



**EVER-GOTESCO RESOURCES  
HOLDINGS, INCORPORATED**

**NOTICE OF THE ANNUAL STOCKHOLDERS' MEETING OF EVER-  
GOTESCO RESOURCES AND HOLDINGS, INC.**

**August 29, 2023, 03:00 P.M.**

Notice is hereby given that the Annual Meeting of the Stockholders of Ever- Gotesco Resources and Holdings, Inc., (the "Company") which will be on August 29, 2023 at 3:00 p.m at City Garden Suites Manila (1158 A. Mabini St., Ermita, Manila, Philippines).

The documents for the meeting can be accessed at the link provided in the Company's website at <http://www.everwoods.com.ph>

The Agenda of the meeting is as follows:

1. Call to order
2. Proof of notice and due calling of meeting
3. Determination of existence of a quorum;
4. Reading and Approval of the Minutes of the Annual Meeting of the Stockholders held on September 2, 2022;
5. Approval of the Audited Financial Statements of the Company as of 31 December 2022;
6. Approval and ratification of all acts of the Board of Directors, standing committees, and management since the last annual meeting;
7. Election of the members of the Board of Directors;
8. Appointment of external auditors;
9. Other matters; and
10. Adjournment.

The minutes of the previous Annual Stockholders' Meeting which was held on September 2, 2022 will be available for examination in the Company's website at <http://www.everwoods.com.ph> and at the Office of the Corporate Secretary during office hours.

Only stockholders of record as of July 31, 2023 who are qualified to attend the meeting may participate and vote through proxy, remote communication or in absentia using the above-stated link.

**WE ARE NOT SOLICITING YOUR PROXY.** However, stockholders who cannot personally attend the meeting and would like to be represented thereat, may opt to vote by proxy and must submit and address their proxy form to the attention of the Corporate Secretary at 8th Floor, Chatham House Bldg. Valero corner Rufino Sts., Salcedo Village, Makati City or via e-mail at [admin@everwoods.com.ph](mailto:admin@everwoods.com.ph) not later than 5:00 p.m. on or before August 25, 2023. A sample proxy form may be found in the Company website at <http://www.everwoods.com.ph>.

Any questions for the Board must also be emailed at the address mentioned above not later than 5:00 p.m. on or before August 28, 2023.

Manila, July 7, 2023

**EVER-GOTESCO RESOURCES  
& HOLDINGS, INC**

by:

**CHRISTINE P. BASE**

**CORPORATE SECRETARY**

**SECURITIES AND EXCHANGE COMMISSION  
SEC FORM 20-IS**

**Information Statement of  
EVER-GOTESCO RESOURCES AND HOLDINGS, INC.  
Pursuant to Section 20 of the Securities Regulation Code**

1. Check the appropriate box :

- Preliminary Information Statement  
 Definitive Information Statement

2. Name of Registrant as specified in its charter :

**EVER- GOTESCO RESOURCES AND HOLDINGS, INC.**

3. Province, country, or other jurisdiction of incorporation or organization **City of Manila, Philippines**

4. SEC Identification Number : **AS094-8752**

5. BIR Tax Identification Code : **004-817-595**

6. Address of principal office :

**3/F, Manila Real Residences,  
1129 Natividad Lopez St. Ermita, Manila**

7. Registrant's telephone number, including area code : **(02) 8243-2921**

8. Date, time and place of the meeting of security holders: Date: **August 29, 2023**

Place: **City Garden Suites Manila**

**(1158 A. Mabini St., Ermita, Manila, Philippines)**

Time: **03:00 P.M.**

9. Approximate date of which the Information Statement is to be sent or given to security holders : **on or before August 5, 2023**

10. Securities registered pursuant to Sections 4 and 8 of the RSA :

Title of Each Class	Number of Shares of Common Stock Outstanding or Amount of Debt Outstanding
----- <b>Common Stock P1.00 par value</b>	----- <b>5,000,000,000</b>

11. Are any or all of registrant's securities listed on a Stock Exchange?

Yes      X                      No

If so, disclose name of the Exchange: **Philippine Stock Exchange – Common Shares EVER-GOTESCO RESOURCES AND HOLDINGS, INC.**

## INFORMATION STATEMENT

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

### ITEM 1. DATE, TIME AND PLACE OF MEETING OF SECURITY HOLDERS

- (a) Date of Meeting : August 29, 2023  
Time of Meeting : 03:00 P.M  
Place of Meeting : City Garden Suites Manila  
1158 A. Mabini St., Ermita, Manila, Philippines  
Principal Office : 3<sup>rd</sup> Floor, Manila Real Residences, 1129 J. Natividad Lopez St.  
Ermita, Manila, Philippines
  
- (b) Approximate Date on which Copies of the Information Statement are to be first sent or given to security holders shall be on or before **August 4, 2023.**

### ITEM 2. DISSENTERS' RIGHT OF APPRAISAL

The Revised Corporation Code of the Philippines grants a shareholder a right of appraisal and to demand payment of fair value of his shares in the following instances:

- (a) 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 Revised Penal Code;
- (c) In case of merger or consolidation; and
- (d) In case of investment of corporate funds for any purpose other than the primary purpose of the corporation.

In any of these circumstances, the dissenting shareholder may require the corporation to purchase its shares in accordance with the following procedure:

- (a) The dissenting stockholder who votes against a proposed corporate action may exercise the right of appraisal;

- (b) A written demand must be made to the corporation for the payment of the fair value of shares within thirty (30) days from the date on which the vote was taken;
- (c) If the proposed action is implemented, the stockholder shall surrender the certificate or certificates of stock representing his/her shares and the corporation shall pay the stockholder the fair value thereof as of the day before the vote was taken excluding any appreciation or depreciation in anticipation of such corporate action;
- (d) If within a period of sixty (60) days from the date the corporate action was approved by the stockholders, the withdrawing stockholder and the corporation cannot agree on the fair value of the shares, it shall be determined and appraised by three (3) disinterested persons, one of whom shall be named by the stockholder, another by the corporation, and the third by the two thus chosen. The findings of the majority of the appraisers shall be final, and their award shall be paid by the corporation within thirty (30) days after such award is made: Provided, that no payment shall be made to any dissenting stockholder unless the corporation has unrestricted retained earnings in its books to cover such payment: and Provided, further, that upon payment by the corporation of the agreed or awarded price, the stockholder shall forthwith transfer his shares to the corporation.

The Regional Trial Courts will, in the event of a dispute, determine any question about whether a dissenting shareholder is entitled to this right of appraisal. From the time the shareholder makes a demand for payment until the corporation purchases such shares, all rights accruing on the shares, including voting and dividend rights, shall be suspended, except the right of the shareholder to receive the fair value of such shares. No payment shall be made to any dissenting stockholder unless the corporation has unrestricted retained earnings sufficient to support the purchase of the shares of the dissenting shareholders.

In relation to the Annual Stockholders' Meeting and in accordance with the agenda of the annual stockholders' meeting, none of the agenda items may give rise to a possible exercise of appraisal rights by the stockholders in accordance with the said procedure.

Any stockholder of Ever- Gotesco Resources and Holdings, Inc. (the "Company") and its subsidiary may exercise his appraisal right against any proposed corporate action which qualifies as an instance under Section 80 of the Corporation Code and which gives rise to the exercise of such appraisal right pursuant to and in the manner provided in Section 81 of the Corporation Code.

