



## SECURITIES AND EXCHANGE COMMISSION

## SEC FORM 20-IS

INFORMATION STATEMENT PURSUANT TO SECTION 17.1(b)  
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 **City & Land Developers, Incorporated**3. **Makati City, Philippines**

Province, country or other jurisdiction of incorporation or organization

4. SEC Identification Number **152661**5. BIR Tax Identification Code **000-444-840**6. **3/F Cityland Condominium 10 Tower I, 156 H.V. Dela Costa Street,  
Makati City**

Address of principal office

**1226**

Postal Code

7. Registrant's telephone number, including area code **(632) 8-893-6060**

8. Date, time and place of the meeting of security holders

Date - **June 14, 2022**  
Time - **4:00 PM**  
Place - **Virtually or via ZOOM**

9. Approximate date on which the Information Statement is to be first sent or given to security holders  
**May 24, 2022.**

10. Securities registered pursuant to Sections 8 and 12 of the Code or Sections 4 and 8 of the RSA (information on number of shares and amount of debt is applicable only to corporate registrants):

<u>Title of Each Class</u>	<u>Number of Shares Outstanding</u>
<b>Unclassified Common Shares</b>	<b>1,431,785,284</b>

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

Yes [ **X** ] No [ ]

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

<u>Stock Exchange</u>	<u>Title of Each Class</u>
<b>Philippine Stock Exchange</b>	<b>Unclassified Common Shares</b>

## INFORMATION REQUIRED IN INFORMATION STATEMENT

### A. GENERAL INFORMATION

#### I. Date, time and place of meeting of security holders

Date	-	June 14, 2022
Time	-	4:00 P.M.
Place	-	Virtually or via ZOOM
Principal Office	-	3/F Cityland Condominium 10 Tower I, 156 H.V. Dela Costa Street, Makati City, Philippines

In light of the COVID-19 global pandemic, there will be no physical venue allotted for stockholders to attend the Annual Stockholders' Meeting (ASM). Thus, the ASM will be held virtually or via ZOOM. The presiding officer shall call and preside the ASM at Makati City, where the principal office of the Corporation is located.

Approximate date on which the Information Statement is to be first sent or given to security holders **May 24, 2022.**

#### II. Dissenters' Right of Appraisal

Under the Section 80 of the Revised Corporation Code, any stockholder of a corporation shall have the right to dissent and demand payment of the fair value of the shares in the following instances:

- (a) In case an 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 this 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

Section 81 of the Revised Corporation Code also mentioned how such right is exercised:

- The dissenting stockholder who votes against a proposed corporate action may exercise the right of appraisal by making a written demand on the corporation for the payment of the fair value of shares held within thirty (30) days from the date on which the vote was taken: Provided, That failure to make the demand within such period shall be deemed a waiver of the appraisal right. If the proposed corporate action is implemented, the corporation shall pay the stockholder, upon surrender of the certificate or certificated of stock representing the stockholder's shares, the fair value thereof as of the day before the vote was taken, excluding any appreciation or depreciation in anticipation of such corporate action.
- If, within sixty (60) days from the approval of the corporate action by the stockholders, the withdrawing stockholder and the corporation cannot agree on the fair value of 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 (2) 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: Provided, further, That upon payment by the corporation of the agreed or awarded price, the stockholder shall forthwith transfer the shares to the corporation.

There are no matters or actions to be taken up at the Annual Stockholders' Meeting of the Registrant which would fall under any of the foregoing instances of appraisal.

### III. Interest of Certain Persons in or Opposition to Matters to be Acted Upon

- a. No person who has been a director or officer of the Registrant, nor a nominee for election as a director of the Registrant, nor any of their associates have a substantial interest in any matter to be acted upon at the Annual Stockholders' Meeting, other than the election of directors for the fiscal year 2022.
- b. No director has informed the Registrant in writing that he intends to oppose any action to be taken at the Annual Stockholders' Meeting.

### B. CONTROL AND COMPENSATION INFORMATION

#### IV. Voting Securities and Principal Holders Thereof

1. The Registrant has **1,431,785,284** unclassified common shares issued and outstanding as of **March 31, 2022**. Each common share shall be entitled to one vote with respect to all matters to be taken up during the Annual Stockholders' Meeting.
2. The record date for determining stockholders entitled to notice and to vote during the Annual Stockholders' Meeting and also to this information statement is on **May 16, 2022**.
3. In the election of directors, the number of votes to which each stockholder is entitled shall be equal to the number of shares he owns multiplied by the number of directors to be elected. All stockholders shall have cumulative voting rights. Each 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.
4. Security Ownership of Record and Beneficial Owners owning more than 5% of the outstanding capital stock of the Registrant as of March 31, 2022:

Title of Class	Name, Address of Record Owner & Relationship with Issuer	Beneficial Owner & Relationship with Record Owner	Citizenship	No. of Shares Held	Percentage
Unclassified common shares	Cityland Development Corporation* 2/F Cityland Condominium 10 Tower I, 156 H.V. Dela Costa Street, Makati City -principal stockholder		Filipino	712,030,839	49.73%
Unclassified common shares	Cityland, Inc.** 3/F Cityland Condominium 10 Tower I, 156 H.V. Dela Costa Street, Makati City -principal stockholder		Filipino	422,918,496	29.54%

\*The following directors/stockholders direct the voting or disposition of shares held by Cityland Development Corporation (beneficial owners) as of March 31, 2022:

Title of Class	Name, Address of Record Owner & Relationship with Cityland Development Corporation	Beneficial Owner & Relationship with Record Owner	Citizenship	No. of Shares Held	Percentage
Unclassified common shares	Dr. Andrew I. Liuson 2072, Lumbang Cor. Cypress Streets, Dasmariñas Village, Makati City Director/Chairman of the Board	- same as record owner -	Filipino	176,679,753	3.64%
Unclassified common shares	Mrs. Grace C. Liuson 2072, Lumbang Cor. Cypress Streets, Dasmariñas Village, Makati City Director/Vice Chairman of the Board	- same as record owner -	Filipino	259,047,549	5.34%

<b>Title of Class</b>	<b>Name, Address of Record Owner &amp; Relationship with Cityland Development Corporation</b>	<b>Beneficial Owner &amp; Relationship with Record Owner</b>	<b>Citizenship</b>	<b>No. of Shares Held</b>	<b>Percentage</b>
Unclassified common shares	Mr. Josef C. Gohoc 17 Stella Street, Bel-Air, Village 3, Makati City Director/President	- same as record owner -	Filipino	117,068,987	2.41%
Unclassified common shares	Mrs. Helen C. Roxas 1392 Campanilla Street, Dasmariñas Village, Makati City Director	- same as record owner -	Filipino	73,801,268	1.52%
Unclassified common shares	Mr. Peter S. Dee #7 Banaba Circle, South Forbes Park, Makati City Independent Director	- same as record owner -	Filipino	620,795	0.01%
Unclassified common shares	Mr. George Edwin SyCip 60 Cambridge Circle, North Forbes Park, Makati City Independent Director	- same as record owner -	American	1,232	–
Unclassified common shares	Bp. Eduardo C. Villanueva 101 Bunlo, Bocaue, Bulacan Independent Director	- same as record owner -	Filipino	1,050	–
Unclassified common shares	Mr. Benjamin I. Liuson 1853 Sagu Street Dasmariñas Village, Makati City Director	- same as record owner -	Filipino	523,472	0.01%
Unclassified common shares	Mr. Jefferson C. Roxas 2144 Paraiso St., Dasmariñas Village, Makati City Director	- same as record owner -	Filipino	128,651,197	2.64%

\*\*The following directors/stockholders direct the voting or disposition of the shares held by Cityland, Inc. (beneficial owners) as of March 31, 2022:

<b>Title of Class</b>	<b>Name, Address of Record Owner &amp; Relationship with Cityland, Inc.</b>	<b>Beneficial Owner &amp; Relationship with Record Owner</b>	<b>Citizenship</b>	<b>No. of Shares Held</b>	<b>Percentage</b>
Unclassified common shares	Dr. Andrew I. Liuson 2072, Lumbang Cor. Cypress Streets, Dasmariñas Village, Makati City Director/Chairman of the Board	- same as record owner -	Filipino	20,345,119	13.63%
Unclassified common shares	Mrs. Grace C. Liuson 2072, Lumbang Cor. Cypress Streets, Dasmariñas Village, Makati City Director/Vice Chairman of the Board	- same as record owner -	Filipino	22,040,492	14.77%
Unclassified common shares	Mr. Josef C. Gohoc 17 Stella Street, Bel-Air, Village 3, Makati City Director/President	- same as record owner -	Filipino	2,342,907	1.57%
Unclassified common shares	Mrs. Helen C. Roxas 1392 Campanilla Street, Dasmariñas Village, Makati City/ Director	- same as record owner -	Filipino	13,563,404	9.09%

Title of Class	Name, Address of Record Owner & Relationship with Cityland, Inc.	Beneficial Owner & Relationship with Record Owner	Citizenship	No. of Shares Held	Percentage
Unclassified common shares	Mr. Peter S. Dee #7 Banaba Circle, South Forbes Park, Makati City Independent Director	- same as record owner -	Filipino	50	0.00%
Unclassified common shares	Ms. Anastasia Y. Dy 8/F Chatham House, 116 Valero St., Salcedo Village, Makati City Independent Director	- same as record owner -	Filipino	11	0.00%
Unclassified common shares	Mr. Benjamin I. Liuson 1853 Sagu Street Dasmariñas Village, Makati City / Director	- same as record owner -	Filipino	11	0.00%
Unclassified common shares	Mr. Jefferson C. Roxas 2144 Paraiso St., Dasmariñas Village, Makati City / Director	- same as record owner -	Filipino	87,543	0.06%
Unclassified common shares	Mr. Stephen C. Roxas 1392 Campanilla Street, Dasmariñas Village, Makati City Stockholder owning more than 5% of Cityland, Inc.	- same as record owner -	Filipino	42,077,126	28.20%
Unclassified common shares	The Good Seed Sower Foundation, Inc. 581 Quintin Paredes St, Binondo, Manila Stockholder owning more than 5% of Cityland, Inc.	Josef Gohoc / <i>President</i> Winefreda Go / <i>Treasurer</i> Johann Gohoc / <i>Corporate Secretary</i> Joel Gohoc / <i>Board of Trustee</i> Emma Choa / <i>Board of Trustee</i>	Filipino	17,632,387	11.82%
Unclassified common shares	Mrs. Lucy Fan 47 Cambridge Circle North Forbes Park, Makati City Stockholder owning more than 5% of Cityland, Inc.	- same as record owner -	American	13,563,404	9.09%
Unclassified common shares	Mr. Daniel Y. Chiong 333 Juan Luna St., Binondo, Manila Stockholder owning more than 5% of Cityland, Inc.	- same as record owner -	Filipino	9,494,360	6.36%

5. Security Ownership of Management as of March 31, 2022:

Title of Class	Name Position	Citizenship	Amount	Percentage	Nature of Ownership
<b>Directors:</b>					
Unclassified common shares	Dr. Andrew I. Liuson Director / Chairman of the Board	Filipino	18,105,979	1.26%	Direct / Indirect
Unclassified common shares	Grace C. Liuson Director / Vice Chairman of the Board	Filipino	6,737,109	0.47%	Direct
Unclassified common shares	Josef C. Gohoc Director / President	Filipino	3,488,652	0.24%	Direct / Indirect
Unclassified common shares	Helen C. Roxas Director	Filipino	143,166	0.01%	Direct

<b>Title of Class</b>	<b>Name Position</b>	<b>Citizenship</b>	<b>Amount</b>	<b>Percentage</b>	<b>Nature of Ownership</b>
Unclassified common shares	Peter S. Dee Independent Director / Chairman - Audit and Risk Committee	Filipino	2,110,852	0.15%	Direct
Unclassified common shares	Cesar E.A. Virata Independent Director / Chairman- Corporate Governance Committee	Filipino	98,540	0.00%	Direct
Unclassified common shares	Benjamin I. Liuson Director	Filipino	1,124,050	0.08%	Direct
Unclassified common shares	Jefferson C. Roxas 2144 Paraiso St., Dasmariñas Village, Makati City Director	Filipino	6,046,386	0.42%	Direct
Unclassified common shares	Emma A. Choa Director / Executive Vice President / Treasurer	Filipino	445,231	0.03%	Direct / Indirect
<b>Executive Officers:</b>					
Unclassified common shares	Andrew I. Liuson Director / Chairman of the Board	Filipino	—	—	—
Unclassified common shares	Grace C. Liuson Director / Vice Chairman of the Board	Filipino	—	—	—
Unclassified common shares	Josef C. Gohoc Director / President	Filipino	—	—	—
Unclassified common shares	Emma A. Choa Director / Executive Vice President / Treasurer	Filipino	—	—	—
Unclassified common shares	Rudy Go Senior Vice President/ Chief Financial Officer/ Compliance Officer & Corporate Information Officer/ Data Protection Officer/ Investor Relations Officer	Filipino	294,029	0.02%	Direct
Unclassified common shares	Melita M. Revuelta Vice President/ Alternate Compliance Officer & Alternate Corporate Information Officer	Filipino	275,363	0.02%	Direct / Indirect
Unclassified common shares	Melita L. Tan Vice President	Filipino	64,972	0.00%	Direct
Unclassified common shares	Romeo E. Ng Vice President	Filipino	600,879	0.04%	Direct / Indirect

Title of Class	Name Position	Citizenship	Amount	Percentage	Nature of Ownership
Unclassified common shares	Rosario D. Perez Vice President – Executive Affairs	Filipino	227,533	0.02%	Direct
Unclassified common shares	Winefreda R. Go Vice President – Purchasing Department	Filipino	39,041	0.00%	Direct
Unclassified common shares	Dorothy U. So Assistant Vice President – Head of Internal Audit Department	Filipino	275,454	0.02%	Direct / Indirect
Unclassified common shares	Atty. Andre Anton S. Suarez Corporate Secretary	Filipino	–	–	–
Unclassified common shares	Jocelyn C. De Asis Assistant Corporate Secretary	Filipino	28,208	0.00%	Direct
<b>Security Ownership of All Directors and Officers</b>			<b>40,105,444</b>	<b>2.78%</b>	

It is the policy of City & Land Developers, Incorporated (the Company) to have timely and accurate disclosures to regulatory agencies. Any change in the shareholdings resulting from transactions entered into by the directors and executive officers, either by acquisition or disposal are reported to the Philippine Stock Exchange and Securities and Exchange Commission within five days from the date of the transaction. The Company requires its directors and officers to report immediately to the Corporate Secretary and the Compliance Officer any plan/s to transact with the shares of the Company.

