

ANCHOR LAND HOLDINGS, INC.

NOTICE OF ANNUAL STOCKHOLDERS' MEETING

AND

INFORMATION STATEMENT (SEC FORM 20-IS)

June 24, 2021

At 3:00 p.m.

The Annual Stockholders' Meeting will be conducted online and information about said virtual meeting can be accessed at the link provided in ALHI's website at
[<https://anchorland.com.ph/asm-2021>]

ANCHOR LAND HOLDINGS, INC.
11th Floor L.V. Locsin Building, 6752 Ayala Ave. cor. Makati Ave., Makati City
Phone: (02)-8988-7988

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

TO OUR STOCKHOLDERS:

NOTICE IS HEREBY GIVEN that the Annual Meeting of Stockholders of **Anchor Land Holdings, Inc. (ALHI)** will be conducted virtually on **June 24, 2021, 3:00 PM**. The said virtual meeting can be accessed at the link provided in ALHI's website at <https://anchorland.com.ph/asm-2021> with the following agenda:

1. Call to order;
2. Proof of notice and due calling of meeting;
3. Determination of a quorum;
4. Approval of the Minutes of the Regular Meeting of the Stockholders held on November 26, 2020;
5. Report of the President;
6. Presentation and approval of the Financial Statements as of December 31, 2020;
7. Ratification of acts of the Board of Directors and Officers;
8. Election of the members of the Board of Directors;
9. Appointment of external auditors;
10. Other Matters; and,
11. Adjournment.

Minutes of the Regular Meeting of the Stockholders held on November 26, 2020 will be available for examination during office hours at the Office of the Corporate Secretary.

The conduct of this Annual Stockholders' Meeting will be streamed live to stockholders qualified to attend the meeting and stockholders of record as of April 30, 2021 may attend, participate and vote only through proxy, remote communication or in absentia using the above-stated link. The requirements and procedures on how to participate in this meeting and for voting in absentia are stated in the Information Statement. These are likewise published and made accessible in the same link above.

Stockholders who opt to vote by proxy must submit and address their proxy form to the attention of the Corporate Secretary at 8th Floor, Chatham House Bldg. Valero corner Rufino Sts., Salcedo Village, Makati City or via e-mail at corporatesecretary@anchorland.com.ph not later than 5:00 p.m. on or before June 20, 2021. A sample proxy form may be found in the company website at <https://anchorland.com.ph/asm-2021>.

Any questions for the Board must also be emailed at the address mentioned above on or before June 20, 2021.

Makati City, April 23, 2021


CHRISTINE P. BASE
Corporate Secretary

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 20-IS

Information Statement
of
ANCHOR LAND HOLDINGS, INC.
Pursuant to Section 20 of the Securities Regulation Code

1. Check the appropriate box:
☒ Preliminary Information Statement
☐ Definitive Information Statement
2. Name of Registrant as specified in its charter: **ANCHOR LAND HOLDINGS, INC.**
3. **Makati City, Philippines**
Province, country or other jurisdiction of incorporation or organization
4. SEC Identification Number: **CS-200411593**
5. BIR Tax Identification Code: **232-639-838**
6. **11th Floor, L.V. Locsin Building, 6752 Ayala Avenue cor. Makati Avenue, Makati City, Philippines**
Address of principal office
7. Registrant's telephone number, including area code **(02) 8988-7988**
8. Date, time and place of the meeting of security holders
June 24, 2021 at 3:00 p.m., The Annual Stockholders' Meeting will be conducted online and information about said virtual meeting can be accessed at the link provided in ALHI's website at <https://anchorland.com.ph/asm-2021>.
9. Approximate date on which the Information Sheet is first to be sent or given to security holders:
June 2, 2021
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):

Title of Each Class	Number of Shares of Common Stock
	Outstanding or Amount of Debt Outstanding (As of December 31, 2020)
Common Stock, Php1.00 par value	1,040,001,000 Shares
Preferred Shares, Php1.00 par value	346,667,000 Shares
Loans Payable	₱19,310,647,503

11. Are any or all of registrant's securities listed on a Stock Exchange?
Yes ☒ No ☐

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

**ANCHOR LAND HOLDINGS, INC.
INFORMATION STATEMENT**

A. GENERAL INFORMATION

ITEM 1: DATE, TIME AND PLACE OF MEETING OF SECURITY HOLDERS

Date : June 24, 2021

Time : 3:00 p.m.

Place : The Annual Stockholders' Meeting will be conducted online and information about said virtual meeting can be accessed at the link provided in ALHI's website at <https://anchorland.com.ph/asm-2021>

Principal Office: 11th Floor, L.V. Locsin Building, 6752 Ayala Avenue cor. Makati Avenue, Makati City, Philippines

Approximate Date of Distribution to Security Holders: June 2, 2021

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

ITEM 2: DISSENTER'S RIGHT OF APPRAISAL

There are no matters to be acted upon at the meeting involving instances set forth in the Revised Corporation Code of the Philippines for which a stockholder may exercise the right of appraisal.

Pursuant to *Section 80 Title X, Appraisal Right, Revised Corporation Code of the Philippines*, any stockholder of a corporation shall have the right to dissent and demand payment of the fair value of his shares in the following instances: (a) in case of any amendment to the articles of incorporation that has the effect of changing or restricting the rights of any stockholder or class of shares, or authorizing preferences in any respect superior to those of outstanding shares of any class, or 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, and (c) in case of merger.

Section 81 of the Revised Corporation Code also provides that, this appraisal right may be exercised by any stockholder who shall have voted against the proposed action, by making a written demand on the corporation within thirty (30) days after the date on which the vote was taken for payment of the fair value of his shares. Failure to make the demand within such period shall be deemed a waiver of the appraisal right. If the proposed action is implemented or affected, the corporation shall pay to such stockholder, upon surrender of the certificate or certificates of stock representing his shares, the value thereof as of the day prior to the date on which the vote was taken, excluding any appreciation or depreciation in anticipation of such corporate action.

If within a period of sixty (60) days from the date the corporate action was approved by the stockholders, the withdrawing stockholder and the corporation cannot agree on the value of the shares, it shall be determined and appraised by three (3) disinterested persons, one of whom

shall be named by the stockholder, another by the corporation, and the third by the two thus chosen. The findings of the majority of the appraisers shall be final, and their award shall be paid by the corporation within thirty (30) days after such award is made. No payment shall be made to the dissenting stockholder unless the bank has unrestricted retained earnings in its book to cover such payment. Upon payment by the Corporation of the agreed or awarded price, the stockholder shall forthwith transfer his shares to the Corporation.

From the time of demand for payment of the fair value of a stockholder's shares until either the abandonment of the corporate action involved or the purchase of the said shares by the corporation, all rights accruing to such shares, including voting and dividend right, shall be suspended, except the right of such stockholder to receive payment of the fair value thereof: Provided, that if the dissenting stockholder is not paid the value of his shares within 30 days after the award, his voting right and dividend rights shall immediately be restored (*Section 82 of the Revised Corporation Code*).

Within ten (10) days after demanding payment of his shares, a dissenting stockholder shall submit the certificate(s) of stock representing his shares to the Corporation for notation thereon that such shares are dissenting shares. His failure to do so shall, at the option of the Corporation, terminate his appraisal right (*Section 85, Revised Corporation Code*). No demand for payment as aforesaid may be withdrawn by the dissenting stockholder unless the Corporation consents thereto (*Section 83, Revised Corporation Code*).

The appraisal right shall be exercised in accordance with Title X of the Revised Corporation Code.

ITEM 3. INTEREST OF CERTAIN PERSONS IN OR OPPOSITION TO MATTERS TO BE ACTED UPON

Other than the election to office, there is no matter to be acted upon during the Annual Stockholders' Meeting to which a beneficial owner, director or officer has any substantial interest.

No director has informed the Company in writing of his intentions to oppose any action to be taken by the Company during the Annual Stockholders' Meeting.

B. CONTROL AND COMPENSATION INFORMATION

ITEM 4. VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

As of March 31, 2021, there are 1,040,001,000 subscribed, issued and outstanding common shares and 346,667,000 subscribed, issued and outstanding preferred shares entitled to vote at the meeting, with each share entitled to one vote.

All stockholders of record at the close of business hours on April 30, 2021 shall be entitled to cumulative voting rights with respect to the election of directors. A stockholder may vote such number of shares for as many persons as there are directors to be elected or he may cumulate said shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of his shares shall equal, or he may distribute them on the same principle among as many candidates as he shall see fit: Provided, that the total number of votes cast by him shall not exceed the number of shares owned by him as shown in the books of the Company as of April 30, 2021 multiplied by the whole number of directors to be elected.

Security Ownership of Certain Record & Beneficial Owners and Management

(1) Security Ownership of Certain Record and Beneficial Owners of more than 5%

There were no delinquent stocks, and the direct and indirect record and beneficial owners of more than five percent (5%) of the Company's voting securities as of March 31, 2021 are as follows:

Title of Class	Name and Address of Record Owner and Relationship with Issuer	Name of Beneficial ownership and relationship with record owner	Citizenship	No. of Shares	Percentage Held Per Class	Percentage Held Out of the Total Outstanding Shares
Common	LTC Prime Holdings, Inc. Lots 2-7, Kaingin Road, Multinational Village, Paranaque City	LTC Prime Holdings, Inc. *	Filipino	248,108,100	23.86%	26.56%
Preferred				120,134,048	34.65%	
Common	Sybase Equity Investments Corporation	Sybase Equity Investments Corporation	Filipino	202,609,200	19.48%	19.49%
Preferred				67,609,400	19.50%	
Common	Steve Li 15 th Floor, LV Locsin Bldg. 6752 Ayala Avenue corner Makati Avenue, Makati City	Steve Li	Hong Kong National	156,000,000	15.00%	15.00%
Preferred				52,000,000	15.00%	
Common	Cindy Sze Mei Ngar Room 21B Ocean Tower Roxas Boulevard, Manila	Cindy Sze Mei Ngar	British	155,999,298	15.00%	15.00%
Preferred				51,999,766	15.00%	
Common	PCD Nominee Corporation (Non-Filipino)	Various clients and PDTC participants who hold the shares on behalf of their clients.	Non-Filipino	78,814,490	7.58%	4.62%

* Avelino Guzman will vote for the shares held by LTC

** PCD Nominee Corporation is not related to the Company. PCD Nominee Corporation is the registered owner of shares beneficially owned by Participants of the Philippine Depository and Trust Corporation (PDTC), a private company organized to implement an automated book entry system for the handling securities transactions in the Philippines. Under the PDTC procedures, when an issuer of a PDTC -eligible security will hold a stockholders' meeting, PCD Nominee Corporation shall execute a pro-forma proxy in favor of the Participants for the total number of shares in their respective principal securities account as well as for the total number of shares in their client securities account. For the shares held in the principal securities account, the Participant concerned is appointed as proxy with full voting rights and powers as registered owner of such shares. For the shares held in the client securities account, the Participant concerned is appointed as proxy, with the obligation to constitute a sub-proxy in favor of its clients with full voting and other rights for the number of shares beneficially owned by such clients.

The Company expects to receive the proxy form at least 10 days prior to the Annual Stockholders' Meeting.

As of March 31, 2021, the following are known to the Company as participants of the PCD holding 5% or more of the Company's common shares:

Title	Member Name / Address	No. of Shares	Percentage Held
Common	Lucky Securities Corporation Unit 1402 b, Philippine Stock Exchange Center, Exchange Road, Pasig City	226,844,290	21.81%
Common	BDO Securities Corporation 20 th Floor BDO Corporate Centre BDO South Tower Makati Avenue, Makati City	66,708,654	6.41%
Common	COL Financial Group Inc. Unit 2401B East Tower, PSE Centre, Exchange Road, Ortigas Center, Pasig City	61,402,189	5.90%
Common	Eastern Securities Development Corporation Unit 1603-1605 PSE Tower 5 th Avenue corner 28 th St. BGC Taguig City address	60,056,500	5.77%
Common	HSBC Clients Account 7 th Floor HSBC Centre 3058 5 th Avenue West Bonifacio Global City Taguig City	58,107,000	5.59%

(2) Security Ownership of Management

The following is a summary of the aggregate shareholdings of the Company's directors and executive officers in the Company and the percentage of their shareholdings as of March 31, 2021:

Title of Class	Name of Beneficial Owner / Address	Amount and Nature of Beneficial Ownership	Citizenship	Percentage Per Class of Share	Percentage Held Out of the Total Outstanding Shares
Common	Charles Stewart Sze Lee Chairman /Director Rm. 21B Ocean Tower, Roxas Boulevard, Manila	15,000,900 Direct	British National	0.00%	0.00%
Common	Steve Li Vice-Chairman/Director	156,000,000 Direct	Hong Kong National	15.00%	15.00%
Preferred	15 th Floor, LV Locsin Bldg. 6752 Ayala Avenue corner Makati Avenue, Makati City	52,000,000 Direct		15.00%	
Common	Avelino M. Guzman, Jr. Director Unit 403 Alfaro Place Condominium, 146 L.P. Leviste St., Salcedo Village, Makati City, Philippines	1,000 Direct	Filipino	0.00%	0.00%
Common	Christine P. Base Corporate Secretary/Director	300,003 Direct	Filipino	0.03%	0.03%
Preferred	8/F Chatham House, 116 Valero St., Salcedo Village, Makati City	100,000 Direct		0.03%	
Common	Lorna Pangilinan Independent Director Unit 8G, The Shang Grand Tower, Perea corner Dela Rosa Streets, Makati City	1000 Direct	Filipino	0.00%	0.00%
Common	Digna Elizabeth Ventura President/Director	300 Direct	Filipino	0.00%	0.00%
Preferred	11/F LV Locsin Bldg., Ayala Avenue Makati City	100 Direct		0.00%	
Common	Clinton Steven Lee Director 11/F LV Locsin Bldg., Ayala Avenue Makati City	603,490 Direct	British National	0.00%	0.00%

Title of Class	Name of Beneficial Owner / Address	Amount and Nature of Beneficial Ownership	Citizenship	Percentage Per Class of Share	Percentage Held Out of the Total Outstanding Shares
Common	Violeta Josef Independent Director 217 Santiago St., Ayala Alabang Village, Muntinlupa City	1,000 Direct	Filipino	0.00%	0.00%
Common	Ma. Victoria Villaluz Independent Director 116 J. P. Rizal St., Project 4, Quezon City	1,000 Direct	Filipino	0.00%	0.00%
Common	Neil Y. Chua Chief Financial Officer/Director	5,400 Direct	Filipino	0.00%	0.00%
Preferred	11/F LV Locsin Bldg., Ayala Avenue Makati City	1,800 Direct		0.00%	
Common	Edwin Lee Director	27,100 Direct	Filipino	0.00%	0.00%
Preferred	54 Angeles St. Alabang Hills, Muntinlupa City	1,000 Direct		0.00%	
	TOTAL FOR THE GROUP				16.53%

(3) Voting Trust Holders of 5% or More

There is no voting trust or similar arrangement executed among holders of five percent (5%) or more of the issued and outstanding shares of common stock of the Company.