### **ITEM 3. INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON.**

No director or officer of the Company since the beginning of the last fiscal year, or any nominee for election as director, nor any of their associates, has any substantial interest, direct or indirect, by security holdings or otherwise, in any matter to be acted upon in the meeting, other than election to office.

**ITEM 4. VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF**

(a) Voting securities entitled to vote at the Annual Meeting:

As of June 30, 2023, there are 5,000,000,000 shares of the Company’s common stock outstanding and entitled to vote at the Annual Meeting. One share is equivalent to one vote except in the election of directors where one share is entitled to as many votes as there are directors to be elected.

(b) Record Date

All stockholders of the Company’s stock of record at the close of business on July 31, 2023 (the “Record Date”) who are acting in person or by proxy on the day of the meeting are entitled to vote at the Annual Meeting to be held on August 29, 2023.

(c) Election of directors and voting rights (Cumulative Voting)

Each stockholder is entitled to vote the number of shares of stock outstanding in his own name as of Record Date for as many persons as there are directors to be elected or he may cumulate said shares and give one candidate as many votes as the number of directors to be elected, multiplied by the number of his shares shall equal, or he may distribute them on the same principle among as many candidates as he shall see fit; provided, that the total number of votes cast by him shall not exceed the number of shares owned by him as shown in the books of the Company multiplied by the whole number of directors to be elected. However, no delinquent stock shall be voted. Cumulative voting is allowed for election of members of the Board.

(d) Security Ownership of Certain Record and Beneficial Owners and Management.

The table below shows persons or groups known to the Company as of June 30, 2023 to be directly or indirectly the record or beneficial owner of more than five percent (5%) of the Company’s voting securities:

<b>Title of Class</b>	<b>Name, Address of Record Owner and Relationship with Issuer</b>	<b>Name of Beneficial Owner and Relationship with Record Owner</b>	<b>Citizenship</b>	<b>No of Shares Held</b>	<b>% of Ownership</b>
Common	Consolidated Ventures, Inc Matapang St., Quiapo Manila	Consolidated Ventures, Inc.	Filipino	1,592,000,000	31.84%
Common	PCD Nominee Corp. G/F, Makati Stock Exchange Bldg. 6767 Ayala Ave., Makati City	PCD Nominee Corp.	Filipino	1,347,306,210	26.95 %
Common	Gotesco Properties, Inc. 1958 C. M. Recto Ave., Manila	Gotesco Properties, Inc.	Filipino	1,069,235,000	21.38%

As of June 30, 2023, the Company has no record of anyone who beneficially owns in excess of 5% of the Company's common stock except as set forth in the table below:

There is no individual record or beneficial owner of more than 5% of the shares of stocks under PCD Nominee Corp. as of June 30, 2023.

(e) Equity Ownership of Foreigners

Title of Class	Name, Address of Record Owner	Name of Beneficial Owner and Relationship with Record Owner	Citizenship	No. of Shares Held	% of Ownership
Common	PCD Nominee Corp. 37F Enterprise Tower 1 Ayala Avenue Makati City	PCD Nominee Corp.	Foreign	45,308,100	0.91%
Common	Ming Zheng Yuan Rm. 1201 Richtown Tower 1417 Mayhaligue St. Sta. Cruz, Manila	Ming Zheng Yuan	Chinese	8,000,000	0.16%
Common	Ling Wang Bi Suite 1505, State Center Bldg., #333 Juan Luna	Ling Wang Bi	Chinese	7,000,000	0.14%
Common	Qui Yi Man 1234 Quericada St. Sta. Cruz Manila 1003	Qui Yi Man	Chinese	5,300,000	0.11%
Common	Others		Various	5,225,000	0.10%

(2) Security Ownership of Management as of June 30, 2023

The table below shows the securities beneficially owned by all directors, nominees and executive officers of the Company as of June 30, 2023:

Title of Class	Name of Beneficial/Record Owner	Amount/Nature of Beneficial Ownership	Citizenship	% of Ownership
common	Joel T. Go Chairman	228,672,598 Direct	Filipino	4.57%
common	Evelyn C. Go Treasurer/Director	2,371,315 Direct	Filipino	0.05%
common	Lourdes G. Ortiga Director	81 Direct	Filipino	0.00%
common	Edgardo C. Manda Independent Director	1,000 Direct	Filipino	0.00%
common	Christian Grant Yu Tomas Independent Director	1 Direct	Filipino	0.00%
common	Caesar R. Certeza Nominee	1,000 Direct	Filipino	0.00%
common	Marietta Fondevilla Nominee- Independent Director	1,000 Direct	Filipino	0.00%

	Christine P. Base Corporate Secretary	None	Filipino	0.00%
	All executive officers and directors as a group – <b>All Filipino Citizens</b>	<b>231,046,995</b> =====		<b>4.62%</b> =====

*Note: No indirect beneficial ownership owned by directors, nominees and officer as of June 30, 2023*

Directors and Officers, as a group, hold a total of 231,046,995 shares, equivalent to approximately 4.62% of the Company's issued and outstanding capital stock.

(e) Voting Trust Holders of 5% or more

No person holds 5% or more of the issued and outstanding shares of stock of the Company under a voting trust or similar agreement

(f) Changes in Control

The Company is not aware of any change in control or arrangement that may result in a change in control of the Company since the beginning of its last fiscal year.

## ITEM 5. DIRECTORS AND EXECUTIVE OFFICERS

(a) The Board of Directors

The Company's Board of Directors is responsible for the overall management and direction of the Company. The Board meets regularly every quarter, or as often as required, to review and monitor the Company's financial position and operations. Each Board member serves for a term of one year or until his successor is duly elected and qualified.

The following are the members of the Board:

Officer	Name	Age	Nationality
Chairman	Joel T. Go	50	Filipino
Director/ Treasurer	Evelyn C. Go	68	Filipino
Director	Lourdes G. Ortiga	65	Filipino
Independent Director	Edgardo C. Manda	75	Filipino
Independent Director	Christian Grant Yu Tomas	46	Filipino
Director- Resigned (Feb. 16, 2023)	Antonio L. Tiu	48	Filipino
Director- Resigned (Oct. 25, 2022)	Isidro C. Alcantara Jr.	69	Filipino

In each of the meetings of the board and its committees, and in regular or special stockholder's meetings, the attendance results of the members of the Board are shown as follows:

<i>Meetings of the Board of Directors</i>			
<b>Director</b>	<b>May 2, 2023</b>	<b>July 4, 2023</b>	
Joel T. Go	Present	Present	<b>100%</b>
Lourdes G. Ortiga	Present	Present	<b>100%</b>
Evelyn C. Go	Present	Present	<b>100%</b>
Edgardo C. Manda	Present	Present	<b>100%</b>
Christian Grant Yu Tomas	Present	Present	<b>100%</b>
Antonio L. Tiu	Resigned	Resigned	<b>n/a</b>
Isidro Alcantara Jr.	Resigned	Resigned	<b>n/a</b>

<i>Meetings of the Audit Committee</i>		
<b>Director</b>	<b>July 4, 2023</b>	
Evelyn C. Go	Present	<b>100%</b>
Edgardo C. Manda	Present	<b>100%</b>
Christian Grant Yu Tomas	Present	<b>100%</b>

<i>Meetings of the Nomination and Remuneration Committee</i>			
<b>Director</b>	<b>April 28, 2023</b>	<b>Nov 28, 2023</b>	
Joel T. Go	Present	Present	<b>100%</b>
Edgardo C. Manda	Present	Present	<b>100%</b>
Antonio L. Tiu	Present	Present	<b>100%</b>

The following are the brief description of the respective background of the Company Director's and nominees who have been nominated for election, their respective ages and involvement in other businesses for the past five (5) years.

