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(Company Name)

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

Atty. Alan C. Fontanosa
Contact Person

032-318-8776
Company Telephone Number

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20-IS
Form Type

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Month	Day

Meeting

Annual Stockholders'

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Secondary License Type, If Applicable

Dept. Requiring this Doc

Amended Articles Number/Section

18
Total No. of Stockholders

Total Amount of Borrowings	
Domestic	Foreign

To be accomplished by SEC Personnel concerned

File Number

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Document I.D.

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COVER SHEET

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SEC REGISTRATION NUMBER										

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(Company Name)

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

Atty. Alan C. Fontanosa
Contact Person

(032) 233-1212
Company Telephone Number

1 2
Month

3 1
Day

20-IS
Form Type

0 6
Month

0 7
Day

Meeting

Annual Stockholders'

Secondary License Type, If Applicable

Dept. Requiring this Doc		

Amended Articles Number/Section

18
Total No. of Stockholders

Total Amount of Borrowings
Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number									

_____ LCU

Document I.D.									

_____ Cashier

SEC Number: CS200321240
File Number: _____

CEBU LANDMASTERS, INC.

(Company's Full Name)

**10TH FLOOR, PARK CENTRALE TOWER
JOSE MA. DEL MAR ST., B2 L3
CEBU IT PARK, BRGY. APAS
CEBU CITY, PHILIPPINES 6000**

(Company Address)

(032) 231-4914

(Telephone Number)

December 31, 2021

(Fiscal Year Ended)

SEC Form 20-IS

Preliminary Information Statement

(Form Type)

(Amendments)

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 20-IS

**INFORMATION STATEMENT PURSUANT TO SECTION 20
OF THE SECURITIES REGULATION CODE**

1. Check the appropriate box:
 Preliminary Information Statement
 Definitive Information Statement
2. Name of Registrant as specified in its charter **CEBU LANDMASTERS, INC.**
3. **CEBU, PHILIPPINES**
 Province, country or other jurisdiction of incorporation or organization
4. SEC Identification Number **CS200321240**
5. BIR Tax Identification Code **227-599-320-000**
6. **10th Floor, Park Centrale Tower, Jose Ma. Del Mar St., B2 L3**
Cebu IT Park, Brgy. Apas, Cebu City, Philippines
 Address of principal office **6000**
Postal Code
7. Registrant's telephone number, including area code **(032) 231-4914**
8. **07 June 2022, 9:00AM, through teleconferencing and/or videoconferencing**
 Date, time and place of the meeting of security holders
9. Approximate date on which the Information Statement is first to be sent or given to security holders
17 May 2021

10. **In case of Proxy Solicitations:**
Name of Person Filing the Statement/Solicitor: NOT APPLICABLE
Address and Telephone No.: NOT APPLICABLE

11. 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):

Number of Shares of Common Stock
Outstanding or Amount of Debt Outstanding

Title of Each Class	2020	2021
Common Shares - Outstanding	1,554,999,600	3,461,851,997
Common Shares - Treasury	159,000,400	161,600,000

12. Are any or all of registrant's securities listed in 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 Stocks

TABLE OF CONTENTS

PART I	6
INFORMATION REQUIRED IN INFORMATION STATEMENT	6
A. GENERAL INFORMATION	6
Item 1. Date, time and place of meeting of security holders	6
Item 2. Dissenters' Right of Appraisal	6
Item 3. Interest of Certain Persons in or Opposition to Matters to be Acted Upon	6
B. CONTROL AND COMPENSATION INFORMATION.....	6
Item 4. Voting Securities and Principal Holders Thereof.....	6
Item 5. Directors and Executive Officers.....	12
Item 6. Compensation of Directors and Executive Officers	18
Item 7. Independent Public Accountants	19
Item 8. Compensation Plans	19
C. ISSUANCE AND EXCHANGE OF SECURITIES	19
Item 9. Authorization or Issuance of Securities Other than for Exchange	19
Item 10. Modification or Exchange of Securities	19
Item 11. Financial and Other Information.....	20
Item 12. Mergers, Consolidations, Acquisitions and Similar Matters	28
Item 13. Acquisition or Disposition of Property	28
Item 14. Restatement of Accounts	28
D. OTHER MATTERS	29
Item 15. Action with Respect to Reports.....	29
Item 16. Matters Not Required to be Submitted.....	29
Item 17. Amendment of Charter, Bylaws or Other Documents	29
Item 18. Other Proposed Action.....	29
Item 19. Voting Procedures	29
PART II	31
INFORMATION REQUIRED IN A PROXY FORM	31
Item 1. Identification	31
Item 2. Instruction	31
Item 3. Revocability of Proxy	31
Item 4. Persons Making the Solicitation	31
Item 5. Interest of Certain Persons in Matters to be Acted Upon.....	32
PART III	33
SIGNATURE PAGE	33
ANNEX "A"	34
AGENDA	34
ANNEX "B"	35
PROXY FORM (for individual stockholder)	35
ANNEX "C"	37
PROXY FORM (for corporate stockholder)	37
ANNEX "D"	40
BALLOT	40
ANNEX "E"	42
NOTICE OF MEETING	42
ANNEX "F"	43
Management's Discussion, Analysis and Plan of Operation	43

PART I. INFORMATION REQUIRED IN INFORMATION STATEMENT

A. GENERAL INFORMATION

Item 1. Date, time and place of meeting of security holders

DATE: 07 June 2022 (Tuesday)
TIME: 9:00AM
VENUE: Hybrid of remote via teleconferencing and videoconferencing hosted in Citadines, Baseline Center, Juana Osmeña St., Cebu City, 6000 Philippines and in person in Citadines, Baseline Center.

Mailing Address of Principal Office:

10th Floor, Park Centrale Bldg., JM del Mar Ave., Cebu IT Park, Apas, Lahug, 6000 Cebu City

A copy of the Notice of Meeting, which was published on the Business Section of the Philippine Daily Inquirer in compliance with SEC Notice is attached herewith and made integral hereof as Annex "G".

Item 2. Dissenters' Right of Appraisal

Under Sections 40 and 80 of the Revised Corporation Code of the Philippines (R.A. 11232), a stockholder shall have the right to dissent and demand payment of the fair value of his shares in the following instances:

- (a) In case any amendment to the Articles of Incorporation has the effect of changing or restricting the rights of any stockholder or class of shares, or of authorizing preferences in any respect superior to those of outstanding shares of any class, or of 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 as provided in the Corporation Code;
- (c) In case of merger or consolidation; and
- (d) Investment of funds in any other corporation or business or for any purpose other than the primary purpose for which the Corporation was organized.

There are no matters to be acted upon in this year's Annual Stockholders Meeting that may give rise to the exercise of appraisal rights by stockholders in accordance with the afore-quoted provisions of the Revised Corporation Code.

Item 3. Interest of Certain Persons in or Opposition to Matters to be Acted Upon

- (a) In this year's Annual Stockholders' Meetings, some directors holding majority interest in the company, directly or indirectly, have substantial interest insofar as the declaration of stock dividends is concerned. However, there exists no conflict-of-interest situation for any of the foregoing individuals that require disclosure under this item.
- (b) None of CLI's Directors is opposing any action to be taken by the Company in this Annual Stockholders' Meeting.

B. CONTROL AND COMPENSATION INFORMATION

Item 4. Voting Securities and Principal Holders Thereof

(a) **Number of Outstanding Shares as of 31 December 2021**

Common Shares - Outstanding	3,461,851,997
Common Shares - Treasury	161,600,000
Preferred Shares	N/A

(b) **Record Date: 01 May 2022**

Per resolution of the Board during its regular meeting on 29 March 2022, all CLI shareholders as of 01 May 2022 are entitled to attend and vote at this Annual Stockholders' Meeting.

(c) **Manner of Voting**

Each holder of CLI shares is entitled to one (1) vote for every outstanding common share in accordance with Section 7, Article III of CLI's By-laws as amended on 01 July 2016.

For the election of Board directors, holders of CLI stocks as of the record date of 01 May 2022 may vote their shares by way of "cumulative voting for one candidate" or "cumulative voting by distribution" – all in keeping with Sec. 23 of Republic Act No. 11232, otherwise known as the Revised Corporation Code of the Philippines.

In "cumulative voting for one candidate", a holder of CLI stocks may lump and vote all of his/her cumulative shares for one candidate such that if he/she owns 1,000 shares and there are nine (9) directors standing for election, he/she may cast all of his/her 9,000 votes in favor of one candidate. In "cumulative voting by distribution", he/she may cast his/her 9,000 votes among two or more candidates equally or some other proportion at his/her discretion. The Company sets no condition-precedent for the exercise of one voting method over the other since these options are provided for by law.

Consistent with Sec. 57 of the Revised Corporation Code, stockholders may vote in person or by proxy in all meetings of stockholders.

Proxies shall be in writing, signed and filed by the stockholder in any form authorized by the corporate by-laws and received by the Corporate Secretary within a reasonable time before the scheduled meeting. Unless otherwise provided in the proxy form, it shall be valid only for the meeting for which it is intended. No proxy shall be valid and effective for a period longer than five (5) years at any one time.

As of the moment, voting through remote communication or in absentia is not yet authorized in the Company's by-laws or by the majority of the board of directors. However, stockholders or their proxies who wish to join this Annual Stockholders Meeting remotely can send their ballots or proxy forms, where they can indicate their votes on every agenda item, to the Corporate Secretary on or before 31 May 2022 so that such votes can be counted prior to the meeting. A copy of the ballots and proxy forms are attached herewith as Annexures "B", "C", and "D".

As regards treasury shares, pursuant to Sec. 56 of the Revised Corporation Code, the same shall have no voting right as long as they remain in the treasury.

(d) **Security Ownership of Certain Record and Beneficial Owners**

Below are the holders and/or beneficial owners of CLI shares of stock as of the filing hereof.

Class	Name, Address of Owner, and	Name of Beneficial Owner and	Citizenship	No. of Shares Held	Percent of Total Outstanding
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	Relationship with Issuer	Relationship with Record Owner			
Common	<p>AB Soberano Holdings Corp.</p> <p>Address: 2nd Street Villa San Lorenzo, Quijada Street, Guadalupe, Cebu City 6000</p> <p>Relationship with CLI: Parent Company</p>	<p>AB Soberano Holdings Corp.</p> <p>(Direct)</p>	Filipino	2,264,130,595	62.48%
Common	<p>PCD NOMINEE CORP. (FILIPINO)</p> <p>Address: 37/F Tower I, The Enterprise Center 6766 Ayala Ave. cor. Paseo de Roxas Makati City</p> <p>Relationship with CLI: None</p>	<p>PCD participants acting for themselves or for their customers</p> <p>(Indirect)</p>	Filipino	1,290,402,937	39.41%
Common	<p>PCD NOMINEE CORP. (NON-FILIPINO)</p> <p>Address: 37/F Tower I, The Enterprise Center 6766 Ayala Ave. cor. Paseo de Roxas Makati City</p> <p>Relationship with CLI: None</p>	<p>PCD participants acting for themselves or for their customers</p> <p>(Indirect)</p>	Others	19,963,898	0.55%
Common	<p>Jose R. Soberano III (Direct)</p> <p>Address: #2 Villa San Lorenzo, Don Gervacio Quijada, St., Guadalupe, Cebu City</p> <p>Relationship with CLI: Chairman of the Board, President, and CEO of CLI. He is nominated as Director for the election in the annual</p>	<p>Jose R. Soberano III</p> <p>(Direct)</p>	Filipino	31,220,000	0.86%

	stockholders meeting.				
Common	<p>Jose Franco B. Soberano</p> <p>Address: #2 Villa San Lorenzo, Don Gervacio Quijada, St., Guadalupe, Cebu City</p> <p>Relationship with CLI: Director, Executive Vice-President, Chief Operating Officer of CLI. He is nominated as Director for the election in the annual stockholders meeting.</p>	<p>Jose Franco B. Soberano</p> <p>(Direct)</p>	Filipino	7,247,500	0.20%
Common	<p>Janella Mae B. Soberano</p> <p>Address: #2 Villa San Lorenzo, Don Gervacio Quijada, St., Guadalupe, Cebu City</p> <p>Relationship with CLI: Director of CLI. She is nominated as Director for the election in the annual stockholders meeting.</p>	<p>Janella Mae B. Soberano</p> <p>(Direct)</p>	Filipino	5,017,500	0.14%
Common	<p>Joanna Marie B. Soberano</p> <p>Address: #2 Villa San Lorenzo, Don Gervacio Quijada, St., Guadalupe, Cebu City</p> <p>Relationship with CLI: Director and Vice-President for Marketing of CLI. She is nominated as Director for the election in the annual stockholders meeting.</p>	<p>Joanna Marie B. Soberano</p> <p>(Direct)</p>	Filipino	5,017,500	0.14%

Common	Ma. Nona A. Velez Address: Cebu City Relationship with CLI: None	Ma. Nona A. Velez	Filipino	300,000	0.01%
Common	Myrna P. Villanueva Address: Pasay City Relationship with CLI: None	Myrna P. Villanueva (Direct)	Filipino	29,300	0.00%
Common	Milagros P. Villanueva Address: Pasay City Relationship with CLI: None	Milagros P. Villanueva (Direct)	Filipino	22,300	0.00%
Common	Marietta V. Cabreza Address: Imus City, Cavite Relationship with CLI: None	Marietta V. Cabreza (Direct)	Filipino	22,300	0.00%
Common	Lolita Siao-Ignacio Address: Muntinlupa City Relationship with CLI: None	Lolita Siao-Ignacio (Direct)	Filipino	22,300	0.00%
Common	Maria Lourdes M. Onozawa Address: Cebu City Relationship with CLI: None	Maria Lourdes M. Onozawa	Filipino	22,300	0.00%
Common	Myra P. Villanueva Address: Makati City Relationship with CLI: None	Myra P. Villanueva (Direct)	Filipino	33,450	0.00%

Common	Owen Nathaniel S AUITF: LI MARCUS AU	Owen Nathaniel S AU ITF: LI MARCUS AU (Indirect)	Filipino	111	0.00%
Common	Jesus N. Alcordo Address: 507 Balitok St., Ayala Alabang Village, Muntinlupa City Relationship with CLI: Former Independent Director of CLI	Jesus N. Alcordo (Direct)	Filipino	2	0.00%
Common	Ma. Aurora D. Geotina-Garcia Address: 27 Sanson St., Corinthian Gardens, Quezon City Relationship with CLI: Independent Director of CLI and nominated as such for the election in the annual stockholders meeting.	Ma. Aurora D. Geotina-Garcia (Direct)	Filipino	2	0.00%
Common	Rufino Luis T. Manotok Address: 133 Rizal St., Ayala Southvale Village, Bacoor, Cavite Relationship with CLI: Independent Director of CLI and nominated as such for the election in the annual stockholders meeting.	Rufino Luis T. Manotok (Direct)	Filipino	2	0.00%
			TOTAL	3,623,451,997	100%

In all stockholders meeting, both regular and special, the Company shares held by AB Soberano Holdings Corp. are to be voted by JOSE FRANCO B. SOBERANO who is one of its directors.

