

Kalahi Realty, Inc.

Suite 214-215, State Condominium Iv
Ortigas Avenue, Greenhills,
San Juan City, Philippines
Telephone Nos. 8570-3639

**KALAHI REALTY INC_SEC-DEFINITIVE INFORMATION
STATEMENT_19 SEPTEMBER 2022**

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

**Proxy Statement according to Section 20
of the Securities Regulation Code (SRC)**

1. Check the appropriate box:
[] Preliminary Information Statement
[**x**] Definitive Information Statement
2. Name of registrant as specified in the charter **KALAHI REALTY, INC.**
3. Jurisdiction of Incorporation **SAN JUAN CITY**
4. SEC I.D. No. **0000161872**
5. BIR TIN **000-645-746**
6. Address & Zip Code **214 State Condominium IV, Ortigas Ave., Greenhills,
San Juan City 1502**
7. Telephone No. **(02) 8570-3639**
8. Date, time, and place of the meeting of security holders:
Date of Meeting: **November 23, 2022**
Time of Meeting **2: 00 p.m.**
Place of Meeting: **214 State Condominium IV, Ortigas Ave., Greenhills,
San Juan City 1502**
9. Approximate date on which the information Statement is first to be sent or given to the security holders: Nov. 2, 2022.
10. Outstanding Shares :
- | Title of each Class | Number of Shares Outstanding
and Amount of Debt Outstanding |
|---------------------|--|
| COMMON SHARES | 78,006,687 |
11. All Shares are listed on the Philippine Stock Exchange?
Yes _____ No **x**

PART I
INFORMATION REQUIRED IN INFORMATION STATEMENT

A. GENERAL INFORMATION

ITEM 1. Date, Time and Place of Meeting of Security Holders.

- a. Date of Meeting : Novembe 23, 2022
- Time of Meeting : 2: 00 p.m.
- Place of Meeting & : Suite 214 State Condominium IV
- Principal Office : Ortigas Ave., Greenhills, San Juan City 1502 :

b. The approximate date on which Information Statement is first to be given to security holders is on Nov. 2, 2022.

***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 corporate matters or actions that will entitle a stockholder to exercise a Right of Appraisal as provided in the Title X of the Corporation Code. Nevertheless, any stockholder of the Company shall have a right to dissent and demand payment of the fair value of their shares in the following instances, as provided in the New Corporation Code:

- 1) In case any amendment to the articles of incorporation has the effect of changing or restricting the rights of any stockholder or class of shares, or of authorizing preferences in any respect superior to those of outstanding shares of any class, or extending / shortening the term of corporate existence.
- 2) In case of a sale, lease, exchange, transfer, mortgage, pledge, or other disposition of all or substantially all of the corporate property and assets as provided in the Code; and
- 3) In case of merger or consolidation.

The appraisal right may be exercised by any stockholder who shall have voted against the proposed corporate 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: Provided, that failure to make the demand within such period shall be deemed a waiver of the appraisal right. A stockholder must have voted against the proposed corporate action to avail himself of the appraisal right. If the proposed corporate action is implemented or effected, the corporation shall pay to such stockholder upon surrender of his certificate(s) of stock representing his shares, the fair value thereof as of the day before the date on which the vote was taken, excluding any appreciation or depreciation in anticipation of such corporate action.

If within sixty (60) days from the date the corporate action was approved by the stockholders, the withdrawing stockholder and the corporation cannot agree on the fair value of the shares, it shall be determined and appraised by three (3) disinterested persons, one of whom shall be named by the stockholder, another by the corporation and the third by the two thus chosen. The findings of the majority of the appraisers shall be final, and their award shall be paid by the corporation within thirty (30) days after such award is made: provided, that no payment shall be made to any dissenting stockholder unless the corporation has unrestricted retained earnings in the books to cover such

payment; and provided, further, that upon payment by the corporation of the agreed or awarded price, the stockholder shall forthwith transfer his shares to the corporation.

ITEM 3. Interest of Certain Persons in or Opposition to Matters to be Acted Upon

a. No current director or officer, or nominee for the election as a director or any of his associate, has any substantial interest, direct or indirect, by security holdings or otherwise, in any matter to be acted upon other than the election to office.

b. No Director has informed the Company in writing of any intention of opposing any action intended to be taken at the meeting.