ITEM 5. DIRECTORS AND EXECUTIVE OFFICERS

Except in cases where a higher vote is required under the Revised Corporation Code, the approval of any corporate action shall require the majority vote of all the stockholders present in the meeting, if constituting a quorum.

Except in cases where voting by ballot is applicable, voting and counting shall be *viva voce*. If by ballot, the counting shall be supervised by the external auditors and transfer agent of the Company.

In the election of directors, each common shareholder of record as of April 30, 2021 is entitled to as many votes as there are directors to be elected. A stockholder may vote such number of shares for as many persons as there are directors to be elected or he may cumulate said shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of his shares shall equal, or he may distribute them on the same principle among as many candidates as he shall see fit: Provided, that the total number of votes cast by him shall

not exceed the number of shares owned by him multiplied by the number of directors to be elected.

All proxies must be in the hands of the Secretary at least ten (10) days before the time set for the meeting. Such proxies filed with the Secretary may be revoked by the stockholders either in an instrument in writing duly presented and recorded with the Secretary prior to a scheduled meeting or their personal attendance at the meeting (*Par. 2 Section 7, By-Laws*).

A forum for validation of proxies chaired by the Corporate Secretary or Assistant Corporate Secretary and attended by the Stock and Transfer Agent shall be convened seven (7) days before any meeting. Any questions and issues relating to the validity and sufficiency, both as to form and substance, of proxies shall only be raised during said forum and resolved by the Corporate Secretary. The Corporate Secretary's decision shall be final and binding upon the shareholders. Any such question or issue decided upon by the Corporate Secretary shall be deemed settled and those not brought before said forum shall be deemed waived and may no longer be raised during the stockholder's meeting (*Par. 3 section 7, By-Laws*).

(1) Board of Directors and Executive Officers

The incumbent directors, including independent directors and executive officers of the Company are as follows:

Name	Age	Office	Year of Assumption of Office	No. of Year/Month
Charles Stewart Lee	30	Director	2014	6 years
		Chairman of the Board	2020	6 months
Steve Li	50	Director	2004	17 years
		Vice Chairman	2007	13 years
		Chief Executive Officer	2013	7 years
Avelino Guzman	47	Director	2015	5 years
Digna Elizabeth L. Ventura	48	Director	2011	9 years
		President	2011	9 years
Lorna Pangilinan	65	Independent Director	2018	2 years
Christine P. Base	50	Director	2007	13 years
		Corporate Secretary	2007	13 years
Violeta Josef	74	Independent Director	2015	5 years
Ma. Victoria Villaluz	67	Independent Director	2015	5 years
Clinton Steven Lee	27	Director	2020	6 months
Neil Y. Chua	50	Director	2013	7 years
		Chief Finance Officer/Treasurer	2009	11 years

Name	Age	Office	Year of Assumption of Office	No. of Year/Month
Edwin Lee	63	Director	2013	7 years
Honorio A. Alvarez, Jr.	52	AVP for Engineering	2017	3 years
Sarah Joelle Lintag	48	Corporate Affairs Manager & Compliance Information Officer	2016	4 years
Edwin L. Aquino	43	Internal Audit Manager	2019	1 year

The Company has adopted SRC Rule 38 and SEC Circular No. 16, Series of 2002 on the Guidelines on Nomination and Election of Independent Directors as stated in the By-laws and Manual on Corporate Governance of the Corporation. The following are the procedures for the nomination and election of independent directors of the Company:

- A. All nominations for directors to be elected by the Stockholders of the Corporation shall be submitted in writing to the Corporate Secretary of the Corporation at the principal office of the Corporation not earlier than forty (40) days nor later than twenty (20) days prior to the date of the regular or special meeting of stockholders for the election of directors. Nominations which are not submitted within such nomination period shall not be valid. Only stockholder of record entitled to notice and vote at the regular or special meeting of the stockholders for the election of the directors shall be qualified to be nominated and elected a director of the Corporation (*Section 9, By Laws*).
- B. All nominations shall be signed by the nominating stockholder/s together with the acceptance and conformity of the would-be nominees (SRC Rule 38). After the nomination, the Nomination Committee shall prepare a Final List of Candidates, which shall contain all the information about all the nominees for independent directors. The list shall be made available to the Securities and Exchange Commission and to all stockholders through the filing and distribution of the Information Statement or Proxy Statement, or in such other reports the Corporation is required to submit to the Commission. The name of the person or group of person who recommended the nomination of the independent director shall be identified in such report including any relationship with the nominee.
- C. Only nominees whose names appear on the Final List of Candidates shall be eligible for election as an Independent Director. No other nomination shall be entertained after the Final List of Candidates shall have been prepared. No further nomination shall be entertained or allowed on the floor during the actual annual stockholders' meeting.
- D. It shall be the responsibility of the Chairman of the Meeting to inform all stockholders in attendance of the mandatory requirement of electing an independent director. He shall ensure that an independent director is elected during the stockholders' meeting.
- E. The specific slot for an independent director shall not be filled-up by the unqualified nominees.

F. The decision of the Nomination Committee, once confirmed by the Board of Directors, shall be final and binding upon the shareholders and may no longer be raised during the stockholders' meeting (*Section 10, By-Laws*).

G. In case of failure of election for the independent director, the Chairman of the Meeting shall call a separate election during the same meeting to fill-up the vacancy.

The nominees for independent directors of the Company are Lorna Pangilinan, Violeta J. Josef and Ma. Victoria A. Villaluz. They are nominated by Steve Li, a shareholder of the Company; and, to the Company's knowledge, there is no relationship between the nominees for independent directors and Mr. Steve Li.

The members of the Nomination Committee are as follows:

- | | | |
|--------------------------|---|----------|
| 1. Charles Stewart Lee | - | Chairman |
| 2. Steve Li | - | Member |
| 3. Ma. Victoria Villaluz | - | Member |

DIRECTORS AND EXECUTIVE OFFICERS

The following are the business experiences and positions held by the Directors and Executive Officers for the past five (5) years:

CHARLES STEWART LEE, British National, 30 years old, is the incumbent Chairman of the Board of Directors of Anchor Land Holdings, Inc. He is currently a Director of Pacific Apex Food Ventures, Inc. Mr. Lee studied at the University of Southern California, Los Angeles, California, USA where he obtained his Business of Arts Degree in Social Science with emphasis in Economics.

STEVE LI, Hong Kong SAR National, 50 years old, is the Vice-Chairman and Chief Executive Officer since 2007 and 2013, respectively. Mr. Li graduated from York University, Toronto, Canada with a Bachelor's Degree in Business Administration major in Finance and Accounting.

DIGNA ELIZABETH L. VENTURA, Filipino, 48 years old, is the President of Anchor Land Holdings, Inc. since August 15, 2011. She has served as Asst. Vice President from July 2005 and as Vice President from 2009 for Sales & Marketing. Prior to joining the Company, she was the Sales Director of Filinvest, Inc., Sales and Marketing Manager of the Waterfront Hotel and Megaworld Properties and Holdings, Inc. Ms. Ventura earned her Bachelor of Science Degree in Hotel and Restaurant Management from the University of Santo Tomas.

LORNA PANGILINAN, Filipino, is 65 years old, is an Independent Director of the Company. Currently, she does consultancy engagements with various companies. Her clients includes Fraport AG, Macroasia Corporation, Subic Leisure Inc., Zuellig, MRT-4 (Bouygues), Asia's Emerging Dragon Corporation, Metropolitan Medical Center, and Ever-Gotesco Group of Companies. She held several executive positions from 1977 to 2010. She also served as director and committee member to different private and financial institutions such as Savers Dome Inc., Tong Yang Savings Bank, Chamber of Thrift Banks, Capwire and Pocketbell, Republic Telecommunications Holdings, Inc., AG Finance Inc., DBP Management Corporation, DBP Data Center, Inc. and DBP Provident Fund Committee and DBP-Institutional Banking Group

Credit Committee. She also earned her bachelor's degree in Economics at the University of the Philippines Diliman and a MA candidate in Economics at Ateneo de Manila University.

CHRISTINE P. BASE, Filipino, 50 years old, is the Corporate Secretary and a member of the Audit Committee since April 10, 2007. She is currently a Corporate and Tax Lawyer at Pacis and Reyes, Attorneys and the Managing Director of Legisforum, Inc. She concurrently serves as the Corporate Secretary of Araneta Properties, Inc., SBS Philippines Corporation, Asiasec Equities, Inc., SL Agritech Corporation, and Ever-Gotesco Resources and Holdings, Inc.. She also acts as a director and corporate secretary of Italpinas Development Corporation. Ms. Base also acts as a Director and/or Corporate Secretary of several other private corporations. She was an Auditor and then a Tax Lawyer of Sycip Gorres Velayo & Co. She is a graduate of Ateneo De Manila University School of Law with a degree of Juris Doctor. She passed the Bar Examination in 1997. Ms. Base is also a Certified Public Accountant. She graduated from De La Salle University with a degree in Bachelor of Science in Commerce major in Accounting.

NEIL Y. CHUA, Filipino, 50 years old, is a Director and the Chief Finance Officer since 2013 and 2009, respectively. He was a Senior Manager at KPMG, Auckland, New Zealand from March 2008 to May 2009; and at Purwantono, Sarwoko & Sandjaja/Ernst & Young, Indonesia from October 2002 to February 2008. He was also an Andersen Worldwide Manager of Prasatio, Utomo & Co/Andersen, Indonesia and a supervisor at Sycip Gorres Velayo & Co./Arthur Andersen, Philippines from November 1991 to September 1996. Mr. Chua obtained his Bachelor of Accountancy from the University of San Carlos, Cebu City. He is also a Certified Public Accountant and a member of the Philippine Institute of Certified Public Accountants since 1992.

EDWIN LEE, Filipino, 63 years old, was elected as a Director on June 28, 2012 but only assumed office on April 2, 2013 after the SEC approved the amendment of the Company's Articles of Incorporation which effectively increased the number of Directors from seven (7) to nine (9). He is currently serving as the Senior Assistant Vice President at the Office of the President of SM Investments Corporation. He graduated from De La Salle University with a Bachelor of Science Degree in Commerce major in Business Management.

CLINTON STEVEN LEE, British, 27 years old, has been working for Anchor Land Holdings, Inc. since 2016 under the Office of the Chairman. He heads the Business Development Group as well as the Market Research Group. Mr. Lee graduated from the University of California, Los Angeles, California USA where he obtained his degree of Bachelor of Arts Degree in Sociology.

VIOLETA J. JOSEF, Filipino, 74 years old, was elected as Independent Director of the Company. She completed her Bachelor in Business Administration from the University of East. She is a Certified Public Accountant and received her Masters Degree in Business Administration-Top Executive Program from the Pamantasan ng Lungsod ng Maynila where she is now a part-time Lecturer in PLM's Graduate School of Business. She also completed her General Management Executive Program at the National University of Singapore, Faculty of Business Administration in 1992. She held various executive positions such as Senior Vice-President, Treasurer, Controller and Director at the Multinational Group of Companies from 1972-2014. She started her career in public practice in SGV and Co. immediately after completing her Bachelor's Degree. Ms. Josef was also a former board member of the Professional Regulatory Board of Accountancy, for years 1995 to 1998. She has held several positions in various professional and civic organizations, such as Past National President of the Philippine Institute of Certified Public Accountants in 2013-2014, Deputy Vice-President of the Philippine Federation of Professional Associations in 2014-2016, life-time member of the Philippine Association of Professional Regulatory Board Members since 1995, Past President of the Association of CPAs in Commerce and Industry in 1986 and a former member of the Auditing Standards and Practices Council. As PICPA President, she was a board and council member of various international accountancy organizations, such as the Asean Federation of Accountants (AFA), the Confederation of Asian and Pacific Accountants (CAPA) and the International Federation of Accountants (IFAC).

