the newly launched One Legacy Grandsuites and One Financial Center. The One Legacy Grandsuites represents the Group's biggest residential development project, while the One Financial Center is our first premium corporate building project for sale. The Group expects Cosmo Suites to be offered for sale in 2023 and will contribute revenue to the Group's real estate sales.

Revenue from the Group's leasing operations remained consistent, contributing 18% to the consolidated revenues with a reported amount of ₱335.39 million. The rental revenue was derived from The Centrum, Two Shopping Center, and other completed commercial facilities.

Revenue from the hotel operations of the Group amounted to ₱61.89 million. The Group initiated hotel operations in the third quarter of 2022 through the Admiral Hotel, a five-star luxury boutique hotel project.

Financial Condition (March 31, 2023 vs. December 31, 2022)

The Group reported total assets of ₱39,641.69 million as at March 31, 2023, reflecting an increase of ₱511.08 million compared to the total assets of 39,130.61 million as at December 31, 2022. The increase was mainly due to the capital expenditure of ₱1,496.15 million, which was incurred from the Group's development and construction activities during the period.

The total liabilities of the Group also increased by ₱354.60 million mainly due to an upward movement in accounts and other payables, resulting from the Group's ongoing construction activities, net of a decrease in liabilities from customers' advances and deposits of ₱555.39 million, as a result of revenue recognition of the advances received from customers in the prior years. The loans payable of the Company did not show a significant change during the quarter.

Due to a maturing long-term loan in December 2023, the Group's current liabilities increased in the fourth quarter of 2022, resulting in a lower current ratio of 1.19:1 compared to 1.58:1 as at December 31, 2021. This ratio remained unchanged in the first quarter of 2023. The Group expects to refinance the maturing loan with long-term loan when it comes due.

The movements in equity accounts follow:

- Retained earnings - increase brought by the net income for the three months ended March 31, 2023.
- Non-controlling interests - decrease due to three-month period net loss attributable to the non-controlling interests.

Results of Operations Jan-Dec 31, 2022 vs. Jan-Dec 31, 2021

The Group's operational performance for the year ended December 31, 2022 resulted to an increase of 23% in its consolidated net income and 21% in its earnings per share with the reported amounts of ₱515.93 million and ₱0.47 per share, respectively, compared to ₱419.23 million and ₱0.39 per share in the prior year.

Revenues from real estate sales and rental remained steady in 2022. Real estate sales was mainly generated from 202 Peaklane, Cornell Parksuites, Copeton Baysuites, 8 Alonzo Parksuites, Anchor Grandsuites and Juan Luna Logistics, which totaled to ₱2,717.70 million. While rental income of ₱1,093.09 million was earned mainly from The Centrum, Two Shopping Center and other completed commercial facilities. The real estate sales and rental income of the Group contributed 61% and 24%, respectively, to the Group's consolidated revenues that totaled ₱4,480.03 million in 2022.

Aside from the abovementioned projects, three other projects are expected to contribute to the future revenue of the Group. These are One Legacy Grandsuites, One Financial Center and Cosmo Suites. One Legacy Grandsuites is the Group's biggest residential development project and One Financial Center is the first premium corporate building project for sale of the Group. These two are in their early stage of construction. The Cosmo Suites, an ongoing development project which was initially intended as a co-living development facility, will be offered for residential sale in 2023.

Lastly, the operation of the Group's hotel has commenced in the third quarter of 2022 through the Admiral Hotel – a five star luxury boutique hotel project of the Group. The hotel had its soft opening on July 1, 2022 and contributed ₱79.78 million to the revenue of the Group for a period of 6 months.

Financial Condition 2022 - 2021

The Group reported a growth of ₱1,856.27 million in the total assets from the reported amount of ₱37,274.33 million as at December 31, 2021 to ₱39,130.61 million as at December 31, 2022. This was mainly brought by the capital expenditure of ₱6,068.01 million which was incurred from development and construction activities of the Group during the year.

While development and construction activities of the Group caused an increase in the total assets, the receivables (including noncurrent portion) have decreased by ₱1,443.80 million or 38% as at December 31, 2022. This decrease was the result of continuous collections of installment contract receivables from revenues that were already recognized.

Total liabilities increased by ₱1,369.84 million mainly due to the increase in accounts and other payables of ₱1,508.84 million, net of decrease in loans payable of ₱464.65 million. Further, the current liabilities increased by ₱4,885.03 million due to the currently maturing long-term loans of ₱6,357.11 million and the increase in accounts and other payables. The increase in the current liabilities resulted to a lower current ratio from 1.19:1, compared to the ratio 1.58:1 in the prior year. Despite the increase the lower current ratio, the Group expects that it will be able to refinance the currently maturing long-term obligations when they mature.

The movements in equity accounts follow:

- Retained earnings – increase was brought by the net income for the year ended December 31, 2022 net of dividends declared.
- Non-controlling interests – increased by ₱3.14 million due to derecognition of negative non-controlling interest from one of the non-operating subsidiaries.

Results of Operations Jan-Dec 31, 2021 vs. Jan-Dec 31, 2020

The Group generated a total of ₱419.23 million consolidated net income for the year ended December 31, 2021, 19% higher than the consolidated net income recognized in the prior year of ₱351.39 million.