Meanwhile, there are two (2) companies under the PCD Nominee Corp. that hold at least five percent (5%) of CLI's shares as of record date of 01 May 2022, namely Social Security System and BDO Securities Corporation. The Company has no information as

to who would vote in their behalf since both have not sent their proxy forms to the Corporate Secretary as of this writing.

(e) **Voting Trust Holders of 5% or More**

To the best of the Company's knowledge, none of its security holders has created a voting trust for the purpose of conferring upon a trustee or trustees the right to vote and other rights pertaining to their shares as described and allowed under Sec. 58 of the Revised Corporation Code (R.A. 11232). As such, the other details required by this section is not applicable for purposes of this information statement.

(f) **Change in Control of the Registrant since the Beginning of its last Fiscal Year**

No change in control of the registrant since the beginning of its last Fiscal Year.

Item 5. Directors and Executive Officers

(i) **Information about Directors**

At present, the Board consists of nine members, including three (3) independent directors in accordance with the requirements of the Securities Regulation Code and the SEC's New Code of Corporate Governance for Publicly Listed Companies. All of the Company's incumbent directors, including its independent directors, were elected at the Company's annual stockholders' meeting held on 03 June 2020 and will continue to serve as such until the next annual stockholders meeting or until their successors have been duly elected and qualified.

Members of the Board of Directors

<u>Name</u>	<u>Age</u>	<u>Position</u>	<u>Citizenship</u>
Jose R. Soberano III	66	Chairman of the Board, CEO and President	Filipino
Ma. Rosario B. Soberano	63	Director, Treasurer and Executive Vice-President	Filipino
Jose Franco B. Soberano	36	Director, Executive Vice-President, and Chief Operating Officer	Filipino
Joanna Marie B. Soberano	34	Director, Vice-President for Marketing	Filipino
Beauregard Grant L. Cheng	40	Director and Chief Financial Officer	Filipino
Stephen A. Tan	65	Non-Executive Director	Filipino
M. Jasmine S. Oporto	62	Independent Director	Filipino
Rufino Luis Manotok	71	Independent Director	Filipino
Ma. Aurora D. Geotina-Garcia	69	Independent Director	Filipino

Jose R. Soberano III, 66, Filipino, has been the Company's Chairman, Chief Executive Officer, and President since its incorporation. He obtained a Bachelor of Arts degree in Economics from the Ateneo De Manila University in 1976 and completed the Strategic Business Economics Program at the University of Asia and Pacific in 2000. In 2015, he completed the Advanced Management Development Program in Real Estate from the Harvard University Graduate School. He previously worked for the Ayala Group of Companies for over 23 years, including various stints in Ayala Investment, Bank of the Philippine Islands, and in Ayala Land, Inc. where he was appointed Senior Division Manager in 1997. He was Vice-President of Cebu Holdings, Inc., the pioneer Ayala Land subsidiary in Cebu City when he resigned in 2000 from Ayala. He served as President of the Rotary Club of Cebu in 2011, and President of the Chamber of Real Estate Builders Association-Cebu (CREBA-Cebu) in 2010. He is currently Chairman of the Board of the Center for Technology and Enterprise, a socially oriented instruction that offers technical training to less privileged youth. Mr. Jose R. Soberano III has more than 20 years of experience in managing and heading companies engaged in real estate development.

Ma. Rosario B. Soberano, 63, Filipino, has served as the Director, Treasurer, and Executive Vice-President of the Company since 2003. She received a Bachelor of Science major in Accountancy degree in 1979 (summa cum laude) from St. Theresa's College in Cebu and is a certified public accountant. She obtained a Master's Degree in Business Administration from the University of the Philippines - Cebu in 1983. She is the wife of the Company's Chairman, President, and CEO.

Jose Franco B. Soberano, 36, Filipino, has served as Director, Chief Operating Officer, and Executive Vice-President since 2010. He received a Bachelor of Science degree in Management, major in Legal Management and minor in Finance, from the Ateneo de Manila University in 2007. In 2012, he obtained a Master's Degree in Real Estate Development from Columbia University in New York City. Prior to joining the Company, he was a Project Manager at Hewlett-Packard Asia Pacific (HK). Ltd. He is a founding member of the Global Shapers - Cebu Hub, an initiative of the World Economic Forum, and is a Past President of the Sacred Heart School - Ateneo de Cebu Alumni Association. He is the eldest son of Jose R. Soberano III and Ma. Rosario Soberano.

Joanna Marie B. Soberano-Bergundthal, 34, Filipino, has served as Director of the Company since 2010, and joined the Company as Vice-President and Marketing Director in July 2016. She earned from the University of Asia and the Pacific both her Bachelor and Master of Arts in Communication, Major in Integrated Marketing Communication in 2008 and 2009, respectively. She graduated top of her class in 2008. Prior to joining the Company, she was a Marketing Manager of the Global Team of Nestle based in Switzerland from June 2014 to August 2015 and Marketing Project Manager based in Thailand from August 2015 to June 2016. From October 2013 to May 2014, she worked as a Marketing Manager of Nestle Philippines. She is the daughter of the Company's Chairman, President, and CEO and Treasurer and Executive Vice-President.

Beaugard Grant L. Cheng, 40, Filipino, a registered CFA Charterholder, joined the Company as Deputy Chief Financial Officer in April 2019. He obtained his Bachelor of Science in Manufacturing Engineering and Management degree from De La Salle University, Manila (Magna Cum Laude) in 2004 and studied MSc. Wealth Management from 2006 to 2007 at Singapore Management University. Mr. Cheng previously worked with BDO Capital as Deal Manager from April 2015 to March 2019; Universal Harvester, Inc. as Chief Financial Officer from July 2013 to March 2015; Private Banker, EFG Bank Singapore as Vice-President from 2010 to June 2013; Commerzbank AG, Singapore as Wealth Management Advisor from 2008 to 2010; Asia Private Banking, Singapore as Investment Counselor from 2006 to 2008; and Procter & Gamble as Project Manager from 2004 to 2006. He is not related within the fourth civil degree either by consanguinity or affinity to any of the directors or fellow executive officers in the Company.

Stephen A. Tan, 65, Filipino, is the former Chief Financial Officer of the Company. A Certified Public Accountant, he is a holder of Masters in Business Administration, with distinction, from Katholieke Universiteit te Leuven in Belgium and Bachelor of Science in Management Engineering from Ateneo de Manila University. He earned his degree in Accounting from the University of San Carlos. Prior to working with the Company, he had served as Chief Financial Officer of a number of companies like Aboitiz Construction Group, Inc., FBMA Marine, Inc., Aboitizland, Inc., InfoWeapons Corporation, Pilmico Food Corporation, among others. He was also a part-time instructor for more than 30 years, teaching at the University of San Carlos and University of the Philippines. He is not related within the fourth civil degree either by consanguinity or affinity to any of the directors or fellow executive officers in the Company.

Rufino Luis T. Manotok, 71, Filipino, joined as one of the Company's Independent Directors in February 2017. He finished Advanced Management Program of Harvard Business School in 1994. He earned his Master of Business Management degree from the Asian Institute of Management in 1973, and Bachelor of Arts, major in Economics from Ateneo de Manila University in 1971. He is currently an Independent Director of First Metro Investment Corporation and was the Chairman and President of Ayala Automotive Holdings Corporation from 2009 to 2012. From 2007 to 2009, he was Ayala Corporation's Senior Managing Director, Chief Financial Officer and Chief Information

Officer. He was Managing Director, heading Strategic Planning Group of Ayala Corporation from 1998 to 2006. He is not related within the fourth civil degree either by consanguinity or affinity to any of the directors of the Company.

Ma. Aurora D. Geotina-Garcia, 69, Filipino, joined as one of the Company's Independent Directors in February 2017. She received her Bachelor of Science in Business Administration and Accountancy degree from the University of the Philippines in 1973. She completed her Master of Business Administration from the same university in 1978. She headed SGV & Co.'s Global Corporate Finance Division from 1992 until her retirement from the partnership in 2001. She was a Senior Adviser to SGV & Co. from the time of her retirement until September 2006. She has served as a consultant to businesses and the government for over 30 years in the area of corporate finance. She is the President of Mageo Consulting Inc. since March 2014 and CIBA Capital Philippines Inc. since December 2008. She is not related within the fourth civil degree either by consanguinity or affinity to any of the directors of the Company.

M. Jasmine S. Oporto, 62, Filipino, joined the Board as Independent Director on August 4, 2018. She was previously the Chief Compliance Officer of Aboitiz Equity Ventures, Inc. from November 2005 until March 1, 2018. During her tenure there, she held various offices, among them, as Senior Vice President (until March 1, 2018), Chief Legal Officer (until July 11, 2016), and Corporate Secretary (from May 17, 2004 to March 1, 2018). She also served as the Corporate Secretary of Luzon Hydro Corporation (LHC), Visayan Electric Company, Inc., (VECO) and Hijos de F. Escaño. She previously served as General Counsel and First Vice President for Legal and Corporate Services at ACO (Aboitiz & Company, Inc.), and Vice President for Legal Affairs of Davao Light and Power Co., Inc. (DLPC). Prior to joining the Aboitiz group, she worked in various capacities at the Hong Kong office of Kelley Drye & Warren, LLP, a New York-based law firm and the Singapore-based consulting firm Albi Consulting Pte. Ltd. Atty. Oporto earned her Bachelor of Science degree in Landscape Architecture (Cum Laude) and Bachelor of Laws from the University of the Philippines. She is a member of both the Philippine and New York bar associations and placed No. 3 in the 1988 Philippine Bar Examinations. She is not related within the fourth civil degree either by consanguinity or affinity to any of the directors of the Company.

(ii) **Information about Key Executives and Officers**

Executive Officers

<u>Name</u>	<u>Age</u>	<u>Position</u>	<u>Citizenship</u>
Jose R. Soberano III	66	President and CEO	Filipino
Ma. Rosario B. Soberano	63	Treasurer and Executive Vice-President	Filipino
Jose Franco B. Soberano	36	Chief Operating Officer and Executive Vice-President	Filipino
Joanna Marie Soberano-Bergundthal	34	Vice-President for Marketing	Filipino
Mathias Ralf Bergundthal	40	Director of Assets for CLI Premier Hotels	Swiss
Janella Mae B. Soberano	30	Corporate Communications and Customer Relations Head	Filipino
Beauregard Grant L. Cheng	40	Chief Financial Officer	Filipino
Jessel M. Kabigting	52	Vice-President for Operations	Filipino
Larri-Nil G. Veloso	43	Vice-President for Legal	Filipino
Pedrito A. Capistrano, Jr.	58	Vice-President for Engineering	Filipino
Connie N. Guieb	43	Vice-President for Accounting and Financial Comptroller	Filipino
Marie Rose C. Yulo	53	Vice-President for Sales	Filipino
Sylvan John M. Monzon	46	Vice-President for Business Development	Filipino

Mark Leo Chang	43	Assistant Vice-President for Permits and Licenses, Registration and Strategic Landbanking	Filipino
Julieta R. Castanos	42	Assistant Vice-President for Business Development	Filipino

Janella Mae B. Soberano, 29, Filipino, joined the Company as Corporate Communications and Customer Relations Head in January 2020. She obtained her Bachelor of Arts in Integrated Marketing Communications degree from the University of Asia and the Pacific, Manila in 2013 and completed her Master of Science in Strategic Communications at Columbia University, New York in 2020. Prior to graduate school, she worked for the Company as Marketing Manager from 2017 to 2018 and United Laboratories (UNILAB) as Brand Manager from 2013 to 2017. She is the daughter of Jose R. Soberano III and Ma. Rosario Soberano.