For the past five (5) years, there were no transactions pertaining to trading by insiders. The Company continues to adhere with existing government regulations.

The Board conducts an annual self-assessment of its performance, including the performance of the Chairman, individual members and committees. Board assessment helps the directors to thoroughly review their performance and understand their roles and responsibilities. The periodic review and assessment of the Board's performance as a body, the board committees, the individual directors, and the Chairman show how the aforementioned should perform their responsibilities effectively. In addition, it provides a means to assess a director's attendance at board and committee meetings, participation in the board room discussions and manner of voting on material issues.

6. The Registrant knows no person holding more than 5% of common shares under voting trust or similar agreement.
7. No change in the control of the corporation has occurred since the beginning of its last fiscal year.
8. Percentage of ownership as of March 31, 2022:

Nationality	Number of shares	Percentage of ownership
Local-owned shares (Filipino)	1,426,073,963	99.60
Foreign-owned shares (Non-Filipino)	5,711,321	0.40
<b>Total</b>	<b>1,431,785,284</b>	<b>100.00</b>



## V. Directors and Executive Officers

### 1. Identify Directors, including Independent Directors, and Executive Officers

The following are the Directors and Executive Officers of the Company for the year 2021:

Names	Citizenship	Position	Period of Service	Term of Office	Age	Family Relationship
Stephen C. Roxas	Filipino	Director Chairman of the Executive Committee	06/28/1988 to 12/07/2021 07/01/1997 to 12/07/2021	1	80	Husband of Helen C. Roxas, brother of Grace C. Liuson; brother-in-law of Dr. Andrew I. Liuson; father of Jefferson C. Roxas and uncle of Josef C. Gohoc
Dr. Andrew I. Liuson	Filipino	Director Chairman of the Board	06/28/1988 to Present 08/25/2020 to Present	1	77	Husband of Grace C. Liuson; brother-in-law of Stephen C. Roxas
Grace C. Liuson	Filipino	Director Vice Chairman of the Board	06/28/1988 to Present 08/25/2020 to Present	1	76	Wife of Andrew I. Liuson; sister of Stephen C. Roxas; aunt of Josef C. Gohoc and Jefferson C. Roxas; and sister-in-law of Helen C. Roxas
Josef C. Gohoc	Filipino	Director President	01/04/2011 to Present 02/01/2011 to Present	1	52	Nephew of Stephen C. Roxas, Helen C. Roxas, Grace C. Liuson and Dr. Andrew I. Liuson; and cousin of Jefferson C. Roxas
Helen C. Roxas	Filipino	Director	06/28/1988 to Present	1	72	Wife of Stephen C. Roxas; sister-in-law of Grace C. Liuson and Dr. Andrew I. Liuson; and mother of Jefferson C. Roxas
Peter S. Dee	Filipino	Independent Director / Chairman-Audit & Risk Committee	11/22/2004 to Present	1	80	--
Cesar E.A. Virata	Filipino	Independent Director Chairman-Corporate Governance Committee	06/09/2009 to Present 04/06/2018 to Present	1	91	--

Names	Citizenship	Position	Period of Service	Term of Office	Age	Family Relationship
Benjamin I. Liuson	Filipino	Director	06/11/2019 to Present	1	72	Brother of Dr. Liuson; and brother-in-law of Grace C. Liuson
Jefferson C. Roxas	Filipino	Director	12/07/2021 to Present	1	39	Son of Stephen C. Roxas and Helen C. Roxas; nephew of Grace C. Liuson and cousin of Josef C. Gohoc
Emma A. Choa	Filipino	Director Executive Vice President Treasurer	08/25/2020 to Present 01/01/2015 to Present 02/01/2011 to Present	1	61	--
Rudy Go	Filipino	Senior Vice President/ Chief Financial Officer/ Compliance Officer & Corporate Information Officer Data Protection Officer Investor Relations Officer	01/01/2015 to Present    08/29/2017 to Present 06/14/2018 to Present	1	62	--
Melita M. Revuelta	Filipino	Vice President / Alternate Compliance Officer & Alternate Corporate Information Officer	01/16/2008 to Present/ 01/01/2015 to Present	1	63	--
Melita L. Tan	Filipino	Vice President	02/21/2004 to Present	1	61	--
Romeo E. Ng	Filipino	Vice President	01/10/2005 to Present	1	60	--
Rosario D. Perez	Filipino	Vice President – Executive Affairs	02/09/2017 to Present	1	62	--
Winefreda R. Go	Filipino	Vice President – Purchasing Department	05/16/2017 to Present	1	63	--
Atty. Emma G. Jularbal	Filipino	Vice President – Legal Affairs Corporate Secretary	07/01/2001 to 04/05/2021  01/01/2013 to 04/05/2021	1	65	--
Dorothy U. So	Filipino	Assistant Vice President– Head of Internal Audit Department	07/2001 to Present	1	63	--
Atty. Andre Anton S. Suarez	Filipino	Corporate Secretary	04/05/2021 to Present	1	33	--
Jocelyn C. De Asis	Filipino	Assistant Corporate Secretary	07/03/2013 to Present	1	52	--

There were no directors who resigned or declined to stand for re-election to the board of directors since the last date of the last annual meeting of security holders because of a disagreement with the Registrant on any matter relating to the Registrant’s operations, policies or practices.

**Business Experience for the past 5 Years up to Present:**

Name	Name of Office	Positions
DR. ANDREW I. LIUSON	Cityland Development Corporation Cityland, Inc. Febias College of Bible	Director / Chairman of the Board Director / Chairman of the Board Chairman

Name	Name of Office	Positions
	International Graduate School of Leadership Makati Gospel Church	Chairman President / Trustee
GRACE C. LIUSON	Cityland Development Corporation  Cityland, Inc.  Youth Gospel Center of the Philippines Makati Gospel Church	Director / Vice Chairman of the Board Director / Vice Chairman of the Board Treasurer / Trustee Treasurer / Trustee
JOSEF C. GOHOC	Cityland Development Corporation Cityland, Inc. Cityplans, Incorporated Asian Business Solutions, Inc. Philippine Trading & Investment Corporation Atlas Agricultural & Mercantile Development Corp. Febias College of Bible International Graduate School of Leadership Good Seed Sower Foundation, Inc.	Director / President Director / President Chairman of the Board Director Director Director Board of Trustee Board of Trustee Board of Trustee/President
HELEN C. ROXAS	Cityland Development Corporation Cityland, Inc. Good Tidings Foundation, Inc. Center for Community Transformation Inc. CCT Kaibigan Ministry	Director Director Treasurer Trustee Corporate Secretary
PETER S. DEE	Alpolac, Inc China Banking Corporation CBC Properties & Computer Center, Inc Cityland, Inc.  Cityland Development Corporation  Commonwealth Foods, Inc. GDSK Development Corporation Makati Curbs Holdings Corporation Great Expectation Holdings, Inc The Big D Holdings Corporation Hydee Management & Resources Corporation Kemwerke, Inc.	Director Director Director / President Independent Director / Chairman- Audit & Risk Committee / Chairman- Corporate Governance Committee Independent Director / Chairman- Audit & Risk Committee Director Director Director Director / Chairman / President Director / Chairman / President Director Director
CESAR E.A. VIRATA	ATAR IV Property Holding Company, Inc Rizal Commercial Banking Corp.  Malayan Insurance Co., Inc. RCBC Realty Corporation Luisita Industrial Park Business World Publishing Corp.  Malayan Education System, Inc. (Mapua University) Cavitex Holdings, Inc. YGC Corporate Services, Inc. ALTO Pacific Company, Inc. RCBC Land, Inc. RCBC Bankard Services Corp. AY Foundation, Inc Yuchengco Center Niyog Property Holdings, Inc.	Chairman & Director Director & Corporate Vice Chairman Director Director Director/Vice Chairman Vice Chairman / Independent Director Trustee Director Director Chairman & Director President & Director Chairman & Director Trustee Trustee Director

Name	Name of Office	Positions
	Lopez Holdings Corporation	Adviser
	World Trade Center Management, Inc.	Director
	Cajel Realty Corporation	Director
	Tan Yan Kee Foundation, Inc.	Trustee
	IFI Support Foundation, Inc.	Trustee
	UP Business Research Foundation, Inc.	Chairman Emeritus
	Yuchengco Museum	Trustee
	UCM Philippines Foundation, Inc.	Chairman
	PDS Holding Corporation	Chairman Emeritus
	Cavite Historical Society	Chairman/Trustee
BENJAMIN I. LIUSON	Cityland Development Corporation	Director
	Cityland, Inc.	Director
	The Generics Pharmacy, Inc.	Chairman
	TGP Pharma Inc.	Chairman
	CL Realty Development Inc.	President
	Romans 828 Land Inc.	President
	Silverwind Allov Castings Inc.	Director
	Drugmakers Lab Inc.	Director
	Febias College of Bible	Trustee
	Center for Community Transformation Inc.	Trustee
	Gospel Operation Phil Inc.	Trustee
	Bless Foundation Inc.	Trustee
	Global Filipino Movement, Inc.	Trustee
	Makati Gospel Church	Trustee
	Jedidiah Inc.	President
	Keziah Inc.	President
JEFFERSON C. ROXAS	Cityland Development Corporation	Director
	Cityland, Inc.	Director
	Cityplans, Incorporated	Director/President
	Vision Properties Development Corporation	Partner
EMMA A. CHOA	Cityland Development Corporation	Executive Vice President / Treasurer
	Cityland, Inc.	Executive Vice President / Treasurer
	Cityplans, Incorporated	Director
	Worldnet Information and Services, Inc.	Treasurer
	Good Seed Sower Foundation, Inc.	Board of Trustee
RUDY GO	Cityland Development Corporation	Senior Vice President / Chief Financial Officer / Compliance Officer & Corporate Information Officer / Data Protection Officer / Investor Relations Officer
	Cityland, Inc.	Senior Vice President / Chief Financial Officer / Compliance Officer & Corporate Information Officer / Data Protection Officer / Investor Relations Officer
	Cityplans, Incorporated	Senior Vice President / Compliance Officer / Data Protection Officer
MELITA M. REVUELTA	Cityland Development Corporation	Vice President / Alternate Compliance Officer & Alternate Corporate Information Officer
	Cityland, Inc.	Vice President & Asst. Corporate Secretary / Alternate

Name	Name of Office	Positions
		Compliance Officer & Alternate Corporate Information Officer
	Cityplans, Incorporated	Vice President /Alternate Compliance Officer
	Worldnet Information and Services Inc.	President
MELITA L. TAN	Cityland Development Corporation Cityland, Inc.	Vice President Vice President
ROMEO E. NG	Cityland Development Corporation Cityland, Inc.	Vice President Vice President
ROSARIO D. PEREZ	Cityland Development Corporation Cityland, Inc. Worldnet Information and Services, Inc.	Vice President – Executive Affairs Vice President – Executive Affairs Auditor
WINEFREDA R. GO	Cityland Development Corporation Cityland, Inc. Good Seed Sower Foundation, Inc.	Vice President – Purchasing Department Vice President – Purchasing Department Board of Trustee/Treasurer
DOROTHY U. SO	Cityland Development Corporation Cityland, Inc.	Assistant Vice President- Head of Internal Audit Department Assistant Vice President- Head of Internal Audit Department
JOCELYN C. DE ASIS	Cityland Development Corporation Cityland, Inc. Cityplans, Incorporated	Assistant Corporate Secretary Corporate Secretary Corporate Secretary

## 2. Identify Significant Employees

There is no identifiable significant employee because the Registrant expects each employee to do his/her share in achieving the corporations' goals.

## 3. Involvement in Certain Legal Proceedings of Any of the Directors and Executive Officers During the Past Five years up to the Latest Date

During the past five years up to the latest date, there is no involvement in certain legal proceedings of any of the directors and executive officers in any court or administrative agency of the government.

- a. None of them has been involved in any bankruptcy petition.
- b. None of them has been convicted by final judgment in any criminal proceeding or being subject to a pending criminal proceeding, both domestic and foreign.
- c. None of them has been subjected 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 their involvement in any type of business, securities and commodities or banking activities.
- d. None of them has been found by a domestic or foreign court of competent jurisdiction (in a civil action), the Commission or comparable 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.

#### 4. Attendance of Board of Directors

For the year 2021, there were 21 Board of Directors' meetings. Below is the summary attendance of the members of the Board of Directors:

	No. of Meetings Attended / Held		
	Regular	Special	Total
Mr. Stephen C. Roxas ( <i>retired effective December 7, 2021</i> )	–	19/19	19/19
Dr. Andrew I. Liuson	2 / 2	19/19	21/21
Mrs. Grace C. Liuson	2 / 2	19/19	21/21
Mr. Josef C. Gohoc	2 / 2	19/19	21/21
Mrs. Helen C. Roxas	2 / 2	19/19	21/21
Mr. Peter S. Dee	2 / 2	19/19	21/21
Mr. Cesar E.A. Virata	2 / 2	19/19	21/21
Mr. Benjamin I. Liuson	2 / 2	19/19	21/21
Ms. Emma A. Choa	2 / 2	19/19	21/21
Mr. Jefferson C. Roxas ( <i>appointed December 7, 2021</i> )	2 / 2	–	2/2

#### 5. Legal Proceedings to Which the Registrant or Any of Its Subsidiaries is a Party

The material legal proceedings to which the Company is a party or of which any of its subject during the past five (5) years up to latest date are as follows:

- **COMPANY**
  - a. **Sta. Ana Village Homeowners' Assoc. Inc. (SAVHA) vs. City & Land Developers, Inc.**  
Civil Case No. 12-009  
Parañaque Regional Trial Court – Branch 274  
Date Instituted: January 16, 2012  
  
SAVHA filed a Complaint dated January 16, 2012 which was received by CLDI on March 3, 2012, to enjoin defendant and all persons allowed by said defendant CLDI from using Benedictine Street in Sta. Ana Village, Barangay Sun Valley, Parañaque City, and to order the defendant by way of a writ of mandatory injunction, to open another outlet to the main road without cost or liability to plaintiff.  
  