The Group's total consolidated revenues grew by 12% or ₱475.72 million. This was brought mainly by the increase in real estate sales of about ₱642.69 million due to the higher construction accomplishments of the ongoing inventory projects in 2021. Revenue from real estate sales was still the biggest contributor which accounted 63% of the total revenue.

The Group's rental operation remained stable with a slight increase of 4% from the prior year and 24% contribution to the total revenue in 2021.

The Group also has new inventory projects lined up around Manila's Chinatown, One Legacy Grandsuites (with a license to sell issued in January 2022) and One Financial Center. For recurring income projects, The Centrium and Admiral Hotel are expected to be fully completed and operational in 2022, while Cosmo Suites is expected to be completed in 2 years. These projects would contribute to the future revenue sources of the Group.

Financial Condition 2021 - 2020

The Group reported total assets of ₱37.27 billion at a consolidated level as at December 31, 2021, ₱1.64 billion higher than the reported total assets in the prior year. This increase was attributed to the increase in real estate for development and sale, property and equipment and investment properties with a total amount of ₱2.86 billion.

In 2021, the Group incurred total construction and development costs of ₱3.45 billion for real estate for development and sale, higher than the costs incurred in the prior year of ₱2.66 billion. These costs were incurred mainly from the construction of Cornell Parksuites, 202 Peaklane, Copeton Baysuites, 8 Alonzo Parksuites, Juan Luna Logistics, Anchor Grandsuites and Admiral Grandsuites.

The construction and development costs incurred for Admiral Hotel, Centrium, Cosmo Suites and Central Link (the Public-Private Partnership (PPP) project with the local government of

Paranaque City) were the main contributors to the increase in property and equipment and investment properties of the Group.

On the other hand, the continuous collections from installment contract receivables and rental receivables caused the Group's receivables (including noncurrent portion) to decrease by ₱1.48 billion.

Total liabilities of the Group also increased by 5% or ₱1.26 billion. The increase was mainly from the loans availed during the period to finance the Group's construction and development activities, liabilities to the contractors. The Group were also able to refinance ₱1.8 billion of its short-term loan obligation to long-term in the first half of 2021 that resulted to decrease in the current liabilities.

The movements in equity accounts follow:

- Retained earnings - increase brought by the net income for the year ended December 31, 2021 net of dividends declared during the period.
- Non-controlling interests - decrease due to net loss attributable to the non-controlling interests and the deconsolidation of one of the non-operating subsidiaries with minority interest.

Results of Operations Jan-Dec 31, 2020 vs. Jan-Dec 31, 2019

The Group generated a total of ₱351.39 million consolidated net income for the year ended December 31, 2020. This is 57% lower than ₱814.27 million recognized in the prior year.

The decrease in the consolidated net income was mainly due to the decrease in real estate sales of about ₱2,605.97 million or 55% due to low construction accomplishment and low sales volume due to limited selling activities as a result of the quarantine measures implemented by the Government with ongoing COVID 19 pandemic.

On the other hand, the Group's revenue from rental continues to improve in 2020, contributing 31% to the total consolidated revenue or an amount of ₱1,022.47 million compared to the ₱782.99 million recorded in 2019. The increased rental income of the Group was mainly from the rentals earned from The Centrium.

The significant increase in rental income and the ongoing construction of The Centrium, Cosmo Suites and Admiral Hotel are all in line with the Group's continuing efforts to invest and increase its recurring income projects to rebalance the mix of its revenue sources.

In general, the Group's operation has been significantly affected by the disruptions caused by the COVID-19 pandemic. Nevertheless, the revenue increase from rental operations helped the Group to remain profitable despite the pandemic's negative effect to the Group's consolidated net income.

Financial Condition 2020 - 2019

The Group's total assets amounting to ₱35.63 billion and ₱33.52 billion as at December 31, 2020 and 2019, respectively, increased by 6% or ₱2.11 billion. The increase was mainly due to increases in real estate for development and sale by ₱1,801.30 million, properties and equipment and investment properties by ₱950.62 million and other assets (including noncurrent portion) by ₱264.26 million.

The Group incurred construction and development cost of ₱2,663.21 million under real estate for development and sale. Moreover, reclassification of assets, particularly the land assets for the Panorama, Recto Logistics, and Rosan Logistics which are previously recorded under investment properties contributed to the significant increase in the real estate for development and sale in 2020.

The construction and development cost incurred for The Centrium, Admiral Hotel, Central Link and Cosmo Suites caused the increase in property and equipment and investment properties. The construction of the Central Link, the Public-Private Partnership (PPP) project with the local government of Paranaque City started in 2020. This resulted to an increase to other noncurrent assets due to the advances paid to the contractors.

The Group's total liabilities has grown by ₱1.85 billion partly from the loans availments in 2020, the increase in payables related to the Group's ongoing projects and the customer's deposits and advances from the Group's buyers that include collections of receivables not yet recognized as revenue.

The movements in equity accounts follow:

- Retained earnings - increase was brought by the net income for the year ended December 31, 2020 net of the cash dividends declared.
- Non-controlling interests – increased due to net income during the year attributable to the non-controlling interests.