**JOEL T. GO**, Filipino, was born on January 25, 1973, is a graduate in Bachelor of Science in Electronics & Communications Engineering from De La Salle University. He is the first child of the three children of Mr. Jose C. Go. His work experiences are with the family businesses and at present he is the Chairman and President of Ever Plus Superstore, Inc. and Ever Commonwealth Center, Inc. He is also President and Director of United Doctors Service Corp. and Majestic Plus Holdings Intl. Inc. Mr. Joel T. Go was elected Director of the Company on December 18, 2008 and as President from 2014-2021. On December 16, 2021, Mr. Joel Go was elected as Chairman of the Company.

**EVELYN C. GO**, Filipino, was born on December 23, 1954. She is a graduate from the Philippine School of Business Administration with a degree in Business Management. Ms. Go started her practical business training at an early age covering various positions and aspects of the Go Tong family business enterprises. She is currently President/Chief Operating Officer of Gotesco Tyan



Ming Development, Inc., and Director of Ever Commonwealth Center, Inc. and Ever Plus Superstore, Inc. Ms. Go has been the Treasurer and Director of the Company since 1995.

**LOURDES G. ORTIGA**, Filipino, was born on September 28, 1957, and is a Fine Arts Major in Interior Design graduate from the University of Santo Tomas. Ms. Ortega is presently Director and Corporate Secretary of Gotesco Tyan Ming Development, Inc., Ever Commonwealth Center, Inc., Gotesco Properties, Inc., Ever Shoppers, Inc., Gusset Realty & Development, Corp. and Revere Realty and Development, Corp. Ms. Ortega is also a Director of Ever Emporium, Inc., and Ever Plus Superstore, Inc. Ms. Ortega has been Director of the Company from 1998 up to the present.

**CHRISTIAN GRANT YU TOMAS**, Filipino, was born on June 17, 1977, is the Head of the Legal Department, Tyche Consulting Ltd. Phils Regional Operating Headquarters. Previously, he worked as Legal Counsel of Alphaland Corporation; Executive Assistant, Commission on Elections, Office of Commissioner Larrazabal; and Associate, ZAMORA POBLADOR VASQUEZ & BRETANA LAW OFFICES. He is a graduate of Ateneo De Manila University School of Law with a Degree of Juris Doctor in 2004. He passed the Bar Examination in 2004. He graduated from De La Salle University with a Bachelor of Science Degree in Applied Economics in 1999. Atty. Tomas has been an independent director since 2014.

He is a nominee for independent directorship for the forthcoming stockholders meeting.

**EDGARDO C. MANDA**, Filipino, born on July 8, 1948. He is a graduate of Business Administration and was recognized as one of the Most Outstanding Alumni of University of the East, Manila. He is also an alumnus of International Network for Bamboo and Rattan in Beijing, China and has attended various bamboo forums in China, Indonesia, Vietnam and India. He is an advocate of bamboo and its role in rehabilitating watersheds and mined out areas. He is the President of Philippine Bamboo Foundation, Inc from 2010 to present, a member of the Philippine Bamboo Industry Development Council and an Exemplar Awardee for Environment in 2014 and 2015. He served the government as an Assistant Secretary and Deputy Chief of Staff in 1998 to 2001, a General Manager in Manila International Airport Authority in 2001- 2004, a General Manager in Laguna Lake Development Authority in 2005- 2010 and an Undersecretary in 2004- 2005. His private sector affiliations were: Assistant Vice President for Welding Industries of the Philippines, Manager in Security Bank & Trust Company, and Manager in First Philippine Holdings Corporation.

**CAESAR R. CERTEZA**, Filipino, was born on April 20, 1971, graduated from Ateneo De Manila University School of Law with a degree of Juris Doctor in 1995. He also graduated as Magna Cum Laude in Bachelor of Arts – Major in Economics in University of Santo Tomas in 1991. He passed the Philippine Bar Examination in 1995. He is currently the Corporate Legal Counsel in Metropolitan Medical Center. He became lawyer of CRCerteza Law Office in 2007-2011. A Partner in Halili Certeza Matibag Law Office 2000- 2007. Legal Officer I of NGL Pacific, Ltd., 1998-2000. Associate Lawyer of Sebastian Liganor Galinato and Tierra Law Offices 1995-1998. He is a Legal Apprentice in Bautista Picazo Buyco Tan and Fider Law during summer of 1993 and 1994. Atty. Certeza is also an Instructor I in University of Santo Tomas – Faculty of Arts and Letters in school year 1991 to 1998 and a Member of The Fraternal Order of Utopia and Integrated Bar of The Philippines. Atty. Certeza was elected as director of the Company during the December 16, 2021 annual stockholders meeting.

He is a nominee for directorship for the forthcoming stockholders meeting.

**MARIETTA M. FONDEVILLA**, Filipino, was born in January 1956, graduated from University of the Philippines- Diliman with a degree of Bachelor of Science in Statistics in 1976. She was the Executive Vice President of the Development Bank of the Philippines (DBP) from February 2018 until her retirement in July 2021. Prior to that, she held various senior positions in DBP since 2011.

From 2008-2010, she was a Consultant in Roxas and Company. She was President of EnviroVentures (Phil.) Inc. from 2000 to 2008 and the Senior Vice President for Finance and Administration of Armstrong Holdings Inc. from 1998- 2000.

She is a nominee as independent director at the forthcoming stockholders' meeting.

### **Senior Management**

**CHRISTINE P. BASE**, Filipino, is currently a Securities, Corporate and Tax Lawyer at Pacis and Reyes, Attorneys and the Managing Director of Legisforum, She is a Director and the Corporate Secretary of various companies like Anchor Land Holdings Inc., Araneta Properties Inc. and Asiasec Equities Inc. She was an Auditor and a Tax Lawyer at Sycip, Gorres, Velayo & Co. She graduated at Ateneo de Manila University School of Law with a degree of Juris Doctor and passed the Bar Examination in 1997. Ms. Base is also a Certified Public Accountant, graduated from De La Salle University with a Bachelor of Science Degree in Commerce Major in Accounting.

### **Nominations for Director including Independent Directors for 2023-2024**

The directors of the Company elected at the Annual Meeting are to hold office for one year and until their respective successors have been elected and qualified.

The following are the nominees to the Board of Directors:

1. JOEL T. GO
2. LOURDES G. ORTIGA
3. EVELYN C. GO
4. EDGARDO C. MANDA
5. CAESAR R. CERTEZA
6. CHRISTIAN GRANT YU TOMAS, Independent Director
7. MARIETTA FONDEVILLA, Independent Director

The Board has no reason to believe that any of the aforementioned nominees will be unwilling or unable to serve if elected as a director.

The members of the Nomination Committee are as follows:

Chairman	-	JOEL T. GO
Member	-	EVELYN C. GO
Member	-	LOURDES G. ORTIGA

For this Annual Meeting, the Committee has screened and evaluated the candidates for nomination as Independent Directors, using the aforementioned guidelines, pertinent provisions of the Corporation's Revised Manual on Corporate Governance and its By-Laws and relevant rules under the SRC and SRC Rules.