CLDI stated in its Answer that plaintiff has not proven its claim over Benedictine Street because the Deed of Donation used by the plaintiff is a falsified and/or spurious document. Furthermore, there is a Right-of-Way Agreement for Benedictine Street. Case was dismissed. However, SAVHA filed a Motion for Reconsideration which was granted. SAVHA's unnotarized Judicial Affidavit of first witness was expunged from the records of the case. SAVHA's legal counsel withdrew from the case. New counsel for SAVHA appeared. First witness of SAVHA was cross-examined by CLDI counsel – witness got confused as to identity of respondent and presented title of CI but they sued CLDI, hence, complainant sued the wrong corporation. SAVHA submitted its Motion for Leave to Admit Amended Complaint. CLDI opposed. The Court denied the Motion and its succeeding Motion for Reconsideration and ordered the continuation of the hearing for the case. Next hearing is on June 23, 2022.
  - b. **Republic of the Philippines represented by the Department of Public Works and Highways (DPWH), through the Bureau of Design – Right of Way Office (BOD-ROWO) versus City & Land Developers, Inc. (CLDI)**  
Case No. CA G.R. No. CV-112245  
Parañaque Regional Trial Court – Branch 274  
Date Instituted: July 16, 2013  
  
DPWH filed a Complaint for Expropriation for certain portions of the properties, including the improvements therein, of CLDI located in Barangay Tambo, Parañaque City, which will be part of the NAIA Expressway Project Phase II.

CLDI disputed the valuation made by the DPWH on the properties. The Court issued a Decision in favour of CLDI. The DPWH thru the Office Solicitor General (OSG) filed its Motion for Reconsideration which was granted by the new presiding Judge. CLDI filed a Notice of Appeal which was favorably granted by the Court of Appeals. The OSG filed its Motion for Consideration, then CLDI filed its Comment/Objection thereto. An amended

Decision was issued by the Court of Appeals as to the interest to be paid by the DPWH. Entry of judgment was issued. Record of the case is now remanded to Parañaque RTC and the case is for execution of the judgment.

- **PROPERTY**

Aside from the mentioned cases, there were no other cases filed wherein any of the Company's property/ies is/are the subject.

The Company does not expect that the outcome of the material legal proceedings above involving the Company will have a material adverse effect on the financial condition of the Company.

During the past five years up to present, there is no bankruptcy petition filed by or against any business of which such person was a general partner or executive officer of the Company either at a time of the bankruptcy or within two years prior to that time.

During the past five years up to present, the Company, any of its directors or executive officers has no conviction by final judgment, domestic or foreign, or is not subject to a pending criminal proceeding, domestic or foreign.

During the past five years up to present, the Company, any of its directors or executive officers is not 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 his involvement in any type of business, securities, commodities or banking activities.

During the past five years up to present, the Company, any of its directors or executive officers has not been found by a domestic or foreign court of competent jurisdiction (in 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.

#### 6. **Nomination Committee and Nominees for Election as Members of the Board of Directors, including the Independent Directors**

The following have been nominated to the Board of Directors for the ensuing term / year:

Dr. Andrew I. Liuson	Mr. Cesar E. Virata (Independent Director)
Mrs. Grace C. Liuson	Mr. Benjamin I. Liuson
Mr. Josef C. Gohoc	Mr. Jefferson C. Roxas
Mrs. Helen C. Roxas	Ms. Emma A. Choa
Mr. Peter S. Dee (Independent Director)	

An independent director is a person other than an officer or employee of the corporation, its parent or subsidiaries, or any other individual having a relationship with the corporation, which would interfere with the exercise of independent judgment in carrying out the responsibilities of a director.

The independent directors possess all qualifications to serve as an independent director of the Company, as provided for in Section 38 of Securities Regulation Code (SRC) and its implementing rules.

The final list of nominees for independent directors as nominated by respective stockholders of the Company and endorsed by Nomination Committee are the following:

<u>Independent Directors</u>	<u>Nominating Stockholder</u>
Cesar E.A. Virata	Romeo E. Ng
Peter S. Dee	Marianne M. Martin

The Corporate Governance Committee performs the role of the Nomination Committee. The following members are the members of the Corporate Governance Committee:

Mr. Cesar E.A. Virata (Chairman)  
Dr. Andrew I. Liuson

Based on SEC MC No. 19 s. 2016 – Code of Corporate Governance for Publicly-Listed Companies dated November 22, 2016, the Securities and Exchange Commission has recommended that an independent director should serve for a maximum cumulative term of nine years only. However, in certain cases that the Company wants to retain an independent director who has served for nine years, the Board should provide meritorious justifications and seek approval of the stockholders during the Annual Stockholders' Meeting.

Mr. Peter Dee and Mr. Cesar Virata have served as Independent Directors of the Company since 2004 and 2009, respectively. Their in-depth knowledge, wisdom and expertise in various industries helped the Company plan and attain its strategic objectives. Further, their irrefutable competencies and experience provide invaluable contribution to the Company.

Mr. Dee has a wide experience in banking industry as he served as President and Chief Executive Officer for almost 30 years in one of the largest banks in the Philippines. He is also a Director of the said bank and other publicly-listed companies in the country. His exposure and mastery to risk and financial management delivers insight and significant help to the Company.

Mr. Virata served as Finance Minister from 1970 to 1986 and Prime Minister of the Philippines from 1981 to 1986. He also headed the National Economic and Development Authority (NEDA) of the Philippines while serving as Prime Minister. He is also an incumbent Independent Director of other publicly-listed companies and the Vice Chairman of one of the largest banks in the Philippines. He will continuously provide significant benefit and key decision-making strategies to the Company given his wide experience and competence in handling both local and national economic activities.

The Board deems it untimely, given the situation brought by the COVID-19 pandemic, to consider other qualified individuals to replace Mr. Dee and Mr. Virata whose valuable insights and advice helped the Company develop its key business thrusts and risk mitigation strategies. Their highly respected credentials and great contributions to the Company justify the Board's decision to retain Mr. Dee and Mr. Virata as nominees for re-election this coming 2022 Annual Stockholders' Meeting.

## **7. Procedures for Nomination and Election of Independent Directors**

- a. The Corporate Governance Committee, prior to a stockholders' meeting, shall conduct nomination of independent directors. All nominating stockholders together with the acceptance and conformity by the would-be nominees shall sign all recommendations.

The Committee shall pre-screen the qualifications and prepare a final list of all candidates and put in place screening policies and parameters to enable it to effectively review the qualifications of the nominees for independent director/s.

After the nomination, the Committee shall prepare a Final List of Candidates which shall contain all the information about all the nominees for independent directors, as required under Part IV (A) and (C) of "Annex C" of SRC Rule 12, which list, shall be made available to the Commission and to all stockholders through the filing and distribution of the Information Statement, in accordance with SRC Rule 20, or in such other reports the company is required to submit to the Commission. The name of the person or group of persons who recommended the nomination of the independent directors shall be identified in such report including any relationship with the nominee.

Only nominees whose names appear on the Final List of Candidates shall be eligible for election as independent directors. No other nominations shall be entertained after the Final List of Candidates shall have been prepared. No further nominations shall be entertained or allowed on the floor during the actual annual stockholders' meeting.

- b. Subject to pertinent existing laws, rules and regulations, the conduct of the election of the independent director shall be made in accordance with the standard election procedures of this By-laws.

It shall be the responsibility of the Chairman of the meeting to inform all stockholders in attendance of the mandatory requirement of electing independent directors. He shall ensure that independent directors are elected during the stockholders' meeting.



Specific slot for the independent directors shall not be filled-up by unqualified nominee.

## 8. Related Party Transactions

The Company, in its regular conduct of business, has entered into transaction with associates and related parties, which principally consist of sharing of expenses. This transaction to and from related parties are made on an arm's length basis and at current market prices at the time of the transaction.

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

The Company or its related parties have no relationship on parties that fall outside the definition of related parties that enables to negotiate terms of material transactions that may not be available from others or independent parties on an arm's length basis. Moreover, the Company has no transactions with former senior management or persons that would result in negotiations of terms that are more or less favorable than those available on an arm's length basis from clearly independent parties that are material to the Company's financial position or financial performance.

Please refer to Note 21, *Related Party Transactions* of the Notes to the 2021 Audited Financial Statements that is incorporated in the Index to Financial Statements.

## 9. Members of the Audit and Risk Committee

Mr. Peter S. Dee (Chairman)  
Dr. Andrew I. Liuson

Mrs. Grace C. Liuson

## 10. Parent of the Registrant

CDC owns 49.73% of the outstanding capital stock of the Registrant. The ultimate parent is Cityland, Inc. (CI), which owns 29.54% of the outstanding capital stock of the Registrant.

## VI. Compensation of Directors and Executive Officers

### Executive Compensation Summary Tables

NAME	POSITION	2022 (estimate)
Josef C. Gohoc	President	X
Winefreda R. Go	VP – Purchasing Department	X
Marlon V. Olpindo	AVP- Design & Development Department	X
Alrolnik M. Fernando	AVP - Admin. Department	X
Jocelyn F. Kwong	Senior Manager	X
Salaries		₱5,278,200
Bonus		1,345,050
Others		155,600
<b>Total (Top 5)</b>		<b>₱6,778,850</b>
Salaries		₱5,590,651
Bonus		1,446,141
Others		235,200
<b>Total Other Officers &amp; Directors as a group unnamed</b>		<b>₱7,271,992</b>
<b>Grand Total</b>		<b>₱14,050,842</b>

NAME	POSITION	2021 (actual)
Josef C. Gohoc	President	X
Winefreda R. Go	VP - Purchasing Department	X
Marlon V. Olpindo	AVP- Design & Development Department	X
Alrolnik M. Fernando	AVP - Admin. Department	X
Jocelyn F. Kwong	Senior Manager	X
Salaries		₱5,063,834
Bonus		1,310,459
Others		1,406,888
<b>Total (Top 5)</b>		<b>₱7,781,181</b>

NAME	POSITION	2021 (actual)
Salaries		₱6,258,901
Bonus		1,665,016
Others		2,512,552
<b>Total Other Officers &amp; Directors as a group unnamed</b>		<b>₱10,436,469</b>
<b>Grand Total</b>		<b>₱18,217,650</b>

NAME	POSITION	2020 (actual)
Josef C. Gohoc	President	X
Winefreda R. Go	VP - Purchasing Department	X
Marlon V. Olpindo	AVP- Design & Development Department	X
Alrolnik M. Fernando	Senior Manager	X
Ireneo F. Javalera	Senior Manager	X
Salaries		₱4,858,531
Bonus		866,366
Others		1,755,907
<b>Total (Top 5)</b>		<b>₱7,480,804</b>
Salaries		₱6,161,572
Bonus		1,206,148
Others		1,876,597
<b>Total Other Officers &amp; Directors as a group unnamed</b>		<b>₱9,244,317</b>
<b>Grand Total</b>		<b>₱16,725,121</b>

The Company has no standard arrangements with regard to remuneration of its directors. In 2021, 2020 and 2019, the BOD received a total of ₱2.79 million, ₱5.33 million and ₱8.41 million, respectively. Moreover, the Company has no standard arrangement with regard to the remuneration of its existing officers aside from the compensation received or any other arrangements in the employment contracts and compensatory plan. The Company does not have any arrangements for stock warrants or options offered to its employees.

#### VII. Independent Public Accountants

1. SyCip Gorres Velayo & Co. (SGV & Co.) is the Company's external auditor for the calendar year 2021. The same accounting firm is being recommended for re-appointment at the scheduled 2022 Annual Stockholders' Meeting.
2. Representatives of SGV & Co. are expected to be present at the annual stockholders' meeting and will assist in responding to questions from the stockholders relating to the audited financial statements.
3. Pursuant to Revised SRC Rule 68 paragraph (3)(b)(ix) (Rotation of External Auditors), Ms. Aileen L. Saringan, partner of SGV & Co., was assigned as signing partner for the Registrant's financial statements starting the calendar year 2017.
4. There were no changes in and disagreements with the accountants on accounting and financial disclosures.

#### OTHER MATTERS

#### VIII. Action with Respect to Reports

The Minutes of the Annual Stockholders' Meeting held last June 8, 2021 will be read and submitted to the stockholders for their approval. Said Minutes state that the following matters were approved by the stockholders during the 2021 stockholders' meeting:

<u>Agenda Items:</u>	<u>Approving</u>	<u>Dissenting</u>	<u>Abstaining</u>
Approval of Minutes of Previous Meeting	1,209,165,843 votes	--	--
Approval of President's Report	1,209,165,843 votes	--	--
Election of Directors (including Independent Directors):	1,209,165,843 votes or 84.45% of the outstanding capital stock	--	--
a. Mr. Stephen C. Roxas			
b. Dr. Andrew I. Liuson			
c. Mrs. Grace C. Liuson			

<b>Agenda Items:</b>	<b>Approving</b>	<b>Dissenting</b>	<b>Abstaining</b>
d. Mrs. Helen C. Roxas e. Mr. Josef C. Gohoc f. Mr. Cesar E.A. Virata g. Mr. Peter S. Dee h. Mr. Benjamin I. Liuson i. Ms. Emma A. Choa			
Appointment of External Auditor: SyCip Gorres Velayo & Co. (SGV & Co. )	1,209,165,843 votes or 84.45% of the outstanding capital stock	--	--
Approval of Board Resolution dated April 26, 2021 regarding the following: a. Declaration of five percent (5%) stock dividend; b. Increase in authorized capital stock from 1,435,000 shares to 1,715,000 shares with par value of Php 1.00 per share; and c. To cause the amendment of the Articles of Incorporation to increase the authorized capital stock to 1,715,000 shares with par value of Php 1.00 per share.	1,209,165,843 votes or 84.45% of the outstanding capital stock		
Confirmation of all acts of the Board of Directors for the period covering January 1, 2020 to December 31, 2020 adopted in the ordinary course of business.	1,209,165,843 votes or 84.45% of the outstanding capital stock	--	--

The minutes of ASM also contain the following items:

- A description of the voting and vote tabulation procedures used in the said meeting;
- A list of directors and officers who attended the meeting; and
- Other matters raised by the body during the meeting.

The copies of the minutes of ASM can be accessed through the Company website at [www.cityland.net](http://www.cityland.net).

#### **IX. Other Proposed Actions**

1. Confirmation of all acts of the Board of Directors for the period covering January 1, 2021 to December 31, 2021 adopted in the ordinary course of business:
  - a. Approval of investments;
  - b. Treasury matters related to opening of accounts and bank transactions;
  - c. Appointment of signatories and amendments thereof; and
  - d. Approval of Annual Report and related financial statements.
2. Appointment of External Auditor  
The Audit and Risk Committee recommended to the Board of Directors the re-appointment of Sycip Gorres Velayo & Co. as the Company's external auditor for the calendar year 2022. This shall be taken up during the Annual Stockholders' Meeting for the approval of the stockholders.

#### **X. Voting Procedures**

1. Vote Required for Approval or Election

At least majority of the outstanding capital stock of the Registrant is required for the election of directors and for the approval of the following matters:

- a. Minutes of the previous Annual Stockholders' Meeting;
  - b. Appointment of external auditor; and
  - c. Acts of the management and of the Board of Directors relative to the Annual Report and related financial statements.
2. Each common share shall be entitled to one vote with respect to all matters to be taken up during the annual stockholders' meeting. In accordance with the Company's Amended By-Laws, voting upon all questions at all meetings of the stockholders shall be by shares of stock and not per capita.