Key performance indicators are listed below:

	As of and for the three- month period ended March 31, 2023	As of and for the years ended December 31		
		2022	2021	2020
Liquidity Ratio				
(1) Current Ratio	1:19 : 1	1.19 : 1	1.58 : 1	1.27 : 1
(2) Debt to Equity Ratio	3.25 : 1	3.27 : 1	3.29 : 1	3.30 : 1
(3) Asset-to-Equity Ratio	4.25 : 1	4.27 : 1	4.29 : 1	4.30 : 1
(4) Income before Tax, Interest, Depreciation and Amortization	₱606.66million	₱1,813.43 million	₱1,493.62 million	₱1,472.75 million
(5) Interest coverage ratio	1.89 : 1	1.47	1.19	1.18
(6) Return on Revenue	8.5%	12%	10%	9%
(7) Return on Equity	2%	6%	5%	4%
(8) Basic Earnings per Share	₱0.15	₱0.47	₱0.39	₱0.31

- (1) Current Assets / Current Liabilities
- (2) Total Liabilities / Total Stockholders' Equity
- (3) Total Assets / Total Stockholders' Equity
- (4) Income before Tax , Interest, Depreciation and Amortization
- (5) Income before Tax, Interest, Depreciation and Amortization / Interest Expense
- (6) Net Income attributable to equity holders / Total Revenue
- (7) Net Income attributable to equity holders / Total Stockholders' Equity
- (8) Net Income attributable to equity holders –Preferred Shares Dividends / Outstanding Shares

These key indicators were chosen in order to provide management with a measure of the Group's financial strength (Current Ratio and Debt to Equity) and ability to maximize the value of its stockholders' investment in the Group (Basic Earnings per Share, Income before Interest, Taxes, Depreciation and Amortization and Return on Equity).

The Group will continue to identify potential sites for development and pursue expansion activities by establishing landmark developments in the high rise residential luxury condominium and investment properties. The Group intends to implement this by putting up the required resources needed for the development of its existing and future projects.

Material Changes to the Consolidated Statements of Comprehensive Income for the Three Months Ended March 31, 2023 compared with the Three Months Ended March 31, 2022 (Increase/Decrease of 5% or more)

Real estate sales increased by 64% or ₱536.08 million mainly due to the sales recognized from the newly launched One Legacy Grandsuites and One Financial Center and higher revenue recognition from project accomplishments.

Management fees increased by 17% or ₱1.41 million as a result of increase in billing rates due to escalation and increase in personnel cost billings.

The Group started the operation of the Admiral Hotel and had its soft opening on July 1, 2022. Revenue and cost of hotel operation amounted to ₱61.89 million and ₱38.78 million, respectively, for the first quarter of 2023.

Interest and other income decreased by 24% or ₱30.99 million mainly due to lower income from amortization of interest from the installment contracts receivable.

Cost of real estate sales increased by 45% or ₱349.73 million as brought by the increase in real estate sales during the period. Cost of real estate sales includes actual construction costs incurred during the period and other indirect costs such as cost of borrowings capitalized as real estate inventories.

Selling and administrative expenses increased by 40% or 125.44 million due to the higher depreciation from The Centrium and Admiral Hotel, increase in sales and marketing expenses and higher administrative expenses from hotel operation.

Finance cost increased by 522% or ₱52.93 million due to the cessation of borrowing costs capitalization for The Centrium and Admiral Hotel.

Provision for income tax decreased by 5% or 2.96 million due to lower taxable income recognized in the current period.

Income before tax and net income increased by 2% and 5%, or ₱4.24 million and ₱7.20 million, respectively, as a result of the above-mentioned transactions.

Material Changes to the Balance Sheet as at March 31, 2023 compared to December 31, 2022 (Increase/Decrease of 5% or more)

Other current assets increased by 7% or ₱235.87 million mainly due to the increase in input VAT, creditable withholding taxes and utility and security deposits.

Accounts and other payables (including noncurrent portion) increased by 14% or ₱821.45 million as brought by the advances received from the minority shareholder of Frontier Harbor Property Development Inc., for the project development.

The increase in income tax payable of 66% or ₱93.92 million was due to the additional taxes payable recognized for the first quarter of 2023. Income tax payable as at December 31, 2022 was settled in April 2023.

Customers' advances and deposits decreased by 16% or ₱555.39 million due to revenue recognition of the advances received from customers in the prior years.

Deferred tax liabilities decreased by 10% or ₱34.97 million due to the deferred taxes recognized on unamortized discount on installment contract receivable.

Pension liability increased by 6% or ₱3.83 million due to the accrual of pension costs for the period ended.

Non-controlling interests decreased by 12% or ₱2.60 million due to current period losses recognized by subsidiaries with non-controlling interests.

Review of December 31, 2022 as compared with December 31, 2021

Material Changes to the Balance Sheet as at December 31, 2022 Compared to December 31, 2021 (Increase/Decrease of 5% or more)

Receivables (including noncurrent portion) decreased by 38% or ₱1,443.80 million due to the decrease in installment contracts receivable as a result of collections from the buyers.

Real estate for development and sale increased by 35% or ₱3,104.03 million mainly due to the reclassification of the capitalized development costs incurred for Cosmo Suites. This project was initially recorded as an investment property but subsequently reclassified to real estate for development and sale in line with the change in intention to sell the property as a residential project.

Property and equipment increased by 19% or ₱571.84 million due to the construction costs capitalized from the Admiral Hotel and the right-of-use asset recognized for the lease of additional floors in Head Office.

Deferred tax assets increased by 54% or ₱71.02 million as a result of recognition of deferred tax on the Group's additional lease liability and NOLCO.