Mathias Ralf Bergundthal, 39, Swiss, joined the company as Director of Assets for CLI Premier Hotels in April 2019. He obtained his Master's degree at the Graduate Institute of International and Development studies in Geneva and completed his executive MBA in hospitality management at the Ecolière hôtel de Lausanne (EHL). Mr. Bergundthal previously held various functions at Nestle Switzerland, including Senior Public Affairs Manager from 2017 to 2019, Public Affairs Manager from 2014 to 2017, and Economist from 2009 to 2014. He is the husband of Dir. Joanna Marie B. Soberano-Bergundthal.

Jessel M. Kabigting, 51, Filipino, is the Vice-President for Operations of the Company. He finished Civil Engineering from the University of Santo Tomas and is the Gold Medalist in the Ateneo-Regis University MBA Program with a specialization in Marketing and Finance. Mr. Kabigting worked for 25 years in construction, real estate, and in outsourcing companies prior to joining the Company. He managed the planning, construction, procurement, and operations of various residential, office, retail, and mixed-use projects in the Philippines under Ayala Land and MDC. He also previously worked at Accenture for 6 years and served as Service Transition Executive and Solution Architect for the Philippines. During this time, he led outsourcing and sales engagements for Philippines and India and worked with clients from the USA and Europe. He used to manage day-to-day business operations for three firms before joining the Company. He is not related within the fourth civil degree either by consanguinity or affinity to any of the directors or fellow executive officers in the Company.

Larri-Nil G. Veloso, 42, Filipino, is the Vice-President for Legal and serves as the Company's Assistant Corporate Secretary. An experienced practitioner in Corporate Law, he holds a Bachelor of Arts in Mass Communication from the University of the Philippines and earned his Bachelor of Laws from the University of Southern Philippines Foundation. While finishing law school, Atty. Veloso worked for print and online newspapers, occupying various positions in progression from correspondent, staff reporter, copy editor, copywriter, junior editor, group editor, to managing editor. Prior to joining the Company, he was the Corporate Legal Counsel of InfoWeapons Corporation, an American-owned software company specializing in networking appliances, and later promoted as General Manager. He is not related within the fourth civil degree either by consanguinity or affinity to any of the directors or fellow executive officers in the Company.

Pedrito A. Capistrano Jr., 57, Filipino, is the Vice-President for Engineering of the Company. He is a licensed engineer in the field of Civil Engineering and Geodetic Engineering. He has been working with the Company since August 2011 when he was hired as Project Manager. His more than 34 years of experience has established for him solid foundation and credibility in the construction and allied fields. Some of the established companies he had worked for were Filinvest Land Inc., Robinsons Land Corporation, Cebu Industrial Park Developers, Inc., Aboitiz Land, Inc. and Aboitiz Construction Group, Inc. He finished his Bachelor of Science degree in Civil Engineering at Cebu Institute of Technology University in Cebu City and earned his Master of Science in Management Engineering from University of the Visayas also in Cebu City. He is not related within the fourth civil degree either by consanguinity or affinity to any of the directors or fellow executive officers in the Company.

Connie N. Guieb, 42, Filipino, is the Vice-President for Finance and Accounting. A certified public accountant, she also serves as the Financial Comptroller. She has more than 15 years of accountancy and finance experience in various industries in both public and private sectors in the Philippines. She graduated cum laude with a Bachelor of Science in Accountancy degree from the University of San Carlos, and Bachelor of Laws from the University of Cebu. She is not related within the fourth civil degree either by consanguinity or affinity to any of the directors or fellow executive officers in the Company.

Marie Rose C. Yulo, 52, Filipino, is the Company's Vice-President for Sales. Prior to this, she was the Assistant Vice-President for both Sales and Marketing from March 2011 until August 2016 when the Company spun off its marketing unit as a separate department to provide focused attention to the equally challenging marketing and branding initiative of the Company. Ms. Yulo also has significant experience in the areas of travel and tours, and banking. She completed her Bachelor of Science degree in Business Administration at the University of San Carlos and earned units of Masters in Business Administration from the University of the Visayas. She is not related within the fourth civil degree either by consanguinity or affinity to any of the directors or fellow executive officers in the Company.

Sylvan John M. Monzon, 45, Filipino, joined the Company in August 2016. He is now Vice-President in-charge of business development for the Company's projects in Mindanao. Prior to CLI, he held various positions in the real estate industry for more than 20 years such as Project Development Assistant Supervisor of Cebu Holdings, Inc., Assistant Chief Operating Officer of Ortigas and Company Limited Partnership, and as Head of Business Development of Ortigas and Company Holdings Inc. Mr. Monzon graduated with a Bachelor of Science degree in Business Management from the University of Asia and the Pacific in Pasig City, Philippines. He also earned a Certificate in Business Economics from the same university. He is not related within the fourth civil degree either by consanguinity or affinity to any of the directors or fellow executive officers in the Company.

Mark Leo M. Chang, 42, Filipino, joined the Company as Senior Manager for Permits and Licenses in July 2018 and recently promoted as Assistant Vice-President for Strategic Landbanking and Permits & Licenses in February 2020. He is a graduate of Bachelor of Laws (Juris Doctor) from the University of San Carlos (USC) School of Law, Cebu City in 2009 and Bachelor in Business Management from the University of the Philippines (UP) – Cebu in 1999. In 1998, he was awarded as one of The Outstanding Student Leaders of UP Cebu by the Junior Jaycees of UP Cebu Chapter. He previously worked as Senior Manager for External Affairs of Cebu Holdings, Inc., a subsidiary of Ayala Land, Inc. from February 2015 to July 2017 (including as Consultant) and as Senior Manager for Permits with Countryside Water Services under Filinvest Development Corporation from August 2017 to June 2018. He held the position of Presidential Staff Officer V functioning as Executive Assistant and Political Officer under the Office of the Presidential Political Adviser Sec. Ronaldo M. Llamas of the Office of the President from April 2011 to December 2014. He also worked as an Intern (Researcher) at Sycip Salazar Hernandez Gatmaitan Law Office - Cebu Branch from September 2005 to March 2007. He used to be the National President of the Association of Law Students of the Philippines, a federation of law student councils in the country, for Academic Year (AY) 2008-2009 and President of USC Lex Circle (Law Student Council) for 2 terms in AY 2006-2008. Mr. Chang is one of the founders of Roco for President Youth Movement and Aksyon Kabataan, a youth arm of Aksyon Demokratiko, the political party of the late Sen. Raul S. Roco in 1998. He is not related within the fourth civil degree either by consanguinity or affinity to any of the directors or fellow executive officers in the Company.

Julieta R. Castaños, 41, Filipino, joined the Company as Business Unit Head for Cebu Residential Projects in March 2020. She obtained her Bachelor of Science in Accountancy from the University of San Carlos in 2000. She previously worked at Filinvest Land, Inc. for 14 years with various functions: from April 2005 to January 2009 as Branch Accountant; January 2009 to January 2012 as Branch Operations Head; from January 2012 to May 2013 and from September 2014 to April 2018 as Senior Manager for Project Development; and from April 2018 to February 2020 as Project Development Head for Visayas and North Mindanao. Prior to this, she was with Aboitizland, Inc. from 2002 to 2005 where she held positions in the Accounting

Department and ultimately rising to the position of Business Development Manager in March 2013 before leaving the group in September 2014. She was also elected President of the Subdivision and Housing Developers Association, Central Visayas Chapter (SHDA-CV) from 2015 to 2017 and is currently one of the Board of Advisers of SHDA-CV. She is not related within the fourth civil degree either by consanguinity or affinity to any of the directors or fellow executive officers in the Company.

(iii) **Material Legal Proceedings**

To the best of the Company's knowledge, none of the foregoing directors and key executives is involved in legal proceedings that are material in evaluating their ability or integrity to hold their respective offices or positions.

More specifically, none of the current directors, executive officers, and nominees of the Company has been a general partner or executive officer of a company subject of a bankruptcy petition nor held such position during the bankruptcy proceedings or within two years prior to that time. Neither do any of them has been convicted by final judgment in any criminal proceeding or currently facing one, both domestic or foreign; nor the subject of any order, judgment, or decree, not subsequently reversed, suspended or vacated, 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. Finally, none of the Company's directors, and executive officers has been found by a domestic or foreign court of competent jurisdiction (in a civil action), the Commission or comparable foreign body, or a domestic or foreign Exchange or other organized trading market or self-regulatory organization, to have violated a securities or commodities law or regulation, and the judgment has not been reversed, suspended, or vacated.

The Company and its subsidiaries are likewise not a party to, nor any of the Company's properties are the subject of any pending material litigation, arbitration or other legal proceeding, and no litigation or claim of material importance is known to the management and the directors to be threatened against the Company, its subsidiaries or any of its properties.

(iv) **Resignation of Directors**

None of the current set of directors has resigned. The incumbent Board members will stand for re-election at this Annual Stockholders' Meeting.

(v) **Significant Employees**

There is no Non-Executive Officer(s) within the Company that is/are expected to make significant contribution to the business.

(vi) **Family Relationships**

The executive officers and members of the Board of Directors of the Company are not related by consanguinity or by affinity among each other, except: Jose R. Soberano III (husband of Ma. Rosario B. Soberano), Ma. Rosario B. Soberano (wife of Jose R. Soberano III), Jose Franco B. Soberano, Janella Mae B. Soberano, and Joanna Marie Soberano-Bergundthal (children of Sps. Jose R. Soberano III and Ma. Rosario B. Soberano), and Ralf Mathias Bergundthal (husband of Joanna Marie Soberano-Bergundthal).

(vii) **Related-Party Transactions**

The Company and its subsidiaries (the "Group"), in their regular conduct of business, have entered into transactions with associates and other related parties principally consisting of advances and reimbursement of expenses, purchase and sale of real estate properties, construction contracts, and development, management, underwriting, marketing, leasing and administrative service agreements. Sales and purchases of goods and services to and from related parties are made on an arm's length basis and at current market prices at the time of the transactions.

However, no other transaction, without proper disclosure, was undertaken by the Group. CLI employees are also required to promptly disclose any business and family-related transactions with the Company to ensure that potential conflicts of interest are surfaced and brought to the attention of management.

Item 6. Compensation of Directors and Executive Officers

The table below lists the Company's President and CEO and the four most highly compensated senior officers:

<u>Name</u>	<u>Position</u>
Jose R. Soberano III	Chief Executive Officer
Ma. Rosario B. Soberano	Executive Vice-President
Jose Franco B. Soberano	Executive Vice-President & Chief Operating Officer
Beauregard Grant L. Cheng	Chief Financial Officer
Joanna Marie B. Soberano	Vice-President & Marketing Director

The table below summarizes the aggregate compensation of the Company's President and CEO and the four most highly compensated executive officers, and all other officers and directors as a group, for the years ended December 31, 2016, 2017, 2018, 2019 and the estimated amount for 2020.

	Year	Basic Compensation (in ₱)	Other Compensation (in ₱)
President and CEO and the four most highly compensated executive officers named above.....	2021	40,973,625.00	19,965,000.00
	2020	37,248,750.00	18,150,000.00
	2019	33,862,500.00	16,500,000.00
	2018	28,323,326.05	14,589,173.95

Each of the executive officers named above executed an employment contract with the Company and is entitled to receive retirement benefits in accordance with the terms and conditions of the Company's retirement plan.

No bonuses have been declared for the Board of Directors for the last three years. For the ensuing year, the amount of bonuses to be received by the members of the Board of Directors has yet to be approved by it.

Meanwhile, the table below shows the aggregate compensation of all officers and directors as a group, excluding those of the President and the four most highly compensated executive officers:

	Year	Basic Compensation (in ₱)	Other Compensation (in ₱)
All officers and directors as a group excluding the President and four (4) most highly compensated executive officers.....	2021	25,071,232.18	9,642,781.61
	2020	22,792,029.26	8,766,165.10
	2019	20,720,026.60	7,969,241.00
	2018	20,814,760.70	7,567,242.57

There is no plan or arrangement by which the above officers will receive from the Company any form of compensation in case of a change in control of the Company or change in the officers' responsibilities following such change in control.

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

Item 7. Independent Public Accountants

- (a) The principal accountant and external auditor of the Company is Punongbayan & Araullo. During its meeting on 23 March 2022, the Company's Audit Committee recommended that Punongbayan & Araullo shall remain as the external auditor for fiscal year 2022, subject to its formal appointment at the Annual Stockholders Meeting on 07 June 2022.

The Company's Audit Committee is chaired by Director Ma. Aurora D. Geotina-Garcia with M. Jasmine S. Oporto and Rufino Luis T. Manotok as members, all of whom are independent directors of the Company and each paid a per diem allowance of ₱40,000.00 for every regular Board Meeting and ₱30,000 for every Committee meeting, regular or special, and every special Board Meeting attended. The other members of the Board who are executives and receiving salaries as such do not get additional per diem or compensation for their attendance in Board meetings.

- (b) Not applicable.
- (c) A representative of Punongbayan & Araullo is expected to be present at the annual stockholders meeting to respond to appropriate questions or make a statement if he/she desires to do so.
- (d) Punongbayan & Araullo has been the principal accountant and external auditor of the Company and its subsidiaries during the three most recent fiscal years. Thus far, the Company has had no material disagreements with it on any matter pertaining to accounting and financial disclosures.