3. In light of the COVID-19 global pandemic, the Board of Directors has decided to conduct a virtual ASM via Zoom or its equivalent. As a result, there will be no physical venue allotted for stockholders to attend the meeting.

Stockholders who intend to attend and participate in the virtual meeting whether through proxy or not shall first submit via email to [info@professionalstocktransfer.com](mailto:info@professionalstocktransfer.com) the scanned copy of the letter of intent to attend or to participate via proxy by remote communication. Once validated, the registered stockholder who will attend will receive via email the proxy form.

Validation of proxies shall be until 4:00 pm of June 7, 2022. Registered stockholders will receive the meeting link and password two days before the ASM.

Stockholders who signified their intention to attend the ASM in person will receive a copy of the Voting Form which the stockholder is required to accomplish and submit such via email to [stocks@cityland.net](mailto:stocks@cityland.net) on or before May 31, 2022 at 4:00PM. Only stockholders who have notified the Company of their intention to participate in the virtual meeting and have registered themselves or their proxies, will be included in the determination of a quorum.

4. The Company's Stock Transfer Agent together with the Office of the Corporate Secretary will tabulate all valid and confirmed votes. The Company also has an independent party that will validate the votes counted by the Secretary.

Other matters which any stockholder would like to present in the ASM shall be sent via email to [stocks@cityland.net](mailto:stocks@cityland.net) on or before June 7, 2022 at 4:00PM. The Company's responses to the questions shall be discussed during the ASM.

**SIGNATURE**

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete and correct. This report is signed in the City of Makati on May 20, 2022.

**CITY & LAND DEVELOPERS, INCORPORATED****JOSEF C. GOHOC**  
President

## **CITY & LAND DEVELOPERS, INCORPORATED THE PRESIDENT'S REPORT**

Economic recovery was seen in 2021 as a result of the relaxation of community quarantines that paved the way to more business activities and increased mobility of the public that provided an increase in the consumer spending.

The Philippine Gross Domestic Product (GDP) posted an 8.3% growth in the first quarter of 2022 which is a turnaround from the revised 3.8% decline reported for the first quarter of 2021. It was also higher than the 7.8% growth in the previous quarter of the fourth quarter of 2021. Further, it met the government's target of 7% to 9%. First quarter growth was driven by manufacturing, wholesale and retail trade, automotive repairs, and transportation and storage. Household consumption grew 10.1%, and government expenditure rose 3.6%. Imports outpaced exports by 5.3% points. (Source: <https://psa.gov.ph/national-accounts>)

Due to the pandemic, majority of the consumers already adapted and shifted to online activities that led to the growth in the e-commerce and logistic sectors. The demand for warehouses is also forecasted to increase leading to additional income from leasing and sale of real estate properties.

For the year 2022, real estate sales and leasing is expected to bounce back due to the opening up of the economy. The return-to-office work set-up will provide an increase in rental income and demand for condominium projects. The decline in the COVID-19 cases will allow several business sectors to resume to their normal operations and recover fully.

Further, the ongoing Russia-Ukraine conflict sets several uncertainties with the potential to disrupt businesses and institutions and poses threat to world trade and economies, in general. The continuing effect of the situation on business and institutions could result in business continuity interference, trade disruptions, rising prices of commodities including oil and power, among others. The Company has no exposure to investment in Ukraine or Russia. It has no significant impact on the Company.

Although the scale and duration of the impact of the pandemic remain uncertain as at the report date, the Cityland Group of Companies is optimistic that the real estate sector will eventually show a healthy position in the market in the succeeding periods.

### **GENERAL NATURE OF BUSINESS**

#### **A. Background Information**

##### **1. Brief Company History**

City & Land Developers, Incorporated (the Company or CLDI) is a domestic public corporation registered with the Securities and Exchange Commission on June 28, 1988 and started its commercial operations on August 1, 1992.

The Company is 49.73% and 29.54% owned by Cityland Development Corporation (CDC) and Cityland Inc., respectively, while the remaining 20.73% is owned by 744 various stockholders as of March 31, 2022. CLDI is a member of Cityland Group of Companies, a trusted name in real estate industry with proven track record of developing prestigious condominiums in cities of Pasig, Manila and Quezon City; and affordable house and lots in Parañaque City. The Group has been in property development business for more than forty (40) years.

On December 13, 1999, the issued and outstanding capital stock of the Company was listed in the Philippine Stock Exchange after the initial public offering on November 29, 1999.

##### **2. Nature of Operations**

The Company's primary purpose is to establish an effective institutional medium for acquiring and developing suitable land sites for residential, office, commercial, institutional and industrial uses primarily, but not exclusively, in accordance with the subdivision, condominium, and cooperative concepts of land-utilization and land-ownership.

## **Financial Performance**

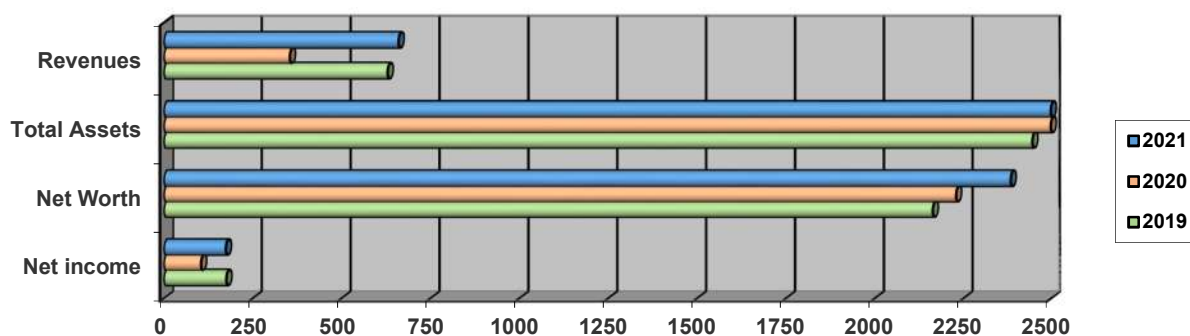
The Company completed last March 2018 the North Residences which is a 29-storey residential and commercial condominium located at EDSA corner Lanutan, Barangay Veterans Village, Quezon City (beside Waltermart).

On October 20, 2016, the Company launched One Taft Residences, a 40-storey mixed residential, office and commercial condominium located at 1939 Taft Avenue, Malate, Manila. This project is currently under construction and expected to be completed by September 2022.

Internal sources of liquidity come from sales of condominium units and real estate properties, collection of installment contracts receivables and contract assets, maturing short-term investments while external sources come from commercial papers. Starting 2019, the Company opted not to renew its registration of short-term commercial papers with SEC. All outstanding notes payable were settled on or before November 6, 2019.

## **FINANCIAL HIGHLIGHTS**

	<b><u>In Millions of Pesos</u></b>		
	<b><u>2021</u></b>	<b><u>2020</u></b>	<b><u>2019</u></b>
<b>Revenues</b>	<b>660.08</b>	<b>354.47</b>	<b>629.43</b>
<b>Total Assets</b>	<b>2,725.18</b>	<b>2,504.13</b>	<b>2,447.17</b>
<b>Net Worth</b>	<b>2,385.02</b>	<b>2,228.39</b>	<b>2,162.68</b>
<b>Net Income</b>	<b>174.43</b>	<b>104.55</b>	<b>175.71</b>



## **1. Project Description**

### **Future Projects:**

#### *Bonifacio Place*

Bonifacio Place is a proposed 40-storey mixed residential, office and commercial condominium project with a four (4) basement parking levels and separate 6-storey parking building to be located at Boni Avenue, Barangay Barangka Itaas, Mandaluyong City. It is about 450 meters away from the EDSA MRT Boni Station.

#### *One Hidalgo*

One Hidalgo is a proposed 39-storey mixed residential, office and commercial condominium to be located at 1730 P. Hidalgo Lim St., corner Gen. Malvar St., Malate, Manila. It is near various universities (De La Salle University, University of the Philippines - Manila, Philippine Christian University), government agencies (Supreme Court, Court of Appeals, Department of Justice) and other leisure establishments.

### **Ongoing Project:**

#### *One Taft Residences*

One Taft Residences is a 40-storey mixed residential, office and commercial condominium which is located at 1939 Taft Avenue, Malate, Manila. It is with easy access to various universities (De La Salle University, University of the Philippines – Manila, Philippine Christian University), transportation hubs, shopping centers, businesses, commercial and government offices.

Estimated Date of Completion: September 2022.

## **Completed Projects:**

### *North Residences*

The 29-storey commercial and residential condominium is located at EDSA (beside WalterMart) corner Lanutan, Brgy. Veterans Village, Quezon City. It is conceptualized for the practical modern families to enjoy suburban city living that is friendly on the budget. This project was completed in March 2018.

### *Manila Residences Bocobo*

Manila Residences Bocobo, a 34-storey commercial, office and residential condominium located along Jorge Bocobo St., Ermita, Manila City. Its amenities and facilities include swimming pool, children's play area, gym, multi-purpose deck, function room and 24-hour association security. It is proximate to schools, malls, banks, hospitals, restaurants, churches, government offices and other leisure establishments.

### *Grand Emerald Tower*

Grand Emerald Tower, a 39-storey commercial, office and residential condominium located along Emerald Avenue corner Ruby and Garnet Streets, Ortigas Center, Pasig City. Its amenities and facilities include swimming pool, gymnasium, viewing deck, sauna, children's playground, multi-purpose function room and 24-hour association security. It is proximate to schools, hospitals, shopping malls, banks, restaurants, hotels, churches and other leisure and business establishments.

### *Pacific Regency*

Pacific Regency is a 38-storey commercial, office, and residential condominium located at Pablo Ocampo Sr. Ave. (formerly Vito Cruz Street) in front of Rizal Memorial Sports Complex in Manila. Amenities and facilities include swimming pool, gymnasium, separate sauna for male and female, function room, children's playground, 24-hour association security, viewing area and jogging areas at the roof deck.

## **2. Major Risks Involved in Each of the Businesses of the Company**

The risks to which the Company is exposed include the internal risks such as refinancing risk, credit risk, interest rate risk, market risk and liquidity risk; business risks and operational risks; and external ones arising from the political and economic situation, real estate industry outlook, market competition and asset price bubble.

### **INTERNAL FACTORS**

#### ***Refinancing***

The Company is primarily engaged in real estate development. Risk factor includes minimal risk debt level of the Company's borrowings. The short-term nature of these borrowings increases the possibility of refinancing risks. This debt mix in favor of short-term borrowings is a strategy which the Company adopted to take advantage of lower cost of money for short-term loans versus long-term loans. Because the Company has the flexibility to convert its short-term loans to a long-term position by drawing down its credit lines with several banks or sell its receivables, refinancing risk is greatly reduced.

The Company manages such refinancing risks by having a current and acid-test ratio of 4.97:1 and 1.36:1 as of December 31, 2021 from 6.98:1 and 1.40:1 as of December 31, 2020, respectively.

#### ***Credit Risk***

This is defined as the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The financial instruments which may be the subject of credit risk are the installment contracts receivables, contract assets and other financial assets of the Company. The corresponding management strategies for the aforementioned risks are as follows:

- a. The credit risk on the installment contracts receivables and contract assets may arise from the buyers who may default on the payment of their amortizations. The Company manages this risk by dealing only with recognized and credit worthy third parties. Moreover, it is the Company's policy to subject customers who buy on financing to credit verification



procedures. Also, receivable balances are monitored on an on-going basis with the result that the Company's exposure to bad debts is insignificant. The risk is further mitigated because the Company holds the title to the real estate properties with outstanding installment contracts receivable balance and the Company can repossess such real estate properties upon default of the customer in paying the outstanding balance. The Company's policy is to enter into transactions with a diversity of credit-worthy parties to mitigate any significant concentration of credit risk. There are no significant concentrations of credit risk within the Company.

- b. The credit risk on the financial assets of the Company such as cash and cash equivalents, short-term investments, financial assets at fair value through other comprehensive income (FVOCI), refundable deposits and other receivables may arise from default of the counterparty. The Company manages such risks in accordance to its policy wherein the Company shall enter into transactions with a diversity of creditworthy parties to mitigate any significant concentration of credit risks. As such, there are no significant concentrations of credit risks in the Company.

***Interest Rate Risk***

This is the risk arising from uncertain future interest rates.

The Company's financial instruments consist of installment contracts receivables, contract assets, cash and cash equivalents and short-term investments, refundable deposits and other receivables. Interest rates on these assets are fixed at their inception and are therefore not subject to fluctuations in interest rates.

***Market Risk***

This is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Financial instruments which are measured at fair value are subject to market risk.

The financial assets at FVOCI are exposed to market risk. There is a risk for a decline in the value due to changes in the market. The exposure, however, is negligible because the amount of the said investment is insignificant as compared to the financial assets of the Company.

***Liquidity Risk***

This is the current and prospective risk to earnings or capital from a company's inability to meet its obligations when they become due without incurring unacceptable losses. The Company's treasury has a well-monitored funding and settlement management plan. The following is the liquidity risk management framework maintained by the Company:

- a. *Asset-Liability Management*: Funding sources pertain to short-term borrowings. Funding sources are abundant and provide a competitive cost advantage. The Company also holds financial assets for which there is a liquid market and are, therefore, readily saleable to meet liquidity needs.
- b. *Conservative/Liability Structure*: Funding is widely diversified. There is little reliance on wholesale funding services or other credit sensitive fund providers. The Company accesses funding across a diverse range of markets and counter parties.
- c. *Excess Liquidity*: The Company maintains considerable excess liquidity to meet a broad range of potential cash outflows from business needs including financial obligations.
- d. *Funding Flexibility*: The Company has an objective to maintain a balance between continuity of funding and flexibility through the use of commercial papers.

**The Company is also exposed to risks which are beyond financial:**

## **COMPANY'S BUSINESS AND OPERATIONS**

### ***Land Banking***

The Company's land banking consists of parcels of land wherein some lots are being leased while awaiting the development of its condominium projects. Having enough and diversified land banking is important to support the sustainability of the Company's business. The Company may be exposed to risks because of the possible changes in the value of these lots due to market circumstances which may result in impairment or decline in rental rate levels.

The Company currently has two (2) prime lots for future development which are located in Metro Manila. The management is also in continuous study and research on the possible land acquisition which will depend on the need of the Company and negotiations with prospective sellers. For the land value changes, the Company continues to be cautious in buying new properties by conducting studies of appraisal reports and conditions of the property within the vicinity.