Other assets (including noncurrent portion) decreased by 6% or ₱219.05 million mainly due to the decrease in the total advances to contractors from the recoupments made on the progress billings.

Accounts and other payables (including noncurrent portion) increased by 36% or ₱1,508.84 million as brought by the advances received from the minority shareholder of Frontier Harbor Property Development Inc., for the project development.

Income tax payable increased by 65% or ₱55.94 million due to the higher taxable income recognized for the year ended December 31, 2022.

Lease liabilities (including noncurrent portion) increased by 21% or ₱59.76 million mainly from additional leased floors in Head Office.

Pension liabilities decreased by 13% or ₱9.78 million as a result of actuarial gains recognized directly to other comprehensive income.

Deferred tax liabilities increased by 57% or ₱126.64 million mainly due to the decrease in deferred taxes related to differences between tax and book basis of accounting for real estate transactions and unamortized discount on installment contract receivable.

Non-controlling interest increased by 11% or ₱2.73 million due to derecognition of negative equity amount in non-controlling interest pertaining to one of the subsidiaries.

Retained earnings increased by 7% or ₱465.57 million as a result of the net income recognized during the year, net of the dividends declared.

Material Changes to the Statements of Income for the Year Ended December 31, 2022 Compared to the Year Ended December 31, 2021 (Increase/Decrease of 5% or more)

The Group started the operation of the Admiral Hotel and had its soft opening on July 1, 2022. Revenue and cost of hotel operation amounted to ₱79.78 million and ₱81.62 million, respectively, from the 6-month operation.

Interest and other income went up by 10% or ₱49.19 million due to the earnings from service fees, forfeited collections, interest and penalty charges to the buyers and tenants.

Cost of real estate sales decreased by 11% or ₱286.90 million due to cost efficiency achieved through periodic review and enhanced cost control and monitoring.

Selling and administrative expenses increased by 6% or ₱75.16 million due to the higher in real estate property taxes paid during the year, depreciation of Centrium and Admiral hotel and increase in administrative expenses from the operation of hotel.

Finance cost increased by 139% or ₱67.87 million due to the cessation of borrowing capitalization for the Centrium and Admiral Hotel.

Provision for income tax increased by 70% or ₱71.01 million due to higher income recorded in 2022. The effect of adjustments in relation to the implementation of Corporate Recovery and Tax Incentives for Enterprises Act (CREATE) was also recorded and resulted to a lower income tax expense in the prior year.

Income before income tax and net income increased by 32% and 23% or ₱167.72 million and ₱96.71 million, respectively, as a result of the above-mentioned transactions.

Review of December 31, 2021 as compared with December 31, 2020

Material Changes to the Balance Sheet as at December 31, 2021 Compared to December 31, 2020 (Increase/Decrease of 5% or more)

Cash and cash equivalents decreased by ₱108.04 million or 8% as a result of settlement of the Group's loan payables and payment to contractors for the ongoing projects.

Receivables (including noncurrent portion) decreased by ₱1,482.57 million or 28% mainly due to the collections from installment contract receivables and rental receivables.

The increase in real estate for development and sale amounting ₱965.35 million was mainly due to the construction and development costs incurred for the Group's ongoing inventory projects which are Cornell Parksuites, 202 Peaklane, Copeton Baysuites, 8 Alonzo Parksuites, Juan Luna Logistics, Anchor Grandsuites and Admiral Grandsuites. In 2021, the Group also reclassified land intended to be developed for future sale, amounting to ₱111.58 million, from investment properties to real estate for development and sale which also contributed to the increase.

Other assets (including noncurrent portion) went up by 10% or ₱325.57 million mainly due to the increase in advances to contractors related to the ongoing construction projects and increase in prepaid taxes such as input VAT and creditable withholding tax.

Property and equipment increased by 10% due to the total additions of ₱327.44 million of which ₱301.68 million was attributed to the construction of Admiral Hotel. Depreciation for property and equipment amounted to ₱67.09 million.

The increase in investment properties of 11% or ₱1,636.14 million was mainly due to the result of construction and development of The Centrum, Cosmo Suites and Central Link. Total construction and development costs incurred for investment properties in 2021 amounted to ₱2,080.80 million. This cost includes acquired land amounting to ₱99.16 million.

Deferred tax assets increased by 53% or ₱46.02 million mainly due to the increase in deferred tax assets recognized related to the lease transactions and deferred tax assets of subsidiaries that incurred NOLCO during the year.

Accounts and other payables increased by 7% or ₱289.63 million mainly due to the increase in payables to the contractors and suppliers in relation the ongoing construction projects of the Group.

Income tax payable decreased by 10% or ₱9.59 million due to the lower income tax rate due to the effect of Corporate Recovery and Tax Incentives for Enterprises Act (CREATE) law.

Loans payable (including noncurrent portion) increased by 6% or ₱1,120.47 million due to the availments during the year to finance the Group's ongoing construction projects.

Customers' deposits and advances decreased by 5% or ₱178.12 million due to the deposits recognized as revenue during the year.

Lease liabilities (including noncurrent portion) decreased by 12% or ₱38.68 million due to payments made during the year.

Deferred tax liabilities increased by 50% or ₱74.76 million mainly due to the effect of deferred taxes recognized in relation to unamortized discount on installment contract receivables.