B. CONTROL AND COMPENSATION INFORMATION

ITEM 4. Voting Securities and principal holders thereof

a) **Class of Voting Shares as of May 31, 2022 :**

| | |
|----------------------------|---------------------------------------|
| <u>Class Voting Shares</u> | <u>No. of shares Entitled to Vote</u> |
| Common Shares | 78,006,687 |

Every stockholder shall be entitled to one vote for each share of stock as of the record date.

b) Only holders of the company’s stock on record at the close of business on May 31, 2022, are entitled to notice of and vote at the Annual Stockholders’ Meeting to be held on November 23, 2022.

c) **Election of Directors and cumulative Voting Rights**

The holders of common stock are entitled to one vote per share, but in connection with the cumulative voting feature applicable to the election of directors, each stockholder is entitled to vote as many votes as shall equal the number of shares held by such person at the close of business on the record date, multiplied by the number of directors to be elected. A stockholder may cast all of such votes for a single nominee or may apportion such votes among any two or more nominees. For example, when seven (7) directors are to be elected, the holder of 100 shares may cast 700 votes for a single nominee, apportion 350 votes each to two nominees, or apportion 700 votes to all nominees.

d) **No Proxy Solicitation is being made**

We are not asking for a proxy so please do not send us any

A. Securities Ownership of Certain Record and Beneficial Owners of more than five (5) percent of the company’s stock as of May 31, 2022.

| Title of Class | Name, Address of Record Owners and Relationship with the issuer | Name of Beneficial Owners and Relationship w/ Record Owner | Citizenship | No. of Shares held Nature of Ownership (Record or Beneficial) | Percent |
|----------------|---|--|-------------|---|---------|
| | | | | | |

| | | | | | |
|--------|--|---|----------|------------------------|--------|
| Common | Lordiz and Co., Inc. 14 Missouri St., Greenhills, San Juan City No relationship with the issuer | Frederick Matsuda President | Filipino | 10,360,350 (record) | 14.77% |
| Common | Diz Marc Fortunes. Inc. 214 State Cond. IV, Ortigas Ave., San Juan City No relationship with the issuer | Teresita Dizon President | Filipino | 10,156,459 (record) | 14.47% |
| Common | Little Flower Corporation 14 Missouri St., Greenhills, San Juan City No relationship with the issuer | Ramona Odilia Feliciano Treasurer | Filipino | 6,615,632 (record) | 9.43% |
| Common | Markeisha Developers, Inc. #52 Libertad Street, Martino I Bldg., Mandaluyong City No relationship with the issuer | Franklin Matsuda President | Filipino | 5,607,343 (record) | 7.99% |
| Common | Fordjem Enterprises, Inc. 214 State Cond. IV, Ortigas Ave. San Juan City No relationship with the issuer | Frederick Matsuda President | Filipino | 4,707,504 (record) | 6.71% |
| Common | Marcel Holdings Corporation 386P.Guevarra, San Juan City No relationship with the issuer | Teresita Dizon President | Filipino | 4,481,304 (record) | 6.39% |
| Common | Lutgarda D. Lacson 14 Missouri St., Greenhills, San Juan City No relationship with the issuer | Lutgarda Lacson | Filipino | 3,945,833 (record) | 5.62% |

LORDIZ and Co., Inc. has no business relationship with Kalahi Realty Inc. and authorized Mr. Frederick D. Matsuda to represent or issue proxy on behalf of Lordiz and Co.

DizMarc Fortunes Inc. has no business relationship with Kalahi Realty Inc., and authorized Ms. Teresita D. Dizon to represent or issue a proxy

Little Flower Corporation, has no business relationship with Kalahi Realty Inc. and authorized the Treasurer Ms. Ramona Odilia D. Feliciano to represent or issue a proxy

Markeisha Developers Inc. has no business relationship with Kalahi Realty Inc. and authorized the Treasurer Mrs. Jessica M. Polintan to issue or assign a proxy.

Fordjem Enterprises Inc. has no business relationship with Kalahi Realty Inc. and authorized President Frederick D. Matsuda to issue or assign a proxy.

Marcel D. Holdings Corp., has no business relationship with Kalahi Realty Inc. and authorized the President Ms. Teresita D. Dizon to represent or issue a proxy

Change In Control

There are no arrangements that may result in a change in control of the registrant and no change in control has occurred since the beginning of the last financial year.

B. Beneficial ownership of directors/officers as of May 31, 2022.

| Title of Class | Name of Beneficial Owner | Amount and Nature of Ownership (Record or Beneficial) | Citizenship | Percent |
|----------------|--|--|-------------|---------|
| Common | Franklin D Matsuda Chairman/ President / Director | 32,072 “r” | Filipino | 0.0457% |
| Common | Frederick D. Matsuda Vice President/ Treasurer | 32,072 “r” | Filipino | 0.0457% |
| Common | Francis V. Gustilo Director/ Corporate Secretary | 27,695 “r” | Filipino | 0.0395% |
| Common | Raymund Alexander C. Dizon Director | 3,593 “r” | Filipino | 0.0051% |
| Common | Lawrence D. Feliciano Director | 89,000 “r” | Filipino | 0.1268% |
| Common | Hermogenes T. Tabbada Independent Director | 1 “r” | Filipino | 0.0000% |
| Common | Roberto S. Guevara Independent Director | 1 “r” | Filipino | 0.0000% |
| Common | Valentino M. Trobada Chief Accountant | 597 “r” | Filipino | 0.0009% |

Total ownership of directors/ officers is 185,031 shares.