MA. VICTORIA A. VILLALUZ, Filipino, 67 years old, was elected as an Independent Director on June 25, 2015. She is a Member of the Integrated Bar of the Philippines, the UP Women Lawyers' Circle and the Tax Management Association of the Philippines where she also served as President in 2010. She previously worked with Sycip Gorres Velayo & Co. from 1980 until her retirement in 2014 as a Partner in the Tax Services Group where she provided, among others, tax advisory and tax planning, as well as quality and risk management, services to clients from various industries such as utilities (power, water, oil and gas), telecommunications, entertainment, engineering and construction, real estate, hotel, transportation, trading and manufacturing. Ms. Villaluz is an accredited lecturer in the Mandatory Continuing Legal Education (MCLE) prescribed by the Supreme Court for lawyers; she was also the tax training director for the Arthur Anderson New Tax Seniors' Training Seminar in Penang Malaysia until 2001 and was a lecturer in the Arthur Andersen New Manager's training seminars in St. Charles, Illinois. Ms. Villaluz obtained her Bachelor of Arts in Philosophy and her Bachelor of Laws from the University of the Philippines.

AVELINO M. GUZMAN, JR., Filipino, 47 years old, was elected as a Director on June 25, 2015. He is the Managing Partner of A.M. Guzman, Jr. and Associates Law Office, and of Golden Ace Credit Solutions Company, Ltd. He also serves as the President and Chairman of the Board of Whidbey Holdings Corporation and as the Corporate Secretary of Santino Metal Industries, Inc., Merckammed Concepts, Inc., Ideaship Phils. Holdings, Inc., LTC Group of Companies, VS Marketing Corporation, Anchor Land Global Corporation and Akuna (Philippines) Inc. He was previously a Senior Associate Lawyer at Saulog & De Leon Law Offices from January 1999-December 2009. Mr. Guzman, Jr. obtained his Bachelor of Arts major in Economics and his Bachelor of Laws from San Beda College. He became a Member of the Integrated Bar of the Philippines in 1999.

(2) Independent Director

Three (3) incumbent directors of the Company, namely Lorna Pangilinan, Violeta Josef and Ma. Victoria Villaluz, are the Independent Directors for the year 2020-2021. They are not employees of the Company and do not have any relationship with the Company, which would interfere with the exercise of their independent judgment in carrying out the responsibilities of a director.

The following are nominated for election to the Board of Directors during this year's Annual Stockholders' Meeting:

1. Charles Stewart Lee	Director
2. Steve Li	Director
3. Digna Elizabeth Ventura	Director
4. Christine P. Base	Director
5. Edwin Lee	Director
6. Neil Y. Chua	Director
7. Clinton Steven Lee	Director
8. Avelino M. Guzman	Director
9. Lorna Pangilinan	Independent Director
10. Violeta J. Josef	Independent Director
11. Ma. Victoria A. Villaluz	Independent Director

The nominees for independent directors for this year's Annual Stockholders' meeting of the Company are Lorna Pangilinan, Violeta J. Josef, and Ma. Victoria A. Villaluz. They were nominated by Steve Li, a shareholder of the Corporation and, to the Company's knowledge; there is no relationship between nominees for independent directors and Mr. Steve Li.

The term of office of all directors, including independent directors shall be one (1) year until their successors are duly elected and qualified.

(3) Key Officers

The members of the management team, aside from those mentioned above, are as follows:

HONORIO A. ALVAREZ, JR., Filipino, 52 years old, is the Assistant Vice-President for Engineering. He was formerly the General Manager and Vice President of DD Happy Homes Residential Centers, Inc., a subsidiary of Double Dragon Properties, from June 2015 to January 2017. He also served as the Senior Assistant Vice President-Project Management Head, High Rise Division/Special Projects of Eton Properties Philippines, Inc. from March 2011 to March 2015. He graduated from the University of Santo Tomas with a Bachelor of Science in Civil Engineering in 1989.

SARAH JOELLE C. LINTAG, Filipino, 48 years old, is the Head of the Corporate Affairs Department. She was formerly the Vice President for Billings, Credit Operations and Legal Services from June 2015 to December 2015 for ACM Landholdings, Inc. (Philippines), where she also served as its Assistant Vice President for Legal and Human Resources and Administration from July 2013 to May 2015. She was also the Chief Political Affairs Officer of the Office of the Honorable Edgardo "Sonny" Angara in the House of Representatives from October 2010 to June 2013. She graduated from California State University, Northridge,

California (USA) with a Bachelor of Arts degree in Political Science in 1995, and earned her Bachelor of Laws degree from the University of the Philippines, Diliman, Quezon City in 1999.

EDWIN L. AQUINO, Filipino, 43 years old, is the Internal Audit Manager at Anchor Land Holdings, Inc. He is a Certified Public Accountant and a Certified Internal Auditor. He was a former Audit Head of the Century Properties Group from May 2015 to April 2019. He was also previously an Audit Manager of the Siycha Group of Companies, Watsons Personal Care Stores (Philippines), Inc., Steel Asia Manufacturing Corporation, and a Senior Internal Auditor of San Miguel Corporation Group. He obtained his Bachelor of Science in Accountancy degree at the University of the East in 1998.

(4) Family Relationships

Aside from Mr. Charles Stewart Lee and Mr. Clinton Steven Lee, there are no family relationships, either by affinity or consanguinity up to the fourth civil degree among the directors, executive officers and persons nominated and chosen by the Company to become directors and executive officers.

(5) Involvement in Certain Legal Proceedings

To the knowledge of the Company, there has been no occurrence of any of the following events during the past five (5) years up to the present which are material to an evaluation of the ability and integrity of any director, any person nominated to become director, executive officer or control person of the Company:

1. Any insolvency or bankruptcy petition filed by or against any business of which such person was a general partner or executive officer whether at the time of insolvency or within two (2) years prior to that time;
2. Any conviction by final judgment in a criminal proceeding, domestic or foreign, in any pending criminal proceeding, domestic or foreign, excluding traffic violations and other minor offenses;
3. Any final and executory order, judgment or decree of any court of competent jurisdiction, domestic or foreign, permanently or temporarily, enjoining, barring, suspending or otherwise limiting involvement in any type of business, securities, commodities or banking activities; and
4. Any final and executory judgment by a domestic or foreign court or competent jurisdiction (in a civil action), the SEC, or comparable foreign body, or domestic or foreign exchange or electronic marketplace or self-regulatory organization, for violation of a securities or commodities law.

There are no legal proceedings to which the Company or its subsidiary or any of their properties is involved in or subject to, that would have a material effect adverse effect on the business or financial position of the Company or its subsidiary.

(6) Significant Employees

No single person is expected to make a significant contribution to the business since the Company considers the collective efforts of all its employees as instrumental to its success.

(7) Certain Relationships and Related Transactions

As of March 31, 2021, the following is a summary of the director who owns ten percent (10%) or more of the outstanding shares of the Company:

Name of Company and Director	Position Held	Percentage of Voting Securities
Steve Li	Vice Chairman and Chief Executive Officer	15.00%

Related Party Transactions

The Company, in the normal course of business, enters into transactions with its related parties consisting primarily of non-interest bearing advances for working capital requirements.

Outstanding balances with related parties included in the appropriate accounts in the consolidated balance sheets are as follows:

	2020	2019	2018
Advances to related parties	—	—	—
Advances from related parties	—	—	—

No transaction was entered by the Company with parties who are not considered related parties but with whom the Company or its related parties have a relationship that enables the parties to negotiate terms of material transactions.

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

ITEM 6. COMPENSATION OF DIRECTORS AND EXECUTIVE OFFICERS

(1) Compensation Table

Information as to the aggregate compensation of the key management personnel of the Group, which includes all directors, executives and senior management during the last three (3) fiscal years is as follows:

Name and Principal Position	Fiscal Year	Total Group Salary	Total Group Bonus	Other Annual Compensation
1. Steve Li - CEO	Actual 2018	₱33.5 M	₱1.0 M	
2. Digna Elizabeth L. Ventura - President	Actual 2019	₱35.3M	-0-	
3. Neil Y. Chua - CFO	Actual 2020	₱35.8M	₱1.4M	
4. Honorio Alvarez - AVP Engineering				
5. Atty. Sarah C. Lintag - Head of the Corporate Affairs Department	Projected 2021	₱35.8	-0-	

All other officers and directors as a group - unnamed	Actual 2018	₱22.4 M	
	Actual 2019	₱23.5M	
	Actual 2020	₱34.1M	
	Projected 2021	₱34.1M	

(2) Compensation of Directors

Under the By-Laws of the Company, by resolution of the Board, each director shall receive a reasonable per diem allowance for his attendance at each meeting of the Board. As compensation, the Board shall receive and allocate an amount of not more than ten percent (10%) of the net income before income tax of the Company during the preceding year. Such compensation shall be determined and apportioned among directors in such manner as the Board may deem proper, subject to the approval of stockholders representing at least a majority of the outstanding capital stock at a regular or special meeting of the stockholders.

The total annual compensation of the Board of Directors is ₱6.9 million.

Other than those mentioned above, there are no other arrangements for compensation either by way of payments for committee participation or special assignments. There are also no outstanding warrants or options held by the Company's Chief Executive Officer and other officers and/or directors.

(3) Employment Contracts and Termination of Employment and Change-in-Control Arrangements

There are no other special contracts of employment between the Company and the named directors and executive officers, as well as special compensatory plans or arrangements, including payments to be received from the Company with respect to any named directors or executive. Employment contracts of all Supervisors and Rank are all hired as long-term employment period until regularization or termination of any cause.

ITEM 7. INDEPENDENT PUBLIC ACCOUNTANTS

Sycip Gorres Velayo & Co. (SGV) was the Independent Public Accountant for the year 2020. The reappointment of the said accounting firm as Independent Public Accountant for the incoming year will be submitted to the stockholders for their confirmation and approval. The Partner-in-Charge is Jennifer D. Ticlao. Duly authorized representatives of SGV are expected to be present at the Annual Meeting of Stockholders and they will have the opportunity to make statements if they desire to do so and are expected to be available to respond to appropriate questions.

Under the existing regulation of the Securities and Exchange Commission, the registrant shall change its external auditor or rotate the engagement partner every five years. This is in compliance with the rotation requirement of its external auditor's certifying partner as required under SRC Rule 68 Paragraph 3(B) (ix). Considering that the assigned partner of SGV has been the Company's independent public accountant beginning 2017, rotation is not necessary.

The members of the Audit Risk Oversight and Related Party Committee are as follows:

1. Violeta Josef	-	Chairman
2. Steve Li	-	Member
3. Christine P. Base	-	Member
4. Atty. Ma. Victoria Villaluz	-	Member
5. Lorna Pangilinan	-	Member

ITEM 8. COMPENSATION PLANS

No action with respect to any plan pursuant to which cash or non-cash compensation may be paid or distributed for the year shall be discussed during the meeting.

C. ISSUANCE AND EXCHANGE OF SECURITIES

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

There are no matters or actions to be taken up in the meeting with respect to authorization or issuance securities.

ITEM 10. MODIFICATION OR EXCHANGE OF SECURITIES

There are no matters or actions to be taken up in the meeting with respect to the modification of any class of the Company's securities or the issuance of authorization for issuance of one class of the Company's securities in exchange for outstanding securities of another class.

ITEM 11. FINANCIAL AND OTHER INFORMATION

The audited financial statements as of December 31, 2020, Management's Discussion and Analysis, Market Price of Shares and Dividends and other data related to the Company's financial information are attached hereto.

ITEM 12. MERGERS, CONSOLIDATIONS, ACQUISITIONS AND SIMILAR MATTERS

There are no matters or actions to be taken up in the meeting with respect to merger, consolidation, acquisition by, sale or liquidation of the Company.

ITEM 13. ACQUISITION OR DISPOSITION OF PROPERTY

There are no matters or actions to be taken up in the meeting with respect to acquisition or disposition of any property by the Company.

ITEM 14. RESTATEMENT OF ACCOUNTS

The Company is not taking any action, which involves the restatement of any of its assets, capital or surplus account.

D. OTHER MATTERS

ITEM 15. ACTION WITH RESPECT TO REPORTS

(1) Approval of the Minutes of the 2020 Annual Stockholders' Meeting held on November 26, 2020 covering the following matters:

1. Approval of the Minutes of the Regular Meeting of the Stockholders held on June 26, 2019;
2. Report of the President;
3. Presentation and approval of the Financial Statements as of December 31, 2019;
4. Ratification of acts of the Board of Directors and Officers;
5. Election of the members of the Board of Directors;
6. Appointment of external auditors;
7. Amendment of Company's By-Laws
8. Other Matters; and,
9. Adjournment.

(2) Resolutions for Ratification by the Stockholders

At the Annual Stockholders' Meeting, stockholders will be asked to approve and ratify all acts of the Board of Directors and management during their term of office. These include, but not limited to, opening and maintaining deposit accounts and/or trust accounts with various banking institutions; obtaining loans/credit accommodations and trust receipt agreements with various banks and approval of signing limits.

ITEM 16. MATTERS NOT REQUIRED TO BE SUBMITTED

Other than election to office, there is no matter to be acted upon during the Annual Stockholders' Meeting to which a beneficial owner, director or officer has any substantial interest.

No director has informed in writing of his intention to oppose any action to be taken during the proposed Annual Stockholders' meeting.