The company has adopted the SRC Rule 38 Requirements on Nomination and Election of Independent Directors and compliance therewith has been made.

#### Guidelines on the Nomination and Election of Independent Directors

Independent director means a person who, apart from his fees and shareholdings, is independent of management and free from any business or other relationship which could, or could reasonably be perceived to materially interfere with his exercise of independent judgment in carrying out his responsibilities as a director in any covered company and includes, among others, any person who:

- a. Is not a director or officer of the company or of its related companies or any of its substantial shareholders except when the same shall be an independent director of any of the foregoing;
- b. Does not own more than two percent (2%) of the shares of the company and/or its related companies or any its substantial shareholders;
- c. Is not related to any director, officer or substantial shareholder of the company, any of its related companies or any of its substantial shareholders. For this purpose, relatives include spouse, parent, child, brother, sister, and the spouse of such child, brother or sister;
- d. Is not acting as a nominee or representative of any director or substantial shareholder of the company, and/or any of its related companies and/or any of its substantial shareholders, pursuant to a Deed Trust or under any contract or arrangement;

#### (b) Appraisals and performance report for the board and the criteria and procedure for assessment

The Corporate Governance Committee has endeavored to review an effective corporate governance framework through an annual confidential performance evaluation of the effectiveness of the Board, its Committees and the contribution of each director. Factors considered in the performance assessment include regular attendance during meetings, preparedness for meetings, active participation and contribution to board decisions, strategic insights and candid communication, diversity of experience and background of directors, among others.

The Committee is satisfied that all directors carried out their duties professionally and had all demonstrated their commitment and availability to attend to the affairs of the Company.

**(B) FAMILY RELATIONSHIPS**

Two (2) of the Directors are siblings, namely, Evelyn C. Go and Lourdes G. Ortiga. Mr. Joel Go is the son of Mr. Jose Go and the nephew of Evelyn Go and Lourdes Ortiga. All other directors and officers have no family relationships in any civil degree either by consanguinity or affinity.

**(C) INDEPENDENT DIRECTORS**

Mr. Christian Grant Yu Tomas and Mrs. Marietta Fondevilla are the Company's Independent Directors. They are neither officers nor substantial shareholders of the Company. Pursuant to SEC Memorandum Circular No. 4 Series of 2017, the term limit of the Independent Directors is a maximum of nine (9) consecutive years.

**(D) SIGNIFICANT EMPLOYEE**

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

**(E) DEATH OF A DULY ELECTED DIRECTOR**

Not applicable.

**(F) ELECTION OF A DIRECTOR**

The following are nominees as additional directors:

1. Caesar R. Certeza
2. Marietta Fondevilla- Independent Director

**(G) WARRANTS AND OPTIONS OUTSTANDING**

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

**(H) INVOLVEMENT OF DIRECTORS AND OFFICERS IN LEGAL PROCEEDINGS**

The Company is not aware and none of the directors and officers or persons nominated to become directors or officers has informed the Company of (a) any bankruptcy petition filed by or against any business of which any of its director or executive officers was a general partner or executive officer either at the time of bankruptcy or within two (2) years prior to that time, (b) any conviction by final judgment of any director or senior executive in a criminal case domestic or foreign or being subject to a pending criminal case domestic or foreign, of any director, executive officer or person nominated to be a director, (c) any director or senior executive being subject to 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 such directors' or executive officer's involvement in any type of business securities, commodities or banking activities, (d) any executive officer or director found by a domestic or foreign court of

competent jurisdiction, the Commission or other 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, which occurred during the past five (5) years up to the latest date that are material to evaluation.

Except for the proceedings described in Annex “A”, to the knowledge and/or information of the Company, the present members of the Board or the executive officers are not, presently, or during the last five years, involved or have been involved in criminal, bankruptcy or insolvency investigations or proceedings.

Other pending legal proceedings involving the Company is described in Annex “A” hereof.

## (I) CERTAIN RELATIONSHIP AND RELATED TRANSACTIONS.

In the ordinary course of business, the Group has related party transactions and balances as follows:

	2022			
	Amount/ Volume	Outstanding Receivable (Payable)	Terms	Condition
<i>Stockholder</i>				
Advances to	<b>P</b>	<b>P250,916,294</b>	Payable on demand; non-interest bearing	Unsecured; partially impaired
Advances from	<b>(916,552)</b>	<b>(80,047,666)</b>	- do -	
<i>Associated companies*</i>				
Rent			Payable on demand; non-interest bearing	Unsecured
Advances to	<b>118,032</b>	<b>654,153,405</b>	- do -	Unsecured; partially impaired
Payable to	<b>(7,709,111)</b>	<b>(45,279,584)</b>	- do -	Unsecured
	2021			
	Amount/ Volume	Outstanding Receivable (Payable)	Terms	Condition
<i>Stockholder</i>				
Advances to	(P320,822,194)	P250,916,294	Payable on demand; non-interest bearing	Unsecured; partially impaired
Advances from	(2,208,037)	(79,409,460)	- do -	
<i>Associated companies*</i>				
Rent	(1,182,879,139)		Payable on demand; non-interest bearing	Unsecured
Advances to	(1,999,368,056)	654,035,373	- do -	Unsecured; partially impaired
Payable to	436,581,838	(37,759,872)	- do -	Unsecured

- a. The Group granted non-interest-bearing advances to entities that are under common control and to its stockholder. As of December 31, 2022 and 2021, these advances have no payment terms and are considered payable on demand and to be settled in cash.
- b. Movements in and details of the allowance for expected credit losses relating to receivables from related parties follow:

	<b>2022</b>	<b>2021</b>
Beginning Balance	P909,620,066	P2,807,732,454
Addition		132,200,293
Reversal		(2,030,312,681)
Ending Balance	P909,620,066	P909,620,066

- c. The group has non- interest bearing payables to entities that are under common control and are to be settled in cash. Payables to related parties, included as part of Accounts payable and other liabilities in the consolidated balance sheets amounted to P125.33 million and P117.17 million as of December 31, 2022 and 2021, respectively
- d. The Group’s remaining related party transactions pertain to the payment of expenses of entities under common control on behalf of the Group from 2018 to 2022.
- e. In October 2021, PWI, an associated company, assumed the liabilities of the related parties to the Group. In November 2021, the total related party receivable from PWI were settled through dacion en pago - transfer of land properties of PWI to the Group, resulting to recognition of gain from dacion en pago. The allowance pertaining to the settled receivables from PWI through dacion en pago were reversed in 2021.

The Group’s key management personnel did not receive compensation from the Group in 2022, 2021 and 2020.

## **ITEM 6. COMPENSATION OF DIRECTORS AND EXECUTIVE OFFICERS**

In accordance with the By-laws, the officers shall receive such remuneration as the Board of Directors may determine. All other officers shall receive such remuneration as the Board of Directors may determine upon recommendation of the President. A director shall not be precluded from serving the corporation in any other capacity as an officer, agent or otherwise and receiving compensation thereof.

The following table summarizes the names and aggregate compensation paid or accrued during the last three years and to be paid in the ensuing year to the company’s highly compensated officers.