From November 25, 2021, up to May 31, 2022, the Board of Directors had four (4) regular and special meetings including the organization meeting. Please *see ANNEX “C”*

C. Voting Trust

No one among the stockholders has submitted a voting trust agreement in favor of any person to entitle that person to exercise all rights of every nature on his behalf, including the right to vote that will require the issuance of Voting Trust Certificates in favor of that party.

D. Changes in Control

No change of control in the Company has occurred since the beginning. *No Director has resigned since the date of the last annual meeting because there is no disagreement with the registrant on any matter relating to its Operation.*

ITEM 5. Directors and Executive Officer

Article VI & Article III, Section 9 of the Company's Amended By-laws provides:

“The Board of Directors shall have seven (7) Directors who shall be elected by the Corporation's stockholders entitled to vote at the annual meeting and shall hold office for one year until their successors are elected and qualified following these By-laws.”

The attendance of the directors at the meetings of the Board of Directors (the “Board”) in 2021 was reported to SEC. Mr. Raymund Alexander C. Dizon failed to attend the Annual Stockholders meeting and resigned as a Director. All the other Directors were present during the Annual Stockholders meeting held on November 25, 2021.

A) Information Required of Directors and Executive Officers'

Listed are the incumbent directors, officers, and nominees of the company with their qualifications which include their ages, citizenship, and current and past positions held for the past five years.

- 1. FRANKLIN D. MATSUDA**, 55 years old, Filipino. *He has been elected member of the Board since 2003 up to the present.* He was elected President in Aug. 2017 and in Aug. 2021, he was again elected as President and concurrent Chairman. He is the Marketing Manager of Lordiz & Co., Inc. and Diz-Marc Fortune, Inc. since 2001 up to the present. He was elected member of the Board of Trustees of Celestino Maria Dizon Foundation and Fordjem Enterprises, Inc. from 1995 up to the present. He is also the President of Makeisha Developers, Inc. from 2005 up to the present and the Treasurer of Blocks & Bricks Realty, Inc. from 2005 up to the present. He is also a Director of State Condominium IV Corp. from 2006 up to the present.
- 2. FREDERICK D. MATSUDA**, 58 years old, Filipino. *He has been elected member of the Board since 1996. He had been a President since 2003 up to August 2017. Last Aug. 2017 he was elected as Vice President/Treasurer up to present.* He also served as Corporate Treasurer and member of the Board of Directors of Dizon Copper Silver Mines, Inc. in 1997 up to 2012. Currently, he holds various positions in several other corporations, namely: Vice-President of Fordjem Enterprises, Inc., and Financial Management Consultant of Lordiz and Company, Inc., and Diz-Marc Fortunes, Inc.
- 3. HERMOGENES T. TABBADA**, 61 years old, Filipino. *He was elected Independent Director from 2016 up to the present.* He worked at DCCD Engineering Corp. in 1992-93 under special projects of the OICC-US Eng. Brigade. He held also the position of Treasurer of Catalina Bldg. Ind. In 1993-2002. He is presently holding a senior position in Edifix Construction Co. from 2003 up to the present.
- 4. ROBERTO S. GUEVARA**, 72 years old, Filipino. *He was elected Independent Director from 2015 up to the present.* For the past 11 years, he held various positions in different companies such as Radiowealth Finance Company and Seed Capital Corporation as President and CEO, as director also of Guevent Investment & Development Corp., G & S transportation Corp. and as an Independent Director of Megaworld Corporation.

5. **FRANCIS V. GUSTILO**, 73 years old, Filipino. *He has been appointed as Corporate Secretary of the Company in 2003 and elected as member of the board in 2003 to 2005 and 2011 up to the present time.* A practicing lawyer and a Chemical Engineer, he is also an Executive Director of Tindig Porac Development Foundation, Inc.; Past President of Rotary Club of Paranaque East President for RY2001-2002, District 3830, Chairman Mary Help of Christians Pabahay Foundation, Inc., Corporate Secretary, Celestino-Maria Dizon Foundation Inc., Director, Waste to Energy (Phils.) Holdings Inc. and as the Independent Director of Rural Electrification Financing Corp (2012-2021). Current Director of ECCOBANK Inc (A Rural Bank). Formerly New Covenant Bank Inc.
6. **LAWRENCE D. FELICIANO**, 57 years old, Filipino. He was elected member of the Board for the first time in 2017 to replace his aunt who passed away in July 2017. He has been a Director of Carllo Inc., a property management and realty company for the past 28 years, and Director for Nisus Properties Inc. for 22 years.
7. **RAMONA ODILLA D. FELICIANO**, 51 years old, Filipino. She is the President of Carllo Inc., Nisus Properties Inc., and FelDiz Properties Inc. She is the Treasurer-Director of San Bartolome Rural Bank in Magalang Pampanga and served as the Bank President from 1998 up to 2007. Trustee of Celestino Maria Dizon Foundation.

