ANNEX I

CONDUCT and MANNER OF ELECTING THE BOARD OF DIRECTORS PURSUANT TO SECTION 49, REVISED CORPORATION CODE (R.A. 112321) DURING THE ANNUAL STOCKHOLDERS' MEETING HELD ON SEPTEMBER 19, 2025

a. Minutes of ASM

(1) Voting

Members' Present	Members Who Voted	Shares Represented
	Active Realty & Devp't. Corp.[1]	3,096 Shares [77%]
Peter Laurel		One (1) – Gold Share (online)
	Antonio V. Turalba	-do-
	Antonella T. Abdon	-do-
	Jose Antonio L. Turalba	-do-
	Nicetas Katigbak	
Joselito Tapay		-do- (online)
	Alejandro Palines	-do-
	Antonio Panganiban	-do-
	Alfredo Follosco	-do-
	Teodoro Salud	-do-
	Alejo Dimailig	-do-
Gaudioso Macatangay		
Vic Alimurung		
Manolo Alcasabas		
Princess Katigbak		
Michael Ray Carr		
	Anjeanette T. Fuentebella	-do-
Renato Lazo		
Debbie Joson		
	Wildy Tan	-do-
Anna Gabrielle T. Fuentebella		
	Raymond Diga	-do-
Abe Abena		
Jose Raulito Paras		
	Pol Delos Santos	-do-
Leo Lanto		
Danton Bruesser		
R. Nonag		
Raul Montealto		
Total 29	total 14 Voters In person or by proxy	3,109 Shares(77.72%)

Manner of Voting: Secret Ballot (Sec. 8, Art. V, By-laws)

[1] By virtue of Secretary's Certificate dated 8 September 2025 issued by Atty. Albert H. Kahayon and signed proxy by Jose Antonio L. Turalba dated 8th September 2025 filed with the Asst. Corporate Secretary

(2) Opportunity Given to Stockholders to Ask Questions / and Record of the Answers Given

Stockholders were asked to send e-mail in advance to membership@malarayat.com if they have questions or comments on matters in the agenda, matters relevant to the meeting and matters of general concern to them which should be send on or before ten o'çlock in the morning, September 25, 2026. Reply to emails or letter sent to the club will be sent before or during the meeting, subject to appropriateness, relevancy and time limits, or via e-mail to the stockholder sending the said questions (*No. 5, 2025, Rules* on *Attendance & Participation in the ASM).*
No stockholder raised any question in the agenda before or during the meeting

(3) and (4) See 2025 ASM Minutes of Meeting *(pages 13-15, pars 2,3, 4 and 5)*
(5) See a (1), above

b. Material Information on Current Stockholders and Voting Rights

(i) See *(See Annex E (pages 16- 17)*

(ii) All the shareholders are entitled to cumulative voting rights in the election of directors. Each shareholder shall be entitled to as many votes as the number of shares registered in their names multiplied by the number of directors i.e., eleven (11) to be voted during the meeting. There are no conditions precedents to the exercise of cumulative voting rights. No discretionary authority to cumulative votes is being solicited. *(Item 4 [c], page 3, 20-IS)*There are no voting trust holders of 5% or more of the common shares.

c. A detailed, descriptive, balanced and comprehensible assessment of the corporation's performance, which shall include information on any material change in the corporation's business strategy, and other affairs;

Assessment of the Corporation's Performance

The Corporation continued its regular operations in 2025 despite higher operating costs, inflationary pressures, increased maintenance requirements, and changing patronage patterns.

Total revenues decreased by approximately **1% or P4.4 million** from 2024. Food and Beverage and Sports Club revenues increased by **11% and 7%**, respectively, while Membership Dues, Hotel Operations, and Other Revenues declined, particularly proprietary share transfer fees.

Operating costs increased during the year, mainly due to higher direct costs and significant repairs and maintenance expenditures. As a result, the Corporation incurred an **Operating Loss of P16.0 million** and a **Net Loss of P21.3 million** for 2025.