ITEM 17. AMENDMENT OF CHARTER, BY-LAWS OR OTHER DOCUMENTS

There are no amendment of charter and by-laws of the Corporation.

ITEM 18. OTHER PROPOSED ACTIONS

There are no other proposed actions to be taken up in the meeting.

ITEM 19. VOTING PROCEDURES

Except in cases where a higher vote is required under the Revised Corporation Code, the approval of any corporate action shall require the majority vote of all the stockholders present in the meeting, if constituting a quorum.

In the election of directors, each common shareholders of record as of April 30, 2021 is entitled to as many votes as there are directors to be elected. A stockholder may vote such number of shares for as many persons as there are directors to be elected or he may cumulate said shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of his shares shall equal, or he may distribute them on the same principle among as many candidates as he shall see fit: Provided, that the total number of votes cast by him shall not exceed the number of shares owned by him multiplied by the number of directors to be elected.

The method by which the votes of security holders will be counted is in accordance with the general provisions of the Revised Corporation Code of the Philippines. The counting of votes will be done by the Corporate Secretary with the assistance of his staff and the Corporation's stock and transfer agent. In addition, shareholders who are unable to attend the meeting may choose to execute a proxy form or vote electronically in absentia using the link <https://anchorland.com.ph/asm-2021>. The requirements and procedures for voting in absentia and participation in the Annual Stockholders' Meeting through remote communication are set forth under Annex "A" of this Information Statement.

Stockholders who opt to vote by proxy must submit and address their proxy to the attention of the Corporate Secretary at 8th Floor, Chatham House Bldg., Valero corner Rufino Sts., Salcedo Village, Makati City or via e-mail at corporatesecretary@anchorland.com.ph not later than 5:00 p.m. on or before June 20, 2021. Any questions for the Board must also be emailed the address mentioned above on or before June 20, 2021.

Stockholders may view the Notice and Agenda, Proxy Form, Definitive Information Statement, SEC Form 17-A (2020 Annual Report), SEC Form 17-Q (1st Quarter Report of 2021) and other pertinent documents related to ALHI's Annual Stockholders' Meeting at link <https://anchorland.com.ph/asm-2021> and via the PSE Electronic Disclosure Generation Technology (PSE EDGE) portal at <https://edge.pse.com.ph>.

**UNDERTAKING TO PROVIDE WITHOUT CHARGE A COPY OF THE
COMPANY'S ANNUAL REPORT**

**A COPY OF THE COMPANY'S ANNUAL REPORT ON SEC FORM 17-A
WILL BE PROVIDED WITHOUT CHARGE TO EACH PERSON UPON
WRITTEN REQUEST OF ANY SUCH PERSON ADDRESSED TO:**

**THE OFFICE OF THE CORPORATE SECRETARY
ANCHOR LAND HOLDINGS INCORPORATED
8th Floor, Chatham House,
116 Valero cor. V.A. Rufino St., Makati City**

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 April 23, 2021.

ANCHOR LAND HOLDINGS, INC.

By:


CHRISTINE P. BASE
Corporate Secretary

MANAGEMENT REPORT

Amidst a global pandemic that caused severe disruptions in the daily lives of people all over the world in 2020, Anchor Land Holdings, Inc. soldiered on to protect our shareholders by maintaining profitability despite immense challenges.

As a result, we ended the year with a ₱351.39 million net profit and increased our assets by ₱2.11 billion, which we consider as solid foundations to build upon and return to rising profitability in the near-term.

Our net income was down 56.8% from the previous year's ₱814.27 million. This was mainly brought about by lower real estate sales totalling ₱2.13 billion, a decrease of ₱2.61 billion from the 2019 sales of ₱4.73 billion as investors took a wait-and-see attitude and held on to their cash for possible emergencies.

Revenues were likewise impacted by government protocols to contain the pandemic, including restricting people's movement that prevented construction projects from timely completion as well as limiting marketing and selling activities.

It was not only the real estate industry that was adversely affected by the restrictions but the entire Philippine economy, with the 2020 GDP contracting by -9.6%, the lowest since the country started tracking economic data in 1946 after World War II.

However, Anchor Land Holdings, Inc. is optimistic that the economic slowdown is temporary and that a quick recovery is underway.

This optimism is borne by the fact that several vaccines have been rapidly developed and deployed by major pharmaceutical companies around the world, which should enable the global economy to quickly bounce back and people are able to return to normal lives.

And, while awaiting a return to the new normal, the Group has lined up at least five new projects for the coming year in and around Manila's Chinatown: One Legacy Grandsuites, Cornell Parksuites, One Financial Center, Recto Logistics and Rosan Logistics.

Another source of optimism is the continuing improvement in our rental revenues, which in 2020 breached the ₱1 billion level to ₱1.02 billion, an increase of 30.6% from the previous year's ₱782.99 million.

More significantly, rental income contributed 26.2% to the Group's total consolidated revenue in 2020, and its biggest source was The Centrium, our first office project consisting of two towers at the Entertainment City District where office spaces are in high demand and thus command a huge premium.

Despite the movement restrictions imposed by the government, we were able to continue construction activities for The Centrium, Cosmo Suites and Admiral Hotel – all of which are expected to further grow our recurring income stream upon full completion.

There are other encouraging results in 2020.

By the end of the year, The Group's total assets stood at P35.63 billion, an increase of P2.11 billion or 6% from the previous year's P33.52 billion.

The asset growth was mainly due to increases in real estate for development and sale; properties and equipment and investment properties; and other assets, including noncurrent portion, by P264.36 million.

Meanwhile, construction and development costs related to the Group's ongoing projects, particularly the Centrium, Admiral Hotel, Central Link and Cosmo Suites, caused the increase in properties and equipment and investment properties to a combined Pp17.94 billion, up by P950.62 million from P16.99 billion year-on-year.

The increase in other assets mainly came from advances to contractors for the Central Link, the Public-Private Partnership (PPP) project with the Paranaque City government.

Total liabilities, on the other hand, grew by P1.85 billion partly due to loans availed in 2020. Payables related to the Group's ongoing projects also increased, as well as customer's deposits and advances from buyers that include collections not yet recognized as revenue.

Combined with our vast experience, a steady pipeline of new and exciting projects, and continuing innovations in the way we do business and engage customers, Anchor Land is ready to seize opportunities in the local real estate market once the situation improves.

By the year 2021, we hope to resume normal operations across all business fronts. However, considering the evolving nature of the pandemic, we shall remain vigilant and adopt risk management procedures along with business continuity strategies to mitigate the adverse impact of the pandemic.

Rest assured that, despite the headwinds, Anchor Land is prepared for the eventual economic recovery in the Philippines and the rest of the world.

Thank you!



Charles Stewart Lee
Chairman
Anchor Land Holdings, Inc.

BUSINESS AND GENERAL INFORMATION

Business Overview

Anchor Land Holdings, Inc. (“ALHI” or the “Company”) was registered with the Philippine Securities and Exchange Commission (“SEC” or the “Commission”) on July 29, 2004 with an authorized capital stock of ₱10,000,000.00 divided into 100,000 common shares with a par value of ₱100.00.

The Company is the holding company of the ALHI Group (the “Group”) with principal business interest in real estate organized to acquire by purchase, lease, donation, or otherwise, and to own, use, improve, develop, subdivide, sell, mortgage, exchange, lease, and hold for investment, real estate of all kinds, whether to improve, manage or otherwise dispose of buildings, houses, apartments, and other structures of whatever kind, together with their appurtenances.

The Company traces its roots to Anchor Properties Corporation. Anchor Properties Corporation was incorporated in July 15, 2003. It commenced commercial operations on April 30, 2004, simultaneously with the start of the construction of its Lee Tower project. The Company was founded by a group of entrepreneurs led by Mr. Stephen L. Keng and Mr. Steve Li. The Company was primarily organized to engage in real estate development and marketing focusing initially in high-end residential condominiums within the Manila area. It started business operations on November 25, 2005.

On December 13, 2006, the board of directors and stockholders of the Company approved and authorized the plan of merger of Anchor Properties Corporation, with the Company as the surviving entity. Simultaneously with the approval of the Company’s merger with Anchor Properties Corporation, the Company’s board of directors and stockholders also approved amendments to Company’s Articles as follows: (a) reduction of the par value from ₱100.00 to ₱1.00 resulting in stock split and increase in authorized capital stock from ₱10,000,000.00 to ₱1,000,000,000.00. Both companies are substantially under common control and the merger of the two companies was done to consolidate their real estate projects under one group.

On July 7, 2011, the board of directors and stockholders of the Company approved the amendment of the Company’s Articles of Incorporation as follows: a) increase in authorized capital stock of the Company from 1,000,000,000 shares of common stock with par value of ₱1.00 per share to 2,300,000,000 shares of common stock with par value of ₱1.00 per share; and b) increase in authorized capital stock of the Company by creating 1,300,000,000 units of 8%, voting, preferred shares with par value of ₱1.00 per share.

On November 8, 2013, the Philippine SEC approved the increase of capital stock of ALHI from ₱3,600,000,000.00 divided into 2,300,000,000 common shares and 1,300,000,000 preferred shares, both with a par value of ₱1.00 each to ₱4,800,000,000.00 divided into 3,500,000,000 common shares and 1,300,000,000 preferred shares, both with a par value of ₱1.00 per share.

Business Plan

Despite the severe impact of the coronavirus pandemic on the global and local economies in 2020, Anchor Land Holdings, Inc., was able to weather the challenges and ended the year with a net income of ₱351.39 million, reflecting our strong financial position and sound business strategies.

We also learned valuable insights from emerging market trends that were further highlighted during the pandemic, including a dramatic consumer shift to e-commerce which provides us the impetus to develop more logistics centers to cater to this growing segment.

Full Digitalization, E-Commerce Push

The lessons of 2020 made ALHI more determined than ever to continue our path towards full digitization and to further embrace electronic technologies in all facets of our operations, especially towards digital marketing and customer care that were started long before the pandemic hit the entire world.

The key for the Group, moving forward, is to further strengthen our resilience and our capability to rise above unforeseen challenges by embracing more innovations and cutting-edge solutions, and to apply them to both our property developments and corporate culture.

This means that current and future projects will see the incorporation of more intelligent and environment-friendly building designs that will enable our customers to live and do business in absolute comfort and safety without sacrificing aesthetics and productivity.

These modern and intelligent building features are already standard in our developments, but we shall endeavor to further maximize their use and potential applications so that our projects will all be “future-ready”.

In terms of marketing and customer support, we continuously pursue innovations such as the creation of virtual project site tours that will bring real-life images to our customers, rendered in such vivid details that makes the visitors feel as if they are in actually in the units they plan to purchase.

We have likewise adopted the use of video conferencing facilities and applications for our sales personnel, both for training and reporting purposes. This eliminates the need for actual long-distance travel especially as the Group pursues the development of more projects across the archipelago.

Customers shall also have the option to talk with our sales and marketing personnel anytime, anywhere to discuss project development updates, payment options. This greatly benefits our overseas clients especially during times of restricted and limited travel.

Resilience and Risk Reduction Through Diversification

One of our long-standing business principles to guarantee resilience and risk reduction has been the diversification of our project offerings.

From the luxury residential condominiums that have become our trademark since we started in Binondo, we have expanded to logistics centers, office developments, co-living spaces, as well as hotels and tourist facilities all over the country.

Many of these newer developments create more recurring rental flow for the Group, thus insulating us further from fluctuations in the residential-commercial market.

Our success in this endeavor is reflected by the upward trend in Anchor Land's rental income through the past five years so that, in 2020, we broke through the Php1 billion mark in this revenue category.

Our 2020 rental income received a huge boost from the opening of the Centrium, our first office project which has been a LEED Pre-Certified Gold 12-story development consisting of two towers to meet the growing demand for such spaces at the Entertainment City District.

Construction is also in full swing for our first public-private partnership or PPP endeavor, the Central Link, which is a Php4 billion joint venture with the Parañaque City Government that commenced in 2019.

The Central Link boasts of three purpose-specific buildings: A satellite office tower for the host city government, a corporate office tower and a co-living tower. They are all designed to create more jobs as well as to bring government services closer to the Bay City.

Outside of Metro Manila, our 202 Peaklane project in the heart of Davao City continues to rise. This 28-story, two-tower development is a perfect vehicle for property investments because of its strategic location and top-notch amenities.

Strong, Sustainable Growth

In terms of market share, we continue our niche developments that include reshaping and revitalizing Manila's Chinatown district – a prime example of how well-conceived development concepts can help uplift and usher an entire community into the future.

Our Chinatown portfolio continues to grow by the day, thanks to our deep understanding and intimate knowledge of the community where Anchor Land is already considered part of the family.

This is evidenced by our ongoing projects in the district like Anchor Grandsuites, 8 Alonzo Parksuites, and Juan Luna Logistics Center which have been warmly received just like our previous offerings.

Another fertile field for bold and audacious development plans is the Manila Bay Area where Anchor Land has helped create a pulsing, vibrant business and entertainment hub that has become one of the most dynamic and fastest growing in the country.

Ongoing developments such as The Centrium at the Bay City within the jurisdiction of Parañaque, together with Cosmo Suites and Kanlaon Tower in Pasay City, are designed to boost and complement the booming BPO and KPO industries in this strategic commercial and leisure center.

Along Roxas Boulevard, we have ongoing projects like the Admiral Grandsuites and the Admiral Hotel Manila MGallery boutique hotel to further strengthen Anchor Land's position in the Bay Area.