The following will be nominated as directors for the year 2022-2023 during the meeting:

FREDERICK D. MATSUDA
 FRANKLIN D. MATSUDA
 LAWRENCE D. FELICIANO
 FRANCIS V. GUSTILO
 RAMONA ODILIA D. FELICIANO

The nominees for Independent directors for the year 2022-2023 are:

HERMOGENES T. TABBADA
 ROBERTO S. GUEVARA

The Nomination Committee created by the Board under the Corporate Governance Manual endorsed the above nominees for election at the forthcoming Annual Stockholders' Meeting. The Chairman of the Committee is Frederick D. Matsuda and the members are Hermogenes T. Tabbada and Roberto S. Guevara.

The Nomination Committee also endorsed to the Board the final list of Candidates for Independent Directors, i.e. Mr. Guevara and Mr. Tabbada. Mr. Leonardo P. Viray a stockholder nominated Mr. Tabbada and Ms. Ramona Odilla D. Feliciano. He is not related to any of them. On the other hand, Mrs. Jessica M. Polintha. nominated Mr. Guevara. She is also not related to Mr. Guevara.

The Nomination Committee receives a nomination for Independent Directors from the stockholders within a given period ending on June 30, 2022. After the deadline for submission, the Nomination Committee convened to consider the qualification and disqualification of the nominees based on the criteria contained in the company Corporate Governance Manual and SRC Rule 38. After consideration of all the nominees, the Committee endorses to the Board only those nominees who passed the qualification.

In compliance with the recent SEC Memorandum circular no. 5 series of 2017, The Company attached the Certificate of qualification of the Independent Directors. *ANNEX "A1" and "A2"--*

Directors elected as such will serve for a term of one (1) year, subject further to the provision of the company's By-Laws.

B) Executive Officers

| | | |
|----------------------|---|---------------------------|
| Franklin D. Matsuda | : | Chairman/President |
| Frederick D. Matsuda | : | Vice President/ Treasurer |
| Francis V. Gustilo | : | Corporate Secretary |
| Valentino M. Trobada | : | Chief Accountant |

VALENTINO M. TROBADA, 70 years old, Filipino. *He was appointed as Chief Financial Officer / Chief Accountant of the Company in April 2001.* Before his appointment, he was an Audit Supervisor of Dizon Copper Silver Mines Inc., for the past 14 years and also became the mine site Accountant for 4 years. He held accounting positions in various companies.

Significant Employees

No employee who is not an executive officer of the company is expected to make a significant contribution to the business. The business is not highly dependent on the services of any key personnel.

Family Relationships

Frederick D. Matsuda and Franklin D. Matsuda are brothers. Lawrence D. Feliciano and Ramona Odilla D. Feliciano are siblings. Both are the first cousins of Frederick and Franklin Matsuda. The brothers and their cousins belong to the third generation of the Celestino and Maria Dizon clan.

Involvement in Certain Legal Proceedings

The Company is not aware that any one of the incumbent directors and executive officers and persons nominated to become a director and executive officers has been the subject of a bankruptcy petition or a conviction by final judgment in a criminal proceeding, domestic or foreign, excluding traffic violations and other minor offenses, or has been by judgment or decree found to have violated securities or commodities law and enjoined from engaging in any business, securities, commodities or banking activities for the past five (5) years until the date of this Information Statement.

Certain Relationships and Related Transaction

There are no transactions or proposed transactions during the last three years to which the registrant was or is to be a party involving a director, executive officer, or stockholder owning ten percent (10%) or more of the total outstanding shares.

There are no substantial interests, direct or indirect, by security holdings or otherwise, of the directors, executive officers, or major shareholders in any matter to be acted upon, other than an election to office.

ITEM 6. Executive Compensation

| Name and Position | 2021 | 2020 | 2019 |
|--|-----------------|-----------------|-----------------|
| Franklin D. Matsuda <i>President/Chairman</i> | 428,290 | 416,280 | 404,280 |
| Frederick D. Matsuda <i>Vice President/Treasurer</i> | 405,000 | 393,000 | 381,000 |
| TOTAL FOR THE GROUP | ₱833,280 | ₱809,250 | ₱785,280 |
| Bonus | 104,160 | 134,880 | 98,160 |
| All Other Officers | | | |
| Francis V. Gustilo <i>Corporate Secretary</i> | 233,980 | 231,480 | 219,480 |
| Valentino M. Trobada <i>Chief Accountant</i> | 301,080 | 289,080 | 277,080 |
| TOTAL | 535,060 | 520,560 | 506,760 |
| Bonus | 67,320 | 86,760 | 62,070 |
| TOTAL DIRECTORS PER DIEM | 67,500 | 15,000 | 85,000 |
| 2022 Compensation of executives | | | |
| Actual Jan. to June 30, 2022 | 412,640 | | |
| Estimates only July to Dec. 2022 | 412,640 | | |
| All Other Officers | | | |
| Actual Jan. to June 30, 2022 | 273,540 | | |
| Estimates only July to Dec. 2022 | 273,540 | | |
| Directors Per Diem | | | |
| Actual up to June 30, 2022 | 12,500 | | |
| Estimates only July to Dec. 2022 | 15,000 | | |

Except for the Chairman, President/Director, and Vice-President/Director, all other directors have no standard arrangements, nor any other arrangements about compensation, either directly or indirectly. Furthermore, the company has no existing Employment Contracts nor has entered into Termination of Employment and Change-in-Control Arrangements with its directors.