### ***Property development and construction***

Construction of a condominium project starts from the planning and securing of permits, to the development or construction of the project and to the delivery or turnover of the units to the buyers. The construction of a project involves an average period of three to four years to complete the building. During this period, the Company may be exposed to the following risks:

- delays or longer than expected time of securing necessary licenses, permits and approvals from different government agencies or neighborhood;
- possible increase in cost of materials and labor which will impact pricing and costing;
- labor disputes among and with the contractors and sub-contractors; and
- delay in the delivery of the project.

These risks are managed by the Company as follows:

- well-planned and carefully-phased project development with a reasonable timetable;
- concrete sources of financing of the project;
- accreditation and careful selection of general contractors and sub contractors to ensure fulfillment and quality of work; and
- continuous and meticulous management of the Company's project development team to ensure that the project is progressing and being accomplished according to plan.

## **ECONOMIC FACTORS**

### ***Economic***

The Company's business consists mainly of providing office and housing units in the Philippines and the results of the operations will be influenced by the general conditions of the Philippine economy. Any economic instability or failure to register improved economic performance in the future may adversely affect the Company's operations and eventually its financial performance.

### ***Effect of climate change***

It cannot be denied that the country is already experiencing the impact of climate change which is considered as a global problem which needs to be addressed by all countries.

Climate change has greatly affected the operations of the businesses, both private and local. Due to climate change, the supply or resources may decline which will lead to increase in cost. Thus, businesses should consider measures to cope with the impact of environmental changes. In addition, businesses should ensure compliance to the rules and regulations imposed by the environmental authorities.

Cityland Group has invested considerable effort in the development of programming approaches that integrate disaster risk management with long-term programs that have the objective of addressing the underlying causes of

vulnerability. This means developing and applying various prevention, mitigation and preparedness policies, strategies and practices to minimize vulnerabilities and disaster risks. The Group firmly believes that emergency preparedness planning is a critical component for all development programming and is a necessary ingredient not only for effective emergency response but also for effective risk prevention, mitigation and preparedness before a disaster occurs. For the Group, emergency preparedness encompasses all aspects of disaster risk management – from addressing underlying causes to responding in times of emergencies. First and foremost, preparedness must focus on prevention and mitigation – taking pre-emptive measures to help communities avoid emergencies and become better equipped so that the impact of disasters are reduced. As one of the criteria set by the Group in acquisition of property, the Group considers whether the location of the prospective property is within the fault line and whether the area is prone to flooding. In this case, the Group minimizes the risk of incurring any additional costs/damages in the future.

Further, the Company has adopted the following controls to ensure its compliance with the environmental laws but not limited to:

- Adherence to the standards/requirements set by the regulatory agencies governing the real estate industry;
- Appointment of Pollution Control Officers in all condominium projects; and
- Avoiding hazards and mitigating their potential impacts by reducing vulnerabilities and exposure and enhancing capacities of communities.

***Political***

The Company's business like all other businesses may be influenced by the political situation in the country. Any political instability in the future could have a material adverse effect in the Company's business.

The ongoing Russia-Ukraine conflict sets several uncertainties with the potential to disrupt businesses and institutions and poses threat to world trade and economies, in general. The continuing effect of the situation on business and institutions could result in business continuity interference, trade disruptions, rising prices of basic commodities including oil and power, among others. The Company has no exposure to investments in Ukraine or Russia.

***Industry***

The industry is characterized by boom-bust cyclical pattern exhibited in the past couple of decades where the industry normally goes through years of robust growth following years of slowdown. In 2021, the Company is slowly recovering from the effect of COVID-19 pandemic. This is due to the united effort of the government, businesses and the people. The Company has adopted business continuity plans and strategies to mitigate the risks and effect of the pandemic.

***Competition***

The demand for housing especially in the medium-cost category has moderately stepped up. The situation has attracted both old and new players to develop projects that cater to this rising demand. As a result of the foregoing, competition in the area of medium-cost development is expected to intensify. The Company believes that it is in a better position to cope with the competition because of the affordability of the projects it offers in the market.

***Asset Price Bubble***

Asset price bubble in real estate occurs when there is a seeming increase in the demand for housing units which leads the developers to build more and when there is already a significant gap between the demand and the supply, this will lead to a sudden decline in the value of the properties.

The Philippine Residential Real Estate Price Index (RREPI) is a measure of the average change in the prices of various types of housing units, i.e., single detached/attached houses, duplexes, townhouses and condominium units, based on banks' data on loans used to acquire new housing units. It is a chain-linked index, which is computed using the average appraised value per square meter, weighted by the share of floor area of each type of housing unit to the total floor

area of all housing units. The RREPI is used as an indicator for assessing the real estate and credit market conditions in the country.

*(Source: <https://www.bsp.gov.ph/SitePages/MediaAndResearch/MediaDisp.aspx?ItemId=5831>)*

Nationwide residential property prices declined during the 1<sup>st</sup> quarter of 2021. This was evidenced by the RREPI which contracted by 4.2% year-on-year and by 1.6% quarter-on-quarter due to the subdued demand for residential properties amid the pandemic.

The residential real estate prices declined for two consecutive quarters, based on the year-on-year growth of RREPI. In the 2<sup>nd</sup> quarter of 2021, the nationwide house prices contracted by 9.4% year-on-year due to the continued effects of the pandemic on the residential property demand. High base effects may also have contributed to the drop in prices given the registered peak of the index in 2<sup>nd</sup> quarter of 2020. In contrast, property prices increased by 4.8% quarter-on-quarter.

For the 3<sup>rd</sup> quarter of 2021, the country's property sector recovered based on the 6.3% year-on-year growth. It was partly due to stronger consumer demand for residential property, particularly townhouses and condominium units. Likewise, nationwide property prices increased by 0.7% quarter-on-quarter. The growth continued to rise in the last quarter of 2021 due to sustained demand, rising by 4.9% and 1.1% compared with year-ago and quarter-ago levels.

*(Source: [https://www.bsp.gov.ph/Pages/MediaAndResearch/PublicationsandReports/regular\\_RREPI.aspx](https://www.bsp.gov.ph/Pages/MediaAndResearch/PublicationsandReports/regular_RREPI.aspx))*

According to the Governor of the Bangko Sentral ng Pilipinas (BSP), the BSP anticipates that activity in the real estate market will recover in line with the rebound in overall economic growth in 2022. The BSP have been closely monitoring the real estate property sector as shown in its issued Circulars requiring all universal and commercial banks as well as thrift banks to submit quarterly reports on Residential Real Estate Loans granted to determine the risks from the real estate and credit market conditions in the country. In October 2020, the BSP started to require banks to submit a quarterly report on appraised commercial properties (QRACP) to be used for its price monitoring of commercial real estate. The QRACP is the groundwork to generate a Commercial Property Price Index (CPPI) to complement the existing RREPI, and it covers all appraised commercial properties which include property accepted as collateral in lending transactions and acquired asset in settlement of loans. The release of the CPPI according to the Governor is part of the BSP's expanding surveillance on banks' financial exposures, as well as price trends in property sector. Also, it will help the BSP monitor the developments in the property sector as a whole and their linkages with the other sectors in the economy.

As the demand for warehouses and offices arise during these times, the Group considers this as an opportunity to minimize exposure to asset price bubble by focusing on the in-demand real estate commercial projects with good office location and reasonable price.

The Company manages the above risks by conducting assessments of the economic and political situations of the country as well as new developments in the industry. The procedures involve the gathering of information of economic indicators and political events as well as being aware of the new developments in the industry through media, business conferences, economic briefings and other sources.

With this information, the Company is able to assess and manage the risks mentioned above.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### Plan of Operations

The Company will continue to maintain a cautious stance in order to continuously achieve a healthy financial position. This will ensure that the development and construction of its ongoing project will be delivered on time or even ahead of its scheduled turnover. The Company will also continue to scout and develop quality projects suited for the middle and working class that will be situated at convenient locations with affordable and flexible payment terms. The Company's projects will be funded through cash generated from operations. The Company plans to remain liquid in order to avail attractive investment opportunities to meet the demands of the present growing economy.

### Financial Condition

### Vertical Analysis

#### CITYL & LAND DEVELOPERS, INCORPORATED STATEMENT OF FINANCIAL POSITION (VERTICAL ANALYSIS)

	2021	%	2020	%	2019	%
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	211,011,889	7.74%	178,309,538	7.12%	237,660,249	9.71%
Short-term investments	123,500,000	4.53%	58,500,000	2.34%	10,000,000	0.41%
Current portion of:						
Installment contracts receivable	5,015,789	0.18%	1,765,893	0.07%	707,509	0.03%
Contract assets	89,529,144	3.29%	45,757,086	1.83%	62,223,947	2.54%
Cost to obtain contract	2,405,624	0.09%	3,598,890	0.14%	3,885,978	0.16%
Other receivables	4,167,161	0.15%	2,216,653	0.09%	1,800,645	0.07%
Real estate properties for sale	1,150,096,752	42.20%	1,138,427,667	45.46%	1,005,860,529	41.10%
Other current assets	1,160,391	0.04%	4,298,601	0.17%	3,394,837	0.14%
<b>Total Current Assets</b>	<b>1,586,886,750</b>	<b>58.23%</b>	<b>1,432,874,328</b>	<b>57.22%</b>	<b>1,325,533,694</b>	<b>54.17%</b>
<b>Noncurrent Assets</b>						
Contract assets - net of current portion	406,877,189	14.93%	362,442,313	14.47%	405,852,058	16.58%
Cost to obtain contract - net of current portion	-	0.00%	2,931,886	0.12%	4,308,635	0.18%
Other receivables - net of current portion	596,160	0.02%	1,406,160	0.06%	1,315,259	0.05%
Financial assets at fair value through other comprehensive income (FVOCI)	628,746	0.02%	494,298	0.02%	487,912	0.02%
Real estate properties held for future development	519,992,829	19.08%	494,356,932	19.74%	491,809,557	20.10%
Investment properties	181,139,332	6.65%	181,139,332	7.23%	181,139,332	7.40%
Deferred income tax assets	-	0.00%	-	0.00%	8,192,586	0.33%
Other noncurrent assets	29,054,649	1.07%	28,489,712	1.14%	28,535,350	1.17%
<b>Total Noncurrent Assets</b>	<b>1,138,288,905</b>	<b>41.77%</b>	<b>1,071,260,633</b>	<b>42.78%</b>	<b>1,121,640,689</b>	<b>45.83%</b>
<b>TOTAL ASSETS</b>	<b>2,725,175,655</b>	<b>100.00%</b>	<b>2,504,134,961</b>	<b>100.00%</b>	<b>2,447,174,383</b>	<b>100.00%</b>
<b>LIABILITIES AND EQUITY</b>						
<b>Current Liabilities</b>						
Accounts payable and accrued expenses	254,503,136	9.34%	130,171,009	5.20%	118,543,148	4.84%
Current portion of contract liabilities	57,337,094	2.10%	74,415,683	2.97%	68,011,239	2.78%
Income tax payable	7,473,040	0.27%	786,568	0.03%	7,801,710	0.32%
<b>Total Current Liabilities</b>	<b>319,313,270</b>	<b>11.72%</b>	<b>205,373,260</b>	<b>8.20%</b>	<b>194,356,097</b>	<b>7.94%</b>
<b>Noncurrent Liabilities</b>						
Accounts payable and accrued expenses - net of current portion	15,276,001	0.56%	12,826,411	0.51%	17,834,209	0.73%
Contract liabilities - net of current portion	-	0.00%	50,931,630	2.03%	63,993,337	2.61%
Net retirement benefits liability	975,292	0.04%	3,949,772	0.16%	8,314,472	0.34%
Deferred income tax liabilities - net	4,593,745	0.17%	2,665,373	0.11%	-	0.00%
<b>Total Noncurrent Liabilities</b>	<b>20,845,038</b>	<b>0.76%</b>	<b>70,373,186</b>	<b>2.81%</b>	<b>90,142,018</b>	<b>3.68%</b>
<b>Total Liabilities</b>	<b>340,158,308</b>	<b>12.48%</b>	<b>275,746,446</b>	<b>11.01%</b>	<b>284,498,115</b>	<b>11.63%</b>
<b>Equity</b>						
Capital stock - P1 par value	1,431,785,284	52.54%	1,431,785,284	57.18%	1,431,785,284	58.51%
Additional paid-in capital	105,136	0.00%	105,136	0.00%	105,136	0.00%
Unrealized fair value changes on equity securities at fair value through other comprehensive income (FVOCI)	532,911	0.02%	398,463	0.02%	392,077	0.02%
Accumulated re-measurement loss on defined benefit plan - net of deferred income tax effect	(4,551,369)	-0.17%	(6,337,668)	-0.25%	(9,298,273)	-0.38%
Retained earnings	957,145,385	35.12%	802,437,300	32.04%	739,692,044	30.23%
<b>Total Equity</b>	<b>2,385,017,347</b>	<b>87.52%</b>	<b>2,228,388,515</b>	<b>88.99%</b>	<b>2,162,676,268</b>	<b>88.37%</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>2,725,175,655</b>	<b>100.00%</b>	<b>2,504,134,961</b>	<b>100.00%</b>	<b>2,447,174,383</b>	<b>100.00%</b>