The table below shows the fees paid by the Company for the services of Punongbayan & Araullo:

	2019	2020	2021
Audit and Audited Related Fees	₱1,881,600.00	₱2,327,437.55	₱2,464,000.00
Tax Fees			
All other fees	₱86,240.00	₱19,975.00	₱69,000
TOTAL	₱1,967,840.00	₱2,347,412.55	₱2,533,000.00

Item 8. Compensation Plans

There are no matters or actions to be taken up in the Annual Stockholders Meeting on 27 May 2021 pertaining to any compensation plan pursuant to which cash or non-cash compensation may be paid or distributed.

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 Annual Stockholders Meeting on 07 June 2022 pertaining to authorization or issuance of securities other than for Exchange.

Item 10. Modification or Exchange of Securities

There are no matters or actions to be taken up in the Annual Stockholders Meeting on 07 June 2022 pertaining to modification or exchange of securities

Item 11. Financial and Other Information

(a) Required Information

(1) Financial Statements

Copies of the 2021 consolidated financial statements of the Company, prepared in accordance with SRC Rule 68 as amended, as well as its SEC Form 17-A (Annual Report) may be downloaded from CLI's website or mailed to any security holder upon written request made to CLI Investors Relation Manager Clarissa Mae Cabalda, who may be reached by email at clarissa@cebulandmasters.com or at her office address: 19th Floor Park Centrale Tower, J.M. del Mar St., Cebu I.T. Park, Apas, Cebu City 6000.

(2) Seasonal Aspect that has Material Effects on the Financial Statements

As of the reporting period, there is no seasonal aspect that may have material effects on the Financial Statements of the Company.

(3) Management's Discussion and Analysis and Plan of Operation

Please refer to Annex "F" for the complete management's discussion, analysis, and plan of operation of the Company.

(4) CLI's General Nature and Scope of Business

CLI was incorporated in the Philippines and registered with the Securities and Exchange Commission on September 26, 2003. The Company is presently engaged in real estate development, sale, and leasing. Its major projects include Asia Premier Residences, Midori Plains, Midori Residences, Park Centrale, Velmiro Heights, Base Line Center, Casa Mira Towers in Labangon, Guadalupe and Mandaue, Casa Mira Linao and Casa Mira South subdivisions, San Josemaria Villages, Mivesa Garden Residences, Mivela Garden Residences, Citadines Cebu City, Latitude Corporate Center, Astra Centre, and 38 Park Avenue, which are all located in Cebu. CLI also has projects in Bacolod, Bohol, Davao, Dumaguete, Cagayan de Oro, and Iloilo. Through joint ventures, the Company also owns several hotels, office condominiums in various cities, and a 23-hectare central business district in Davao City.

(5) Identity of Directors, Executive Officers, Business and Occupation

Please refer to the disclosure in Item 5 above.

(6) Market Price and Dividends

Market Information

CLI listed its common shares with the Philippine Stock Exchange on June 2, 2017.

Philippine Stock Exchange Prices (in PHP/ share)

	<u>High</u>	<u>Low</u>	<u>Close</u>
2017			
Second Quarter (month of June only)	5.98	5.13	5.34
Third Quarter	5.51	4.58	5.07
Fourth Quarter	5.17	4.59	4.88
2018			

First Quarter	5.12	4.21	4.70
Second Quarter	5.06	4.48	4.58
Third Quarter	4.73	4.27	4.42
Fourth Quarter	4.59	3.60	4.14
2019			
First Quarter	4.29	4.19	4.20
Second Quarter	4.89	4.80	4.83
Third Quarter	4.75	4.70	4.74
Fourth Quarter	4.83	4.67	4.83
2020			
First Quarter	3.80	3.70	3.72
Second Quarter	5.10	4.35	4.69
Third Quarter	4.92	4.83	4.90
Fourth Quarter	5.05	4.99	5.05
2021			
*price after stock dividends resulting in a price split			
First Quarter	2.65	2.60	2.64
Second Quarter	3.85	3.72	3.77
Third Quarter	3.00	2.89	2.95
Fourth Quarter	3.00	2.73	3.00

The market capitalization of CLI as of end-2019, based on the closing price of ₱4.83/share, was approximately ₱8 billion.

Dividends Declared

The Company has declared the following cash and stock dividends.

Cash Dividends

On 15 March 2022, the Board of Directors declared a *regular* cash dividend of ₱0.112 and a *special* cash dividend of ₱0.038 per share for stockholders of record as of 22 April 2022 to be paid on 17 May 2022.

Year of Dividend Declaration	Rate of Dividend Declared per Share (in ₱)	Record Date	Amount Paid (in ₱)
2014	12.50	November 3, 2014	48,000,000
2015	7.19	February 28, 2015	42,000,000
2015	10.27	June 15, 2015	60,000,000
2015	8.56	October 15, 2015	50,000,000
2015	5.66	December 15, 2015	50,000,000
2016	2.26	March 31, 2016	20,000,000
2016	5.99	August 31, 2016	52,943,457
2016	4.32	September 15, 2016	38,150,000
2016	1.70	September 30, 2016	15,000,000
2016	0.74	November 21, 2016	650,000,000
2016	0.05	December 1, 2016	40,000,000
2016	0.03	December 1, 2016	40,000,000
2018	0.15	March 23, 2018	235,186,980
2019	0.20	March 26, 2019	332,590,000
2020	0.25	April 3, 2020	414,795,000
2021	0.25	April 16, 2021	388,749,900
2022	0.112 (Regular) 0.038 (Special)	April 22, 2022	519,277,800 (est)

Stock Dividends

Year of Dividend Declaration	Rate of Dividend Declared per Share	Record Date	No. of Shares
2014	0.5208	November 30, 2014	2,000,000
2015	0.3394	December 15, 2015	3,000,000
2021	1.23	June 18, 2021	1,909,451,997

(7) Sale of Unregistered or Exempt securities

There are no unregistered or exempt securities as well as securities constituting an exempt transaction issued by the Company during the year 2022.

(8) Compliance with Leading Practices on Corporate Governance

The Company is committed to doing business in accordance with the highest professional standards, business conduct and ethics and all applicable laws, rules, and regulations in the Philippines. The Company, its directors, officers, and employees are dedicated to promote and adhere to the principles of good corporate governance by observing and maintaining its core business principles of accountability, integrity, fairness, and transparency.

Independent Directors

Philippine regulations require the Company to have at least three (3) independent directors in its Board of Directors, or such number as to constitute at least one-third of the members of the Board, whichever is higher. The Company's Board of Directors is composed of nine members, five (5) of whom are regular directors, three (3) are independent directors, and one (1) non-executive director. The Company's independent directors are Atty. Ma. Jasmine S. Oporto, Rufino Luis T. Manotok, and Ma. Aurora D. Geotina-Garcia.

Under the SEC Revised Code of Corporate Governance, independent directors should always attend Board meetings. Unless otherwise provided in the by-laws, their absence shall not affect the quorum requirement. The By-Laws of the Company do not provide for such quorum requirement. However, pursuant to the Company's Manual of Corporate Governance to promote transparency, the Board requires the presence of at least one independent director in all its meetings.

Compliance Officer

During its organization meeting on 03 June 2020, the Board appointed Atty. John Edmar Garde as the Compliance Officer who shall be in charge of the compliance function. In keeping with the SEC Revised Code of Corporate Governance, the Company's Compliance Officer is not a member of the Board and is different from the Corporate Secretary. He is primarily liable to the Company and its shareholders, and not to its Chairman or President, and shall have the following duties and responsibilities:

- a. Ensure proper onboarding of new directors (i.e., orientation on the Company's business, charter, articles of incorporation and by-laws, among others);
- b. Monitor, review, evaluate and ensure the compliance by the Company, its officers and directors with the relevant laws, the SEC Revised Code of Corporate Governance, rules and regulations and all governance issuances of regulatory agencies;
- c. Report the matter to the Board if violations are found and recommend the imposition of appropriate disciplinary action;

- d. Ensure the integrity and accuracy of all documentary submissions to regulators;
- e. Appear before the SEC when summoned in relation to compliance with the SEC Revised Code of Corporate Governance;
- f. Collaborate with other departments to properly address compliance issues, which may be subject to investigation;
- g. Identify possible areas of compliance issues and work towards the resolution of the same;
- h. Ensure the attendance of board members and key officers to relevant trainings; and
- i. Perform such other duties and responsibilities as may be provided by the SEC.

Chief Audit Officer

The Chief Audit Officer, who will be appointed by the Board, directly reports functionally to the Audit Committee and administratively to the Chief Executive Officer. He oversees and is responsible for the internal audit activity of the Company, including that portion that is outsourced to a third-party service provider.

Resolving Stockholders' Disputes

Stockholders who have matters for discussion or concerns directly resulting to the business of the Company may initially elevate such matters or concerns to: (a) the Corporate Secretary; (b) the Investor Relations Officer; (c) Management; or (d) the Board.

Committees of the Board

The Board of Directors has constituted certain committees to effectively manage the operations of the Company. The Company's principal committees include the Audit Committee, Risk Oversight Committee, Related-party Transactions Committee, Nominations Committee, and the Corporate Governance Committee, which also functions as the Compensation and Remuneration committee.

A. Audit Committee

The Audit Committee is composed of at least three (3) board members, preferably with accounting and finance background, one of whom shall be an independent director and another should have related audit experience. The Chairman of this Committee is an independent director. He should be responsible for inculcating in the minds of the Board members the importance of management responsibilities in maintaining a sound system of internal control and the Board's oversight responsibility.

The Audit Committee performs the following functions:

- a. Assists the Board in the performance of its oversight responsibility for the financial reporting process, system of internal control, internal and external audit process, and monitoring of compliance with applicable laws, rules and regulations;
- b. Recommends the approval the Internal Audit Charter ("IA Charter"), which formally defines the role of Internal Audit and the audit plan as well as oversees the implementation of the IA Charter;

- c. Through the Internal Audit (“IA”) Department, monitors and evaluates the adequacy and effectiveness of the Company’s internal control system, integrity of financial reporting, and security of physical and information assets;
- d. Oversees the Internal Audit Department, and recommends the appointment and/or grounds for approval of an internal audit head or Chief Audit Officer. The Audit Committee should also approve the terms and conditions for outsourcing internal audit services;
- e. Establishes and identifies the reporting line of the internal auditor to enable him to properly fulfill his duties and responsibilities. For this purpose, he should directly report to the Audit Committee;
- f. Reviews and monitors management’s responsiveness to the internal auditor’s findings and recommendations;
- g. Prior to the commencement of the audit, discusses with the external auditor the nature, scope and expenses of the audit, and ensures the proper coordination if more than one audit firm is involved in the activity to secure proper coverage and minimize duplication of efforts;
- h. Evaluates and determines the non-audit work, if any, of the external auditor, and periodically reviews the non-audit fees paid to the external auditor in relation to the total fees paid to him and to the Company’s overall consultancy expenses. The committee should disallow any non-audit work that will conflict with his duties as an external auditor or may pose a threat to his independence;
- i. Reviews and approves the interim and annual financial statements before their submission to the Board;
- j. Reviews the disposition of the recommendations in the external auditor’s management letter;
- k. Performs oversight functions over the Company’s internal and external auditors and ensure the independence of internal and external auditors, and that both auditors are given unrestricted access to all records, properties and personnel to enable them to perform their respective audit functions, taking into consideration relevant Philippine professional and regulatory requirements;
- l. Coordinates, monitors and facilitates compliance with laws, rules and regulations;
- m. Recommends to the Board the appointment, reappointment, removal and fees of the external auditor, duly accredited by the SEC, who undertakes an independent audit of the Company, and provides an objective assurance on the manner by which the financial statements should be prepared and presented to the stockholders;
- n. Evaluates on an ongoing basis existing relation between and among businesses and counterparties to ensure that all related parties are continuously identified, RPTs are monitored, the Related Party Registry is updated to capture subsequent changes in relationships with counterparties (from non-related to related and vice versa);

B. Risk Oversight Committee

This Committee is established to provide a venue for discussion of risk oversight issues for the purpose of fulfilling its corporate governance responsibilities through better integration and collaboration of risk oversight and audit management functions. The Committee shall have at least three (3) Directors, one (1) of whom shall be an independent director. The members of the Committee shall be elected annually by majority vote of the Board and shall hold

office for a period of one (1) year from such election until their successors are duly elected or sooner removed as members of the Committee.

The Committee is authorized to deal with any activity within its charter, including the authority to secure the attendance of outsider experts with relevant experience and expertise as it deems necessary in the performance of its duties. Furthermore, the Committee shall represent the Board in discharging its responsibility relating to risk oversight matters. The Committee does not have decision-making authority, except in the circumstances described herein or to the extent that such authority is expressly delegated by the Board. Its functions include the following:

- a. Review and consider, at least once a year, the Corporation's risk management policy, with consideration of the strategic, operational, financial, legal and compliance, emerging, and project risks as well as any other form of risk as approved by the Board;
- b. Provide a forum to review exposures and strategies to mitigate risks with relevant senior officers and managers and make recommendations to the Board related to changes to the policy based on this review;
- c. Undertake a periodic review of the delegated authorization and control levels. Following consultation with the CEO, COO and CFO, make recommendations to the Board related to any changes in these levels seen to be appropriate based on this review;
- d. Review the Corporation's senior officers' and managers' proposed risk appetite and risk tolerance at least annually and if advisable, recommend it for Board approval;
- e. At least annually, review policies and procedures in consultation with individual business leaders and risk managers and recommend changes as appropriate;
- f. Monitor and review the Corporation's senior managers and officers' reports on the following:
 1. the Corporation's risk profile and identifying material risks associated with the Corporation's business and operations;
 2. emerging risk issues and trends;
 3. compliance with the risk appetite and risk tolerance limits and established policies and procedures; and
 4. overall adherence to the Corporation's defined risk appetite;
- g. Recommend to the Board external advisers when desired expertise for the specific need is not available internally; and
- h. Ensure the proper implementation of the risk oversight and management framework across the Corporation by identifying, evaluating and monitoring relevant issues to mitigate risk.