The increase of 39% or ₱14.85 million in the other comprehensive income was attributed to the actuarial gains recognized as a result of remeasurement of pension liabilities as of yearend, net of tax effect.

Non-controlling interests account decreased by ₱15.11 million due to net loss attributable to non-wholly owned subsidiaries and the deconsolidation of one of the non-operating subsidiaries with minority interest.

Material Changes to the Statements of Income for the Year Ended December 31, 2021 Compared to the Year Ended December 31, 2020 (Increase/Decrease of 5% or more)

Real estate sales increased by 30% or ₱642.69 million mainly due to higher construction accomplishment during the year.

Management fee income increased 8% or ₱2.40 million mainly due to the increased rates from escalation in 2021.

Interest and other income decreased by 30% or ₱214.05 million mainly due to the lower interest income from amortization of installment contracts receivable and nonrecurring gain on forfeitures recognized in 2020 from pre-terminated lease contracts.

The cost of real estate sales increased by 16% or ₱350.94 million brought by the increase in real estate sales. Cost of real estate sales includes actual construction costs incurred during the period and other direct costs such as cost of borrowings capitalized as real estate inventories.

The increase in selling and administrative expenses of 11% or ₱117.95 million was attributed mainly to the loss recognized for the commercial building demolished for the new project intended to be built in the same location. Increase in sales and marketing and utilities expense because of the increase in volume of operations also contributed to the increase during the year.

Finance cost decreased by ₱4.43 million on account of lower interest expense recognized from loans payable.

Provision for income tax decreased by 36% due to the lower corporate income tax rate and the effect of adjustments from the prior year in relation to the implementation of CREATE.

Income before tax and net income increased by 2% and 19%, or ₱11.25 million and ₱67.84 million, respectively, as a result of the above-mentioned transactions.

Review of December 31, 2020 as compared with December 31, 2019

Material Changes to the Balance Sheet as at December 31, 2020 Compared to December 31, 2019 (Increase/Decrease of 5% or more)

Cash and cash equivalents increased by ₱186.20 million or 16% mainly due from cash collections from the buyers and lessees and from the loans availed during the year.

Receivables (including noncurrent portion) dropped by 17% due to the lower real estate sales recognized during the year and the reduction from continuing collections from the buyers.

Real estate for development and sale increased by 30% or ₱1,801.30 million as a result of reclassifications of assets from investment properties with a net amount of ₱1,385.95 million and the incurred construction and other direct cost of ₱2,663.21 million gross of ₱2,247.86 million recognized as cost of sales during the year.

Other assets (including noncurrent portion) increased by 9% or ₱264.26 million. It was mainly brought by the advances paid to the contractor for the development of The Central Link, the PPP project with the local government of Paranaque City.

The increase in property and equipment of ₱622.95 million was mainly attributable to the construction cost incurred for the development of Admiral Hotel and the right-of-use asset recognized related to the renewal of lease contract for the head office.

The increase in deferred tax assets of 13% was mainly due to the increase in deferred taxes due to the other comprehensive income recognized from pension during the year.

Accounts and other payables (including noncurrent portion) increased by 7% or ₱241.16 million due to the increase in payable to contractors due to continuing development of the Group's real estate projects.

Income tax payable decreased by 61% compared to the balance as at December 31, 2019 due to the lower taxable income recognized during the year.

Loans payable (including noncurrent portion) increased by 8% as a result of loan availments during the year made to finance the Group's ongoing real estate projects.

The increase in customers' deposits of 10% was mainly brought by deposits paid by the buyers for the Group's new and existing projects. This also includes new sales not yet recognized as revenue during the year.

Increase in lease liabilities (including noncurrent portion) increased by ₱59.09 million mainly due to the additional liability recognized related to the renewal of lease contract for the Group's head office.

Pension liability decreased by ₱29.93 million due to the other comprehensive income recognized as a result to changes in financial assumptions in 2020.

Deferred tax liabilities decreased by ₱18.35 million mainly attributable to the recognition of the difference between tax and book basis of accounting for real estate transactions.

Other comprehensive income increased by ₱34.96 million as a result of gain recognized in other comprehensive income related to adjustments in pension liabilities.

The 4% increase in retained earnings represents consolidated net income net of cash dividend declaration in 2020.

Material Changes to the Statements of Income for the Year Ended December 31, 2020 Compared to the Year Ended December 31, 2019 (Increase/Decrease of 5% or more)

Real estate sales revenue decreased by 55% mainly due to the lower construction accomplishment and low sales volume during the year due the quarantine measures implemented by the Government to fight the COVID-19 pandemic.

Management fees decreased by 7% mainly due to the expiration of property management agreement of the Group with Mayfair Tower Condominium.

The significant increase in rental revenue of about ₱239.48 million or 31% was mainly brought by the significant increase in rental income from The Centrium. The Group likewise continues to generate rental income from other recurring income projects such as One Soler, One Logistics Center, One Shopping Center, Two Shopping Center and from other commercial facilities in the Group's completed condominium projects.

Interest and other income increased by 10% or ₱64.47 million mainly from the income recognized arising from pre-termination of lease contracts.

The ₱1,484.71 million or 40% decrease in cost of real estate was mainly due to lower real estate sales revenue recognized.

Selling and administrative expenses decreased by 13% mainly due to the decrease in sales and marketing expenses.