## Horizontal Analysis

### CITYLAND DEVELOPMENT CORPORATION STATEMENT OF FINANCIAL POSITION (HORIZONTAL ANALYSIS)

	2021	2020	2019	% (2021 vs 2020)	% (2020 vs 2019)
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash and cash equivalents	211,011,889	178,309,538	237,660,249	18.34%	-24.97%
Short-term investments	123,500,000	58,500,000	10,000,000	111.11%	485.00%
Current portion of:					
Installment contracts receivable	5,015,789	1,765,893	707,509	184.04%	149.59%
Contract assets	89,529,144	45,757,086	62,223,947	95.66%	-26.46%
Cost to obtain contract	2,405,624	3,598,890	3,885,978	-33.16%	-7.39%
Other receivables	4,167,161	2,216,653	1,800,645	100.00%	23.10%
Real estate properties for sale	1,150,096,752	1,138,427,667	1,005,860,529	1.03%	13.18%
Other current assets	1,160,391	4,298,601	3,394,837	-73.01%	26.62%
<b>Total Current Assets</b>	<b>1,586,886,750</b>	<b>1,432,874,328</b>	<b>1,325,533,694</b>	<b>10.75%</b>	<b>8.10%</b>
<b>Noncurrent Assets</b>					
Contract assets - net of current portion	406,877,189	362,442,313	405,852,058	12.26%	-10.70%
Cost to obtain contract - net of current portion	-	2,931,886	4,308,635	-100.00%	-31.95%
Other receivables - net of current portion	596,160	1,406,160	1,315,259	-57.60%	6.91%
Financial assets at fair value through other comprehensive income (FVOCI)	628,746	494,298	487,912	27.20%	1.31%
Real estate properties held for future development	519,992,829	494,356,932	491,809,557	5.19%	0.52%
Investment properties	181,139,332	181,139,332	181,139,332	0.00%	0.00%
Deferred income tax assets - net	-	-	8,192,586	0.00%	-100.00%
Other noncurrent assets	29,054,649	28,489,712	28,535,350	1.98%	-0.16%
<b>Total Noncurrent Assets</b>	<b>1,138,288,905</b>	<b>1,071,260,633</b>	<b>1,121,640,689</b>	<b>6.26%</b>	<b>-4.49%</b>
<b>TOTAL ASSETS</b>	<b>2,725,175,655</b>	<b>2,504,134,961</b>	<b>2,447,174,383</b>	<b>8.83%</b>	<b>2.33%</b>
<b>LIABILITIES AND EQUITY</b>					
<b>Current Liabilities</b>					
Accounts payable and accrued expenses	254,503,136	130,171,009	118,543,148	95.51%	9.81%
Current portion of contract liabilities	57,337,094	74,415,683	68,011,239	-22.95%	9.42%
Income tax payable	7,473,040	786,568	7,801,710	850.08%	-89.92%
<b>Total Current Liabilities</b>	<b>319,313,270</b>	<b>205,373,260</b>	<b>194,356,097</b>	<b>55.48%</b>	<b>5.67%</b>
<b>Noncurrent Liabilities</b>					
Accounts payable and accrued expenses - net of current portion	15,276,001	12,826,411	17,834,209	19.10%	-28.08%
Contract liabilities - net of current portion	-	50,931,630	63,993,337	-100.00%	-20.41%
Net retirement benefits liability	975,292	3,949,772	8,314,472	-75.31%	-52.50%
Deferred income tax liabilities - net	4,593,745	2,665,373	-	72.35%	100.00%
<b>Total Noncurrent Liabilities</b>	<b>20,845,038</b>	<b>70,373,186</b>	<b>90,142,018</b>	<b>-70.38%</b>	<b>-21.93%</b>
<b>Total Liabilities</b>	<b>340,158,308</b>	<b>275,746,446</b>	<b>284,498,115</b>	<b>23.36%</b>	<b>-3.08%</b>
<b>Equity</b>					
Capital stock - ₱1 par value	1,431,785,284	1,431,785,284	1,431,785,284	0.00%	0.00%
Additional paid-in capital	105,136	105,136	105,136	0.00%	0.00%
Unrealized fair value changes on equity securities at fair value through other comprehensive income (FVOCI)	532,911	398,463	392,077	33.74%	1.63%
Accumulated re-measurement loss on defined benefit plan - net of deferred income tax effect	(4,551,369)	(6,337,668)	(9,298,273)	-28.19%	-31.84%
Retained earnings	957,145,385	802,437,300	739,692,044	19.28%	8.48%
<b>Total Equity</b>	<b>2,385,017,347</b>	<b>2,228,388,515</b>	<b>2,162,676,268</b>	<b>7.03%</b>	<b>3.04%</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>2,725,175,655</b>	<b>2,504,134,961</b>	<b>2,447,174,383</b>	<b>8.83%</b>	<b>2.33%</b>

### March 31, 2022 vs. December 31, 2021

The Company's balance sheet as of March 31, 2022 remained solid with total assets of ₱2.84 billion, higher by 4.05% as compared to the balance as of December 31, 2021 of ₱2.73 billion. The increase in total assets was significantly due to the increase in sales of real estate properties and collection of receivables that may be due to economic recovery. The increase can also be attributed to the increase in contract assets due to progress on the construction of the Company's ongoing project – One Taft Residences which is at 95.73% as of March 31, 2022.

Excess funds were placed in short-term investments to maintain liquidity and generate additional interest income. The financial position remained stable as total cash and cash equivalents and short-term investments stood at ₱420.36 million and ₱334.51 million as of March 31, 2022 and December 31, 2021, respectively.

On the liabilities side, total liabilities increased by 7.33% from ₱340.16 million as of December 31, 2021 to ₱365.09 million as of March 31, 2022. This was primarily due to the increase in accrued development costs and deferred income tax liabilities.

Total equity as of March 31, 2022 stood at ₱2.47 billion from ₱2.39 billion as of December 31, 2021, higher by 3.58%, due to comprehensive income of ₱85.41 million.

As a result of the foregoing, the Company registered current and acid test ratio of 6.53:1 and 1.65:1 as of the first quarter of 2022, as compared to 4.97:1 and 1.36:1 as of December 31, 2021. Asset-to-liability remained stable at 7.77:1 in March 31, 2022 as compared to 8.01:1 in December 31, 2021.

#### **December 31, 2021 vs. December 31, 2020**

The Company's financial position remained healthy in 2021 with total assets of ₱2.73 billion, 8.83% higher as compared to the 2020 year-end balance of ₱2.50 billion. The increase in assets can be attributed to sales and collections from clients, which resulted to increase in cash and cash equivalents. Contract assets also increased due to the progress on the construction of the Company's ongoing project – One Taft Residences. Majority of the funds were used for operations and for the construction of One Taft Residences resulting to the increase in real estate properties for sale. As of December 31, 2021, the financial position remained stable as cash and cash equivalents and short-term investments stood at ₱211.01 million and ₱123.50 million, respectively.

On the liabilities side, total liabilities increased to ₱340.16 million, 23.36% higher than last year's amount of ₱275.75 million. This was substantially due to increase in the development costs as the ongoing project is near its completion already.

Total equity stood at ₱2.39 billion as of December 31, 2021, slightly higher by 7.03% compared with the 2020 year-end balance of ₱2.23 billion. The increase was due to the total comprehensive recognized in 2021 amounting to ₱176.35 million less cash dividends paid of ₱19.57 million.

As a result of the foregoing, the Company translated to a current and acid test ratio of 4.97:1 and 1.36:1, respectively as of December 31, 2021, as compared to 6.98:1 and 1.40:1, respectively as of December 31, 2020. Asset-to-liability and debt-to-equity registered at 8.01:1 and 0.00:1 as of December 31, 2021 from December 31, 2020 ratios of 9.08:1 and 0.00:1, respectively.

#### **December 31, 2020 vs. December 31, 2019**

The Company's financial position remained stable in 2020 with total assets of ₱2.50 billion, 2.33% higher as compared to the 2019 year-end balance of ₱2.45 billion. Majority of the funds were used for operations and to finance the ongoing project, One Taft Residences, resulting to the increase in real estate properties for sale. The decrease in contract assets was due to right to consideration delivered resulting to increase in installment contracts receivable. Cash and cash equivalents decreased to ₱178.31 million from ₱237.66 million due to shift to short-term investments.

On the liabilities side, total liabilities decreased to ₱275.75 million, 3.08% lower than last year's amount of ₱284.50 million. This was substantially due to decrease in Income Tax Payable resulting from lower income for 2020.

Total equity stood at ₱2.23 billion as of December 31, 2020, slightly higher by 3.04% compared with the 2019 year-end balance of ₱2.16 billion. The increase was due to the total comprehensive recognized in 2020 amounting to ₱107.52 million less cash dividends paid of ₱41.39 million.

As a result of the foregoing, the Company strengthened its liquidity position, with current and acid test ratio of 6.98:1 and 1.40:1 as of December 31, 2020, as compared to 6.82:1 and 1.61:1 as of December 31, 2019. Asset-to-liability and debt-to-equity registered at 9.08:1 and 0.00:1 as of December 31, 2020 from December 31, 2019 ratios of 8.60:1 and 0.00:1, respectively.

#### **December 31, 2019 vs. December 31, 2018**

The Company maintained a healthy financial position as it ended the 2019 with total assets of ₱2.45 billion slightly lower by 1.89% compared to the 2018 year-end balance. The Company's funds were utilized for operations and to finance the ongoing project, One Taft Residences, resulting to the increase in real estate properties for sale. Investment of funds were shifted to shorter period investments to maintain liquidity necessary for operations resulting to the increase in cash and cash equivalents account. The financial position at the end of 2019 remained stable as cash and cash equivalents and short-term investments stood at ₱237.66 million and ₱10.00 million, respectively.

On the liabilities side, total liabilities decreased by ₱161.78 million or 36.25%. This was substantially due to the full settlement of notes and contracts payable and decrease in contract liabilities.

Total equity stood at ₱2.16 billion, slightly higher by 5.59% from 2018 year-end balance of ₱2.05 billion due to comprehensive income of ₱171.42 million, net of cash dividends of ₱56.89 million.

As a result of the foregoing, the Company strengthened its liquidity position, with current and acid test ratio of 6.82:1 and 1.61:1 as of December 31, 2019, as compared to 4.58:1 and 2.35:1 as of December 31, 2018. Asset-to-liability and debt-to-equity registered at 8.60:1 and 0.00:1 as of December 31, 2019 from December 31, 2018 ratios of 5.59:1 and 0.10:1, respectively.

## Results of Operation

### Vertical Analysis

#### CITY & LAND DEVELOPERS, INCORPORATED Income Statement (Vertical Analysis)

	2021	%	2020	%	2019	%
<b>REVENUE</b>						
Sales of real estate properties	580,533,339.00	87.95%	253,550,492.00	71.53%	513,552,433.00	81.59%
Financial income	66,929,633.00	10.14%	77,548,066.00	21.88%	99,451,660.00	15.80%
Rent income	4,269,130.00	0.65%	5,331,033.00	1.50%	6,634,429.00	1.05%
Other income - net	8,344,353.00	1.26%	18,037,980.00	5.09%	9,790,828.00	1.56%
	<u>660,076,455.00</u>	<u>100.00%</u>	<u>354,467,571.00</u>	<u>100.00%</u>	<u>629,429,350.00</u>	<u>100.00%</u>
<b>COST AND EXPENSES</b>						
Cost of real estate sales	326,304,863.00	49.43%	152,154,183.00	42.92%	291,124,974.00	46.25%
Operating expenses	110,864,405.00	16.80%	65,449,700.00	18.46%	100,266,454.00	15.93%
Financial expenses	157,200.00	0.02%	203,550.00	0.06%	575,900.00	0.09%
	<u>437,326,468.00</u>	<u>66.25%</u>	<u>217,807,433.00</u>	<u>61.45%</u>	<u>391,967,328.00</u>	<u>62.27%</u>
<b>INCOME BEFORE INCOME TAX</b>	222,749,987.00	33.75% <span style="color: green;">▲</span>	136,660,138.00	38.55% <span style="color: green;">▲</span>	237,462,022.00	37.73%
<b>PROVISION FOR INCOME TAX</b>	48,316,078.00	7.32%	32,106,756.00	9.06%	61,754,897.00	9.81%
<b>NET INCOME</b>	<u>174,433,909.00</u> <span style="color: green;">▲</span>	<u>26.43%</u>	<u>104,553,382.00</u>	<u>29.50%</u> <span style="color: green;">▲</span>	<u>175,707,125.00</u>	<u>27.92%</u>

### Horizontal Analysis

#### CITY & LAND DEVELOPERS, INCORPORATED Income Statement (Horizontal Analysis)

	2021	2020	2019	% (2021 vs 2020)	% (2020 vs 2019)
<b>REVENUE</b>					
Sales of real estate properties	580,533,339	253,550,492	513,552,433	128.96%	-50.63%
Financial income	66,929,633	77,548,066	99,451,660	-13.69%	-22.02%
Rent income	4,269,130	5,331,033	6,634,429	-19.92%	-19.65%
Other income - net	8,344,353	18,037,980	9,790,828	-53.74%	84.23%
	<u>660,076,455</u>	<u>354,467,571</u>	<u>629,429,350</u>	<u>86.22%</u>	<u>-43.68%</u>
<b>COST AND EXPENSES</b>					
Cost of real estate sales	326,304,863	152,154,183	291,124,974	114.46%	-47.74%
Operating expenses	110,864,405	65,449,700	100,266,454	69.39%	-34.72%
Financial expenses	157,200	203,550	575,900	-22.77%	-64.66%
	<u>437,326,468</u>	<u>217,807,433</u>	<u>391,967,328</u>	<u>100.79%</u>	<u>-44.43%</u>
<b>INCOME BEFORE INCOME TAX</b>	222,749,987	136,660,138	237,462,022	63.00%	-42.45%
<b>PROVISION FOR INCOME TAX</b>	48,316,078	32,106,756	61,754,897	50.49%	-48.01%
<b>NET INCOME</b>	<u>174,433,909</u>	<u>104,553,382</u>	<u>175,707,125</u>	<u>66.84%</u>	<u>-40.50%</u>



**March 31, 2022 vs. March 31, 2021**

Sales of real estate properties reached ₱288.22 million as of March 31, 2022 as compared to the previous year's sales of ₱129.43 million. Sales for the first quarter came from sale of condominium units of One Taft Residences and North Residences. The significant increase in sales amount was attributed to the recovery of the economy, loosening of quarantine restrictions and increase in the percentage of completion since revenue from the sale of these real estate projects under pre-completion stage are recognized over time during the construction period (or percentage of completion).

Other sources of income are financial income, rent income and other income. Financial income which is composed of interest income from sale of real estate properties, cash and cash equivalents and short-term investments accounted for 5.90% of total revenues. Likewise, rental income amounted to ₱0.95 million as of the first quarter of 2022 as compared to ₱1.43 million of the same period last year. Other income - net, on the other hand, pertains to adjustment of market value of repossessed units, penalties charged to clients and other miscellaneous income. Revenue contribution of this account amounted to ₱1.13 million and ₱1.40 million as of March 31, 2022 and 2021, respectively.

On the cost side, cost of real estate sales and operating expenses increased as this moves in tandem with the sales of real estate properties.

As a result of the foregoing, the Company recorded a net income as of March 31, 2022 of ₱85.61 million as compared to ₱27.14 million as of March 31, 2021. This translated into an annualized earnings per share and return on equity of ₱0.24 and 12.05%, respectively as compared to the same period last year of ₱0.08 and 4.81%, respectively.

**December 31, 2021 vs. December 31, 2020**

Revenue on sales from real estate properties reached ₱580.53 million, higher by 128.96% over the same period last year of ₱253.55 million. The significant increase in sales was attributed to the recovery of the economy, loosening of quarantine restrictions and increase in the percentage of completion of One Taft Residences. As of December 31, 2021, percentage of completion of this project reached 92.63% from 73.27% as of December 31, 2020.

Other sources of income are financial income, rent income and other income. Financial income which is composed of interest income from sale of real estate properties, cash and cash equivalents and short-term investments accounted for 10.14% of total revenues. Likewise, rent income declined by 19.92% in 2021 as compared to the same period last year due to the rent concessions provided to the tenant. Net other income, on the other hand, pertains to gain or loss arising from revaluation of repossessed units at fair market value less cost to sell, penalties for buyers' late payments, sale of scraps, gain on sale of share of stock and net gains or losses on forfeiture/cancellation of sales. Revenue contribution of this account amounted to ₱8.34 million and ₱18.04 million as of December 31, 2021 and December 31, 2020, respectively.