C. Related-party Transactions Committee

The Related-party Transactions Committee is constituted to promote transparency, fairness, and ensure that transactions of the Corporation are conducted at arm's-length basis and on terms not more favorable than those made to unrelated third parties under similar circumstances. For this purpose, the Committee shall review all transactions involving parties related to the Corporation if the same shall fall within the specific criteria set in writing and approved by the Board.

The Committee shall have three (3) members, one (1) of whom shall be an independent director. They shall hold office for a period of one (1) year from election until their successors are duly elected or sooner if removed as members of the Committee and/or the Board. A member of the Committee may be removed by a majority vote of the directors. Any vacancy in the Committee shall be filled by majority vote of the Board. The Committee may form and delegate authority to subcommittees as may be appropriate in accordance with relevant laws and regulations.

The Committee shall have the following functions:

- a. Recommend to the Board specific criteria under which related-party transactions (“RPTs”) may be subject to review by the Committee prior to its approval by the Board;
- b. Propose to the Board policies related to conflicts of interest and recommend a system to identify, monitor, report, and conduct periodic review of RPTs;
- c. Evaluate all existing relations between and among businesses and counterparties of the Corporation to ensure all related parties are continuously identified, transactions are monitored, and subsequent changes in relationships (from non-related to related and vice versa) are captured;
- d. Evaluate all RPTs subject of review by the Committee to ensure no business resources of the Corporation are misappropriated or misapplied, and determine any potential reputational risks that may arise from such transactions. In evaluating RPTs, the Committee shall consider, among others, the following:
 1. The related party's relationship to the Corporation, its interest in the transaction and the benefits to the Corporation;
 2. The material facts of the RPT such as the aggregate value of the transaction; and
 3. The availability of other sources of comparable products, services, or terms and conditions from unrelated party/parties under similar circumstances;
- e. Ensure that appropriate disclosures are promptly made and/or information provided to regulators;
- f. Report to the Board on a regular basis status of RPTs subject of its review, the aggregate exposures to each related party as well as the total amount of exposures to all related parties.

D. Corporate Governance Committee

The Committee assists the Board in performing corporate governance responsibilities and ensures compliance with and proper observance of corporate governance principles and practices. The Committee shall have three (3) directors, at least two (2) of whom shall be independent directors. The members of the Committee shall be elected annually by majority vote of the Board and shall hold office for a period of one (1) year from such election until their successors are duly elected or sooner if removed as members of the Committee and/or the Board. A member of the Committee may be removed by a majority vote of the directors. Any vacancy in the Committee shall be filled by majority vote of the Board. The Committee may form and delegate authority to subcommittees as may be appropriate in accordance with relevant laws and regulations.

The Committee shall have the following functions:

- a. Oversee the implementation of the corporate governance framework and periodically review the said framework to ensure that it remains relevant in light of material changes to the Corporation's size, complexity and business strategy, as well as its compliance with regulatory requirements of relevant government agencies such as but not limited to the Securities and Exchange Commission, Philippine Stock Exchange, Housing and Land Use Regulatory Board, Department of Environment and Natural Resources, and local government units;
- b. Oversee the periodic performance evaluation of the Board and its committees as well as executive management, and conduct annual self-evaluation of its performance;
- c. Ensure that the results of the Board evaluation are shared, discussed and that concrete action plans are developed and implemented to address the identified areas for improvement;
- d. Determine the nomination and election process for the Corporation's directors and establish and maintain a process to ensure that all candidates/nominees at the Annual Stockholders Meeting are qualified in accordance with the By-laws, Manual of Corporate Governance and relevant laws, rules and regulations, assessing whether candidates: (1) possess the knowledge, skills, experience, and particularly in the case of non-executive directors, independence of mind given their responsibility to the Board and in light of the Corporation's business and risk profile; (2) maintain integrity and good repute; (3) have sufficient time to carry out their responsibilities; and (4) have the ability to promote a smooth interaction between Board members;
- e. Recommend continuing education/training programs for directors, assignment of tasks/projects to Board committees, succession plan for the Board members and senior officers, and remuneration packages for corporate and individual performance;
- f. Review and evaluate the qualifications of all individuals to be appointed to such positions within the Corporation that require Board approval;
- g. Establish a formal and transparent procedure for developing a policy on executive remuneration and for fixing the remuneration packages of corporate officers and directors, and providing oversight over remuneration of senior management and other key personnel, ensuring that the policy is consistent with the Corporation's culture, strategy, and the business environment in which it operates;
- h. Review the Corporation's human resources development or personnel handbook to strengthen provisions on conflict of interest and directives on promotion and career advancement;
- i. Other functions as may be delegated by the Board.

E. Nomination Committee

The Nomination Committee of the Board shall have at least three (3) members, one (1) of whom shall be an independent director. The Nomination Committee shall review and evaluate the qualifications of all individuals nominated to the Board and other appointments that require Board approval, and to assess the effectiveness of the Board's processes and procedures in the election or replacement of directors.

The nomination and election process also includes the review and evaluation of the qualifications of all persons nominated to the Board, including whether candidates: (1) possess the knowledge, skills, experience, and particularly in the case of non-executive directors, independence of mind given their responsibilities to the Board and in light of the entity's business and risk profile; (2) have a record of integrity and good repute; (3) have sufficient time to carry

out their responsibilities; and (4) have the ability to promote a smooth interaction between board members.

Only a stockholder of record entitled to notice and to vote at the regular or special meeting of the stockholders for the election of directors shall be qualified to be nominated and elected as a director of the Company.

F. Compensation and Remuneration Committee

The Board shall constitute a Compensation and Remuneration Committee which shall be composed of at least three (3) members, one (1) of whom must be an independent or non-executive director. It shall have the following duties and responsibilities:

- a. Establish a formal and transparent procedure for developing a policy on executive remuneration and for fixing the remuneration packages of corporate officers and directors, and provide oversight over remuneration of senior management and other key personnel ensuring that compensation is consistent with the Company's culture, strategy and the business environment in which it operates;
- b. Design the amount of remuneration, which shall be in a sufficient level to attract and retain directors and officers who are needed to run the Company successfully; and
- c. Review the existing Human Resources Development or Personnel Handbook, to strengthen provisions on conflict of interest, salaries and benefits policies, promotion and career advancement directives and compliance of personnel concerned with all statutory requirements that must be periodically met.

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

Punongbayan & Araullo has been the principal accountant and external auditor of the Company and its subsidiaries during the four most recent fiscal years. Thus far, the Company has had no material disagreements with it on any matter pertaining to accounting and financial disclosures.

(10) Attendance of Principal Accountant and External Auditor in Annual Stockholders Meeting

A representative of Punongbayan & Araullo is expected to be present at the annual stockholders meeting to respond to appropriate questions or make a statement if he/she desires to do so.

Item 12. Mergers, Consolidations, Acquisitions and Similar Matters

There are no matters or actions to be taken up during the Annual Stockholders Meeting on 07 June 2022 pertaining 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 during the Annual Stockholders Meeting on 07 June 2022 pertaining to acquisition or disposition of any property by the Company.

Item 14. Restatement of Accounts

There are no matters or actions to be taken up during the Annual Stockholders Meeting on 07 June 2022 pertaining to restatement of any asset, capital, or surplus account of the Company.

D. OTHER MATTERS

Item 15. Action with Respect to Reports

- (a) Approval of the Audited Financial Statements as of December 31, 2021;
- (b) Approval and Ratification of all acts of the Board of Directors in 2021.
- (c) Approval of the Minutes of the Annual Stockholders' Meeting held on 27 May 2021;

Item 16. Matters Not Required to be Submitted

None.

Item 17. Amendment of Charter, Bylaws or Other Documents

There are no amendments to the Articles, By-laws or any other constitutive documents of the Company that will be proposed during the Annual Stockholders Meeting on 07 June 2022.

Item 18. Other Proposed Action

None.

Item 19. Voting Procedures

(a) Vote required

In accordance with Section 7, Article III of the CLI By-laws, any matter, question, or election submitted to a vote during stockholders meeting, in order to be carried, shall require the majority vote (50% plus 1) of the outstanding capital stock of stockholders present in person or by proxy, a quorum being present.

(b) Manner of Voting

In all items for approval for the Annual Stockholders' Meeting, each share of stock entitles its registered owner to one vote.

Considering the public health protocols and to conform with the government's mandate to exercise physical and social distancing, voting may only be done *in absentia* or through the submission of a duly executed proxy in favor of the Chairman.

Stockholders as of Record Date who have successfully registered their intention to participate in the annual meeting via remote communication and to vote in absentia, duly verified and validated by the Company shall be provided with the instructions on the guidelines for remote participation and voting in a separate email. A stockholder voting electronically in absentia shall be deemed present for purposes of quorum.

The Corporate Secretary will be responsible for counting votes based on the number shares entitled to vote owned by the stockholders who are present or represented by proxies.

(c) Method of Counting Votes

The Corporate Secretary will be responsible for counting votes based on the number of shares entitled to vote owned by the stockholders who are present or represented by proxies at the Annual Stockholders' Meeting. Voting may only be done by remote communication, in absentia, or by proxy.

All votes received shall be tabulated by the Office of the Corporate Secretary with the assistance of the Company's stock transfer agent. The Corporate Secretary shall report the partial results of voting during the meeting. The actual voting results shall be reflected in the minutes of the meeting.

(d) Items for Approval by Stockholders in the Annual Meeting

A copy of the Agenda enumerating the items for approval by stockholders at the annual meeting is attached herewith and made integral hereof as Annex "A".

PART II. INFORMATION REQUIRED IN A PROXY FORM

Item 1. Identification

The Company is not soliciting any advanced votes by proxy on all matters intended for approval by stockholders at the annual stockholder's meeting on 07 June 2022. Please refer to Annex "A" for the items requiring such approval.

Item 2. Instruction

Pursuant to Section 7, Article III of the CLI By-laws, any security holder who cannot be physically present but entitled to vote at the Annual Stockholders' Meeting on 07 June 2022 may be represented by proxy who may vote his/her shares on any matter intended for approval by stockholders. Copies of the prescribed proxies for individual and corporate stockholders are attached herewith and made integral hereof as Annexures "B" and "C". Proxy forms sent in substantially the same form as the foregoing annexures are valid subject to validation by the Corporate Secretary or his assistant. The decision of the Corporate Secretary or his assistant on the validity of any proxy form shall be final and binding until set aside by a court of competent jurisdiction in keeping with paragraph 2, Section 8, Article III of the CLI By-laws.

All proxy forms must be delivered by post or email to the address below on or before 20 May 2021, which is likewise the date set for its verification:

Atty. Alan C. Fontanosa
Corporate Secretary
SYCIPLAW CEBU OFFICE
406 Keppel Center, Cardinal Rosales Ave.,
cor. Samar Loop, Cebu Business Park,
6000 Cebu City, Philippines
E-mail: acfontanosa@syciplaw.com
Phone: +6332 233.1211 to 13

If delivered by email, kindly use the following addresses:

corporate.secretary@cebulandmasters.com

Please refer to Item 19(b) above for the mechanics on how votes will be taken either in person or by proxy at the Annual Stockholders' Meeting on 07 June 2022.

Item 3. Revocability of Proxy

Pursuant to Section 8, Article III of the CLI By-laws, proxy forms are considered valid only for the meeting at which it has been presented to the Corporate Secretary or his assistant, unless otherwise provided, which shall in no case be valid and effective for a period longer than five years from the date of the proxy in keeping with the provision of SRC Rule 20.

Proxy forms filed may still be revoked by the stockholders either by an instrument in writing duly presented and recorded with the Corporate Secretary or his assistant prior to the scheduled meeting or by their personal presence on 07 June 2022.

Item 4. Persons Making the Solicitation

Not applicable for this Annual Stockholders' Meeting.

Item 5. Interest of Certain Persons in Matters to be Acted Upon

(a) Solicitations Not Subject to paragraph (8) of SRC Rule 20

Not applicable. There are no solicitations of this nature during the Annual Stockholders' Meeting on 07 June 2022.

(b) Solicitations Subject to paragraph (8) of SRC Rule 20

Not applicable. There are no solicitations of this nature during the Annual Stockholders' Meeting on 07 June 2022.

**PART III.
SIGNATURE PAGE**

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 Cebu on 2nd of May 2022.