The increase in finance cost of 5% was mainly brought by the interest expense recognized related to the amortization of lease liabilities.

Income before income tax and provision for income tax decreased by 56% and 55%, respectively, as a collective result of the above-mentioned causes.

Changes in Accounting Policies and Disclosures

The accounting policies adopted in the preparation of the Group's financial statements are consistent with those of the previous financial years except for the new and amended PFRS which were adopted beginning January 1, 2022.

The summary of changes in accounting policies and disclosures are discussed in the notes to the consolidated financial statements.

Other Disclosures

Other than those already disclosed in the consolidated financial statements and in this report, there were no material events or uncertainties known to management, in respect of the following:

- Any known trends, demands, commitments, events or uncertainties that are reasonably expected to have a material effect on liquidity. The Group does not anticipate having within the next 12 months any liquidity problems nor does it anticipate any default or breach of any of its existing notes, loans, leases or other indebtedness or financing agreement.
- Events that will trigger material financial obligation to the Group.
- Material off-balance sheet transactions, arrangements, obligations and other relationships of the Group with unconsolidated entities or other persons created during the reporting period.
- Material commitments for capital expenditures, general purpose of such commitments, expected sources of fund for such expenditures.
- Known trends, events or uncertainties that have had or that are reasonably expected to have a material impact on net sales/revenue/income from continuing operations.
- Significant elements of income or loss that did not arise from the Group's continuing operations.
- Seasonal aspects that had material effect on the financial condition or result of operations.

RISKS

The Group is subject to competition in each of its principal businesses. This competition comes in terms of attracting buyers for its condominium and tenants for its commercial spaces. The Group manages this risk by identifying the underserved and/or hard to penetrate market, recognizing their needs and wants prior to project inception, prompt project delivery and maintaining highest turnover standards. With this, the Group is confident that it will surpass the competition.

BRIEF DESCRIPTION OF THE GENERAL NATURE AND SCOPE OF THE BUSINESS OF THE REGISTRANT AND ITS SUBSIDIARIES

Anchor Land Holdings, Inc. (the Parent Company) was incorporated in the Philippines and registered with the Philippine Securities and Exchange Commission (SEC) on July 29, 2004 with corporate life of 50 years. The Parent Company started its operations on November 25, 2005 and eventually traded its shares to the public in August 2007. The registered office address of the Parent Company is at 15th Floor, L.V. Locsin Building, 6752 Ayala Avenue corner Makati Avenue, Makati City.

Below are the Parent Company's subsidiaries with its respective percentage ownership in 2022 and 2021:

	2022		2021	
	Direct	Indirect	Direct	Indirect
Posh Properties Development Corporation (PPDC)	100.00%	–	100.00%	–
Realty & Development Corporation of San Buenaventura	–	100.00%	–	100.00%
Pasay Metro Center, Inc.	–	100.00%	–	100.00%
Basiclink Equity Investment Corp. (BEIC)*	–	60.00%	–	60.00%
Anchor Properties Corporation or APC (formerly Manila Towers Development Corporation)	100.00%	–	100.00%	–
Admiral Realty Company, Inc. (ARCI)	–	100.00%	–	100.00%
Gotamco Realty Investment Corporation (GRIC)	–	100.00%	–	100.00%
Ireernalmeda Realty, Inc.	–	100.00%	–	100.00%
Nusantara Holdings, Inc.	–	100.00%	–	100.00%
Fersan Realty Corporation (FRC)	–	100.00%	–	100.00%
One Binondo Prime Properties Corp. (OBPPC)	–	100.00%	–	100.00%
Globeway Property Ventures, Inc. (GPVI)	70.00%	–	70.00%	–
Anchor Land Hotels & Resorts, Inc. (ALHRI)	100.00%	–	100.00%	–
Momentum Properties Management Corporation (MPMC)	100.00%	–	100.00%	–
Eisenglas Aluminum and Glass, Inc. (EAGI)	–	100.00%	–	40.00%
Marathon Properties Management and Holdings, Corporation (MPMHC)	–	100.00%	–	100.00%
Anchor Land Global Corporation (ALGC)	100.00%	–	100.00%	–

1080 Soler Corp.	–	100.00%	–	100.00%
Frontier Harbor Property Development, Inc. (FHPDI)	–	60.00%	–	100.00%
BEIC*	–	40.00%	–	40.00%
Teamex Properties Development Corporation (TPDC)	–	100.00%	–	100.00%
Wework Realty Development Corporation (WRDC)	–	100.00%	–	100.00%

**BEIC is a wholly owned subsidiary of the Parent Company through PPDC and ALGC which own percentage ownership of 60% and 40%, respectively, over BEIC.*

All of the Parent Company’s subsidiaries were incorporated and domiciled in the Philippines.

The Parent Company and its subsidiaries (collectively called “the Group”) have principal business interest in the development and sale of high-end residential condominium units and in the development and leasing of commercial, warehouse and office spaces. MPMC provides property management services to the Group’s completed projects, commercial centers and buyers. ALHRI was incorporated in June 2017 to engage in the Group’s hotel and resort operations. TPDC and WRDC were incorporated in September 2018 and November 2018, respectively, to engage in the Group’s property development operations. As at December 31, 2022, FHPDI, FRC, TPDC and WRDC have not yet started commercial operations.