<b>Name and Principal Position</b>	<b>Year</b>	<b>Salary (in million)</b>	<b>Bonus</b>	<b>Other Annual Compensation</b>
The executive officers: Joel T. Go – Chairman Antonio L. Tiu – President	2022*	None	None	None

Evelyn C. Go- Treasurer Lourdes G. Ortiga- Corporate Secretary	2021	None	None	None
	2020	None	None	None
All other executive officers and directors as a group Unnamed	2022**	P164,000.00	- 0 -	None
	2021**	234,000.00	- 0 -	None
	2020**	360,000.00	- 0 -	None
	2019**	360,000.00	- 0 -	None

\*Estimated compensation of executive officers for the ensuing year.

\*\* Honorarium of the Independent Directors

### **Compensation of Directors**

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

Since December 1, 1995 up to the present, the directors (except for the Independent Directors) and some of the Executive officers of EVER didn't receive any per diem nor compensation from the company. These executives (President, Treasurer, and Corporate Secretary) acted their positions at EVER in their concurrent capacities at Gotesco Properties, Inc.

The Independent Directors are given a monthly honorarium of ₱15,000.00 each from 2013 up to March 31, 2021 for every regular and special board meeting actual attended. On April 1, 2021 the honorarium was reduced to ₱8,000.00 each.

The Company and the Executive Officers are not involved in any of the following transactions:

- a. standard arrangement and any other material arrangement;
- b. employment contract (between the registrant and named executive officers);
- c. compensatory plan or arrangement;
- d. outstanding warrants or options;
- e. Adjustments or amendments on the price of stock warrants or options.

### **ITEM 7. INDEPENDENT PUBLIC ACCOUNTANTS**

The accounting firm of Sycip, Gorres, Velayo & Co. ("SGV") has been the Company's independent public accountant/external auditor for the years 2008 to 2022. The same accounting firm is being recommended for re-appointment by the stockholders at the Annual Meeting. The Company is just waiting for SGV to accept the re-appointment this year. Representatives of the said firm may

be present at the Annual Meeting. They will have the opportunity to make a statement if they desire to do so and are expected to be available to respond to appropriate questions.

Pursuant to SRC Rule 68, Paragraph 3(b) (iv) (Rotation of External Auditors) of the SRC Rules, the Company engaged Mr. Shane Dave D. Tanguin for the examination of the Company's financial statements for 2020 to 2022. He is expected to continue to perform the said task for 2023. Previously, the Company engaged Mr. Kristopher S. Catalan of SGV for the examination of the Company's financial statements for 2015 to 2019.

### **Audit and Audit-Related Fees**

The fees billed for calendar year 2022 and 2021 for professional services rendered by SGV was ₱400,000 and ₱380,000 respectively. These fees cover services rendered by the external auditor for audit of the financial statements of the Company and other services in connection with statutory and regulatory filings for calendar years 2022 and 2021.

There was no event in the past five years where SGV and the Company had any disagreement about any matter relating to accounting principles or practices, financial statement disclosure or auditing scope of procedure.

The audit findings are presented to its Audit Committee which reviews and makes recommendations to the Board on actions to be taken thereon. The Board passes upon and approves the Audit Committee's recommendations. The engagement of the external auditors was favorably endorsed by the Audit Committee to the Board of Directors and ultimately submitted for approval of the stockholders.

The members of the Audit Committee of the Company are as follows:

1. Christian Grant Yu Tomas - Chairman
2. Joel T. Go - Member
3. Evelyn C. Go - Member

### **ITEM 8. COMPENSATION PLANS**

No action is to be taken with respect to any plan pursuant to which cash or non-cash compensation may be paid or distributed.

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

Not Applicable.

### **ITEM 10. MODIFICATION OR EXCHANGE OF SECURITIES**

Not Applicable.



## **ITEM 11. FINANCIAL AND OTHER INFORMATION**

The audited consolidated financial statements of the Company for the period ended December 31, 2022 and the quarterly report ending March 31, 2023, respectively, is attached hereto as Annex "B." Management's Discussion and Analysis of Operations is incorporated in the Management Report.

## **ITEM 12. RESTATEMENT OF ACCOUNTS**

As approved by the Board of Directors on May 24, 2022, the Company shall decrease the Company's Authorized Capital Stock from Php 5 Billion divided into 5 Billion shares with a par value of Php 1 per share to Php 2.5 Billion Pesos divided into 25 Billion shares with a par value of 10 centavos per share, to eliminate the accumulated retained earnings deficit of the Company.

The Board also approved the increase in authorized capital stock up to 7.5 Billion pesos. The reduction of par value and increase in authorized capital stock aim to attract more investors and raise capital for its shift to agri-ecotourism industry.

These resolutions, together with the amendment of the Company name and principal office address, were approved by the stockholders of EGRHI in the Annual Stockholders Meeting on September 2, 2022.

The amendment of the Articles of Incorporation related to the above is still under review and for approval of the Securities and Exchange Commission (SEC).

## **ITEM 13. ACTIONS WITH RESPECT TO REPORTS AND OTHER PROPOSED ACTION**

There is no action to be taken with respect to any report of the Company or of its directors, officers or committees, except the approval of the minutes of the previous annual meetings of its security holders.

The approval of the minutes, Annual Report and audited financial statements for the period ended December 31, 2022, and ratification of all acts, proceedings and resolutions of the Board, the Executive Committee and the acts of the officers and management since the date of the last annual meeting require the affirmative vote of a majority of the votes cast at the Annual Meeting by the stockholders entitled to vote thereon.

The following is the summary of acts of the Board of Directors and Management from the last annual stockholders meeting up to the date of meeting this year:

1. May 2, 2023-Approval of Financial Statements as of December 31, 2022

#### **ITEM 14. MATTERS NOT REQUIRED TO BE SUBMITTED**

Ratification of acts of management and of the Board of Directors referred to in the Notice of the Annual Meeting of Stockholders refers only to acts done in the ordinary course of business and operation of EGRHI, which have been duly disclosed to the SEC and the PSE in accordance with law. Ratification is being sought in the interest of transparency and as a matter of customary practice or procedure undertaken at every annual meeting of EGRHI stockholders.

This pertains to all acts, resolutions, proceedings and approval made by the Board of Directors, Executive Committee and Officers of the Company from the last stockholders' meeting in for the period 2022 and up to the date of meeting August 29, 2023. This includes, among others, those that include day to day operations, administration and management of the corporate affairs such as (a) designation of authorized signatories, (b) renewal of credit facilities, (c) new/additional investments, and (d) appointment of new officers.

The following matters are to be proposed for approval at this year's annual stockholders' meeting:

- (a) Ratification of all acts and resolutions of the Board and management for the implementation of such resolutions since the annual stockholders' meeting on (ASM 2022), until this year's stockholders' meeting on August 29, 2023.

Copies of the minutes of the stockholders' meeting shall be available for examination during office hours at the Office of the Corporate Secretary.

#### **ITEM 15. OTHER PROPOSED ACTION**

The following action is also proposed to be taken up during the Annual Meeting:

1. Election of directors for 2023-2024
2. Appointment of external director

#### **ITEM 16. VOTING PROCEDURE**

- (a) Matters for Stockholders' Approval

Items requiring the vote of stockholders will be presented for approval of the stockholders at the meeting. If stockholders or proxies of stockholders owning more than two-thirds (2/3) of the outstanding capital stock are present and identified in the meeting, voting shall be by raising of hands or viva voce; otherwise, voting shall be done in writing by secret ballot and counted thereafter. The votes will be validated by its external auditor.