On the cost side, cost of real estate sales and operating expenses increased due to higher sales, while financial expenses decreased also due to lower finance charges.

As a result of the foregoing, the Company recorded a net income of ₱174.43 million, higher by 66.84% as compared to last year's generated total revenue of ₱104.55 million. Earnings per share and return on equity resulted to ₱0.12 and 7.31%, respectively in 2021 as compared to the previous year of ₱0.07 and 4.69%, respectively.

**December 31, 2020 vs. December 31, 2019**

Revenue from real estate properties reached ₱253.55 million, lower by 50.63% over the same period last year of ₱513.55 million. The decline was due to lower sales which can be attributed to the financial crisis brought about by COVID-19 and lower percentage of completion of One Taft Residences. The project resulted to a 73.27% completion as of December 31, 2020 from 60.06% as of December 31, 2019. The increase in percentage of completion decreased from 34.47% to 13.21% due to quarantine measures being implemented by the government to contain the spread of the COVID-19 virus.

Other sources of income are financial income, rent income and other income. Financial income which is composed of interest income from sale of real estate properties, cash and cash equivalents and short-term investments accounted for 21.88% of total revenues. Likewise, rent income declined by 19.65% in 2020 as compared to the same period last year due to the rent concessions provided to the tenant. Net other income, on

the other hand, pertains to penalties for buyers' late payments, sale of scraps, gain on sale of share of stock and net gains or losses on forfeiture/cancellation of sales. Revenue contribution of this account amounted to ₱18.04 million and ₱9.79 million as of December 31, 2020 and December 31, 2019, respectively.

On the cost side, cost of real estate sales and operating expenses decreased due to lower sales, while financial expenses decreased also due to lower service and discount charge.

As a result of the foregoing, the Company recorded a net income of ₱104.55 million, lower by 40.50% as compared to last year's generated total revenue of ₱354.47 million. Earnings per share and return on equity resulted to ₱0.07 and 4.69%, respectively in 2020 as compared to the previous year of ₱0.12 and 8.12%, respectively.

#### **December 31, 2019 vs. December 31, 2018**

Total sales of real estate properties reached ₱513.55 million, higher by 23.89% over the same period last year of ₱414.51 million. The increase in sales was due to higher sales and percentage of completion of One Taft Residences. The project was in full blast construction resulting to a 60.06% completion in December 2019 from 25.59% in December 2018.

Other sources of income are financial income, rent income and other income. Financial income which is composed of interest income from sale of real estate properties, cash and cash equivalents and short-term investments accounted for 15.80% of total revenues. Likewise, rent income grew by 76.23% in 2019 as compared to the same period last year. Other income, on the other hand, pertains to adjustment of market value of repossessed units, penalties charged to clients, and other miscellaneous income. Revenue contribution of this account amounted to ₱9.79 million and ₱6.49 million as of December 31, 2019 and December 31, 2018, respectively.

On the cost side, cost of real estate sales and operating expenses increased due to higher sales, while financial expenses increased due to higher referral fees.

As a result of the foregoing, the Company recorded a net income of ₱175.71 million, higher by 17.37% generated from total revenue of ₱629.43 million. Earnings per share and return on equity resulted to ₱0.12 and 8.12%, respectively in 2019 as compared to the previous year of ₱0.10 and 7.31%, respectively.

#### **Key Performance Indicators**

	<b><u>2021</u></b>	<b><u>2020</u></b>	<b><u>2019</u></b>
Current ratio	<b>4.97</b>	6.98	6.82
Asset-to-equity ratio	<b>1.14</b>	1.12	1.13
Debt-to-equity ratio	–	–	–
Asset-to-liability	<b>8.01</b>	9.08	8.60
Solvency ratio	<b>0.51</b>	0.38	0.62
Interest rate coverage ratio	–	–	–
Acid - test ratio	<b>1.36</b>	1.40	1.61
Return on equity	<b>7.31%</b>	4.69%	8.12%
Return on asset	<b>6.40%</b>	4.18%	7.18%
Net profit margin	<b>26.43%</b>	29.50%	27.92%
Earnings per share	<b>₱0.12</b>	₱0.07	₱0.12

#### *Manner of Calculation:*

Current ratio	=	Total current assets / Total current liabilities
Asset-to-equity ratio	=	$\frac{\text{Total assets}}{\text{Total equity (net of net changes in fair value of financial assets at fair value through other comprehensive income and accumulated re-measurement on defined benefit plan)}}$
Debt-to-equity ratio	=	$\frac{\text{Notes and contracts payable}}{\text{Total equity (net of net changes in fair value of financial assets at fair value through other comprehensive income and accumulated re-measurement on defined benefit plan)}}$
Asset-to-liability ratio	=	Total assets / Total liabilities

Solvency ratio	=	$\frac{\text{Net income after tax} + \text{Depreciation expense}}{\text{Total liabilities}}$
Interest rate coverage ratio	=	$\frac{\text{Net income before tax} + \text{Depreciation expense} + \text{Interest expense}}{\text{Interest expense}}$
Acid-test ratio	=	$\frac{\text{Cash and cash equivalents} + \text{Short-term investments} + \text{Installment contracts receivable, current} + \text{Contract assets, current} + \text{Other receivables, current}}{\text{Total current liabilities}}$
Return on equity ratio	=	$\frac{\text{Net income after tax}}{\text{Total Equity}}$
Return on assets ratio	=	$\frac{\text{Net income after tax}}{\text{Total Assets}}$
Net profit margin	=	$\frac{\text{Net income after tax}}{\text{Total Revenue}}$
Basic/Diluted Earnings per share	=	$\frac{\text{Net income after tax}}{\text{Outstanding number of shares}}$

**a. Any Known Trends, Events or Uncertainties (Material Impact on Liquidity)**

The loosening of COVID-19 quarantine restrictions allowed businesses to recover. The collection and increase in sales resulted to increase in current assets mainly cash and cash equivalents and short-term investments. However, accrued development cost increased since the Company's ongoing project is nearing its completion already.

**b. Internal and External Sources of Liquidity**

Internal sources come from sales of condominium and real estate projects, collection of installment receivables and maturing short-term investments.

**c. Any Material Commitments for Capital Expenditures and Expected Sources of Funds of such Expenditures**

The estimated development cost of ₱212.62 million as of March 31, 2022 representing the cost to complete the development of real estate projects sold will be sourced through:

- Sales of condominium and real estate projects;
- Collection of installment contracts receivable and contract assets; and
- Maturing short-term investments.

**d. Any Known Trend or Events or Uncertainties (Material Impact on Net Sales or Revenues or Income)**

On March 11, 2020, the World Health Organization has declared the novel coronavirus (COVID-19) outbreak a global pandemic. As such, in a move to contain the COVID-19 outbreak, on March 13, 2020, the Office of the President issued a Memorandum directive to impose stringent social distancing measures in the National Capital Region (NCR) effective March 15, 2020.

On March 16, 2020, Presidential Proclamation No. 929 was issued, declaring a State of Calamity throughout the Philippines for a period of six (6) months and imposed enhanced community quarantine (ECQ) throughout the island of Luzon until April 12, 2020, which was subsequently extended to April 30, 2020 and further extended to May 15, 2020. After which, modified ECQ was implemented in Metro Manila until May 31, 2020. Thereafter, several extensions of community quarantines at different levels were implemented in Metro Manila and different areas in the Philippines. As at March 23, 2022, community quarantine restrictions of varying levels are still in effect in Metro Manila and other parts of the country in order to manage the spread of the virus.

These measures have caused disruptions to businesses, global supply chain, and economic activities, and its impact continues to evolve. In 2020, the Company observed decline in general business but economic recovery was seen in 2021 and is expected in the succeeding periods as a result of the decline in the number of COVID-19 cases and thereby loosening the community quarantines.

Further, the ongoing Russia-Ukraine conflict sets several uncertainties with the potential to disrupt businesses and institutions and poses threat to world trade and economies, in general. The continuing effect of the situation on business and institutions could result in business continuity interference, trade disruptions, rising prices of basic commodities including oil and power, among others. The Company has no exposure to investments in Ukraine or Russia. It has no significant impact on the Company.

The scale and duration of these developments and events remain uncertain. It is not possible to estimate the overall impact of the outbreak and war's near-term and longer effects. Considering the evolving nature of the pandemic and the war, the Company will continue to closely monitor these situations.

**e. Any Known Trends or Events or Uncertainties (Direct or Contingent Financial Obligation)**

There are no events that will trigger direct or contingent financial obligation that is material to the Company.

The Company is contingently liable for certain lawsuits or claims filed by third parties which are either pending decisions by the courts or are under negotiation, the outcomes of which are not presently determinable. In the opinion of management and its legal counsel, the eventual liability under these lawsuits or claims, if any, will not have a material effect on the financial statements. Hence, no provision was recognized as of March 31, 2022, December 31, 2021 and December 31, 2020.

**f. Any Significant Elements of Income or Loss that did not arise from Registrant Continuing Operations**

There were no significant elements of income or loss that did not arise from registrant continuing operations.

**g. Any Known Trends or Events or Uncertainties (Material Off-balance Sheet Transactions, arrangements, Obligations and Other Relationships)**

The COVID-19 pandemic has caused disruptions to businesses, global supply chain, and economic activities, and its impact continues to evolve. In 2020, the Company observed a decline in general business but economic recovery was seen in 2021 and is expected in the succeeding periods as a result of the decline in the number of COVID-19 cases and thereby loosening the community quarantines.

The ongoing Russia-Ukraine conflict sets several uncertainties with the potential to disrupt businesses and institutions and poses threat to world trade and economies, in general. The continuing effect of the situation on business and institutions could result in business continuity interference, trade disruptions, rising prices of basic commodities including oil and power, among others. The Company has no exposure to investments in Ukraine or Russia. It has no significant impact on the Company.

**h. Causes for any Material Changes from Period to Period in One or More Lines of the Registrant's Financial Statements.**

**Financial Condition (March 31, 2022 vs. December 31, 2021)**

- a. Decrease in Cash and Cash Equivalents was due to payment of liabilities and shift of placements to short-term investments.
- b. Increase in Short-term Investments was shift of placements to short-term investments.
- c. Decrease in Installment Contracts Receivable was due to collections of receivables.
- d. Increase in Contract Assets was due to higher sales and increase in percentage of completion of an on-going project, One Taft Residences.
- e. Decrease in Cost to Obtain Contract was due to the recognition of commission expense relative to the increase in percentage of completion of an ongoing project.
- f. Increase in Real Estate Properties for Sale was substantially due to transfer of property from real estate properties held for future development.
- g. Decrease in Financial Assets at Fair Value through Other Comprehensive Income (FVOCI) was due to decrease in market value of shares of stock.

- h. Increase in Other Receivables was substantially due to higher advances to condominium corporations, advances to customers, accrued interest receivable and retention on cash sales.
- i. Decrease in Real Estate Properties for Future Development was due to transfer to real estate properties for sale.
- j. Decrease in Other Assets was substantially due to utilization of prepaid expenses.
- k. Increase in Accounts Payable and Accrued Expenses was substantially due to higher accrued expense on development costs and directors' fee, increase in customers' deposits and vat payable.
- l. Decrease in Contract Liabilities was due to increase in percentage of completion.
- m. Increase in Income Tax Payable was due to higher taxable income brought by the increase in sales of real estate properties.
- n. Increase in Deferred Income Tax Liabilities was due to increase in realized gain on sale of real estate transactions and accrued expenses.
- o. Decrease in Unrealized Fair Value of Investments on FVOCI was due to decrease in market value of shares of stock.
- p. Increase in Retained Earnings was due to increase in net income recognized for the 1<sup>st</sup> quarter of 2022.

**Financial Condition (December 31, 2021 vs. December 31, 2020)**

- a. Increase in Cash and Cash Equivalents was due to sales, collections and shift of placements to shorter term investments.
- b. Increase in Short-term Investments was due to the shift of funds to short term investments.
- c. Increase in Installment Contracts Receivable was due to increase in past due accounts.
- d. Net increase in Contract Assets was substantially due to higher sales and increase in percentage of completion of an on-going project, One Taft Residences.
- e. Net decrease in Cost to Obtain Contract was due to the recognition of commission expense relative to the increase in percentage of completion of an ongoing project which is expected to be completed in 2022
- f. Increase in Other Receivables was substantially due to higher advances to condominium corporations and retention on cash sales.
- g. Increase in Real Estate Properties for Sale was due to additional development cost incurred for the ongoing project.
- h. Increase in Financial Assets at FVOCI was due to increase in fair market value of the shares of stock held by the Company.
- i. Increase in Real Estate Properties Held for Future Development was due to costs capitalized during the period.
- j. Net decrease in Other Assets was substantially due to utilization of input VAT and of prepaid expenses.
- k. Increase in Accounts Payable and Accrued Expenses was substantially due to higher accrued development costs, due to related parties, customers' deposits and withholding taxes payable.
- l. Decrease in Contract Liabilities was due to increase percentage of completion.
- m. Decrease in Retirement Benefit Liability was due to re-measurement gain recognized during the year.
- n. Increase in Income Tax Payable was due to higher taxable income brought by the increase in sales as a result of the recovery in the economy and loosening of quarantine restrictions.
- o. Increase in Deferred Income Tax Liabilities was due to increase in realized gain on sale of real estate transactions and accrued expenses.
- p. Increase in Unrealized Fair Value Changes on Financial Assets at FVOCI was due to increase in value of shares of stock.
- q. Increase in Retained Earnings was due to net income recognized during the year net of cash dividends declared and distributed.

**Financial Condition (December 31, 2020 vs. December 31, 2019)**

- a. Decrease in Cash and Cash Equivalents was due to payment of liabilities and shift of placements to short term investments.
- b. Increase in Short-term Investments was due to the shift of funds to short term investments.
- c. Increase in Installment Contracts Receivable was due to uncollected past due accounts. Further, the collections of monthly amortizations were also affected due to the impact of COVID-19 pandemic.