The above-named executive officers and all other officers and directors as a group have never held and granted outstanding warrants and options.

ITEM 7. Independent Public Accountant

- a. The Principal Independent Public Accountant of the Company is Sycip, Gorres, Velayo & Co. (SGV & Co.). The same accounting firm is being recommended for re-election at the meeting.
- b. Representatives of SGV & Co. for the current year are expected to be present at the meeting. They will have the opportunity to make a statement if they desire to do so and are expected to be available to respond to appropriate questions.

According to the General Requirements of SRC Rule 68, Par.3 (Qualifications and Reports of Independent Auditors), the Company has engaged SGV & Co. as external auditor, and Mr. Bienvenido M. Rebullido has been the Partner-in-Charge effective 2019 up to present as a signing partner. Before his engagement, the previous partners of the external auditing firm (SGV & Co.) were Ms. Julie O. Mateo for 2016-2018, Sherwin V. Yason (2015), Julie O. Mateo (2009-2014), Josephine Estomo (2003 to 2008), and Cynthia Manlapig (1997 to 2002).

- c. The Company has engaged the services of SGV & Co. during the two most recent fiscal years. There are no disagreements with SGV & Co. on any matter of accounting and financial disclosure.
- d. **External Audit Fees { see Fees of SGV }**

The Sycip, Gorres, Velayo & Co. (SGV & Co.) as the official External Auditor, for its regular professional services for 2021 was paid the sum of **P165,000.00**. For the years 2020 and 2019, their fees are **P160,000.00** and **P200,000.00** respectively net of VAT, Purely regular audit was done, please see attached Independent Auditor Reports.

The Audit Committee has an existing policy to review and to pre-approve the audit and non-audit services rendered by the Company's independent auditors. They recommended Sycip, Gorres, Velayo & Co. (SGV & Co.), as the Independent public accountant of the company concerning its operations for the coming year. The Chairman of the Committee is Mr. Hermogenes T. Tabbada (Independent Director) and the members are Atty. Francis V. Gustilo and Mr. Franklin D. Matsuda.

ITEM 8. Compensation Plan

There are no matters or actions to be taken up in the meeting concerning any compensation plan according to which cash or non-cash compensation may be paid or distributed.

ITEM 13. Financial and Other Information

The Management's Discussion and Analysis, Plan of Operation are attached as *Annex "D"*.

Shareholders Proposal

It is expected that the 2022 Annual Meeting of Stockholders will be held on 23 November 2022. Any stockholder who desires to have a proposal presented to that meeting should submit his proposal to the company as early as the last day of October 2022 to have the proposal included in the company's agenda and program.

D. OTHER MATTERS

ITEM 15. Action concerning Reports

The minutes of the previous Annual Stockholders' Meeting held last November 25, 2021, shall be submitted to the stockholders for approval. Also to be submitted for approval and ratification is the Annual Report, the Audited Financial Statement for the year ended December 2021 as well as all the Acts, Resolutions, and Proceedings of the Board of Directors, Corporate officers, and Management up to November 22, 2022.

The organizational meeting of Nov. 25, 2021, created the Audit, Compensation, Remuneration, Nomination, and Executive Committee. The meeting of April 11, 2022, approved the Audited Financial Statements prepared by SGV & Co., including the Annual Report SEC 17-A. A resolution was also passed to postpone the annual stockholders meeting from May 26, 2022, to November 25, 2022. Finally, the meeting approving the recommendation of the Nomination Committee for the vacant Board member slot.

Other Proposal Action

There is no act of management and the Board of Directors in the preceding year that needed the approval of the stockholders.

The summary of the minutes of the November 25, 2021, Annual Stockholders Meeting is attached herewith as *ANNEX "B"*

VOTING PROCEDURES

- A. The matter in the agenda requires the affirmative vote of the stockholders representing a majority of the Company's common stock present and/or represented and entitled to vote. Each common stockholder shall be entitled to one vote for each share multiplied by the number of directors.
- B. The vote of at least two-thirds (2/3) of the outstanding common stock will be necessary to ratify any amendment to the Articles and By-Laws presented for approval by the Board of Directors.
- C. In the election of directors, each stockholder entitled to vote may cumulate and distribute his votes following the rules under the Corporation Code of the Philippines.
- D. Voting and counting of votes shall be by balloting. Auditors from the SGV and inspectors appointed by the Corporate Secretary will be present to canvas and inspect ballots

SEC FORM 17-A

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:

**OFFICE OF THE CORPORATE SECRETARY
KALAHI REALTY INC.
Suite 214 State Condominium IV
Ortigas Ave., Greenhills, San Juan City 1502**

At the discretion of management, a charge may be made for exhibits, provided such charge is limited to reasonable expenses incurred by the company in furnishing such exhibits.