A Steady Stream of Development

To ensure sustained growth and availability of inventory, Anchor Land has at least 12 new projects planned for launching in the near future, including five that will be started in 2021.

These developments range from residential and office developments to logistics centers and hotel and tourism establishments in accordance with the Group's goal of continuous diversification.

New Projects in 2021

In Chinatown, we intend to further expand our footprint by launching at least four new projects in 2021, namely: One Financial Center, One Legacy Grandsuites, Cornell Parksuites and Rosan Logistics.

Our fifth offering for 2021, Recto Logistics, will be located in the adjacent Sta. Cruz district across the 168 Mall.

One Legacy Grandsuites and Cornell Parksuites will continue catering to the ever-growing residential market in Binondo while One Financial Center will be our first office building in the district to meet strong pent-up demand.

Rosan Logistics and Recto Logistics, for their part, will provide businessmen with increasing storage and logistics facilities as e-commerce continues to grow exponentially in the Philippines especially during the pandemic.

Projects in the Pipeline

Anchor Land's planned projects in the near future include high-end residential tower The Panorama Manila along Roxas Boulevard aimed at sustaining our momentum in the Bay Area.

Likewise, there are at least three more logistics centers in the pipeline, all in Chinatown: Divisoria Logistics and two as yet unnamed projects that will be built in company-owned properties along Yuchengo Street and Juan Luna Street.

Our hotel and resort developments in world-famous Boracay island and two others in Palawan – in the island municipalities of San Vicente and Coron – likewise remain in the pipeline as we await better opportunities and improved market conditions in the tourism sector.

We Are Here to Stay

While the year 2020 may have proven a challenging one, Anchor Land remains unfazed and unshaken in our commitment to continue creating value for our customers and shareholders.

We shall remain at the forefront of innovation in the local real estate industry, and continue our leadership in niche markets where we have built trust, confidence and the reputation for always creating new trends that soon become industry-wide practices.

MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION

Basis of Presentation of Financial Statements

Basis of Preparation

The consolidated financial statements of the Group have been prepared using the historical cost basis. The consolidated financial statements are presented in Philippine Peso (₱), the Parent Company's functional currency and presentation currency under Philippine Financial Reporting Standards (PFRS). All amounts are rounded to the nearest peso, except when otherwise indicated.

The accompanying consolidated financial statements have been prepared under the going concern assumption. While the government eases restrictions of business activities to revive economic growth, the impact of COVID-19 may continue to evolve giving inherent uncertainties on businesses.

Statement of Compliance

The accompanying consolidated financial statements of the Group have been prepared in compliance with PFRS, which include the availment of the relief granted by the SEC under Memorandum Circular Nos. 14-2018 and 3-2019, that deferred the implementation of the following accounting pronouncements until December 31, 2020. These accounting pronouncements address the issues of PFRS 15, *Revenue from Contracts with Customers* affecting the real estate industry:

Deferral of the following provisions of the Philippine Interpretations Committee (PIC) Q&A 2018-12, PFRS 15 Implementation Issues Affecting the Real Estate Industry

- a. Exclusion of land in the determination of percentage of completion (POC) discussed in PIC Q&A No. 2018-12-E
- b. Assessing if the transaction price includes significant financing component (as amended by PIC Q&A No. 2020-04)

Deferral of the adoption of PIC Q&A No. 2018-14: PFRS 15 – Accounting for Cancellation of Real Estate Sales

Deferral of the Implementation of IFRS Interpretations Committee ("IFRIC") Agenda Decision on Over Time Transfer of Constructed Goods [Philippine Accounting Standards (PAS) 23-Borrowing Cost] For Real Estate Industry

In December 2020, the SEC issued Memorandum Circular No. 34-2020, allowing the further deferral of the adoption of provisions (a) and (b) above of PIC Q&A 2018-12 and the IFRIC Agenda Discussion on Borrowing Cost, for another 3 years or until December 31, 2023.

The details and the impact of the adoption of the above financial reporting reliefs are discussed in the PFRSs include PFRS, Philippine Accounting Standards and Interpretations issued by PIC.

Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. The financial statements of the subsidiaries are prepared for the same reporting period as the Company using consistent accounting policies.

The subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continues to be consolidated until the date that such control ceases.

Management's Discussion and Analysis of Financial Condition and Results of Operations

The following management's discussion and analysis of the Group's financial condition and results of operations should be read in conjunction with the Group's audited financial statements, including the related notes, contained in this report. This report contains forward-looking statements that involve risks and uncertainties. The Group cautions investors that its business and financial performance is subject to substantive risks and uncertainties.

Results of Operations Jan-Dec 31, 2020 vs. Jan-Dec 31, 2019

The Group generated a total of ₱351.39 million consolidated net income for the year ended December 31, 2020. This is 57% lower than ₱814.27 million recognized in the prior year.

The decrease in the consolidated net income was mainly due to the decrease in real estate sales of about ₱2,605.97 million or 55% due to low construction accomplishment and low sales volume due to limited selling activities as a result of the quarantine measures implemented by the Government with ongoing COVID 19 pandemic.

On the other hand, the Group's revenue from rental continues to improve in 2020, contributing 31% to the total consolidated revenue or an amount of ₱1,022.47 million compared to the ₱782.99 million recorded in 2019. The increased rental income of the Group was mainly from the rentals earned from The Centrium.

The significant increase in rental income and the ongoing construction of The Centrium, Cosmo Suites and Admiral Hotel are all in line with the Group's continuing efforts to invest and increase its recurring income projects to rebalance the mix of its revenue sources.

In general, the Group's operation has been significantly affected by the disruptions caused by the COVID-19 pandemic. Nevertheless, the revenue increase from rental operations helped the Group to remain profitable despite the pandemic's negative effect to the Group's consolidated net income.

Financial Condition 2020 - 2019

The Group's total assets amounting to ₱35.63 billion and ₱33.52 billion as at December 31, 2020 and 2019, respectively, increased by 6% or ₱2.11 billion. The increase was mainly due to increases in real estate for development and sale by ₱1,801.30 million, properties and equipment and investment properties by ₱950.62 million and other assets (including noncurrent portion) by ₱264.26 million.

The Group incurred construction and development cost of ₱2,663.21 million under real estate for development and sale. Moreover, reclassification of assets, particularly the land assets for the Panorama, Recto Logistics, and Rosan Logistics which are previously recorded under investment properties contributed to the significant increase in the real estate for development and sale in 2020.

The construction and development cost incurred for The Centrium, Admiral Hotel, Central Link and Cosmo Suites caused the increase in property and equipment and investment properties. The construction of the Central Link, the Public-Private Partnership (PPP) project with the local government of Paranaque City started in 2020. This resulted to an increase to other noncurrent assets due to the advances paid to the contractors.

The Group's total liabilities has grown by ₱1.85 billion partly from the loans availments in 2020, the increase in payables related to the Group's ongoing projects and the customer's deposits and advances from the Group's buyers that include collections of receivables not yet recognized as revenue.

The movements in equity accounts follow:

- Retained earnings - increase was brought by the net income for the year ended December 31, 2020 net of the cash dividends declared.
- Non-controlling interests – increased due to net income during the year attributable to the non-controlling interests.

Results of Operations Jan-Dec 31, 2019 vs. Jan-Dec 31, 2018

The Group generated a consolidated net income of ₱814.27 million for the year ended December 31, 2019, an increase of 16% from ₱700.63 million consolidated net income for the same period in 2018.

The increase in the consolidated net income is mainly due to the growing rental operations. The rental operations of the Group posted a stronger performance in 2019 as evidenced by an increase of 29% in rental income compared to 2018. This is brought about by the significant increase in rental income from The Centrium, Baylife Venue and Kanlaon Tower Project.

Real estate sales revenue, on the other hand, decreased by 12% because the Group has sold most of its real estate inventories while 3 new projects that were planned to be launched in 2019 were pushed back to 2020.

The significant increase in rental income and the ongoing construction of The Centrium, Cosmo Suites and Admiral Hotel are all in line with the Group's continuing efforts to invest and increase its recurring income projects while rebalancing the mix of its revenue sources.

Financial Condition 2019 - 2018

The Group's total assets amounted to ₱33.52 billion and ₱28.00 billion as at December 31, 2019 and 2018, respectively. The increase of 20% in total assets is mainly due to the increase in cash and cash equivalents by ₱129.39 million and the increase in investment properties and property and equipment by ₱5.94 billion due to the continuing construction and development of The Centrium, Cosmo Suites and Admiral Hotel and acquisitions of several properties in the City of Manila and San Vicente, Palawan.

The increase of 23% in the Group's total liabilities was mainly brought about by the bank loans availed during the year to acquire several properties in the City of Manila and deposits received from the prospective lessees and from the buyers of the Group's new and ongoing projects which includes new sales that are not yet recognized as revenue.

The movements in equity accounts follow:

- Retained earnings - increase brought by the net income for the year ended December 31, 2019 which was slightly offset by the dividends declared on April 3, 2019.
- Other comprehensive income – decrease resulted from the remeasurements in pension liabilities.
- Non-controlling interests - decrease due to net loss attributable to the non-controlling interests.

Results of Operations Jan-Dec 31, 2018 vs. Jan-Dec 31, 2017

The consolidated net income of the Group increased to ₱700.63 million, 13% higher compared to the net income for year ended December 31, 2017.

The increase in the Group's net income is mainly due to the steadily growing rental operations of the Group as evidenced by the 65% increase in rental income thereby accounting for 9% of the Group's total revenue in 2018. Higher income from rental operations is due to the continuous rise in the occupancy in recurring income projects which included the turned-over commercial units in Solemare Parksuites, Monarch Parksuites, Oxford Parksuites, BayLife Venue and the newly acquired Kanlaon Tower. Moreover, the Group continues to generate recurring income from its warehousing facilities, namely One Soler and One Logistics Center, and from its warehouse and commercial centers pertaining to One Shopping Center and Two Shopping Center.

The Group has ongoing construction of recurring income projects. These are The Centrium located in Aseana City, Paranaque which is expected to be completed in 2020 and Cosmo Suites which will offer bed spacing facilities in Pasay. These developments are presented as investment properties in the Group's consolidated financial statements and the related rental income is recognized when construction of these assets are completed and leased out to third parties.

The significant increase in rental income and the ongoing construction of The Centrium and Cosmo Suites are all in line with the Group's continuing efforts to invest and increase its recurring income projects while rebalancing the mix of its revenue sources.

Financial Condition 2018 - 2017

The Group's total assets amounted to ₱28.00 billion and ₱25.83 billion as at December 31, 2018 and December 31, 2017, respectively. The increase in total assets is mainly due to the increase in investment properties by ₱2.15 billion which was driven by the continuing construction and development of The Centrium and Cosmo Suites, the acquisition of Kanlaon Tower and the completion of BayLife Venue and the commercial units in Monarch Parksuites and Oxford Parksuites. The ongoing development of Admiral Hotel, which led to the increase in the property and equipment, has likewise contributed to the increase in the Group's total assets.

The increase of 9% or ₱1.72 billion in the Group's total liabilities is mainly due to the additional availment of loans during 2018 in order to partly fund the Group's continuing construction activities and property acquisitions. Further, the advances, downpayments and deposits paid by the Group's buyers of condominium units and lessees of commercial units have likewise contributed to the increase in the Group's total liabilities as at December 31, 2018.

The movements in equity accounts follow:

- Retained earnings - increase brought by the net income for the period ended December 31, 2018 less cash dividend declaration and the effect of the initial adoption of new accounting standards.
- Other comprehensive income - increase resulted from the remeasurement gain in pension liabilities.
- Non-controlling interests - decrease due to current period net loss attributable to the non-controlling interests.

Key performance indicators are listed below:

	2020	2019	2018
Liquidity Ratio			
(1) Current Ratio	1.27 : 1	1.27:1	1.79:1
(2) Debt to Equity Ratio	3.30 : 1	3.17:1	2.81:1
(3) Asset-to-Equity Ratio	4.30 : 1	4.17:1	3.81:1
(4) Income before Tax, Interest, Depreciation and Amortization	₱1,472.75 million	₱1,953.88 million	₱1,810.82 million
(5) Interest coverage ratio	1.18	1.75	2.12
(6) Return on Revenue	9%	13%	11%
(7) Return on Equity	4%	10%	10%
(8) Basic Earnings per Share	₱0.31	₱0.77	₱0.65

- (1) Current Assets / Current Liabilities
- (2) Total Liabilities / Total Stockholders' Equity
- (3) Total Assets / Total Stockholders' Equity
- (4) Income before Tax , Interest, Depreciation and Amortization
- (5) Income before Tax, Interest, Depreciation and Amortization / Interest Expense
- (6) Net Income attributable to equity holders / Total Revenue
- (7) Net Income attributable to equity holders / Total Stockholders' Equity
- (8) Net Income attributable to equity holders –Preferred Shares Dividends / Outstanding Shares

These key indicators were chosen in order to provide management with a measure of the Group's financial strength (Current Ratio and Debt to Equity) and ability to maximize the value of its stockholders' investment in the Group (Basic Earnings per Share, Income before Interest, Taxes, Depreciation and Amortization and Return on Equity).

The Group will continue to identify potential sites for development and pursue expansion activities by establishing landmark developments in the high rise residential luxury condominium and investment properties. The Group intends to implement this by putting up the required resources needed for the development of its existing and future projects.