- (b) Election of directors

Pursuant to the Corporation Code, every stockholder entitled to vote shall have the right to vote in person or by proxy the number of shares of stock standing, as of the record date, in his own name in the stock and transfer book of the Company, and said stockholder may vote such number of shares

for as many persons as there are directors to be elected or he may cumulate said shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of his shares shall equal, or he may distribute them on the same principle among as many candidates as he shall see fit; provided, that the total number of votes cast by him shall not exceed the number of shares owned by him as shown in the books of the Company multiplied by the number of directors to be elected. The formula may be stated as follows:

Number of shares held on record x Seven (7) = Total votes that may be cast.

The external auditor of the Company is authorized to count votes on any matter properly brought to the vote of the stockholders, including the election of directors.

(c) Method of Voting

The method of which the votes of security holders will be counted is in accordance with the general provisions of the Revised Corporation Code of the Philippines. The counting of votes will be done by the Corporate Secretary in coordination with the Corporation's Stock Transfer Agent. In addition, shareholders who are unable to attend the meeting may choose to execute a proxy form.

During the scheduled annual stockholders' meeting, the following items will be included in the agenda:

1. Call to order
2. Proof of notice and due calling of meeting
3. Determination of existence of a quorum;
4. Reading and Approval of the Minutes of the Annual Meeting of the Stockholders held on September 2, 2022;
5. Approval of the Audited Financial Statements of the Company as of 31 December 2022;
6. Approval and ratification of all acts of the Board of Directors, standing committees and management since the last annual meeting;
7. Election of the members of the Board of Directors;
8. Appointment of external auditors;
9. Other matters; and
10. Adjournment.

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete and correct. This report is signed on the City of Manila on August 25, 2023.

  
By: CHRISTINE P. BASE  
Corporate Secretary

## **MANAGEMENT REPORT**

- 1. SEE ATTACHED CONSOLIDATED AUDITED AND INTERIM FINANCIAL STATEMENTS AND THE STATEMENT OF MANAGEMENT RESPONSIBILITY FOR THE FINANCIAL STATEMENTS.**
- 2. MANAGEMENT DISCUSSION & ANALYSIS OF PLAN OF OPERATIONS**

### **RESULTS OF OPERATIONS (For the period January-March 2023)**

Over the next 12 months, EGRHI, through its subsidiaries, will be focusing on becoming a leading player in the agri-ecotourism industries. The company is planning to further develop its ecotourism hub, Forest Crest Nature Hotel and Resort in Nasugbu, Batangas to become a center for agricultural appreciation and processes. Agriwave is also undertaking initiatives to develop the value chain of bamboo production, starting with contract growing of high-value crops and orchids, with plans to gradually move towards the manufacture of bamboo derivative products.

EGRHI envisions its Cebu project as a model for future growth and development. The Company has partnered with professionals to conduct master planning, geotechnical surveys, and pre-feasibility studies of its lands in Cebu.

Total consolidated revenues in the first quarter of 2023 amounted to ₱3 Million which consists of the management fee revenue from the hotel operations of Forest Crest Nature Hotel and Resort and from the sales of agricultural products.

Direct costs amounting to ₱0.5 Million is attributed to the labor costs incurred by Agriwave.

General and Administrative expenses of ₱2 million is attributed to the fees due to professionals hired by the group as well as the normal operating expenses of EGRHI and subsidiaries.

On the other hand, interest expense on the payments made to Land Bank for the period is ₱649 thousand.

Net income for the 1<sup>st</sup> quarter of 2023 amounted to ₱260 thousand.

### **CHANGES IN FINANCIAL CONDITION**

#### **2022 vs 2021**

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

Total consolidated revenues in 2022 amounted to ₱10.3 Million while ₱0.14 million in 2021. The increase during 2022 consists of the management fee revenue from the hotel operations of Forest Crest Nature Hotel and Resort and from the sales of agricultural products.

Everwoods Management and Development Inc.'s ("EMDI") lease contract with Majestic Plus Holding Int'l. Inc. in January 2022 is to operate the Forest Crest Nature Resort. While EMDI is preparing its licenses and permits to operate hotels, EMDI temporarily assigned its management rights to Forest Crest Nature Hotel and Resort Inc. from January 1, 2022 to June 30, 2023. During the assignment period, EMDI bills management fee to Forest Crest.

Direct costs amounted to ₱3.5 Million and ₱0.26 million in 2022 and 2021, respectively which can be attributed to the labor costs incurred by Agriwave and EGRHI and the security agency costs of EGRHI for the Cebu property.

General and Administrative expenses increased by 194% or ₱5.3 million from ₱2.73 million in 2021 to ₱8.03 million in 2022. The increase is mainly attributed to the business permit of EGRHI, fees due to professionals hired by the group for the project in Cebu, as well as the increase in the operating expenses of EGRHI and its subsidiaries.

On the other hand, interest expense decreased by 62.5% as a result of the compromise settlement of the Company's long outstanding loan with the lender bank from ₱7.12 million in 2021 to ₱2.7 million in 2022.

Other income decreased from ₱2.16 billion in 2021 to 552 million in 2022. Other income in 2021 was due to the recovery of doubtful accounts amounting to ₱2.03 billion, gain on acquisition of property amounting to ₱23.6 million and gain on loan modification amounting to ₱258.99 million. Other income in 2022 was the gain in fair market value of the lands in Cebu, determined by an independent appraiser.

Year 2022 operations resulted to a net income of ₱547 million, while net income for the year 2021 amounted to ₱2.14 billion.

*Breakdown of Revenue and Expenses:*

	NATURE OF TRANSACTION	REVENUE 2022	DIRECT COSTS 2022	GENERAL AND ADMINISTRATIVE COSTS	OTHER INCOME
EGRHI	Management Fee and gain on change in fair market value of investment property	₱6.6 million	₱2.3 million	₱5.5 million, plus ₱2.7 million of interest expense	₱513.6 million
GTMDI	Gain on change in fair market value of investment property			₱0.2 million	₱34.8 million
AGRIWAVE ORGANIC INC.	Sale of crops and orchids	₱1.4 million	₱1.2 million	₱1.8 million	₱0.2 million
3J DEVELOPMENT CORP.	Management Fee	₱2.4 million		₱0.7 million	₱0.2 million
CONSOLIDATED		₱10.2 million	₱3.5 million	₱10.7 million	₱551.6 million

*List of Major Transactions for General and Administrative Expenses:*

Major Transactions	EGRHI	Other Subsidiaries
Professional Fees	₱2.5 million	₱0.8 million
Taxes and Licenses	₱1.7 million	
Labor Expenses		₱0.9 million
Total	₱4.2 million	₱1.7 million

*Breakdown of Professional Fees:*

	Nature of Transaction	EGRHI	Subsidiaries	Total
Stock Transfer Fees	Monitoring of Stocks	₱0.2 million		₱0.2 million
Corporate Secretary Fees	Corporate Compliance	₱0.2 million		₱0.2 million
Accountant's Fees	Independent Auditors Audit	₱0.7 million	₱0.7 million	₱1.4 million
Architect, Engineer, Consultants and Others	Project Feasibility Study	₱1.4 million	₱0.1 million	₱1.5 million
Total		₱2.5 million	₱0.8 million	₱3.3 million

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

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

**Current Assets**

Current Assets increased by ₱5.2 million from ₱3.8 million in 2021 to ₱9 million in 2022 representing the cash and receivables derived from the operations.