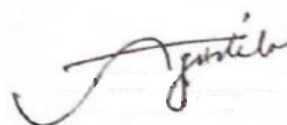
SIGNATURES

After reasonable inquiry and to the best of our knowledge and belief, we certify that the information outlined in this report is true, complete, and correct. This report is signed in San Juan City on September 12, 2022

**KALAHI REALTY INC.
By:**



**FRANKLIN D. MATSUDA
President**



**ATTY. FRANCIS V. GUSTILO
Corporate Secretary**

ANNEX “A1”

CERTIFICATION OF INDEPENDENT DIRECTORS

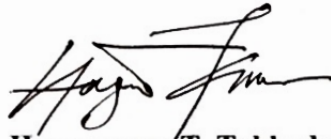
I, **HERMOGENES T. TABBADA** Filipino, of legal age and resident of G452 Smile Citihomes, Zabarte Ext. Greater Fairview, Quezon City, after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for independent director of Kalahi Realty, Inc. and have been its independent directors since 2016.
2. I am affiliated with the following companies or organizations:

| Company/Organization | Position/Relationship | Period of Service |
|-----------------------------|------------------------------|--------------------------|
| Catalina Builders | Treasurer | 1993 - 2002 |
| Edifix Construction | President | 2003 - Present |
| | | |

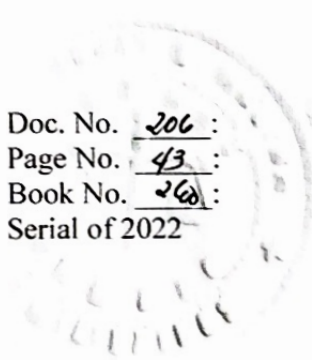
- 3 I possess all the qualifications and none of the disqualifications to serve as an Independent Director of Kalahi Realty Inc., as provided for in Section 38 of the Securities Regulation Code and its Implementing Rules and Regulations and other SEC issuances.
- 4 To the best of my knowledge, I am not related to any director, officer or a substantial shareholder of Kalahi Realty Inc.
- 5 To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding.
- 6 To the best of my knowledge I am neither an officer nor an employee of any government agency or government-owned and controlled corporation.
- 7 I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.
- 8 I shall inform the corporate secretary of Kalahi Realty, Inc. of any changes in the abovementioned information within five (5) days from its occurrence.

Done, this ___ day of _____ at _____



Hermogenes T. Tabbada
Affiant

SUBSCRIBED AND SWORN to before me this **AUG 04 2022** day of _____ at
QUEZON CITY, affiant personally appeared before me and exhibited to me his/her
Tax Identification No. 125-972-312.



Doc. No. 206 :
Page No. 43 :
Book No. 260 :
Serial of 2022



ATTY. NELLY B. MOLINA
Notary Public for Quezon City
Until December 2022
Commission No. NP-125 (2021-2022)
Roll of Attorney No. 19379
PTR NO. SJ 1571179 1-3-2022
IBP No. 183825; 1-31-2022
MCLE Exemption No. VII-NPO03333; valid until 4-14-25
#12 Natib St., Cubao, Quezon City

ANNEX "A2"

CERTIFICATION OF INDEPENDENT DIRECTORS

I, **ROBERTO S. GUEVARA** Filipino, of legal age and resident of 8F DMG Center, DM Guevara St., Mandaluyong City, after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for independent director of Kalahi Realty, Inc. and have been its independent directors since 2016.
2. I am affiliated with the following companies or organizations:

| Company/Organization | Position/Relationship | Period of Service |
|--|------------------------------|--------------------------|
| Seed Capital Ventures, Inc. | Chairman | 1994 to Present |
| G & S Transport Corp. | Director | 1990 to Present |
| GueventInd'l Dev. Corp. | Director | 1980 to Present |
| Radiowealth Finance Corp. | Director / President | 1996 to Present |
| First Centro, Inc. | Chairman | 2000 to Present |
| Megaworld | Director | 2000 to Present |
| Investment and Capital Corp of the Philippines | Director | 2019 to Present |

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of Kalahi Realty, Inc., as provided for in Section 38 of the Securities Regulation Code and its Implementing Rules and Regulations and other SEC issuances.
4. To the best of my knowledge, I am not related to any director, officer or a substantial shareholder of Kalahi Realty Inc.
5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding.
6. To the best of my knowledge I am neither an officer nor an employee of any government agency or government-owned and controlled corporation.
7. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code. and its Implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.
8. I shall inform the corporate secretary of Kalahi Realty, Inc. of any changes in the abovementioned information within five (5) days from its occurrence.