By:

Signature

ATTY. ALAN C. FONTANOSA
Corporate Secretary

ANNEX “A”

AGENDA

CLI Annual Stockholders Meeting

07 June 2022

9:00 – 11:30AM

Venue: Remote via Zoom Videoconference

9:00 – 9:30AM	Registration	Secretariat
9:30 – 9:33AM	Opening Prayer	Dir. Stephen A. Tan
9:33 – 9:34AM	Call to Order	Chairman
9:34 – 9:36AM	Certification of Notice and Quorum	Secretary
9:36 – 9:44AM	Review and Approval of Previous Minutes A. Minutes of the Regular Stockholders’ Meeting held on 27 May 2021	Shareholders
	New Business	
9:44 – 10:04AM	CFO’s Report	Dir. B. Grant L. Cheng
10:06 – 10:26AM	COO’s Report	Dir. J. Franco B. Soberano
10:28 – 10:48AM	Chairman’s Report	Dir. Jose R. Soberano III
10:50 – 10:55AM	Approval of Audited Financial Statements as of December 31, 2021	Dir. B. Grant L. Cheng
10:57 – 11:02AM	Ratification of all acts of the Board of Directors in 2021	Shareholders
11:02 – 11:12AM	Election of Directors for the 2021-2022 Term	Dir. Rufino Luis T. Manotok
11:10 – 11:15AM	Appointment of Independent Auditor for Fiscal Year 2021	Dir. B. Grant L. Cheng
11:16 – 11:29AM	Other Matters	Chairman / Shareholders
11:30AM	Adjournment	Chairman

ANNEX "B"

PROXY FORM (for individual stockholder)

I/We, _____, Filipino/s, of legal age, (single / married / widow), and a resident of _____, do hereby constitute and appoint _____, who is also of legal age, Filipino, (single / married / widow), and a resident of _____, to represent me/us and vote _____ (_____) of my/our shares of the capital stock appearing in my/our name/s at the Annual Stockholders Meeting of Cebu Landmasters, Inc. to be held on 07 June 2022.

In the absence of my/our above proxy, please count my/our votes for the following items in the Agenda:

I. Review and Approval of Previous Minutes

A. Review and Approval of the Minutes of the Annual Stockholders' Meeting on 27 May 2021

Yes No Abstain No. of Shares Voted: _____

II. New Business

A. CFO's Report
 Yes No Abstain No. of Shares Voted: _____

B. COO's Report
 Yes No Abstain No. of Shares Voted: _____

C. Chairman's Report
 Yes No Abstain No. of Shares Voted: _____

D. Approval of Audited Financial Statements as of
December 31, 2021
 Yes No Abstain No. of Shares Voted: _____

E. Ratification of all acts of the Board of Directors in 2021
(The list of acts is available on the CLI website)
 Yes No Abstain No. of Shares Voted: _____

F. Election of Directors for the 2022-2023 Term

Jose R. Soberano III
 Yes No Abstain No. of Shares Voted: _____

Ma. Rosario B. Soberano
 Yes No Abstain No. of Shares Voted: _____

Jose Franco B. Soberano
 Yes No Abstain No. of Shares Voted: _____

Joanna Marie Soberano-Bergundthal
 Yes No Abstain No. of Shares Voted: _____

Stephen A. Tan
 Yes No Abstain No. of Shares Voted: _____

Beauregard Grant L. Cheng
 Yes No Abstain No. of Shares Voted: _____

Rufino Luis Manotok
 Yes No Abstain No. of Shares Voted: _____

Ma. Aurora D. Geotina-Garcia
 Yes No Abstain No. of Shares Voted: _____

M. Jasmine S. Oporto
 Yes No Abstain No. of Shares Voted: _____

G. Appointment of Independent Auditor for Fiscal Year 2022
 Yes No Abstain No. of Shares Voted: _____

III. Other Matters

Yes No Abstain No. of Shares Voted: _____

IV. Adjournment

Yes No Abstain No. of Shares Voted: _____

IN WITNESS WHEREOF, I/We have hereunto set my/our hand/s this _____ at the City of _____, Philippines.

STOCKHOLDER/S

Accepted by:

Name of Proxy

ACKNOWLEDGMENT

BEFORE ME, a notary public for and in the City/Province of _____, this _____ personally appeared the abovenamed parties with their government issued IDs to wit:

Stockholder	_____	Valid Until:	_____
Stockholder	_____	Valid Until:	_____
Proxy	_____	Valid Until:	_____

and by virtue thereof I sufficiently identified them to be the same persons who signed the above *Proxy Form*, consisting of two (2) pages including this *Acknowledgment* page, and they declared and acknowledged to me that they signed the said instrument for the purposes stated therein and that the same is their free and voluntary act and deed.

Witness my hand and seal on the date and place abovementioned.

Doc. No. : _____;
Page No.: _____;
Book No.: _____;
Series of 2022.

REMINDER: THIS PROXY FORM MUST BE RECEIVED BY THE CORPORATE SECRETARY OR HIS ASSISTANT ON OR BEFORE 31 MAY 2022 FOR ANY VOTES CONTAINED HEREIN TO BE COUNTED DURING THE ANNUAL STOCKHOLDERS' MEETING.

ANNEX "C"

PROXY FORM (for corporate stockholder)

I, _____, Filipino, of legal age, with office address at _____, after being duly sworn in accordance with law, do hereby depose and state THAT:

1. I am the duly elected and incumbent Corporate Secretary of _____ (the "Corporation"), a domestic corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines with principal address at _____;

2. According to corporate records, at the regular/special meeting of the Board of Directors of the Corporation held _____, with prior notice given to all directors and duly called for the purpose at which a quorum was present, the following resolutions were duly approved:

"BE IT RESOLVED, as it is hereby RESOLVED –

1. That the Board authorize _____, to be the Corporation's authorized proxy to attend all meetings of the stockholders of Cebu Landmasters, Inc., whether regular or special, with full authority to vote the shares of the Corporation and to act upon all matters and resolutions that may come before or presented during the said meetings, in the name, place and stead of the Corporation;

2. RESOLVED FURTHER, that in the absence of the above authorized officer of the Corporation during the actual stockholders of Cebu Landmasters, Inc., the following shares of the Corporation shall be voted and counted for the following items in the Agenda:

I. Review and Approval of Previous Minutes

A. Review and Approval of the Minutes of the Annual Stockholders' Meeting on 27 May 2021

Yes No Abstain No. of Shares Voted: _____

II. New Business

A. CFO's Report

Yes No Abstain No. of Shares Voted: _____

B. COO's Report

Yes No Abstain No. of Shares Voted: _____

C. Chairman's Report

Yes No Abstain No. of Shares Voted: _____

D. Approval of Audited Financial Statements as of December 31, 2021

Yes No Abstain No. of Shares Voted: _____

E. Ratification of all acts of the Board of Directors in 2021

(The list of acts is available on the CLI website)

Yes No Abstain No. of Shares Voted: _____

F. Election of Directors for the 2022-2023 Term

Jose R. Soberano III

Yes No Abstain No. of Shares Voted: _____

Ma. Rosario B. Soberano

Yes No Abstain No. of Shares Voted: _____

Jose Franco B. Soberano

Yes No Abstain No. of Shares Voted: _____

Joanna Marie Soberano-Bergundthal

Yes No Abstain No. of Shares Voted: _____

Stephen A. Tan

Yes No Abstain No. of Shares Voted: _____

Beauregard Grant L. Cheng

Yes No Abstain No. of Shares Voted: _____

Rufino Luis Manotok

Yes No Abstain No. of Shares Voted: _____

Ma. Aurora D. Geotina-Garcia

Yes No Abstain No. of Shares Voted: _____

M. Jasmine S. Oporto

Yes No Abstain No. of Shares Voted: _____

G. Appointment of Independent Auditor for Fiscal Year 2021

Yes No Abstain No. of Shares Voted: _____

III. Other Matters

Yes No Abstain No. of Shares Voted: _____

IV. Adjournment

Yes No Abstain No. of Shares Voted: _____

3. I attest to the truth of the foregoing and issue this certification for whatever legal purpose it may serve.

IN WITNESS WHEREOF, I have hereunto set my hand this _____ in _____, Philippines.

Corporate Secretary

SUBSCRIBED AND SWORN to before me this _____ at _____, Philippines, abovenamed Affiant who presented to me his/her government-issued ID: _____ and by virtue thereof I sufficiently identified him/her to be the same person who signed the foregoing Secretary's Certificate in my presence and swore as to said document that he/she understood the contents thereof and that the same is his/her free and voluntary act and deed as well as the corporation represented therein.

Witness my hand and seal on the date and place abovementioned.

Doc. No. : _____;
Page No.: _____;
Book No.: _____;
Series of 2021.

REMINDER: THIS PROXY FORM MUST BE RECEIVED BY THE CORPORATE SECRETARY OR HIS ASSISTANT ON OR BEFORE 31 MAY 2022 FOR ANY VOTES CONTAINED HEREIN TO BE COUNTED DURING THE ANNUAL STOCKHOLDERS' MEETING.

ANNEX “D”

BALLOT

Name : _____
Principal’s Name : _____ (if proxy)
Number of Shares : _____ (to be verified by CLI)

Agenda Items for Approval by Stockholder

Agenda Item	Vote	No. of Shares Voted <i>(indicate specific number or “ALL”)</i>
Review and Approval of Minutes	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Abstain	_____
New Business		
A. CFO’s Report	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Abstain	_____
B. COO’s Report	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Abstain	_____
C. Chairman’s Report	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Abstain	_____
D. Approval of the Audited Financial Statements as of December 31, 2021	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Abstain	_____
E. Ratification of all acts of the Board of Directors in 2021 (The list of acts is available on the CLI Website)	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Abstain	_____
F. Election of Directors for the 2022-2023 Term		
• Jose R. Soberano III	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Abstain	_____
• Ma. Rosario B. Soberano	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Abstain	_____
• Jose Franco B. Soberano	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Abstain	_____

- Joanna Marie Soberano-Bergundthal Yes
 No
 Abstain _____
- Stephen A. Tan Yes
 No
 Abstain _____
- Beauregard Grant L. Cheng Yes
 No
 Abstain _____
- Rufino Luis T. Manotok Yes
 No
 Abstain _____
- Ma. Aurora D. Geotina-Garcia Yes
 No
 Abstain _____
- M. Jasmine S. Oporto Yes
 No
 Abstain _____

G. Appointment of Independent Auditor for Fiscal Year 2021 Yes
 No
 Abstain _____

Other Matters Yes
 No
 Abstain _____

Adjournment Yes
 No
 Abstain _____

Stockholder's signature

ANNEX “E”

NOTICE OF MEETING

Dear CLI Stockholders,

You are hereby notified that **CEBU LANDMASTERS, INC. (“CLI”)** will hold its annual stockholders’ meeting on 07 June 2022 starting at 9:00 in the morning. In keeping with prevailing health protocols discouraging mass gatherings, the meeting will be primarily via tele- and video-conference but a limited number of attendees shall be allowed to attend in person in Citadines, Baseline Center, Juana Osmeña .

If you intend to join, please ensure you remain a CLI stockholder as of 01 May 2022, the record date for the meeting. Also, on this day, you may start sending your proxy forms and ballots to the Secretariat, which will continue to receive them until 31 May 2022, the deadline for their validation.

You may download the Definitive Information Statement, and agenda, proxy forms, ballots, and other related materials for the meeting from the company website at <https://www.cebulandmasters.com/stockholders-meeting/>

We will endeavor to send you the Zoom login details and dial-in numbers for this meeting within a few days after validating your proxy forms and ballots sent either to corporate.secretary@cebulandmasters.com or my office address below.

Sincerely,

Atty. Alan C. Fontanosa

Corporate Secretary

SyCip Salazar Hernandez & Gatmaitan

406 Kepwealth Center

Cardinal Rosales Ave., cor. Samar Loop

Cebu Business Park

6000 Cebu City, Philippines

E-mail: acfontanosa@syciplaw.com or corporate.secretary@cebulandmasters.com

Phone: +6332 233.1211 to 13

ANNEX “F”

Management’s Discussion, Analysis and Plan of Operation

Cebu Landmasters, Inc. (“CLI” or the “Company”) is the leading real estate developer in the Visayas and Mindanao currently located in 16 key cities.

In 2021, CLI will continue to launch projects to strengthen its market leadership in Visayas and Mindanao. During the year, it has unveiled more of its mid and premier series as the economy gradually reopens. Ten projects were successfully launched and substantially sold out driving up the company's reservations sales namely:

- a. Velmiro Heights CDO
- b. Casa Mira Tower Guadalupe Tower 3 in Cebu
- c. Mandtra residences Tower 1 in Cebu
- d. Casa Mira Ormoc
- e. Terranza residences in Iloilo
- f. Casa Mira South Phase 4A in Cebu
- g. Casa Mira South Phase 4B in Cebu
- h. Mandtra Residences Tower 3 in Cebu
- i. Costa Mira Beachtown Mactan Cebu
- j. Casa Mira Towers Bacolod

Cebu Landmasters recorded reservation sales of P16.5 billion for 2021, 16% more than 2020’s P14.25 billion due to sustained demand for housing in its key markets by launching 3,865 units in 10 projects worth P18 billion, more than the eight projects launched in 2020 worth P11.5 billion.

Cebu Landmasters launched Masters Tower Cebu on February 19, 2021, with a target completion date of 2025. The project will include prime office and retail space as well as the Queen City of the South's first five-star luxury hotel. The Sofitel Cebu City will be managed by Accor, a global hotel company with headquarters in France. The construction, which is expected to cost Php4 billion, would be built by EEI Corporation on a 2,840 sqm plot in Cebu Business Park, the city's preeminent central business area.

In March 2021, Cebu Landmasters signed a new Php 360 million joint venture focused on filling a rapidly rising demand for co-living spaces that deliver affordable, safe transient housing in Cebu for young professionals and students seeking quick access to strategic business centers. Named Sugbo Prime Estate Inc., the partnership will kick off with a 7,500 sqm prime property along Banilad Road, and is walking distance to the Cebu IT Park where many Business Process Outsourcing firms are located. With renewed BPO interest in Cebu, areas like Banilad surrounding the BPO hubs have become highly in-demand. The mixed-use development will have retail spaces, over 300 dormitory rooms, and a self-storage facility. The project is to be completed by 2023 and primarily targets young professionals and students returning to work and schools, respectively.