ALHRI has started its commercial operation on July 1, 2022.

In 2020, EAGI has stopped its operations. EAGI is previously engaged in the fabrication and installation of aluminum and glass doors and windows.

The following are the changes in the Group’s structure in 2022 and 2021 (see Note 3):

For the year-ended December 31, 2022:

- MPMC acquired the 40% non-controlling interests (NCI) in EAGI from a number of individuals. The acquisition resulted in an increase in the Group’s ownership interest in EAGI from 60% to 100% and derecognition of NCI amounting to ₱4.71 million; and
- ALGC sold 40% of the voting shares of FHPDI to a third-party corporation. The sale resulted in a decrease in the Group’s ownership interest in FHPDI from 100% to 60% and recognition of NCI directly to equity amounting to ₱0.04 million.

The above transactions resulted in addition (reduction) to retained earnings amounting to (₱4.81 million) and ₱0.96 million, respectively.

For the year ended December 31, 2021:

- GRIC acquired 100% of the voting shares of OBPPC, a company registered in the Philippines whose principal activity is to engage in property development (see Note 9);
- MPMC acquired 100% of the voting shares of MPMHC, a company registered in the Philippines whose principal activity is to provide property management services to the Group; and
- BEIC sold 70% of the voting shares of All Farm Genetic Venture Corp. (AFGVC) to a number of individuals. The sale resulted in a loss of control in AFGVC and deconsolidation by the Group.

The proportion of equity interest held by the Group's subsidiaries with NCI are as follows:

	2022	2021
GPVI	30%	30%
FHPDI	40%	–
EAGI	–	40%

COMPANY'S DIRECTORS AND EXECUTIVE OFFICERS

Please refer to Item 5 of the Information Statement for the discussion on the identity of each of the registrant's directors and executive officers including their principal occupation or employment, name and principal business of any organization by which such persons are employed.

MARKET FOR ISSUER'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

(1) Market Information

- (a) The principal market of the Company's shares of stock is the Philippine Stock Exchange. The closing prices (in Philippine Peso) of the Company's share for each quarter for the last two fiscal years were as follows:

Year	Quarter	High (in Php)	Low (in Php)	Closing Price (in Php)
2022	First	6.48	5.30	5.30
	Second	7.89	5.00	6.58
	Third	7.84	5.60	5.60
	Fourth	7.11	4.02	5.89
2021	First	8.75	7.30	8.49
	Second	8.40	7.30	7.45
	Third	7.98	6.90	7.01
	Fourth	7.51	5.10	5.51

- (b) The closing prices (in Philippine Peso) of the Company's stocks as of the latest practicable trading dates were as follows:

Year	Month	High (in Php)	Low (in Php)	Closing Price (in Php)
2023	January	5.89	5.30	5.30
	February	5.80	5.28	5.60
	March	5.75	5.30	5.30
	April	5.30	4.52	4.52
	May 16	5.94	5.18	5.78

For the first Quarter of 2023, the high and low sales prices (in Philippine Peso) of the Company's stocks are as follows:

Year		Date	High	Low
2023	(First Quarter)	January 2023	5.89	5.22
		February 2023	5.80	5.28
		March 2023	5.75	5.30

- (d) The price information as of April 26, 2023, the latest practicable trading date is as follows:

Date	Open	High	Low	Close
May 16, 2023	5.93	5.94	5.18	5.78

(2) Holders

The top twenty (20) stockholders as provided by the transfer agent of the Company as of March 31, 2023 were as follows:

Stockholders	Number of shares
1. PCD Nominee Corporation (Filipino)	360,500,704
2. Sybase Equity Investments Corporation	202,609,200
3. Steve Li	156,000,000
4. Cindy Mei Ngar Sze	155,999,298
5. PCD Nominee Corporation (Non-Filipino)	118,669,490
6. Rena Obo Alvarez	30,000,000
7. Philip O. Bernardo	8,954,400
8. Rena Obo Alvarez	5,550,000
9. Harley Tan Sy	1,650,000
10. Alexis Valine B. Uy	15,000
11. Jan Reiner B. Uy	15,000
12. Maria Charito B. Uy	15,000
13. Regina Capital Dev. Corp. 000351	13,000
14. Ma. Christmas R. Nolasco	10,200
15. Robert Chua	6,000
16. Edwin Lee	3,000
17. Avelino M. Guzman, Jr.	1,000
18. Violeta Josef	1,000
19. Ma. Victoria Villaluz	1,000
20. Charles Stewart Sze Lee	900
TOTAL	1,040,001,000

(3) Dividends

Cash Dividends

On May 3, 2023, Parent Company's BOD declared cash dividends as follows:

1. For preferred shares - 8% dividends per issued and outstanding preferred share; and
2. For common shares - ₱0.03 per issued and outstanding common share.

The record date is June 1, 2023 and dividends amounting to ₱58.93 million will be payable on June 22, 2023.

On April 21, 2022, Parent Company's BOD declared cash dividends as follows:

3. For preferred shares - 8% dividends per issued and outstanding preferred share; and
4. For common shares - ₱0.02 per issued and outstanding common share.

The record date is June 17, 2022 and dividends amounting to ₱48.53 million will be payable on July 8, 2022.