Review of December 31, 2020 as compared with December 31, 2019

Material Changes to the Balance Sheet as at December 31, 2020 Compared to December 31, 2019 (Increase/Decrease of 5% or more)

Cash and cash equivalents increased by ₱186.20 million or 16% mainly due from cash collections from the buyers and leasees and from the loans availed during the year.

Receivables (including noncurrent portion) dropped by 17% due to the lower real estate sales recognized during the year and the reduction from continuing collections from the buyers.

Real estate for development and sale increased by 30% or ₱1,801.30 million as a result of reclassifications of assets from investment properties with a net amount of ₱1,385.95 million and the incurred construction and other direct cost of ₱2,663.21 million gross of ₱2,247.86 million recognized as cost of sales during the year.

Other assets (including noncurrent portion) increased by 9% or ₱264.26 million. It was mainly brought by the advances paid to the contractor for the development of The Central Link, the PPP project with the local government of Paranaque City.

The increase in property and equipment of ₱622.95 million was mainly attributable to the construction cost incurred for the development of Admiral Hotel and the right-of-use asset recognized related to the renewal of lease contract for the head office.

The increase in deferred tax assets of 13% was mainly due to the increase in deferred taxes due to the other comprehensive income recognized from pension during the year.

Accounts and other payables (including noncurrent portion) increased by 7% or ₱241.16 million due to the increase in payable to contractors due to continuing development of the Group's real estate projects.

Income tax payable decreased by 61% compared to the balance as at December 31, 2019 due to the lower taxable income recognized during the year.

Loans payable (including noncurrent portion) increased by 8% as a result of loan availments during the year made to finance the Group's ongoing real estate projects.

The increase in customers' deposits of 10% was mainly brought by deposits paid by the buyers for the Group's new and existing projects. This also includes new sales not yet recognized as revenue during the year.

Increase in lease liabilities (including noncurrent portion) increased by ₱59.09 million mainly due to the additional liability recognized related to the renewal of lease contract for the Group's head office.

Pension liability decreased by ₱29.93 million due to the other comprehensive income recongnized as a result to changes in financial assumptions in 2020.

Deferred tax liabilities decreased by ₱18.35 million mainly attributable to the recognition of the difference between tax and book basis of accounting for real estate transactions.

Other comprehensive income increased by ₱34.96 million as a result of gain recongnized in other comprehensive income related to adjustments in pension liabilities.

The 4% increase in retained earnings represents consolidated net income net of cash dividend declaration in 2020.

Material Changes to the Statements of Income for the Year Ended December 31, 2020 Compared to the Year Ended December 31, 2019 (Increase/Decrease of 5% or more)

Real estate sales revenue decreased by 55% mainly due to the lower construction accomplishment and low sales volume during the year due the quarantine measures implemented by the Government to fight the COVID-19 pandemic.

Management fees decreased by 7% mainly due to the expiration of property management agreement of the Group with Mayfair Tower Condominium.

The significant increase in rental revenue of about ₱239.48 million or 31% was mainly brought by the significant increase in rental income from The Centrium. The Group likewise continues to generate rental income from other recurring income projects such as One Soler, One Logistics Center, One Shopping Center, Two Shopping Center and from other commercial facilities in the Group's completed condominium projects.

Interest and other income increased by 10% or ₱64.47 million mainly from the income recognized arising from pre-termination of lease contracts.

The ₱1,484.71 million or 40% decrease in cost of real estate was mainly due to lower real estate sales revenue recognized.

Selling and administrative expenses decreased by 13% mainly due to the decrease in sales and marketing expenses.

The increase in finance cost of 5% was mainly brought by the interest expense recognized related to the amortization of lease liabilities.

Income before income tax and provision for income tax decreased by 56% and 55%, respectively, as a collective result of the above-mentioned causes.

Review of December 31, 2019 as compared with December 31, 2018

Material Changes to the Balance Sheet as at December 31, 2019 Compared to December 31, 2018 (Increase/Decrease of 5% or more)

Cash and cash equivalents increased by 12% as the net result of proceeds from loan availments and settlements, and collections from customers less disbursements for construction activities and property acquisitions.

The 10% decrease in real estate for development and sale is mainly due to the construction costs charged to cost of sales related to the units sold for the year and the transfer to investment properties pertaining to the costs of completed commercial units in Princeview Parksuites project.

Other assets (including noncurrent portion) increased by 17% mainly due to the higher advances to contractors and suppliers related to the construction activities. Moreover, higher input value added tax, creditable withholding tax and prepaid expenses also contributed to the increase in other assets.

Property and equipment increased by 77% as a result of the continuing construction and development of Admiral Hotel.

The 51% increase in investment properties is mainly due to the continuing construction and development of The Centrium, Cosmo Suites and Kanlaon Tower and acquisitions of several properties in the City of Manila (Binondo and Roxas Boulevard) and San Vicente, Palawan. Due to the adoption of PFRS 16, recognition of right-of-use asset for the lease of land in Aseana City, Paranaque, also contributed to the increase in investment properties by ₱209.52 million.

The increase of 35% in deferred tax assets mainly resulted from the recognition of the difference between tax and book basis of accounting for real estate transactions and revenue.

Accounts and other payables (including noncurrent portion) increased by 43% mainly attributed to the increase in rental security deposits related to the Group's new recurring income project, The Centrium. Increase in accruals for commission and interests, other taxes payable, and retention payable related to construction also contributed to the increase in accounts and other payables.

Loans payable increased by 13% or ₱2.03 billion due to the recent loan availments partly to finance the Group's ongoing construction and land acquisitions.

Customers' advances and deposits increased by 83% due to the increase in advances and deposits paid by buyers for the Group's new and existing projects. This account also includes the new sales not yet recognized as revenue during the period.

Lease liabilities (including noncurrent portion) increased by ₱259.93 million due to the result of the adoption of PFRS 16 in 2019. The amount of increase is net of rental payments and amortization of interest expense during the year.

The increase in income tax payable by 144% is due to higher taxable net income in 2019. This also resulted to higher current income tax expense in 2019.

Pension liabilities increased by ₱38.36 million as a result of pension expense and interest costs for the year ended December 31, 2019.

Other comprehensive income decreased by ₱13.97 million due to the remeasurement loss in pension liability.

The decrease of 52% in deferred tax liabilities mainly resulted from the recognition of the difference between tax and book basis of accounting for real estate transactions.

The 13% increase in retained earnings represents consolidated net income net of cash dividend declaration in 2019.

Non-controlling interests decreased by ₱10.43 million due to current period net loss attributable to the non-controlling interests.

Material Changes to the Statements of Income for the Year Ended December 31, 2019 Compared to the Year Ended December 31, 2018 (Increase/Decrease of 5% or more)

Real estate sales revenue decreased by 12% mainly due to the decrease in sales in terms of the number of units since most of the inventories have already been sold for the old projects.

Rental income increased by 29% in 2019 mainly due to the increase in rental income from commercial and office units to ₱445.02 million in 2019 compared to ₱283.81 million in 2018. Rental income from warehousing facilities and commercial centers contributed ₱337.97 million in 2019 which slightly increased from ₱320.95 million in 2018.

Revenue from management fees increased by 12% or ₱3.43 million due to higher property management services rendered during the year.

Interest and other income increased by 67% mainly due to higher amortization of discount on installment contracts receivable from Copeton Baysuites, 202 Peaklane, 8 Alonzo Parksuites, Anchor Grandsuites and Juan Luna Logistics Center.

Cost of real estate sales went down by 12% or ₱487.70 million due to the lower level of realized sales of residential units during the year.

The increase in selling and administrative expenses of 10% is primarily brought by the increase in depreciation and amortization of the Group's completed recurring income projects and right-of-use assets. The higher operating costs on the Group's recurring income projects also contributed to the increase in selling and administrative expenses.

Finance cost increased by 39% or ₱14.30 million mainly due to the amortization of interest expense on the Group's lease liability in relation to the adoption of the new accounting standard for leases in 2019.

Income before income tax and provision for income tax increased by 16%, respectively, as a collective result of the above-mentioned transactions.

In general, the Group reported a net income of ₱814.27 million or an increase of 16% for the year ended December 31, 2019 mainly due to the increase in net income generated from leasing operations.

Review of December 31, 2018 as compared with December 31, 2017

Material Changes to the Balance Sheet as at December 31, 2018 Compared to December 31, 2017 (Increase/Decrease of 5% or more)

Cash and cash equivalents increased by 11% as the net result of proceeds from loan availments and settlements, and collections from customers less disbursements for construction activities and property acquisitions.

The 11% decrease in Real estate for development and sale is mainly due to the sold units during the year and the transfer of the costs of the completed commercial units to investment properties.

The 25% increase in Other assets is mainly due to the advance payments made for the future acquisition of shares of a company and the increase in advances made to contractors and suppliers.

Property and equipment increased by 31% as a result of the continuing construction and development of Admiral Hotel.

Investment properties increased by 28% or ₱2.15 billion mainly due to the acquisition of Kanlaon Tower, the continuing construction and development of The Centrium and Cosmo Suites, and the transfer from real estate for development and sale of the costs of the completed commercial units of Monarch Parksuites and Oxford Parksuites, and completion of BayLife Venue.

The increase of 187% or ₱36.76 million in Deferred tax assets mainly resulted from the recognition of the difference between tax and book basis of accounting for real estate transactions and contracts revenue.

The decrease in income tax payable by 11% is due to the higher amount of creditable withholding taxes claimed against income tax expense in 2018.

The 12% increase in Loans payable is the net result of loan availments and settlement of loans. These loans were obtained to partly finance the Group's construction of ongoing projects and property acquisitions.

Pension liabilities increased by 11% or ₱6.62 million as a result of pension expense and interest costs for the year ended December 31, 2018.

Other comprehensive income increased by 67% or ₱6.69 million due to the remeasurement gain in pension liability.

The 9% increase in Retained earnings represents 2018 net income net of cash dividend declaration in 2018 and the effect of the initial adoption of new accounting standards.

Non-controlling interests decreased by 115% or ₱4.47 million due to current period net loss attributable to the non-controlling interests.

Material Changes to the Statements of Income for the Year Ended December 31, 2018 Compared to the Year Ended December 31, 2017 (Increase/Decrease of 5% or more)

Rental income increased by 65% mainly due to the increased occupancy in recurring income projects which included the turned-over commercial units in Solemare Parksuites, Monarch Parksuites, Oxford Parksuites and Baylife Venue, and the residential and commercial units in Kanlaon Tower. The Group likewise continues to generate rental income from other recurring income projects such as One Soler, One Logistics Center, One Shopping Center, Two Shopping Center and from other commercial units in the Group's completed condominium projects.

Revenue from management fees decreased by 10% or ₱3.30 million due to fewer property management services rendered during the year.

Interest and other income increased by 71% mainly due to higher amortization of discount on installment contracts receivable.

The 8% increase in cost of real estate is mainly due to the increase in costs to complete the Group's condominium projects.

Finance cost increased by 19% or ₱5.93 million on account of interest arising from loan availments during the year.

Income before income tax and provision for income tax increased by 12% and 10%, respectively, as a collective result of the above-mentioned transactions.

In general, the Group reported a net income of ₱700.63 million or an increase of 13% for the year ended December 31, 2018 mainly due to the increase in net income generated from leasing operations.

Changes in Accounting Policies and Disclosures

The accounting policies adopted in the preparation of the Group's financial statements are consistent with those of the previous financial years except for the following new and amended PFRSs which were adopted beginning January 1, 2020. The adoption of these pronouncements did not have any significant impact to the Group's consolidated financial position and performance unless otherwise indicated.

- **Amendments to PFRS 3, *Definition of a Business***
The amendments to PFRS 3 clarify the minimum requirements to be a business, remove the assessment of a market participant's ability to replace missing elements, and narrow the definition of outputs. The amendments also add guidance to assess whether an acquired process is substantive and add illustrative examples. An optional fair value concentration test is introduced which permits a simplified assessment of whether an acquired set of activities and assets is not a business.

These amendments will apply on future business combinations of the Group.

- Amendments to PFRS 7, *Financial Instruments: Disclosures* and PFRS 9, *Financial Instruments Interest Rate Benchmark Reform*

The amendments to PFRS 9 provide a number of reliefs, which apply to all hedging relationships that are directly affected by the interest rate benchmark reform. A hedging relationship is affected if the reform gives rise to uncertainties about the timing and or amount of benchmark-based cash flows of the hedged item or the hedging instrument.

These amendments had no significant impact to the Group's consolidated financial statements.

- Amendments to PAS 1, *Presentation of Financial Statements*, and PAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors, Definition of Material*

The amendments provide a new definition of material that states "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity."

The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users.

- *Conceptual Framework for Financial Reporting issued on March 29, 2018*

The Conceptual Framework is not a standard, and none of the concepts contained therein override the concepts or requirements in any standard. The purpose of the Conceptual Framework is to assist the standard-setters in developing standards, to help preparers develop consistent accounting policies where there is no applicable standard in place and to assist all parties to understand and interpret the standards.

The revised Conceptual Framework includes new concepts, provides updated definitions and recognition criteria for assets and liabilities and clarifies some important concepts.

- Amendments to PFRS 16, *COVID-19-related Rent Concessions*

The amendments to PFRS 16 provide practical relief to the lessees in accounting for rent concessions arising as a direct consequence of the COVID-19 pandemic. A lessee may elect not to assess whether a rent concession is a lease modification if all of the following conditions are met:

- The change in lease payments results in a revised lease consideration that is substantially the same as, or less than, the lease consideration immediately preceding the change;
- Any reduction in lease payments affects only payments originally due on or before June 30, 2021; and
- There is no substantive change to other terms and conditions of the lease.