8. I shall inform the corporate secretary of Kalahi Realty, Inc. of any changes in the abovementioned information within five (5) days from its occurrence.

Done, this AUG 04 2022 day of _____ at QUEZON CITY


Roberto S. Guevara
Affiant

SUBSCRIBED AND SWORN to before me this AUG 04 2022 day of _____ at QUEZON CITY, affiant personally appeared before me and exhibited to me his/her Tax Identification No. 102-051-538.

Doc. No. 205 :
Page No. 42 :
Book No. 460 :
Serial of 2022


ATTY. NELLY B. MOLINA
Notary Public for Quezon City
Until December 2022
Commission No. NP-125 (2021-2022)
Roll of Attorney No. 19379
PTR NO. SJ 1571179 1-3-2022
IBP No. 183825; 1-31-2022
MCLE Exemption No. VII-NPO03333; valid until 4-14-25
#12 Natib St., Cubao, Quezon City

ANNEX “B”

SUMMARY OF THE MINUTES OF THE 2021 STOCKHOLDERS MEETING

The Annual Meeting commenced exactly at 2:00 pm on November 25, 2021. The Chairman presided over the meeting.

The Corporate Secretary certified that the appropriate and necessary notices were published in the Philippine Daily Star, a newspaper of general circulation on October 23 and 24, 2021. The Secretary also certified that a quorum was present as of 2:00 pm., representing 53,487,919 shares by proxy and 125,823 shares in attendance out of 70,166,407 outstanding shares for a 76.4 %. The corporation’s issued and outstanding capital stock is 70,166,407 shares.

The reading of the minutes of the previous stockholders’ meeting was dispensed upon motion of Ms. Jessica Polintan and seconded by Mr. Ely Canlas. The minutes were duly approved by motion of Ms. Polintan duly seconded by Mr. Viray.

The Stockholders passed the following resolutions upon motion duly seconded:

1. Ratification of the Acts, Resolutions, and Proceeding of the Board of Directors, Corporate Officers, and Management from November 25, 2021, up to November 22, 2022.
2. Approval of the Audited Financial Statement as of December 31, 2021
3. Election of Frederick D. Matsuda, Lawrence D. Feliciano, Raymund Alexander C. Dizon, Francis V. Gustilo, Franklin D. Matsuda, and Two (2) Independent Directors – Hermogenes Tabbada and Roberto S. Guevara.
4. Appointment of Sycip, Gorres, Velayo & Co. (SGV) as external Auditor of the Corporation for the year 2020.

After the short discussion, the meeting was adjourned at 2:30 pm.

ANNEX “C”

**SUMMARY OF BOARD RESOLUTIONS APPROVED
FROM November 25, 2021 – November 25, 2022**

Type and Date of Board Meeting Description of the Board Resolution

| | |
|--|---|
| Stockholders Meeting Organizational Meeting 25 November 2021 | Election of the Board of Directors Organization of the different Committees: Audit, Compensation, Remuneration, Nomination and Executive Committees. |
| April 11, 2022 | Approval of the Audited Financial Statements and Annual Report |
| May 12, 2022 | .Postponement of the Annual Stockholders Meeting set for May 25, 2022 to November 23, 2022, at 2:00 PM. The record Date is May 31, 2022. |
| July 11, 2022 | No resolutions passed. Report of Nomination Committee. Management updates only. |

ANNEX D.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF PLAN OF OPERATION

Kalahi Realty Inc. is primarily engaged in the acquisition by purchase, lease, donation, or otherwise, and to own, use, improve, develop, subdivide, sell, mortgage, exchange, lease, develop and hold for investment or otherwise, real estate of all kinds, whether improve, manage or otherwise dispose of buildings, houses, apartments, and other structures of whatever kind together with their appurtenances.

Comparative amounts of revenues, expenses, assets, liabilities, and stockholders' equity are as follows (millions):

| | 2021 | 2020 | 2019 |
|-------------------------------|---------|---------|----------|
| Revenues | P 4.397 | P 2.120 | P 12.340 |
| Other Income | 2.169 | 3,759 | 2.819 |
| Cost of Sales & rental Income | (.512) | (1.029) | (2.009) |
| Operating Expenses | (4.482) | (4.124) | (7.111) |
| Provision for Income Tax | (.467) | (.045) | (1.651) |
| Asset | 145.384 | 143.542 | 146.888 |
| Liabilities | 2.964 | 2.673 | 6.700 |
| Equity | 142.420 | 140.869 | 140.188 |

Results of Operations for 2021

Year ended December 31,2021 compared to year ended December 31,2020

For the year ended Dec. 31,2021, KRI's net income from its business segments registered an increase of 127.66% or P1.551 million from P.681 million in 2020 to P1.105 million in 2021.

Revenues

The total revenues went up by 107.39% or an increase of P2.277 million from P2.120 million for the 2020 to P4.397 million in 2021.

Real estate sales increased by P 2.281 million from nil in 2020 to P 2.281 million in 2021.