On April 7, 2021, Parent Company's BOD declared cash dividends as follows:

5. For preferred shares - 8% dividends per issued and outstanding preferred share; and

6. For common shares - ₱0.02 per issued and outstanding common share.

The record date is May 27, 2021 and dividends amounting to ₱48.53 million are paid on June 17, 2021.

On June 18, 2020, the Company's BOD declared cash dividends as follows:

1. For preferred shares - 8% dividends per issued and outstanding preferred share; and
2. For common shares - ₱0.09 per issued and outstanding common share.

The record date is set on August 20, 2020 and the dividends are paid on September 10, 2020.

(4) Recent Sales of Unregistered Securities

As at reporting date, no sales of unregistered securities or shares of the Company were sold except during the date of listing with the Philippine Stock Exchange.

CORPORATE GOVERNANCE

The Corporation has promulgated a Manual on Corporate Governance that took effect on March 31, 2007. The Manual continues to guide the activities of the Corporation and compliance therewith has been consistently observed.

The Corporation is committed to high standards of corporate governance in discharging its obligations to act in the interests of the public and to enhance shareholders' value. It has complied throughout the period under review with the applicable principles and provisions set out in its Manual on Corporate Governance.

There has been no deviation from the Company's Manual on Corporate Governance.

The Company believes that its manual on Corporate Governance is in line with the leading practices and principles on good governance, and such, is in full compliance.

The Company will improve its Manual on Corporate Governance when appropriate and warranted, in the Board of Directors' best judgment. In addition, it will improve when the regulatory agency such as the SEC requires the inclusion of a specific provision.

The Board of Directors

There is an effective and appropriately constituted Board of Directors who received relevant information required to properly accomplish their duties. The Board of Directors is comprised of three executive directors, five non-executive directors and three independent directors that reflect a blend of different ages, financial and commercial experiences.

Directors	Executive Directors	Non-Executive Directors	Independent Director
Charles Stewart Lee		✓	
Avelino Guzman		✓	
Steve Li	✓		
Digna Elizabeth L. Ventura	✓		
Neil Y. Chua	✓		
Lorna Pangilinan			✓
Christine P. Base		✓	
Violeta Josef			✓
Ma. Victoria Villaluz			✓
Clinton Steven Lee		✓	

All independent directors are independent of management and free from any business or other relationship with ALHI which could materially interfere with the exercise of their independent judgment.

The Nomination Committee is mandated to ensure that there is a formal and transparent procedure for the appointment of new Directors of the Board. Where appropriate, every director receives training, taking into account his individual qualifications and experience. Training is also available on an ongoing basis to meet individual needs.

The term of office of all directors, including independent directors and officers shall be one (1) year and until the successors are duly elected and qualified.

Board Process

Members of the Board meet when necessary throughout the year to adopt and review its key strategic and operational matters; approve and review major investments and funding decision; adopt and monitor appropriate internal control; and ensure that the principal risks of the Company are identified and properly managed.

The Board works on an agreed agenda as it reviews the key activities of the business.

The Corporate Secretary is responsible to the Board of Directors and is available to individual Directors in respect of Board of Directors procedures. Atty. Christine P. Base holds the post.

Committees

The Board has established a number of committees with specific mandates to deal with certain aspects of its business. All of the Committees have defined terms of reference.

- **Executive Committee**

The Executive Committee oversees the formulation of policies governing the daily operations of the Company. The Committee directs the business of the Company as may be lawfully delegated to it.

- **Audit, Risk Oversight, and Related Party Transactions Committee**

The Audit Committee functions under the terms of reference approved by the Board. It meets at least once every quarter or more frequently as circumstances require and its roles include the review of the financial and internal reporting process, the system of internal control and management of risks and the external and internal audit process. The Audit Committee reviews the scope and results of the audit with external auditors and obtains external legal or other independent professional advice where necessary.

Other functions of the Audit Committee include the recommendation of the appointment or re-appointment of external auditors and the review of audit fees.

The Audit Committee also functions as the Risk Oversight and Related Party Transactions Committee.

- **Nomination Committee**

The Committee assesses and recommends to the Board of Directors the candidates for appointment to executive and non-executive directors' positions. The Committee also makes recommendations to the Board of Directors on its composition. The Committee meets as required.

Compensation and Remuneration Committee

The Compensation and Remuneration Committee is responsible for determining the Company's policy on executive remuneration and in specifying the remuneration and compensation packages on the employment or early termination from office of each of the executive directors of the Company. All decisions of the Remuneration Committee are only recommendatory and they are referred to the Board of Directors for final approval. The Remuneration Committee also monitors the compensation packages of other senior executives in the group below the Board of Directors level. The Committee meets as required.

- **Corporate Governance Committee**

The Corporate Governance Committee ensures the implementation of the Company's policies of good corporate governance. The Committee also ensures compliance with the requirements of various government agencies in achieving the best practices for corporate governance.

Compliance Officer

The compliance officer is responsible for ensuring that the Company's corporate principles are consistently adhered to throughout the organization. The compliance officer acts independently and his role is to supply the top management with the necessary information on whether the organization's decisions comply with professional rules and regulations, internal directives, regulatory authorities, and the statutory law.

Relation with Shareholders

The Directors place a high importance on maintaining good relationships with the shareholders and ensure that they are kept informed of significant Company developments. The Company encourages shareholders to attend its annual stockholders' meetings that provide opportunities for stockholders to ask questions to the Board/Management.