A lessee that applies this practical expedient will account for any change in lease payments resulting from the COVID-19 related rent concession in the same way it would account for a change that is not a lease modification, i.e., as a variable lease payment.

The amendments are effective for annual reporting periods beginning on or after June 1, 2020.

The amendments did not have a significant impact to the Group as there are no rent concessions granted to the group as a lessee.

- Adoption of *PIC Q&A 2020-03, Q&A No. 2018-12-D: STEP 3 - On the Accounting of the Difference When the Percentage of Completion is Ahead of the Buyer's Payment*.
PIC Q&A 2020-03 was issued by the PIC on September 30, 2020 aims to provide an additional option to the preparers of financial statements to present as receivables, the difference between the POC and the buyer's payment, with the POC being ahead. This PIC Q&A is consistent with the PIC guidance issued to the real estate industry in September 2019.

Standards and Interpretation Issued but Not yet Effective

Pronouncements issued but not yet effective are listed below. Unless otherwise indicated, the Group does not expect the future adoption of these pronouncements to have a significant impact on its consolidated financial statements. The Group intends to adopt the following pronouncements when they become effective.

Effective beginning on or after January 1, 2021

- Amendments to PFRS 9, PFRS 7, PFRS 4 and PFRS 16, *Interest Rate Benchmark Reform – Phase 2*

The amendments provide the following temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR):

- Practical expedient for changes in the basis for determining the contractual cash flows as a result of IBOR reform
- Relief from discontinuing hedging relationships
- Relief from the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component

The Group shall also disclose information about:

- The about the nature and extent of risks to which the entity is exposed arising from financial instruments subject to IBOR reform, and how the entity manages those risks; and
- Their progress in completing the transition to alternative benchmark rates, and how the entity is managing that transition

The amendments are effective for annual reporting periods beginning on or after January 1, 2021 and apply retrospectively, however, the Group is not required to restate prior periods.

Effective beginning on or after January 1, 2022

- Amendments to PFRS 3, *Reference to the Conceptual Framework*

The amendments are intended to replace a reference to the Framework for the Preparation and Presentation of Financial Statements, issued in 1989, with a reference to the Conceptual Framework for Financial Reporting issued in March 2018 without significantly changing its requirements. The amendments added an exception to the recognition principle of PFRS 3, *Business Combinations* to avoid the issue of potential ‘day 2’ gains or losses arising for liabilities and contingent liabilities that would be within the scope of PAS 37, *Provisions, Contingent Liabilities and Contingent Assets* or Philippine-IFRIC 21, *Levies*, if incurred separately.

At the same time, the amendments add a new paragraph to PFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date.

The amendments are effective for annual reporting periods beginning on or after January 1, 2022 and apply prospectively.

- Amendments to PAS 16, *Plant and Equipment: Proceeds before Intended Use*

The amendments prohibit entities deducting from the cost of an item of property, plant and equipment, any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the costs of producing those items, in profit or loss.

The amendment is effective for annual reporting periods beginning on or after January 1, 2022 and must be applied retrospectively to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented when the entity first applies the amendment.

- Amendments to PAS 37, *Onerous Contracts – Costs of Fulfilling a Contract*

The amendments specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments apply a “directly related cost approach”. The costs that relate directly to a contract to provide goods or services include both incremental costs and an allocation of costs directly related to contract activities. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

The amendments are effective for annual reporting periods beginning on or after January 1, 2022. The Group will apply these amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments.

- *Annual Improvements to PFRSs 2018-2020 Cycle*

- Amendments to PFRS 1, *First-time Adoption of Philippines Financial Reporting Standards, Subsidiary as a first-time adopter*

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The amendment permits a subsidiary that elects to apply paragraph D16(a) of PFRS 1 to measure cumulative translation differences using the amounts reported by the parent, based on the parent's date of transition to PFRS. This amendment is also applied to an associate or joint venture that elects to apply paragraph D16(a) of PFRS 1.

The amendment is effective for annual reporting periods beginning on or after January 1, 2022 with earlier adoption permitted.

- Amendments to PFRS 9, *Financial Instruments, Fees in the '10 per cent' test for derecognition of financial liabilities*

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

The amendment is effective for annual reporting periods beginning on or after January 1, 2022 with earlier adoption permitted. The Group will apply the amendments to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

- Amendments to PAS 41, *Agriculture, Taxation in fair value measurements*

The amendment removes the requirement in paragraph 22 of PAS 41 that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of PAS 41.

An entity applies the amendment prospectively to fair value measurements on or after the beginning of the first annual reporting period beginning on or after January 1, 2022 with earlier adoption permitted. The amendments are not expected to have a material impact on the Group.

Effective beginning on or after January 1, 2023

- Amendments to PAS 1, *Classification of Liabilities as Current or Non-current*
The amendments clarify paragraphs 69 to 76 of PAS 1, *Presentation of Financial Statements*, to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:
 - What is meant by a right to defer settlement
 - That a right to defer must exist at the end of the reporting period
 - That classification is unaffected by the likelihood that an entity will exercise its deferral right
 - That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

The amendments are effective for annual reporting periods beginning on or after January 1, 2023 and must be applied retrospectively. The standard will affect the future classification of liabilities as current or noncurrent when there are future deferral of settlement of the Group's financial liabilities.

- PFRS 17, *Insurance Contracts*
PFRS 17 is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, PFRS 17 will replace PFRS 4, *Insurance Contracts*. This new standard on insurance contracts applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply.

The overall objective of PFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in PFRS 4, which are largely based on grandfathering previous local accounting policies, PFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of PFRS 17 is the general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts

PFRS 17 is effective for reporting periods beginning on or after January 1, 2023, with comparative figures required. Early application is permitted.

The Group is not engaged in the business of insurance; hence, this standard is not applicable to the Group.

Deferred Effectivity

- Amendments to PFRS 10, *Consolidated Financial Statements*, and PAS 28, *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*
The amendments address the conflict between PFRS 10 and PAS 28 in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that a full gain or loss is recognized when a transfer to an

associate or joint venture involves a business as defined in PFRS 3. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognized only to the extent of unrelated investors' interests in the associate or joint venture.

On January 13, 2016, the Financial Reporting Standards Council deferred the original effective date of January 1, 2016 of the said amendments until the International Accounting Standards Board (IASB) completes its broader review of the research project on equity accounting that may result in the simplification of accounting for such transactions and of other aspects of accounting for associates and joint ventures.

The Group does not expect these amendments to have significant impact to the consolidated financial statements because it does not currently have interests in associates and joint ventures.

- *Deferral of Certain Provisions of PIC Q&A 2018-12, PFRS 15 Implementation Issues Affecting the Real Estate Industry (as amended by PIC Q&As 2020-02 and 2020-04)*

On February 14, 2018, the PIC issued PIC Q&A 2018-12 which provides guidance on some PFRS 15 implementation issues affecting the real estate industry. On October 25, 2018 and February 08, 2019, the Philippine Securities and Exchange Commission (SEC) issued SEC MC No. 14-2018 and SEC MC No. 3-2019, respectively, providing relief to the real estate industry by deferring the application of certain provisions of this PIC Q&A for a period of three years until December 31, 2020. On December 15, 2020, the Philippine SEC issued SEC MC No. 34-2020 which further extended the deferral of certain provisions of this PIC Q&A until December 31, 2023.

A summary of the PIC Q&A provisions covered by the SEC deferral and the related deferral period follows:

	Deferral Period
a. Assessing if the transaction price includes a significant financing component as discussed in PIC Q&A 2018-12-D (amended by PIC Q&A 2020-04)	Until December 31, 2023
b. Treatment of land in the determination of the POC discussed in PIC Q&A 2018-12-E	Until December 31, 2023

The SEC Memorandum Circulars also provided the mandatory disclosure requirements should an entity decide to avail of any relief. Disclosures should include:

- The accounting policies applied.
- Discussion of the deferral of the subject implementation issues in the PIC Q&A.
- Qualitative discussion of the impact on the financial statements had the concerned application guidelines in the PIC Q&A been adopted.
- Should any of the deferral options result into a change in accounting policy (e.g., when an entity excludes land and/or uninstalled materials in the POC calculation under the previous standard but opted to include such components under the relief provided by the circular), such accounting change will have to be accounted for

under PAS 8, i.e., retrospectively, together with the corresponding required quantitative disclosures.

In November 2020, the PIC issued the following Q&As which provide additional guidance on the real estate industry issues covered by the above SEC deferrals:

- PIC Q&A 2020-04, which provides additional guidance on determining whether the transaction price includes a significant financing component

The Group availed of the SEC reliefs to defer the above specific provisions of PIC Q&A No. 2018-12. Had these provisions been adopted, the Group assessed that the impact would have been as follows:

- The mismatch between the POC of the real estate projects and right to an amount of consideration based on the schedule of payments explicit in the contract to sell would constitute a significant financing component. In case of the presence of significant financing component, the guidance should have been applied retrospectively and would have resulted to restatement of prior year financial statements. Adoption of this guidance would have impacted interest income, interest expense, revenue from real estate sales, instalment contracts receivable, provision for deferred income tax, deferred tax asset or liability for all years presented, and the opening balance of retained earnings. Currently, any significant financing component arising from the mismatch discussed above is not considered for revenue recognition purposes.
- The exclusion of land in the determination of POC would reduce the percentage of completion of real estate projects resulting in a decrease in beginning retained earnings as well as a decrease in the revenue from real estate sales in 2020.

The above would have impacted the cash flows from operations and cash flows from financing activities for all years presented.

As prescribed by SEC MC No. 34-2020, for financial reporting periods beginning on or after January 1, 2021, the availment of the above deferral will impact the Group's financial reporting during the period of deferral as follows:

- a. The financial statements are not considered to be in accordance with PFRS and should specify in the "Basis of Preparation of the Financial Statements" section of the financial statements that the accounting framework is:

PFRS, as modified by the application of the following financial reporting reliefs issued and approved by the Securities and Exchange Commission in response to the COVID-19 pandemic:

1. Treatment of land in the determination of the percentage-of-completion; and
2. Assessing if the transaction price includes a significant financing component (as amended by PIC Q&A 2020-04)

- b. The Auditor's report will:
- i. reflect in the Opinion paragraph that the financial statements are prepared in accordance with the compliance framework described in the notes to the financial statements; and
 - ii. include an Emphasis of Matter paragraph to draw attention to the basis of accounting that has been used in the preparation of the financial statements.

Upon full adoption of the above deferred guidance, the accounting policies will have to be applied using full retrospective approach following the guidance under PAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors*.

- *Deferral of PIC Q&A 2018-14, Accounting for Cancellation of Real Estate Sales (as amended by PIC Q&A 2020-05)*

On June 27, 2018, PIC Q&A 2018-14 was issued providing guidance on accounting for cancellation of real estate sales. Under SEC MC No. 3-2019, the adoption of PIC Q&A No. 2018-14 was deferred until December 31, 2020. After the deferral period, real estate companies will adopt PIC Q&A No. 2018-14 and any subsequent amendments thereto retrospectively or as the SEC will later prescribe.

On November 11, 2020, PIC Q&A 2020-05 was issued which supersedes PIC Q&A 2018-14. This PIC Q&A adds a new approach where the cancellation is accounted for as a modification of the contract (i.e., from non-cancellable to being cancellable). Under this approach, revenues and related costs previously recognized shall be reversed in the period of cancellation and the inventory shall be reinstated at cost. PIC Q&A 2020-05 will have to be applied prospectively from approval date of the Financial Reporting Standards Council which was November 11, 2020.

The Group availed of the SEC relief to defer the adoption of this PIC Q&A until December 31, 2020. Currently, the Group records the reposessed inventory at cost. The Group opted to implement approach 3 in its accounting for sales cancellation.

- *IFRIC Agenda Decision on Over Time Transfer of Constructed Goods (PAS 23, Borrowing Cost)*

In March 2019, IFRIC published an Agenda Decision on whether borrowing costs can be capitalized on real estate inventories that are under construction and for which the related revenue is/will be recognized over time under paragraph 35(c) of IFRS 15 (PFRS 15). IFRIC concluded that borrowing costs cannot be capitalized for such real estate inventories as they do not meet the definition of a qualifying asset under Philippine Accounting Standards (PAS) 23, *Borrowing Costs*, considering that these inventories are ready for their intended sale in their current condition.

The IFRIC Agenda Decision would change the Group's current practice of capitalizing borrowing costs on real estate projects with pre-selling activities.

On February 11, 2020, the Philippine SEC issued Memorandum Circular No. 4-2020, providing relief to the Real Estate Industry by deferring the mandatory implementation of the above IFRIC Agenda Decision until December 31, 2020. Further, on December 15,

2020, the Philippine SEC issued SEC MC No. 34-2020, which extends the relief on the application of the IFRIC Agenda Decision provided to the Real Estate Industry until December 31, 2023. Effective January 1, 2024, the Real Estate Industry will adopt the IFRIC agenda decision and any subsequent amendments thereto retrospectively or as the SEC will later prescribe. A real estate company may opt not to avail of the deferral and instead comply in full with the requirements of the IFRIC Agenda Decision.