In April 2021, CLI broke ground for Patria de Cebu, a new mixed-use development offering 21,000 sqm. of gross floor area and a 182-room Mercure Hotel at the heart of downtown Cebu City’s heritage trail. Patria de Cebu’s redevelopment will offer 4,320 sqm of food, dining, and entertainment spaces and 4,400 sqm of office space. The balance will be taken up by Mercure Cebu Downtown set to open in 2024 to be operated by French multinational chain Accor, a world leading hospitality group.

CLI’s collaboration with the Archdiocese of Cebu covers the development and operation of the mixed-use project for 40 years.

In May 2021, Cebu Landmasters, Inc. continued its partnership with BPI Investment Management, Inc's (“BIMI”) managed money market funds by entering into another notes facility agreement worth PHP 3 Billion.

The facility was arranged by BPI Capital Corporation (“BPI Capital”), who also initiated the initial PHP 2 Billion facility issued last October 2019.

Cebu Landmasters received PRA approval in June 2021 to reclaim and develop the 100-hectare Minglanilla techno business hub in Cebu. Following that, CLI increased its share from 20% to 80% in order to streamline CLI's operations as the development's developer and project manager. During the year, PRA issued a Notice to Proceed for the reclamation. In October 2021, CLI broke ground to begin its development.

In July 2021, CLI revealed its very first resort development – the P2.5 billion Abaca Resort Mactan. The 125-room all-suite accommodation will feature stunning panoramic ocean views and will rise 17-stories high on a 4,500 sqm. property formerly occupied by the multi-awarded Abaca Boutique Resort in Punta Engaño, Lapu-Lapu City, a tourism growth center. CLI purchased the property in 2019 and has signed up with The Abaca Group to continue operating the hotel and providing luxury experiences tailored for local and global tourists when it reopens. To design the resort, CLI tapped internationally renowned architectural firm Büro Ole Scheeren whose projects have won numerous global awards.

On July 14, 2021 the Company distributed 1,909,451,997 new common shares as stock dividends, or 123 new shares for every 100 existing shares. This resulted in an increase in outstanding common shares to 3,461,851,997.

In August 2021, CLI signed a Memorandum of Agreement (MOA) to acquire 14.3 hectares of Xavier University (XU) - Ateneo de Cagayan's Manresa Property in uptown Cagayan de Oro. CLI's acquisition, named Manresa Town, will be developed with condominiums, dormitories, retail, and commercial spaces that will be an integral part to the master-planned township of Xavier University Cagayan de Oro. Proceeds that XU will be receiving will be used to develop the new XU Masterson Campus, which at 21 hectares will be three times larger in area than the current campus. Provisions in the agreement prepared by Xavier University and endorsed by Jesuit leaderships in the Philippines and in Rome were approved by the Vatican after a thorough two-year review process. The new 21-hectare XU Masterson Campus is envisioned to catalyze development in Northern Mindanao with a Sustainable and New Normal-ready Campus Masterplan. The masterplan of the XU Masterson Campus will blend seamlessly with the adjacent Manresa Town to be developed by Cebu Landmasters, a 14.3-hectare mixed-use university town that provides XU students convenient and safe residential options, easy access to commercial establishments and future-ready offices.

In December 2021, CLI and Borromeo Brothers Estate Inc. recently inaugurated the Php 1.2-billion 4-Star BERDE-certified commercial tower Latitude Corporate Center, increasing CLI's office GLA to 29,000 sqm from 14,000 sqm year-on-year. The hybrid office building standing 24-storeys high with designated spaces for BPO offices (8th-12th floors), Enterprise offices (14th-16th floors), Executive offices (17th-24th floors) and a retail concept (first and second floors) is strategically located in Cebu Business Park and is among the tallest buildings in the business district. The development was awarded early this year with a four-star accreditation under the Building for Ecologically Responsive Design Excellence (BERDE) rating system, a testament to its sustainable design tailor fit to world class standards.

During the 9th PropertyGuru Philippines Property awards, Cebu Landmasters was awarded as the Best Developer for Visayas and Mindanao along with 9 other special awards from its portfolio of innovative, and market-resonant projects spread across the archipelago, such as Casa Mira Towers Mandaue, Davao Global Township (DGT), MesaVirre Garden Residences, One Paragon Place, Patria de Cebu, Radisson Red, and Velmiro Uptown CDO.

With the Company's stellar performance and proven execution capability to adapt to the new normal translating to a resumption of pre-pandemic growth and income levels, the Board deemed it fit to declare a regular and special cash dividend of ₱0.112 and ₱0.038 per share on March 15, 2022 with a total estimated amount ₱519.2 million, a 33.6% increase from the ₱388.75 million paid to stockholders last year. The recently declared dividends have a record date of April 22, 2022 and will be paid on May 17, 2022.

Review on the Company's Results of Operation

FY 2021 vs FY 2020

Cebu Landmasters recorded Net income to parent shareholders of ₱2.61 billion, an increase of 42% from ₱1.846 billion in 2020. This generated an Earnings per share of ₱ 0.75, a growth of 47% YOY from ₱0.51 EPS in 2020. The significant increase is driven by the strong topline growth and one-time tax adjustment amounting to ₱282Million brought about by the implementation of CREATE law.

Revenues

CLI's topline grew by 35% to ₱11.16 billion from 2020's ₱8.3 billion driven by significant construction accomplishments coupled by robust sales and collections, which have further resulted in a ₱25 billion or 23% increase in unrecognized revenue for future recognition.

Real estate sales

Revenue from the sale of real estate recorded a 35% growth y-o-y to ₱10.996 billion from ₱8.15 billion in 2020. The high growth was driven by significant construction progress and more accounts qualifying for revenue recognition from continued collections. By the end of the year, construction was in full swing across all project sites in 16 key cities in the Visayas and Mindanao with catch-up measures in place to compensate for delays caused by quarantine restrictions.

Casa Mira accounted for 44% of revenues, followed by the Garden series with 30% and Premier Masters with 24%. The mix of revenue recorded during the year was brought about by the strong Casa Mira sales during the height of the pandemic in 2020. In terms of location, CLI's operations in Cebu remains outstanding, representing 55% of the total revenues, followed by CDO with 11% with Davao and Iloilo both contributing 10%.

Premier Masters (Premier market), at ₱2.6 billion, increased by 17% y-o-y from ₱2.2 billion driven by the new revenue qualifications and accomplishments from Terranza residences in Iloilo.

Garden Series (Mid-market), at ₱3.2 billion, higher by 7% y-o-y from ₱3 billion, driven by Mandtra Residences, Velmiro Plains Bacolod and Velmiro Heights CDO.

Casa Mira Series (Economic market), at ₱5.16 billion, grew by 93% y-o-y from ₱2.67 billion, mainly from newly launched projects during the year: Casa Mira LPU in Davao and Casa Mira Iloilo.

In Q4 2021, the company recorded a total consolidated revenue of ₱3.5 billion, a 35% increase versus the ₱2.6 billion in Q42020 and is 39% higher q-o-q from the ₱2.5 billion that was reported on Q3 2021. The strong performance during the fourth quarter was driven by the increase in real estate revenue due as construction is now in full swing in the various development sites of the company.

Hotel operations

Launched on September 14, 2019, Citadines Cebu City posted ₱54.56 million for the period ending December 31, 2020. With hotel revenues driven from BPO companies that housed their employees during the lockdown.

Leasing

The Company offered rental concessions and holidays to support local businesses during lockdown decreasing its rental revenue by 13% y-o-y to ₱55.24 million from ₱63.16 million. GLA increases by 2% y-o-y to 14,536 sq.m. from 14,296 sq.m. with the completion of retail spaces in residential projects. As of December 31, 2020, rental occupancy rate is at 79%, a minor decline from 82% as of December 31, 2019.

Property Management

Revenue from property management fees is at ₱42.59 million, a 16% y-o-y increase from ₱36.84 million mainly from continuous turn-over of completed projects during the year—Casa Mira South Phase 1 and 2, MesaVerte Residences, and Mivesa Garden Residences Phase 3.

Cost and Expenses

The Company's cost of sales for the period ended December 31, 2021 amounted to ₱5.97 billion, an increase of 39% from ₱4.28 billion in line with the increase in revenue.

Total operating expenses during the year amounted to ₱1.95 billion, a 54% y-o-y increase from ₱1.27 billion mainly due to the increase in accounted commissions and incentives to ₱725 million caused by the implementation of PFRS 15, which required the accrual of the said commissions and incentives. Salaries and employee benefits also grew by 22% to 431.93 million which aligns with the increase in the Group's manpower to 691 employees from 574 employees to support CLI's expansions across VisMin. During the year, the company also spent 100 million in costs attributable to the purchase of the 14.3 hectares that will be integrated into the Xavier University Masterson Campus.

During the year, borrowing costs amounted to ₱571.47 million with a lower average borrowing rate of 4.75%, an improvement from the cost of borrowing reported in 2020 of 4.96%. The borrowing cost represents the interest on bank loans and corporate notes to fund the Company's project developments that are recognized as period costs and expenses.

FY 2020 vs FY 2019

For the period ending December 31, 2020, Parent Company NIAT was at ₱1.85 billion, a slight decline of 8% y-o-y from ₱2.01 billion. A decline in the Company's bottom line numbers was due to the stringent lockdown measures imposed by the government during the period. This translates to an earnings per share of ₱1.15.

CLI bounced back and posted a strong financial growth as restrictions eased during the second half of 2020. The Company's consolidated NIAT during the second half of the year is at ₱1.16 billion, 26% higher as compared to the first half. Parent NIAT during the second half of 2020, on the other hand, is at ₱1.05 billion, 33% higher than the first half.

Revenues

For the period ending December 31, 2020, CLI generated consolidated revenue of ₱8.30 billion, a slight decline of 2% y-o-y from ₱8.50 billion. In the fourth quarter of the period, consolidated revenue registered at ₱2.59 billion, 18% growth from ₱2.20 billion in the third quarter of 2020, as travel restrictions ease and as operations and construction recuperate.

Real estate sales

Revenue from sale of real estate reached ₱8.15 billion, a 3% y-o-y slight decline from ₱8.39 billion in 2019, driven by Garden Series (36%), followed by Casa Mira Series (32%) and Premier Masters (27%). In the same period of 2019, Garden Series generated 37% of the total revenues, followed by Casa Mira (30%) and Premier Masters (30%). In terms of location, CLI's presence in Cebu remains strong, representing 52% of the total revenues, followed by CDO (16%) and Bacolod (11%), for both periods ending December 31, 2020.

Premier Masters (Premier market), at ₱2.22 billion, declined by 13% y-o-y from ₱2.54 billion, with the construction slowdown of 38 Park Avenue due to the pandemic.

Garden Series (Mid-market), at ₱2.99 billion, slightly declined by 6% y-o-y from ₱3.12 billion, driven by Mivela Garden Residences, Velmiro Plains Bacolod and, the recently launched, Velmiro Greens Bohol.

Casa Mira Series (Economic market), at ₱2.67 billion, grew by 6% y-o-y from ₱2.51 billion, mainly from newly launched projects during the year: Casa Mira Iloilo and Casa Mira South Phase 3B.

During the second half of 2020, CLI posted a 38% growth as compared to the first half. The robust growth was driven by the easement of quarantine across VisMin sites increasing construction efficiency to 90% from 70% in the 2nd quarter. Collections on the other hand has also improved with more accounts qualifying for revenue recognition in the last two quarters.

Hotel operations

Launched on September 14, 2019, Citadines Cebu City posted ₱54.56 million for the period ending December 31, 2020. With hotel revenues driven from BPO companies that housed their employees during the lockdown.

Leasing

The Company offered rental concessions and holidays to support local businesses during lockdown decreasing its rental revenue by 13% y-o-y to ₱55.24 million from ₱63.16 million. GLA increases by 2% y-o-y to 14,536 sq.m. from 14,296 sq.m. with the completion of retail spaces in residential projects. As of December 31, 2020, rental occupancy rate is at 79%, a minor decline from 82% as of December 31, 2019.

Property Management

Revenue from property management fees is at ₱42.59 million, 16% y-o-y increase from ₱36.84 million mainly from continuous turn-over of completed projects during the year—Casa Mira South Phase 1 and 2, MesaVerte Residences, and Mivesa Garden Residences Phase 3.

Cost and Expenses

The Company's cost of sales for the period ended December 31, 2020 is at ₱4.28 billion, from ₱4.30 billion in line with the slim decrease in revenue.

Total operating expenses during the period amounted to ₱1.27 billion, 11% y-o-y increase from ₱1.15 billion mainly from an increase in commissions and incentives to ₱429.73 million with the implementation of PFRS 15. Salaries and employee benefits also grew by 18% to ₱352.75 million due to an increase in the Group's manpower to 574 employees from 475 employees to support CLI's expansions across VisMin. Despite the digitalization of the Company's sales and marketing, other operating expenses likewise increased as the Company implemented and heightened safety and health protocols in the workplace.

During the year, borrowing costs amount to ₱460.13 million with average borrowing rate of 4.96% representing the costs on bank loans and corporate notes to fund the Company's project developments. This includes the ₱8.0 billion corporate notes issued during the year.