**Non-Current Assets**

The fair market value of the Cebu lands increased by ₱551 million based on the appraisal report of an independent appraiser in December 2022. A minimal increase amounting to ₱11 thousand was recorded in property and equipment due to the purchase of equipment of Agriwave.

**Current Liabilities**

Current portion of bank loan to Land Bank decreased by 14% or ₱2.3 million from ₱16.3 million in 2021 to ₱13.9 million in 2022 due to the payment made in December 2022.

A compromise settlement of loan with the Land Bank of the Philippines resulting to a compromised amount of ₱73.0 million. Accordingly, portion of the loan amounting to ₱54.6 million was reclassified as non-current liability.

Accounts payable and other liabilities increased by 1.92% or ₱10.5 million due to the accrued expenses from operations of the companies and intercompany advances made to pay the second amortization to Land Bank and other material expenses of the Company like the settlement of Business Permit of EGRHI.

**Noncurrent Liabilities**

Total noncurrent liabilities increased by 2.17% or ₱1.17 million in 2022 due to the reclassification of bank loan from current to noncurrent.

### **Stockholder's Equity**

Total Equity increased by ₱547 million mostly due to the gain on change of fair market value of the lands in Cebu.

### **FINANCIAL CONDITION**

The operation of the subsidiaries coupled by the compromise settlement with the creditor bank resulted to the improvement in current ratio from 0.01:1 in 2021 to 0.02:1 in 2022. Moreover, debt to assets ratio also improved from 0.20:1 in 2021 to 0.17:1 in 2022.

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

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

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

### **2021 vs. 2020**

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

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

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

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

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

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

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

##### **Current Assets**

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

### **Non-Current Assets**

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

### **Current Liabilities**

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

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

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

### **Noncurrent Liabilities**

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

### **Stockholder's Equity**

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

## **FINANCIAL CONDITION**

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

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

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

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

## **MARKET PRICE OF AND DIVIDENDS ON REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS**

### ***Market Information***

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



	2022		2021		2020	
Quarter	High	Low	High	Low	High	Low
First	0.365	0.250	0.124	0.081	0.110	0.080
Second	0.325	0.240	0.740	0.095	0.145	0.051
Third	0.320	0.245	0.580	0.265	0.112	0.084
Fourth	0.285	0.243	0.410	0.290	0.102	0.080

The last trading date during the year was on December 29, 2022 of which price per share was at ₱0.255.

## Holders

The number of stockholders of record as of June 30, 2023 was 5,577 Common shares outstanding as of the same date totaled 5 billion at P1 par value per share. Listed below are the top twenty (20) stockholders as of June 30, 2023:

Name of Stockholder	No. of Shares	%
CONSOLIDATED VENTURES INC.	1,592,000,000	31.84%
PCD NOMINEE CORPORATION (FILIPINO)	1,347,306,210	26.95%
GOTESCO PROPERTIES INC.	1,069,235,000	21.38%
GO, JOEL TING	228,672,598	4.57%
GO, JOSE C.	227,820,000	4.56%
GOTESCO INVESTMENTS INC.	105,000,000	2.10%
PCCI SECURITIES BROKERS CORP.	78,125,000	1.56%
GO, JONATHAN TING	65,000,000	1.30%
GO, JOHANN TING	65,000,000	1.30%
PCD NOMINEE CORPORATION (FOREIGN)	45,308,100	0.91%
CHIH-HUI, LI	20,000,000	0.40%
LIM, ERNESTO B.	12,050,000	0.24%
MING, ZHENG YUAN	8,000,000	0.16%
KAW, ANTONIO	7,700,000	0.15%
LING, WANG BI	7,000,000	0.14%
MAN, QUI YI	5,300,000	0.11%
SOLAR SECURITIES INC.	2,800,000	0.06%
MENDOZA ALBERTO*&/OR JEANIE C. MENDOZA	2,710,000	0.05%
DY, ROSALIND O.	2,500,000	0.05%
GO, EVELYN C.	2,371,315	0.05%
OTHERS	<u>106,101,777</u>	<u>2.12%</u>
TOTAL	<u>5,000,000,000</u>	<u>100.00%</u>

## Dividends

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

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

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

## **Recent Sales of Unregistered Securities**

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

## **BUSINESS AND GENERAL INFORMATION**

### **Business Development**

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

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

On December 15, 2021, the Group acquired the net assets of Agriwave Inc. (formerly Agriwave Organic Inc.) and Everwoods Management and Development Inc. (EMDI, formerly 3-J Development Corp.) to manage the agri-ecotourism businesses.

### **Business of Issuer**

#### **Description of Registrant Products**

EGRHI has refocused its business from mall operations to agri-ecotourism starting in 2021. In particular are cultivation of agricultural produce, developments of bioreserves, bamboo farming and related manufacturing through the two relatively new subsidiaries mentioned above.

### **Competition**

Both the agriculture and ecotourism industries are important sectors for the Philippine economy.

The tourism industry has been contributing more than 12% in the country’s gross domestic product prior to the pandemic. While this has dipped to about 6.2% in 2022, the recovery period is promising as the economy opens. There is wide opportunity particularly in ecotourism with the drive towards preservation of environment and adventure in its natural surroundings. With the characteristics of its properties, EGRHI is positioning itself to be in one of the forefronts of this market.

On the other hand, EGRHI is targeting high-value agricultural products where demand is constant and there are still lots of opportunities for competition especially with the restrictions in importations as experienced during the pandemic years. Self-sufficiency in food and local growing of other agricultural produce were highlighted.

### **Customers**

The general public in the National Capital Region and those in CALABARZON are the primary targets of the Company for now. But the group expands its market throughout the country by partnership with distributors and thru intensifying its social media marketing efforts.

### **Transactions with and/or dependence on related parties**

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

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

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

### **Need for any governmental approval of principal products or services**

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

### **Effects of existing or probable governmental regulations on the business**

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

### **Amount spent for research and development activities.**

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

### **Cost and effects of compliance with environmental laws**

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

## Employees

EGRHI and subsidiaries have the following manpower under its payroll:

	2022	2021	2020
Executive	0	1	0
Manager	2	1	0
Officer	0	0	0
Rank and File	9	11	2
<b>Total</b>	<b>11</b>	<b>13</b>	<b>2</b>
Administrative	0	0	0
Operations	9	11	0
Finance and Accounting	2	2	2
<b>Total</b>	<b>11</b>	<b>13</b>	<b>2</b>

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

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

EGRHI and subsidiary company has been in business since 1995. Total consolidated net worth as of December 31, 2022 amounted to P3.01 billion. EGRHI does not engage in unsecured bonds or securities.

## Description of Property

### *Land*

Land holdings of EGRHI and subsidiaries as of December 31, 2022 include:

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

### ***Properties under lease agreements***

Subsidiaries have the following lease agreements as of December 31, 2022:

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

### **Legal Proceedings**

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

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

On April 8, 2022, the Company and the lender bank filed a Joint Motion before the Court of Appeals for the approval of Compromise Agreement and rendering of judgment based thereon.

The Court of Appeals granted the approval on November 24, 2022.