The Group opted to avail of the relief as provided by the SEC. Had the Group adopted the IFRIC agenda decision, borrowing costs capitalized to real estate inventories related to projects with pre-selling activities should have been expensed out in the period incurred. This adjustment should have been applied retrospectively and would have resulted in restatement of prior year financial statements. Adoption of the IFRIC agenda decision would have impacted interest expense, cost of sales, provision for deferred income tax, real estate inventories, deferred tax liability and the opening balance of retained earnings. The above would have impacted the cash flows from operations and cash flows from financing activities for all years presented.

INFORMATION ON INDEPENDENT ACCOUNTANT

External Audit Fees and Services

The aggregate fees for each of the last three (3) years for professional services rendered by the Company's external auditors are as follows:

	2020	2019	2018
Audit Fees	₱3,297,000	₱3,154,000	₱2,970,000
Tax fees	—	—	—
Other Fees	—	—	—
Total	₱3,297,000	₱3,154,000	₱2,970,000

- (a) Audit and audit related fees for the Group was for expressing an opinion on the financial statements and the annual income tax return.
- (b) There are no other assurance and related services by the external auditor that are reasonably related to the performance of the audit or review of the registrant's financial statements.
- (c) There were no tax fees paid for the years 2020, 2019 and 2018.
- (d) There were no other fees paid to the external auditors for the years 2020, 2019 and 2018.
- (e) Audit committee's approval policies and procedures for the above services – the committee will evaluate the proposals from known external audit firms. The review will focus on quality of service, commitment to deadline and fees as a whole, and no one factor should necessarily be determinable.

Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

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

RISKS

The Group is subject to competition in each of its principal businesses. This competition comes in terms of attracting buyers for its condominium and tenants for its commercial spaces. The Group manages this risk by identifying the underserved and/or hard to penetrate market, recognizing their needs and wants prior to project inception, prompt project delivery and maintaining highest turnover standards. With this, the Group is confident that it will surpass the competition.

BRIEF DESCRIPTION OF THE GENERAL NATURE AND SCOPE OF THE BUSINESS OF THE REGISTRANT AND ITS SUBSIDIARIES

Anchor Land Holdings, Inc. (the Parent Company) was incorporated in the Philippines and registered with the Philippine Securities and Exchange Commission (SEC) on July 29, 2004 with corporate life of 50 years. The Parent Company started its operations on November 25, 2005 and eventually traded its shares to the public in August 2007. The registered office address of the Parent Company is at 11th Floor, L.V. Locsin Building, 6752 Ayala Avenue corner Makati Avenue, Makati City.

Below are the Parent Company's subsidiaries with its respective percentage ownership in 2020 and 2019:

Property Development

Gotamco Realty Investment Corporation (GRIC)	100%
Anchor Properties Corporation (APC)	100%
Posh Properties Development Corporation (PPDC)	100%
Admiral Realty Company, Inc. (ARCI)	100%
Anchor Land Global Corporation	100%
Realty & Development Corporation of San Buenaventura	100%
Pasay Metro Center, Inc.	100%
1080 Soler Corp.	100%
Nusantara Holdings, Inc.	100%
Globeway Property Ventures, Inc. (GPVI)	70%
Basiclink Equity Investment Corp.	100%
Irenealmeda Realty, Inc.	100%
Frontier Harbor Property Development, Inc.	100%
TeamEx Properties Development Corporation (TPDC)	100%
WeWork Realty Development Corporation (WRDC)	100%
All Farm Genetic Venture Corp. (AFGVC)	70%
Fersan Realty Corporation (FRC)	100%

Hotels and Resorts

Anchor Land Hotels & Resorts, Inc. (ALHRI)	100%
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Property Management

Momentum Properties Management Corporation (MPMC)	100%
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Aluminum and Glass Doors and Windows Fabrication and Installation

Eisenglas Aluminum and Glass, Inc. (EAGI)	60%
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All of the Parent Company's subsidiaries were incorporated and domiciled in the Philippines.

The Parent Company and its subsidiaries (collectively called “the Group”) have principal business interest in the development and sale of high-end residential condominium units and in the development and leasing of commercial, warehouse and office spaces. MPMC provides property management services to the Group’s completed projects, commercial centers and buyers. ALHRI was incorporated in June 2017 to engage in the Group’s hotel and resort operations. TPDC and WRDC were incorporated in September 2018 and November 2018, respectively, to engage in the Group’s property development operations. AFGVC was incorporated in November 2018 to engage in the Group’s development and operate agricultural lands and farms.

On January 7, 2019, the Group through APC acquired 100% of the voting shares of FRC, a company registered in the Philippines whose principal activity is to engage in property development

As of December 31, 2020, FRC, TPDC, WRDC, AFGVC and ALHRI have not yet started commercial operations.

In 2020, EAGI has stopped its operations. EAGI is previously engaged in the fabrication and installation of aluminum and glass doors and windows.

There are non-controlling interests of 30% in AFGVC, 30% in GPVI and 40% in EAGI in 2020 and 2019.

COMPANY’S DIRECTORS AND EXECUTIVE OFFICERS

Please refer to Item 5 of the Information Statement for the discussion on the identity of each of the registrant’s directors and executive officers including their principal occupation or employment, name and principal business of any organization by which such persons are employed.

MARKET FOR ISSUER'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

(1) Market Information

- (a) The principal market of the Company's shares of stock is the Philippine Stock Exchange. The closing prices (in Philippine Peso) of the Company's share for each quarter for the last two fiscal years were as follows:

Year	Quarter	High (in Php)	Low (in Php)	Closing Price (in Php)
2020	First	9.69	8.00	9.00
	Second	9.10	6.41	8.69
	Third	8.89	7.04	8.28
	Fourth	8.80	7.52	8.15
2019	First	11.78	10.20	10.22
	Second	11.88	10.02	11.00
	Third	11.54	9.71	10.02
	Fourth	10.40	8.81	8.95
2018	First	19.48	12.20	16.00
	Second	15.92	13.18	14.48
	Third	14.98	10.84	11.04

- (b) The closing prices (in Philippine Peso) of the Company's stocks as of the latest practicable trading dates were as follows:

Year	Month	High (in Php)	Low (in Php)	Closing Price (in Php)
2021	January	8.75	7.50	7.50
	February	8.39	7.39	7.46
	March	8.50	7.30	8.49

- (c) For the first Quarter of 2021, the high and low sales prices (in Philippine Peso) of the Company's stocks are as follows:

Year		Date	High	Low
2020	(First Quarter)	January 2021	8.75	7.50
		February 2021	8.39	7.39
		March 2021	8.50	7.30

- (d) The price information as of March 30, 2021, the latest practicable trading date is as follows:

Date		Open	High	Low	Close
March 31, 2021		8.50	8.50	7.30	8.49

(2) Holders

The top twenty (20) stockholders as provided by the transfer agent of the Company as of March 31, 2021 were as follows:

Stockholders	Number of shares
1. PCD Nominee Corporation (Filipino)	400,327,304
2. Sybase Equity Investments Corporation	202,609,200
3. Yi Chiang Li	156,000,000
4. Cindy Mei Ngar Sze	155,999,298
5. PCD Nominee Corporation (Non-Filipino)	78,814,490
6. Rena Obo Alvarez	30,000,000
7. Philip O. Bernardo	6,840,000
8. Rena Obo Alvarez	5,550,000
9. Carlos Sotingco	2,114,400
10. Harley Tan Sy	1,650,000
11. Alexis Valine B. Uy	15,000
12. Anjelica B. Uy	15,000
13. Jan Reiner B. Uy	15,000
14. Maria Charito B. Uy	15,000
15. Haidee Generoso and/or Sandy Edward Generoso	11,400
16. Ma. Christmas R. Nolasco	10,200
17. Robert Chua	6,000
18. Edwin Lee	3,000
19. Avelino M. Guzman, Jr.	1,000
20. Violeta Josef	1,000
21. Ma. Victoria Villaluz	1,000
TOTAL	1,040,000,842

(3) Dividends

Cash Dividends

On April 7, 2021, Parent Company's BOD declared cash dividends as follows:

1. For preferred shares - 8% dividends per issued and outstanding preferred share; and
2. For common shares - ₱0.02 per issued and outstanding common share.

The record date is May 27, 2021 and dividends amounting to ₱48.53 million were payable on June 17, 2021.

On June 18, 2020, the Company's BOD declared cash dividends as follows:

1. For preferred shares - 8% dividends per issued and outstanding preferred share; and
2. For common shares - ₱0.09 per issued and outstanding common share.

The record date is set on August 20, 2020 and the dividends will be paid on September 10, 2020.

On April 3, 2019, the Company's BOD declared cash dividends as follows:

3. For preferred shares - 8% dividends per issued and outstanding preferred share; and
4. For common shares - ₱0.08 per issued and outstanding common share.

The record date is set on June 5, 2019 and the dividends will be paid on June 20, 2019.

(4) Recent Sales of Unregistered Securities

As at reporting date, no sales of unregistered securities or shares of the Company were sold except during the date of listing with the Philippine Stock Exchange.

CORPORATE GOVERNANCE

The Corporation has promulgated a Manual on Corporate Governance that took effect on March 31, 2007. The Manual continues to guide the activities of the Corporation and compliance therewith has been consistently observed.

The Corporation is committed to high standards of corporate governance in discharging its obligations to act in the interests of the public and to enhance shareholders' value. It has complied throughout the period under review with the applicable principles and provisions set out in its Manual on Corporate Governance.

There has been no deviation from the Company's Manual on Corporate Governance.

The Company believes that its manual on Corporate Governance is in line with the leading practices and principles on good governance, and such, is in full compliance.

The Company will improve its Manual on Corporate Governance when appropriate and warranted, in the Board of Directors' best judgment. In addition, it will improve when the regulatory agency such as the SEC requires the inclusion of a specific provision.

The Board of Directors

There is an effective and appropriately constituted Board of Directors who received relevant information required to properly accomplish their duties. The Board of Directors is comprised of three executive directors, five non-executive directors and three independent directors that reflect a blend of different ages, financial and commercial experiences.

Directors	Executive Directors	Non-Executive Directors	Independent Director
Charles Stewart Lee		✓	
Avelino Guzman		✓	
Steve Li	✓		
Digna Elizabeth L. Ventura	✓		
Neil Y. Chua	✓		
Lorna Pangilinan			✓
Edwin Lee		✓	
Christine P. Base		✓	
Violeta Josef			✓
Ma. Victoria Villaluz			✓
Clinton Steven Lee		✓	

All independent directors are independent of management and free from any business or other relationship with ALHI which could materially interfere with the exercise of their independent judgment.

The Nomination Committee is mandated to ensure that there is a formal and transparent procedure for the appointment of new Directors of the Board. Where appropriate, every director receives training, taking into account his individual qualifications and experience. Training is also available on an ongoing basis to meet individual needs.

The term of office of all directors, including independent directors and officers shall be one (1) year and until the successors are duly elected and qualified.

Board Process

Members of the Board meet when necessary throughout the year to adopt and review its key strategic and operational matters; approve and review major investments and funding decision; adopt and monitor appropriate internal control; and ensure that the principal risks of the Company are identified and properly managed.

The Board works on an agreed agenda as it reviews the key activities of the business.

The Corporate Secretary is responsible to the Board of Directors and is available to individual Directors in respect of Board of Directors procedures. Atty. Christine P. Base holds the post.

Committees

The Board has established a number of committees with specific mandates to deal with certain aspects of its business. All of the Committees have defined terms of reference.

- **Executive Committee**

The Executive Committee oversees the formulation of policies governing the daily operations of the Company. The Committee directs the business of the Company as may be lawfully delegated to it.

- **Audit, Risk Oversight, and Related Party Transactions Committee**

The Audit Committee functions under the terms of reference approved by the Board. It meets at least once every quarter or more frequently as circumstances require and its roles include the review of the financial and internal reporting process, the system of internal control and management of risks and the external and internal audit process. The Audit Committee reviews the scope and results of the audit with external auditors and obtains external legal or other independent professional advice where necessary.

Other functions of the Audit Committee include the recommendation of the appointment or re-appointment of external auditors and the review of audit fees.

The Audit Committee also functions as the Risk Oversight and Related Party Transactions Committee.

- **Nomination Committee**

The Committee assesses and recommends to the Board of Directors the candidates for appointment to executive and non-executive directors' positions. The Committee also makes recommendations to the Board of Directors on its composition. The Committee meets as required.

- **Compensation and Remuneration Committee**

The Compensation and Remuneration Committee is responsible for determining the Company's policy on executive remuneration and in specifying the remuneration and compensation packages on the employment or early termination from office of each of the executive directors of the Company. All decisions of the Remuneration Committee are only recommendatory and they are referred to the Board of Directors for final approval. The Remuneration Committee also monitors the compensation packages of other senior executives in the group below the Board of Directors level. The Committee meets as required.

- **Corporate Governance Committee**

The Corporate Governance Committee ensures the implementation of the Company's policies of good corporate governance. The Committee also ensures compliance with the requirements of various government agencies in achieving the best practices for corporate governance.

Compliance Officer

The compliance officer is responsible for ensuring that the Company's corporate principles are consistently adhered to throughout the organization. The compliance officer acts independently and his role is to supply the top management with the necessary information on whether the organization's decisions comply with professional rules and regulations, internal directives, regulatory authorities, and the statutory law.

Relation with Shareholders

The Directors place a high importance on maintaining good relationships with the shareholders and ensure that they are kept informed of significant Company developments. The Company encourages shareholders to attend its annual stockholders' meetings that provide opportunities for stockholders to ask questions to the Board/Management.