



NOTICE TO MEMBERS

The Board of Directors ("Board") received an email soliciting proxies on behalf of Messrs. Philip Go, Julio Manalo, Tino Ko, Jose Lalisan, Jr., and Wilfred Young.

While the Board respects and upholds the right of the aforementioned candidates to solicit proxies, the email contains certain statements which the Board wishes to correct and clarify.

1. Exemption from Monthly Dues

The exemption of the Club's Founders from monthly dues has been affirmed both by the Securities and Exchange Commission ("SEC") in 2000 and by the Court of Appeals earlier this year.

As the Board has previously announced, the Court of Appeals has issued a Decision dated 30 May 2023 in CA-G.R. SP No. 177020 that the exemption granted to the Founders is VALID and NOT CONTRARY TO LAW.

In fact, the Court of Appeals recently denied the motion for reconsideration of the respondents, which include Messrs. Go, Manalo and Lalisan, in a Resolution dated 24 August 2023. In the said resolution, the Court of Appeals categorically ruled that the Decision dated 12 October 2000 of the SEC in SEC Case No. 08-98-6056 is applicable, and reiterated the validity of the exemption of the Founders from monthly dues.

Given the foregoing, the Board considers the email to be misleading and in bad faith. While the Board upholds the right of all candidates to solicit proxies, alluding to the exemption of the Founders while the matter is being litigated in the appropriate forum and despite the explicit ruling of the Court of Appeals shows dishonesty and bad faith.

2. Golf Cart Parking Lot

The authors of the email question the decision of the Board to construct a parking lot for the Club's golf carts. However, a careful examination of the facts will demonstrate that the parking lot is both necessary and beneficial to the Club and its members.

The Club's fleet is now composed of 220 golf carts, representing an increase of more than 100% from the Club's early years of operation. Consequently, the cart barn could no longer accommodate new carts, which were being parked in open areas. Thus, on the basis of the following factors, the Board determined that there was a need for the construction of a parking lot for the golf carts:

- (a) Golf carts cannot be parked in roofless areas. The maintenance, upkeep and preservation of the Club's fleet made the construction of the parking lot obligatory;
- (b) A new parking lot will ensure that all carts in the Club's fleet are fully charged and ready for use the following day, thereby maximizing their utility and benefiting members;
- (c) A new parking lot will also decongest traffic within the Club's premises by unclogging the driveway and reducing foot traffic on the driveway; and
- (d) The facility is not only a parking area for golf carts but serves as parking, charging and staging area for the Club's golf carts.



As the Board has previously reported, the average active members have increased from 1,054 in 2017 to 1,400 in 2022. Thus, the construction of the parking lot supports the Club's re-fleeting of its carts, which is made necessary by the continuous increase in the number of golf rounds and the utilization of golf carts.

3. Stairway to Veranda

The authors of the email also question the Board's decision to construct a stairway to the veranda.

As the number of golf rounds continue to rise, the Board, upon the recommendation of Management, determined that a stairway that links the locker rooms to the veranda will benefit the Club's members and guests. Given that the Golfers Lounge is almost always full, the stairway is also intended to maximize the utilization of the veranda and the Benitez Hall, which will in turn augment the Club's revenues. In addition, since most of the food served at the Club is prepared from the veranda kitchen, dining staff may utilize the stairway to facilitate service to the Golfers Lounge.

One of the objectives of the Club is to provide premier services to its members and guests, which requires the continuous improvement not only of golf and sports facilities, but also of the clubhouse and dining amenities. The charge that the construction of the stairway somehow discredits the Board's commitment to improve the Club's golf courses is therefore misleading.

The fact that our fairways and greens are in excellent condition demonstrates the fallacy of the argument advanced by the authors of the email.

4. Transparency

As with all of projects, the construction of the golf cart parking lot and the stairway went through the usual and standard bidding procedure, which was initiated by the posting of an advisory and invitation to bid on the Club's bulletin boards. In fact, some members participated in the bidding.

The tenor of the email suggests that the Board undertook the aforementioned projects for the purpose of private gain, or without considering the financial impact of the costs to the Club. The email is only the latest in similar attacks on the integrity of the members of the Board.

However, together with Management, the Board's track record has enabled the Club to amass several achievements, such as the Club's strong financial position, a substantial increase in share values, and a constant stream of membership applications. These accomplishments would not be possible without proper fiscal engagement and prudent spending, standards which the Board has and continues to adhere to.

The Board believes that the misleading statements in the email will not stand scrutiny from a large majority of our members. As the excellent condition of our golf courses demonstrates the fallacies put forward by the authors of the email, the Club's strong financial position proves the Board's prudence and acumen in the financial management of the Club's affairs. The Board also believes that its aspiration to improve the Club, its facilities and services worthy of a premier golf club is shared by our members.

The Board of Directors