FY 2019 vs FY 2018

CLI posted a consolidated NIAT growth of 12%, from ₱2.17 billion to billion ₱2.44 billion. Parent NIAT likewise increases to ₱2.01 billion, solid earnings growth of 21% y-o-y as compared to the ₱1.67 billion in 2018. The favorable result is driven from the construction progress of the following ongoing projects: MesaVirre Garden Residences in Bacolod, Velmiro Uptown in CDO, 38 Park Avenue and Casa Mira South in Cebu, and MesaTierra Garden Residences in Davao.

For 2019, CLI registered an EPS of ₱1.21 per share, a notable 24% increase from the ₱0.98 EPS in 2018.

Revenues

For the period ending December 31, 2019, total consolidated revenues reached ₱8.50 billion, 26% higher than from ₱6.76 billion reported y-o-y. The growth was mainly driven by its Garden Series, a mid-market segment, representing 37% of revenue, 30% for Premier Masters, a high-end segment, and 30% for Casa Mira, an economic housing segment. In 2018, Garden series represented 45% of the total revenue, 28% from Casa Mira Series and 19% from Premier Masters.

In 2019, 38 Park Avenue, a high-end segment project in Cebu, posted the highest revenue growth in 2019, followed by Casa Mira South, an economic housing project, and MesaVirre Garden Residences and Velmiro Uptown CDO, both mid-market projects.

In terms of location, the CLI's real estate revenue presence in Cebu remains to be strong representing 56% of the total revenues, followed by CDO's revenue of 14% and Bacolod of 12%. In 2018, Cebu's real estate revenue generated 64% of the total revenues, while Davao and CDO posted significant contributions of 12% and 11%, respectively. The Company expects to grow revenue contribution of its expansion areas such as Iloilo, Davao, Bohol, and Puerto Princesa in 2020.

The rental revenue grew by 10% y-o-y to ₱63.16 million from ₱57.48 million. This is attributable to the Company's 60% increase in GLA to 14,296 sq.m. with the recent turnover of Base Line Retail (5,216 sq.m. GLA), Base Line HQ (1,721 sq.m. GLA) and Casa Mira Towers Labangon (1,124 sq.m. GLA) in Cebu.

Cost and Expenses

CLI reported a total cost of sales of ₱4.30 billion in 2019, a 37% y-o-y increase from the prior year of ₱3.14 billion. The increase is in line with the growth of the Company's revenue.

Total operating expenses for the year amounted to ₱1.15 billion, a 28% increase from ₱893.89 million in 2018 to support the Company's expansion. The increase is primarily attributed to higher commissions and incentives and transfer taxes which resulted from the stronger sales performance as 13 projects were launched during the year. Salaries and employee benefits posted 40% growth due to increase manpower to support the CLI's increase in operations.

Borrowing costs, both booked as cost of real estate sale and outright expense, for the year decrease from ₱176.95 million to ₱169.53 million due to interest cost savings during 2019. Total interest cost capitalized as real estate inventory amounted to ₱802.55 million, from ₱242.24 million y-o-y, as more debt was availed in 2019 to support the Company's planned capital expenditures including land banking initiative and project development. This includes the ₱2.0 billion corporate notes issued in 2019 and ₱5.00 billion corporate notes issued in 2018.

Review on the Company's Financial Condition

As of December 31, 2021 vs December 31, 2020

CLI's balance sheet remained solid and healthy to support construction and expansion plans. As of December 31, 2021, CLI's consolidated assets stood at ₱66.6 billion, a 33% y-o-y growth to ₱66.6 billion from ₱50.09 billion driven by the increase in contract assets, real estate inventories and investment properties.

ASSETS

37% increase in Cash and Cash equivalents

Increase to ₱1,095.82 million from ₱797.18 million largely due to collections and higher take-outs deposited under Short-term placements.

2% decrease in Accounts receivable (including non-current portion)

Decrease to ₱6.00 billion from ₱6.14 billion mainly due to collections from completed projects.

80% increase in Contract assets (including non-current portion)

Increase to ₱20.29 billion from ₱13.86 billion mainly from installment contracts on existing and newly launched projects during the year that continue to recognize real estate sales revenue as construction progresses.

40% increase in Real estate inventory

Increase to ₱18.71 billion from ₱13.40 billion driven by inventory on newly projects launched during the year, inventory on projects under construction becoming more valuable as building progress is achieved, and reclassification of investment properties worth a total of ₱1.84 billion to real estate inventories as well as fully paid raw land worth ₱1.08 billion from deposits on land to real estate inventories.

100% decrease in Deposits on land for future development (including non-current portion)

Balance zeroed out from ₱699.77 million as fully paid land purchases were reclassified to raw land inventory amounting to ₱1.08 billion. Additional deposits on land for the year amount to ₱376.33 million.

162% increase in Due from related parties

Transactions paid by the Parent Company on behalf of its related parties increase to ₱57.43 million from ₱21.95 million mainly from cash advances to subsidiary and affiliate businesses.

57% increase in Prepayments and other current assets

Increase to ₱4.74 billion from 3.02 billion coming from down payments and advances to suppliers and subcontractors; prepaid commissions and related input Value Added Tax on construction materials purchased.

4% increase in Associates

Increase to ₱135.07 million from ₱129.85 million mainly from investment to Icom Air Corporation and Magspeak Nature Park, Inc. during the year amounting to ₱110.82 million and ₱24.25 million respectively.

42% increase in Property and equipment

Increase to ₱ 915.67 million from ₱ 643.39 million with the construction of new offices and branches to support CLI's expanding developments.

31% increase in Investment properties

Increase to ₱13.24 billion from ₱10.09 billion attributed to ongoing construction of our investment properties, which include our hospitality and commercial assets.

21% increase in Right-of-use asset and 35% increase in Lease liabilities

Right-of-use asset and Lease liability increased to ₱1.15 billion and ₱1.13 billion, respectively, with recognition of the high-value leasehold rights acquired on the 43-year land lease for Cebu Business Park Office and Patria during the year.

LIABILITIES

35% increase in Interest-bearing loans and borrowings (including non-current portion)

Increase to ₱32.02 billion from ₱23.79 billion mainly from the ₱11.48 billion new bank loans during the year.

71% increase in Trade and other payables (including non-current portion)

Increase to ₱12.82 billion from ₱7.48 billion mainly represent accrued cost of sales to match revenue recognition, outstanding obligations to owners of parcels of land acquired, subcontractors and suppliers of construction materials.

21% increase in Deferred Tax Liabilities

Increase to ₱2.05 billion from ₱1.69 billion due to additional recognized tax liability on taxable temporary differences.

EQUITY

317% increase in Capital Stock

Due to the declaration of stock dividends amounting to 1,909,451,997 common shares with a par value of P1.00 or ₱1.9 billion as approved by the PSE on July 6, 2021.

2% increase in Treasury Shares

From the BOD approved buyback program in 2020, in the Parent Company reacquired 2,599,600 shares of its common stock in 2021 for ₱15.32 million and presented them as Treasury Stock in the consolidated statement of financial position.

5% increase in Revaluation reserves

Increase to ₱13.48 million from ₱12.88 million due to increase in estimated loss on remeasurement of post-employment defined benefit obligation.

3% increase in Non-Controlling Interest

Increase to ₱7.09 billion from ₱6.9 billion significantly from additional paid-in capital during the year to CLILITE amount to ₱252.73 million. Also, Mivesa Garden Residences, Inc. (MGR) declared total cash dividends of ₱160 million of which ₱88 million is payable to non-controlling shareholders.

As of December 31, 2020 vs December 31, 2019

CLI's balance sheet remained solid and healthy to support construction and expansion plans. As of December 31, 2020, CLI's consolidated assets reported a 31% y-o-y growth to ₱50.09 billion from ₱38.28 billion driven by the increase in contract assets and investment properties.

ASSETS

13% decrease in Cash and Cash equivalents

Decreased to ₱797.18 million from ₱917.17 million due to additional safety and health equipment, rapid testing, and donations to aid the Company's customers, employees, and community during COVID.

5% increase in Accounts receivable (including non-current portion)

Increased to ₱6.14 billion from ₱5.88 billion mainly due to reclassification of customer's outstanding receivable on fully completed units in Mivesa Garden Residences, Latitude and Villa Casita North from contract assets to accounts receivable.

56% increase in Contract assets (including non-current portion)

Increased to ₱13.86 billion from ₱8.89 billion mainly from installment contracts on existing and newly launched projects during the year that continue to recognize real estate sales revenue as construction progresses.

42% increase in Real estate inventory

Increased to ₱13.40 billion from ₱9.45 billion driven by unsold inventory on newly projects launched during the year and ₱1.46 billion fully paid raw land reclassified from deposits on land to real estate inventory.

46% decrease in Deposits on land for future development (including non-current portion)

Decreased to ₱699.77 million from ₱1.29 billion as fully paid land purchases were reclassified to raw land inventory. Additional deposits on land for the year amount to ₱868.10 million.

121% increase in Due from related parties

Transactions paid by the Parent Company on behalf of its related parties increased to ₱21.95 million from ₱9.95 million mainly from cash advances to shareholders, entities under common ownership and associates.

33% increase in Prepayments and other current assets

Increased to ₱3.02 billion from ₱2.27 billion coming from advances to suppliers and subcontractors; prepaid commissions and related input Value Added Tax on construction materials purchased.

693% increase in Associates

Increased to ₱129.85 million from ₱16.38 million mainly from investment to Icom Air Corporation during the year amounting to ₱96.49 million.

81% increase in Property and equipment

Increased to ₱643.39 million from ₱355.12 million with the construction of new offices and branches to support CLI's expanding developments.

13% increase in Investment properties

Increased to ₱10.09 billion from ₱8.90 billion attributed to ongoing construction on recurring income projects and businesses.

444% increase in Right-of-use asset and 495% increase in Lease liabilities

Right-of-use asset and Lease liability increased to ₱950.90 million and ₱834.73 million, respectively, with recognition of the high-value leasehold rights acquired on the 43-year land lease for Cebu Business Park Office during the year.

LIABILITIES

41% increase in Interest-bearing loans and borrowings (including non-current portion)

Increased to ₱23.79 billion from ₱16.85 billion mainly from the ₱8.0 billion Corporate Notes issued during the year.

29% increase in Trade and other payables (including non-current portion)

Increased to ₱7.48 billion from ₱5.78 billion representing outstanding obligations to subcontractors and suppliers of construction materials.

50% increase in Deferred Tax Liabilities

Increased to ₱1.69 billion from ₱1.12 billion due to additional recognized tax liability on taxable temporary differences.

EQUITY

196% increase in Treasury Shares

On March 27, 2020, the Board of Directors (BOD) of the Parent Company approved an additional ₱500.0 million stock buy-back program to support CLI's stock price and take advantage of the current low valuation for the next two years. Treasury shares purchased during the period amount to ₱485.66 million.

105% increase in Revaluation reserves

Increased to ₱12.88 million from ₱6.59 million due to an increase in estimated loss on remeasurement of post-employment defined benefit obligation.

15% increase in Non-Controlling Interest

Increased to ₱6.90 billion from ₱6.06 billion due to the additional paid-in capital during the year to fund JVs, Cebu Homegrown Developers, Inc. (CHDI), Cebu BL Ramos Ventures (CBLRV), and GGTT Realty Corporation (GGTT).

Key Performance Indicators

The Company uses a range of financial and operational key performance indicators ("KPIs") to help measure and manage its performance. These KPIs reflect the Company's continuous focus on growth, capital efficiency, cost control and profitability across all its operations. The management considers the following as KPIs:

	2021	2020	2019	2018
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Gross Profit Margin ¹	46%	48%	49%	54%
Net Income Margin ²	24%	25%	29%	32%
EBITDA ³	₱3.8 billion	₱3.36 billion	₱3.42 billion	₱2.88 billion
EBITDA Margin ⁴	34%	40%	40%	41%
Return on Average Assets ⁵	5%	5%	8%	11%
Return on Average Equity (Parent) ⁶	28%	23%	29%	31%
Current Ratio ⁷	1.7	2.41	2.56	3.66
Debt to Equity Ratio ⁸	1.79	1.53	1.23	0.94
Net Debt to Equity Ratio ⁹	1.72	1.48	1.16	0.86
Interest Coverage Ratio ¹⁰	3.21	2.89	4.11	9.45

¹ Gross Profit Margin is gross profit as a percentage of revenues

² Net Income Margin is net income as a percentage of revenues

³ EBITDA is defined as earnings before interest, tax, depreciation, and amortization from continuing operations and before exceptional items.

⁴ EBITDA margin is EBITDA as a percentage of revenues

⁵ Return on Average Assets is net income as a percentage of the average assets as at year-end and assets as at end of the immediately preceding year.

⁶ Return on Average Equity is net income as a percentage of the average of the equity as at year-end and equity as at end of the immediately preceding year.

⁷ Current Ratio is current assets divided by current liabilities

⁸ Debt to Equity Ratio is interest bearing debt over total equity

⁹ Net Debt to Equity Ratio is interest bearing debt less cash and cash equivalent over total equity

¹⁰ Interest Coverage ratio is EBIT divided by interest paid

FINANCIAL STATEMENTS

The Company's consolidated financial statements as of and for the periods ending December 30, 2021 and 2020 are incorporated in the accompanying *Index to Exhibits*.

CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

The Company has engaged the services of Punongbayan and Araullo (P&A) Grant Thornton. There were no disagreements with the firm on any matter of accounting and financial disclosure.