- d. Net decrease in Contract Assets was due to right to consideration already delivered resulting to increase in billed accounts reflected in the installment contracts receivable.
- e. Net decrease in Cost to Obtain Contract was due to the recognition of commission expense relative to the increase in percentage of completion of the ongoing project.
- f. Net increase in Other Receivables was due to higher advances to condominium corporations, payment of real estate tax and retention on cash sales.
- g. Increase in Real Estate Properties for Sale was due to additional development cost incurred for the ongoing project.
- h. Increase in Financial Assets at FVOCI was due to increase in fair market value of the shares of stock held by the Company.
- i. Increase in Real Estate Properties Held for Future Development was due to capitalized cost.
- j. Decrease in Deferred Income Tax Assets was due to decrease in realized gain on sale of real estate transactions.
- k. Increase in Other Assets was due to payment of prepaid real estate tax.
- l. Increase in Accounts Payable and Accrued Expenses was substantially due to higher accrued development costs, sick leave, customers' deposit and due to related parties.
- m. Decrease in Income Tax Payable was due to creditable withholding tax charged to income tax payable and decrease in taxable income.
- n. Decrease in Retirement Benefit Liability was due to re-measurement gain recognized during the year.
- o. Increase in Unrealized Fair Value Changes on Financial Assets at FVOCI was due to increase in value of shares of stock.
- p. Increase in Retained Earnings was due to net income recognized during the year net of stock dividends declared and distributed.

**Financial Condition (December 31, 2019 vs. December 31, 2018)**

- a. Increase in Cash and Cash Equivalents was due to sales, collection and shift of placements to shorter term investments.
- b. Decrease in Short-term Investments was substantially due to shift of funds to shorter period investments, payment of construction costs and operating expenses, full settlement of notes and contract payables and payment of cash dividends.
- c. Decrease in Installment Contracts Receivable was due to collection of past due accounts.
- d. Net increase in Contract Assets was due to higher sales and increase in the percentage of completion of an on-going project.
- e. Net decrease in Cost to Obtain Contract was due to the recognition of commission expense relative to the increase in percentage of completion of an ongoing project.
- f. Increase in Real Estate Properties for Sale was due to additional development cost incurred for the ongoing project.
- g. Decrease in Financial Assets at Fair Value through Other Comprehensive Income (FVOCI) was due to sale of shares of stock and decrease in fair market value of the shares of stock held by the Company.
- h. Net decrease in Other Receivables was substantially due to lower accrual of interest receivable, collection of advances to customers, condominium corporations and from related parties.
- i. Decrease Real Estate Properties for Future Development was due to cost adjustment resulting to settlement of the remaining balance of the contract payable.
- j. Decrease in Deferred Income Tax Assets was due to decrease in realized gain on sale of real estate transactions and unearned revenue.
- k. Decrease in Other Assets was due to utilization of prepaid expenses.
- l. Increase in Accounts Payable and Accrued Expenses was substantially due to higher accrued development costs, sick leave, director's fee, customers' deposit and due to related parties.
- m. Decrease in Notes and Contract Payable was due to full settlement of notes payable and adjustment of contract payable resulting to its full settlement.
- n. Increase in Income Tax Payable was due to the higher taxable income.
- o. Decrease in Unrealized Fair Value Changes on Financial Assets at FVOCI was due to sale of shares of stock and decrease in fair market values.
- p. Increase in Retained Earnings was due to net income recognized as of December 31, 2019, net of cash dividends.

**Results of Operation (March 31, 2022 vs. March 31, 2021)**

- a. Increase in Sales of Real Estate Properties was due to higher sales brought by the recovery in the economy, loosening of quarantine restrictions and increase in the percentage of completion of One Taft Residences.
- b. Decrease in Financial Income was due to lower interest income earned from installment contracts receivable and contract assets.
- c. Decrease in Rent Income was due to lower rentals earned from short-term leases.
- d. Decrease in Other Income – net was due to decrease in income adjustment for repossessed units
- e. Increase in Cost of Real Estate Sales was due to higher sales and increase in the percentage of completion.
- f. Increase in Operating Expenses was substantially due to higher personnel expenses, professional fees, brokers' commission and outside services.
- g. Increase in Financial Expenses was due to higher finance charges.
- h. Increase in Provision for Income Tax was due to higher taxable income.
- i. Increase in Net Income was due to increase in sales of real estate properties and percentage of completion of an on-going project.

**Results of Operation (December 31, 2021 vs. December 31, 2020)**

- a. Increase in Sales of Real Estate Properties was due to higher sales brought about by the recovery in the economy, loosening of quarantine restrictions and increase in the percentage of completion the One Taft Residences.
- b. Decrease in Financial Income was primarily due to lower interest income earned from money market placements.
- c. Decrease in Rent Income was due to lower rentals earned from units for lease brought by the rent concession provided to the tenant. .
- d. Decrease in Other Income – net was due to decrease in income adjustment for repossessed units and reversal of accrued directors' fees.
- e. Increase in Cost of Real Estate Sales was due to higher sales and percentage of completion of One Taft Residences.
- f. Increase in Operating Expenses was substantially due to higher percentage of cost allocated to the Company as compared in prior year. The Company has shared expenses with the other companies within the Cityland Group. Other operating expenses such as the personnel costs, brokers' commission and professional fees also increased due to the increase in sales.
- g. Decrease in Financial Expenses was due to lower finance charges.
- h. Increase in Provision for Income Tax was due to higher taxable income.
- i. Increase in Net Income was due to increase in sales of real estate properties and percentage of completion of an on-going project.

**Results of Operation (December 31, 2020 vs. December 31, 2019)**

- a. Decrease in Sales of Real Estate Properties was due to lower sales as a result of the COVID-19 pandemic.
- b. Decrease in Financial Income was primarily due to lower interest income earned from money market placements.
- c. Decrease in Rent Income was due to lower rentals earned from units for lease.
- d. Increase in Other Income was due to increase in fair market value of repossessed units.
- e. Decrease in Cost of Real Estate Sales was due to lower sales and percentage of completion of One Taft Residences because of quarantine measures implemented causing it to slow down.
- f. Decrease in Operating Expenses was substantially due to lower personnel expenses, professional fees, taxes and licenses, insurance, repairs and maintenance and brokers' commission because of the pandemic.
- g. Decrease in Financial Expenses was due to lower finance charges.
- h. Decrease in Provision for Income Tax was due to lower taxable income.
- i. Decrease in Net Income was due to lower revenues from sale of real estate properties, interest income and rentals and other income.

**Results of Operation (December 31, 2019 vs. December 31, 2018)**

- a. Increase in Sales of Real Estate Properties was due to higher sales and percentage of completion of One Taft Residences.
- b. Increase in Financial Income was primarily due to higher interest income earned from installment contracts receivable, contract assets and short-term investments.
- c. Increase in Rent Income was due to increase in rental rates and adjustments for the reversal of deposits to rental income for pre-terminated contracts.
- d. Increase in Other Income was due to increase in fair market values of repossessed units and gain on sales of shares of stock.
- e. Increase in Cost of Real Estate Sales was due to higher sales and percentage of completion of One Taft Residences.
- f. Increase in Operating Expenses was substantially due to higher sales, personnel expenses, professional fees, taxes and licenses, insurance, repairs and maintenance and brokers' commission.
- g. Increase in Financial Expenses was due to increase in finance charges.
- h. Increase in Provision for Income Tax was due to higher taxable income.
- i. Increase in Net Income was due to higher revenues from sale of real estate, interest income and rentals and other income.

**i. Information on Independent Auditor**

Sycip Gorres Velayo & Co. is the company's external auditor for the years 2021 and 2020. The engagement partner is Ms. Aileen L. Saringan in 2021 and 2020.

	2021	2020
Audit and audit-related Fees	₱568,500	₱550,000
Tax Fees	–	–
All other fees	–	–
Total	₱568,500	₱550,000

The Company did not avail any non-audit related services from external parties.

The Audit and Risk Committee's approval policies and procedures consist of:

- a. Discussion with the external auditors of the Audited Financial Statements;
- b. Recommendation to the Board of Directors for the approval and release of the Audited Financial Statements; and
- c. Recommendation to the Board of Directors the appointment of the external auditors.

During the Annual Stockholders' Meeting of the Company, the appointment of the external auditors and approval of the audited financial statements are being presented for ratification by the stockholders.

**j. Any Seasonal Aspects that had Material Effect on the Financial Condition or Results of Operations**

There are no seasonal aspects that had material effect on the financial condition or results of operations.

**DIVIDENDS AND MARKET PRICE OF SHARES OF STOCK**

**a. Dividends Policy**

Dividends declared by the Company on its shares of stock are payable in cash or in additional shares of stock. The payment of dividends in the future will depend upon the earnings, cash flow, and financial condition of the Company and other factors. The Company has no specific dividends policy but it ensures that it is compliant with the provisions of the Revised Corporation Code.

The Revised Corporation Code prohibits stock corporations from retaining surplus profits in excess of 100% of their paid-in capital stock, except when justified by definite corporate expansion projects or programs approved by the Board of Directors (BOD), or when the corporation is prohibited under any loan



agreement with any financial institution or creditor from declaring dividends without its consent, and such consent has not yet been secured, or when it can be clearly shown that such retention is necessary under special circumstances obtaining in the corporation.

**b. Dividends**

The Company declared the following dividends from 2019 to 2021:

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Cash	₱0.01392/ share	₱0.02920/ share	₱0.04170/ share
Stock	5%	--	5%

Cash dividends on common shares were deducted from retained earnings upon declaration by the BOD. All cash dividends due during the year were paid.

Stock dividends on common shares are measured based on total par value of declared stock dividend. Stock dividends are deducted from retained earnings when the BOD's declaration is ratified by the stockholders of the Company and the increase for authorized capital stock is approved by the SEC in cases of stock dividends issued to cover an increase in authorized capital stock. Unissued stock dividends are recorded as stock dividends distributable and credited to capital stock upon issuance.

On April 26, 2021, the Board of Directors approved the Board Resolution regarding the following:

- b. Declaration of Five Percent (5%) stock dividend;
- c. Increase in authorized capital stock from 1,435,000,000 shares to 1,715,000,000 shares with par value of ₱1.00 per share; and
- d. To cause the amendment of the Articles of Incorporation to increase the authorized capital stock to 1,715,000,000 shares with par value of ₱1.00 per share.

The said resolution was approved and ratified by owners owning at least 2/3 of the outstanding shares during the Annual Stockholders' Meeting held last June 8, 2021. The stock dividends will be taken from the unissued capital stock and shall be declared from the unappropriated retained earnings of the Company as of December 31, 2020 which will come from an increase in authorized capital stock. The Company will deduct such from its retained earnings at the record date once the application for increase in authorized capital stock has been approved by SEC.

As of March 31, 2022, the Company has not yet received the approval from SEC regarding the Company's application for increase in authorized capital stock.

Dividends for the year that are declared after the end of the reporting period but before the approval for issuance of financial statements are dealt with as an event after the reporting period.

**c. Stock Prices**

		<u>High</u>	<u>Low</u>
2022	First Quarter	0.95	0.78
2021	First Quarter	2.34	0.65
	Second Quarter	3.16	1.35
	Third Quarter	1.92	1.02
	Fourth Quarter	1.18	0.84
2020	First Quarter	0.79	0.65
	Second Quarter	0.77	0.54
	Third Quarter	0.76	0.66
	Fourth Quarter	0.95	0.62

**d. Trading Market**

The Company's common equity is traded in the Philippine Stock Exchange.

The Company has no plans of acquisition, business combination, or other reorganization that will take effect in the near future that involves issuances of securities.

e. **Price Information on the Latest Practicable Date**

The Company's shares were last traded on May 18, 2022 at ₱0.77 per share.

f. **Holders**

The number of shareholders of record as of March 31, 2022 was 746.

Top 20 Stockholders of record as of March 31, 2022:

	<u>Name</u>	<u>No. of Shares</u>	<u>%</u>
1.	Cityland Development Corporation	712,030,839	49.73
2.	Cityland, Inc.	422,918,496	29.54
3.	PCD Nominee Corporation – Filipino	134,011,791	9.36
4.	Cityplans, Incorporated.	12,447,765	0.87
5.	Estate of Henry Shao	11,094,363	0.77
6.	Tan, Joyce Liuson or Tan, Philip Sim	10,901,636	0.76
7.	Liuson, Andrew I.	7,695,178	0.54
8.	Credit & Land Holdings, Inc.	7,373,727	0.52
9.	Liuson, Grace C.	6,737,109	0.47
10.	Roxas, Jefferson C.	6,046,386	0.42
11.	Co, Sharon Valerie	5,727,174	0.40
12.	Co, Stephanie Vanessa	5,727,174	0.40
13.	Co, Stephen Vincent	5,727,174	0.40
14.	Lim, Josephine	4,090,838	0.29
15.	Ecclesiastes, Inc.	3,692,420	0.26
16.	Gohoc, Josef C.	3,004,274	0.21
17.	PCD Nominee Corporation – Foreign	2,728,013	0.19
18.	Obadiah, Incorporated	2,509,274	0.18
19.	Jemimah Incorporated	2,364,037	0.17
20.	Haggai Incorporated	2,363,784	0.17

g. **Recent Sale of Unregistered Securities (including recent issuance of securities constituting an exempt transaction)**

1. There was no sale of any unregistered securities.
2. The total number of shares issued and outstanding of the Company remains 1,431,785,284 as there was no stock dividend declaration in 2020. Stock dividends are exempted from registration under SRC Rule 10.1-2 (Exempt Transaction Not Requiring Notice).

**CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE**

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

**COMPLIANCE WITH LEADING PRACTICES ON CORPORATE GOVERNANCE**

The evaluation system employed by the Company is thru a periodic self-rating system based on the criteria on the leading practices and principles on good governance.

- 1) Measures being undertaken by the Registrant to fully comply with the adopted Leading Practices on Good Corporate Governance.

We have implemented the periodic self-rating system.

- 2) Any Deviation from the Registrant's Manual of Corporate Governance (including a disclosure of the name and position of the persons involved and sanctions imposed on said individual).

There were no major deviations that require sanctions.

- 3) Any plan to improve corporate governance of the Company.

Based on the outcome of the periodic self-rating, we will come up with necessary actions / procedures to improve the corporate governance of the Registrant.

Pursuant to SEC Memorandum Circular No. 5, Series of 2013, the Corporate Governance Section of the Annual Report has been deleted and to be submitted separately to Securities and Exchange Commission.

### ACKNOWLEDGEMENT

On behalf of the Board of Directors, Consultant and Management of City & Land Developers, Incorporated, I would like to express our appreciation to all our stockholders for your trust and confidence.

I also acknowledge the time and expertise shared to us by our consultant and directors and the commitment and hard work of our managers and staff in the attainment of our corporate goals.

With God's grace, we look forward to a better year in 2022 for the Company and the real estate industry.

**Upon written request, the Company undertakes to provide without charge a copy of the Annual Report or SEC Form 17A. Copies can be requested from Ms. Michelle Marcelino, 3/F Cityland Condominium 10 Tower I, 156 H.V. Dela Costa Street, Makati City, Tel. 8-893-6060 local 148.**