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

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

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

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

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

**National Grid Corporation of the Philippines**  
**v. Ever-Gotesco Resources and Holdings, Inc. (EGRHI), et al.**  
**Special Civil Action No. R-CEB-22-0241-SC**

**For: Expropriation with Urgent Prayer for Issuance of Writ of Possession**

On February 9, 2023, Summons with a copy of the Amended Complaint was served on the representatives of EGRHI on the matter of expropriation filed by the NGCP against the corporation and various named individuals. The properties involve some lands owned by EGRHI in Brgys. Malubog and Babag, Cebu City beside the Kang-Irag Golf Course.

NGCP contends that there is a need to construct a transmission system through the properties of EGRHI. It stated that the undertaking is for public use and it is part of the Cebu-Magdugo 230kV Transmission Line, a component of the Cebu-Negros-Panay 230kV Backbone Stage 3. NGCP intends to expropriate portions of six (6) parcels land owned by EGRHI, which portions amount to 48,908 square meters.

At present, the handling counsel for EGRHI filed a Motion for Extension of Time to File Answer. The motion was granted by the lower court, giving EGRHI until April 10, 2023 to file the necessary pleading.

**FIVE (5) KEY PERFORMANCE INDICATORS**

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

	<i>End-December 2022</i>	<i>End-December 2021</i>
Current Ratio	0.02:1.00	0.01:1.00
Debt to Assets Ratio	0.17:1.00	0.20:1.00
Net Profit Ratio	5300%	n/a
Return on Equity	18%	87%
Return on Assets <sup>3</sup>	15%	69%

Manner of calculating the above indicators is as follows:

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

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

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

		FOR THE YEAR (In Million Pesos)	
	<b>2022</b>	<b>2021</b>	<b>2020</b>
Agri- business revenue	10.25	0.14	
Other Income	551.59	2,155.28	262.7
Total	561.84	2,155.42	262.7

2. Cost Effective Measures - During the year ended 2022, the Company has been able to control and manage costs to minimum effective levels.

	<b>2022</b> <u>(in million Pesos)</u>			
	<b>Agri- Business</b>	<b>M all</b>	<b>Cine ma</b>	<b>Total</b>
Revenues	10.25	-	-	10.25
Direct Cost	(3.52)	-	-	(3.52)
General and administrative expenses	(8.03)		-	(8.03)
Interest expense		(2.75)	-	(2.75)
Other income (charges)	551.59		-	551.59
Total	<b>550.29</b>	<b>(2.75)</b>	<b>-</b>	<b>547.54</b>

	<b>2021</b> <u>(in million Pesos)</u>			
	<b>Agri- Business</b>	<b>M all</b>	<b>Cine ma</b>	<b>Total</b>
Revenues	0.14	-	-	0.14
Direct Cost	(0.26)	-	-	(0.26)
General and administrative expenses		(2.73)	-	(2.73)
Interest expense		(7.12)	-	(7.12)
Other income (charges)		2,155.28	-	2,155.28
Total	<b>(0.12)</b>	<b>2,145.43</b>	<b>-</b>	<b>2,145.30</b>



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

	FOR THE YEAR		
	(In Million Pesos)		
	<b>2022</b>	<b>2021</b>	<b>2020</b>
Income	10.2	0.14	
Income (Loss) from Operation	547.5	2,145.3	248.5
Percentage	n/a	n/a	n/a

4. Earnings Per Share – Earnings/ (Loss) per share for the year 2022 is ₱0.11, ₱0.428 in 2021 and ₱0.049 in 2020. The earnings per share is calculated by dividing the Net Income by the weighted number of shares outstanding. There were no factors that would have dilutive effects on the Earnings per share.
5. Liquidity Position – Current ratio is 0.02:1, 0.01:1, a n d 0:1 as of December 31, 2022, 2021 and 2020 respectively.

## **Other relevant discussions**

**Discussion and analysis of material event/s and uncertainties known to management that would address the past and would have impact on future operations of the company.**

Except as discussed in the foregoing results of operations and financial conditions there is/are no known:

- a. event/s that will trigger direct or contingent financial obligations that is/are material to the Company nor is/are there any other obligations in which the company may incur default or the acceleration thereof during the year;
- b. material off-balance sheet transaction, arrangements, obligations real or contingent, nor was there any relationship/s of the company with unconsolidated
- c. entities, or other persons entered into or created during the year under review.

## **Discussion on Compliance with Leading Practice on Corporate Governance**

Compliance with SEC Memorandum Circular No. 6 dated June 22, 2009 as well as all relevant Philippine Stock Exchange Circulars on Corporate Governance has been monitored.

The Company has already submitted its revised Corporate Governance Manual and complied with the leading practices and principles on good corporate governance.

The Company also complied with the appropriate self-rating assessment and performance evaluation to determine and measure the compliance with the Manual.

Any deviation, if any with the manual on Corporate Governance were properly explained and reasons thereof were properly indicated.

In, addition, the company continuously monitors all relevant PSE and SEC Circulars on Corporate Governance that may be used to improve its Manual for Corporate Governance.

In 2008, the Directors and key officers of the Corporation attended a seminar on Corporate Governance as required under its Manual on Corporate Governance.

## UNDERTAKING

The Annual Report on SEC Form 17-A will be available upon written request of the stockholders, the Corporation undertakes to furnish said stockholders with a copy of the report free of charge. Any written request for a copy of the report shall be addressed to the following :

**EVER- GOTESCO RESOURCES AND HOLDINGS, INC.**  
**3/F, Manila Real Residences,**  
**1129 Natividad Lopez St. Ermita, Manila**

Attention

  
ATTY. CHRISTINE P. BASE  
Corporate Secretary

EVER GOTESCO RESOURCES AND HOLDINGS, INC. AND SUBSIDIARIES  
1129 J. Natividad Lopez St. Ermita, Manila

STATEMENT OF MANAGEMENT'S RESPONSIBILITY  
FOR FINANCIAL STATEMENTS

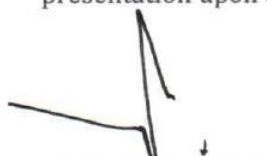
The management of **EVER GOTESCO RESOURCES AND HOLDINGS, INC. and SUBSIDIARIES**, is responsible for the preparation and fair presentation of the financial statements, including the schedules attached therein, for the year ended December 31, 2022, and 2021, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.


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

The Board of Directors is responsible for overseeing the Company's financial reporting process.

The Board of Directors reviews and approves the financial statements, including the schedules attached therein, and submits the same to the stockholders.

**Sycip Gores Velayo & Co.**, the independent auditor appointed by the stockholders, has audited the financial statements of the Company in accordance with Philippine Standards on Auditing, and in its report to the stockholders, has expressed its opinion on the fairness of presentation upon completion of such audit.

  
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JOEL T. GO  
Chairman/ President

  
\_\_\_\_\_  
EVELYN C. GO  
Treasurer

Signed this 2<sup>nd</sup> day of May 2023

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Page No. 10  
Book No. 12  
Series No of 202 2022

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ATTY. ROSALINDA ADRIANO-MONTENEGRO  
NOTARY PUBLIC  
VAL. EXPIRES ON DECEMBER 31 - 2023  
PTR NO. 97 7049 - 0126/2023 QC  
IBP O.R. NO. 25982-01-03-2023 QC  
ROLL NO 68465  
MCLE COMP NO. VII-0021672-14 APRIL 2025

## ANNEX “A”

### PENDING MATERIAL LEGAL PROCEEDINGS

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