Cash decreased by approximately **P8.5 million**, while Trade and Other Receivables increased by approximately **P8.1 million**, emphasizing the need for continued focus on collections and cash flow management.

Despite the reported loss, the Corporation continued to sustain its operations and meet its obligations. Management remains focused on improving operational efficiency, controlling costs, strengthening collections, and increasing member and guest patronage.

The Corporation also continued its program of facility rehabilitation, maintenance, and improvements to support service quality, operational sustainability, and long-term revenue generation.

There were no material changes in the Corporation's principal business operations during the year. Management continues to implement measures aimed at improving financial and operating performance.

The Corporation's operations remain subject to seasonal patronage and competition, which may affect revenues and cash flows. Management continues to address these factors through marketing efforts and increased utilization of Club facilities.

Overall, while 2025 presented significant financial and operating challenges, the Corporation maintained business continuity and continued its efforts to strengthen its financial position and operational performance.

A detailed discussion of the Corporation's performance, liquidity, capital expenditures, losses, material changes, seasonal aspects, performance indicators, and risk factors is provided in Annex E, Item 6 – Management's Discussion and Analysis or Plan of Operation.

d. A financial report for the preceding year, which shall include financial statements duly signed and certified in accordance with this Code and the rules and the Commission may prescribe, a statement on the adequacy of the corporation's internal controls or risk management systems, and a statement of all external audit and non-audit fees;

The Corporation's audited financial statements for the year ended December 31, 2025, together with the related notes and disclosures, are included in this Annual Report and were prepared in accordance with applicable accounting standards and regulatory requirements.

For 2025, the Corporation experienced a challenging operating environment. While Food and Beverage and Sports Club revenues improved, lower Membership Dues, Hotel Operations, and Other Revenues, particularly proprietary share transfer fees, affected overall financial performance.

Total revenues decreased by approximately 1% or ₱4.4 million compared with 2024, while operating and finance costs increased. Consequently, the Corporation incurred a net loss of approximately ₱21.3 million for the year.

Management continues to monitor liquidity, collections, operating costs, financial obligations, and key financial risks to support the Corporation's continuing operations and financial sustainability.

The Corporation maintains internal controls and risk management measures covering financial reporting, cash management, collections, and financial and operational risks. External audit and non-audit fees, together with the related disclosures, are presented in the audited financial statements.

For a detailed discussion of the Corporation's financial performance, liquidity, risks, material changes, and other financial matters, reference is made to **Annex E, Item 6 – Management's Discussion and Analysis or Plan of Operation**.

e. An explanation of the dividend policy and the fact of payment of dividends or the reasons for nonpayment thereof;

Payment or Non-Payment of Dividends
For the fiscal year ended December 31, 2025, the Corporation did not declare or pay cash dividends to its stockholders.

As a **Stock Non-Profit Corporation**, the Corporation's earnings are primarily retained and allocated to the improvement, maintenance, development, and enhancement of the golf course and other Club facilities and services for the benefit of its stockholders and members.

Accordingly, rather than distributing earnings as dividends, the Corporation reinvests its resources in the Club's facilities and operations to preserve and enhance the value, quality, and continued use of the golf course and other amenities by its stockholders and members.

The non-payment of dividends for the fiscal year ended December 31, 2025 is consistent with the Corporation's purpose and practice of utilizing its earnings to support the improvement and continued development of the Club for the benefit of its stockholders and members.

f. Material Information on Directors: (see Item 5 [a] and [c], page 4, 20 IS)
g. Directors' Attendance Report in Board/Committee Meetings. The corporation ensures that majority of board of the directors are present to constitute a quorum for the transaction of the business in the agenda in compliance with section 5 article, by-laws
h. Performance and appraisal Report on Directors – N/A, no longer required under existing regulation by SEC
i. Directors' Compensation: see Item 6 [a] and [b] pages 10-11, 20 -IS
j. Disclosure on Self-dealing Director – N/A
k. Profiles of Directors Seeking Nomination or re-election *(see Final List of Nominees, pages 8-9, 20-IS)*