Rental and related services decreased by P.004182 million or by .20% from P 2.120 million in 2020 to P2.116 million in 2021.

Interest income decreased by 16.23% or by P.349 million from P2.152 million in 2020 to P1.803 million in 2021. The decrease was due to lower interest rate of deposits of placements or cash and cash equivalents as compensated by the significant increase of interests derived from instalment receivables. Other income was decreased by P1.241 million or 77.24% from P1.607 million in 2020 as compared to P.366 million in 2021 as the figures reflected in 2021 mainly due to reclassification of liability account to nominal account.

Costs and Expenses

Cost of real estate sales and rentals decreased by 50.23 % or by P.517 million (from P1.029 million in 2020 to P .512 million in 2021). One of the components of the costs was costs of sales of lot which points the increase mainly due to a single sale of lot valued at P.153 million..

Gross Profit

Gross profit margin for real estate sales in 2021 pegged at 93.298% and zero in 2020 due to no sales made during the year 2020 while gross profit margin on rental and related services is at 83.02% in 2021 and 51.47 % in 2020.

Total operating expenses increased by P.357 million or by 8.67% in 2021 from P4.124 million in 2020 to P 4.481 million in 2021. The variances were brought about by the increase of personnel costs, repairs and maintenance and commission expense despite decreases on loss on write off of CWT and taxes and licenses accounts

Financial Condition as of December 31,2021 compared to December 31,2020.

As of December 31,2021 KRI, total assets increased to P145.384 million from the P143.543 million balance as of December 31,2020, an increase of P1.838 million or by 1.28%. The following are the material changes in account balances:

35.54% Net Decrease in Cash and Cash Equivalents

The net increase mainly due to reclassification of long term placements to short term investments. Note that Investment in Bonds account mostly classified as part of current assets

26.064% Increase in Short-term investments

The increase mainly due to above mentioned reclassification and the interest earned for the year.

19.30% Net Increase in Contract Receivables

The increase mainly due to recognition of single instalment sale of lot despite collection of old accounts.

75.73% Net Decrease in Other Receivables

The decrease mainly was due reversal of accrued interest.

0.26% Net decrease in Real Estate Inventories Account

Mainly due to a sale of one lot made during the year.

51.37% Decrease in Investment Properties

The decrease was mainly due to depreciation cost amounting to P.359 million.

2.13% Net decrease in Property and Equipment

The decrease was mainly due to purchase of office equipment which partially decreased by corresponding depreciation of equipment.

16.90% Decrease in Accounts Payable, Accrued Expenses and Other liabilities

The decrease in these accounts among others payment of VAT and accrued payables.

76.09%Net increase in Contract Liabilities

The increase mainly due to set up of deposits of contract buyer .

0.78% Increase in Stockholders Equity

The increase is mainly the Company incurred a profit amounting P1.105 million.

Results of Operations for 2020

Year ended December 31,2020 compared to year ended December 31,2019

For the year ended Dec. 31,2020, KRI's net income from its business segments registered a decrease of 83.33% or P3.657 million from P4.388 million in 2019 to P.681 million in 2020.

Revenues

The total revenues went down by 82.82% or a decrease of P10.220 million from P12.340 million for the 2019 to P2.120 million in 2020.

Real estate sales decreased by P 9.841 million or by 100.00% from P9.841 million in 2019 to zero sales in 2020.

Rental and related services decreased by P.378 or by 15.14% from P 2.498 million in 2019 to P2.120 million in 2020.

Interest income decreased by 16.16% or by P.415 million from P2.567 million in 2019 to P2.152 million in 2020. The decrease was due to lower interest rate of deposits of placements or cash and cash equivalents and insignificant interests derived from instalment receivables. The change in other income was mainly due to recovery of written off accounts from JV partner amounting P.878 million.

Costs and Expenses

Cost of real estate sales decreased by 48.79 % or by P.980 million (from P2.009 million in 2019 to P 1.029 million in 2020). Costs of rental and related services have not changed.

Gross Profit

Gross profit margin for real estate sales is nil in 2020 and 90.04 % in 2019 while gross profit margin on rental and related services is at 51.47% in 2020 and 58.82 % in 2019.

Total operating expenses decreased by P2.986 million or by 42.00% in 2020 from P7.111 million in 2019 to P 4.124 million in 2020. The variances were brought about by decrease of retirement expense, officers and employees benefits, repairs and maintenance and bad debt expense.

Financial Condition as of December 31,2020 compared to December 31,2019.

As of December 31,2020 KRI, total assets increased to P143.439 million from the P146.888 million balance as of December 31,2019, a decrease of P3.449 million or by 2.35%. The following are the material changes in account balances:

43.19% Net Decrease in Cash and Cash Equivalents

The net decrease is mainly due to migration of regular time deposits to investment of bonds so as to yield higher interest rate. Note that Investment in Bonds account classified as part of current assets

7.81% Increase in Short-term investments

The increase is mainly due to interest earned for the year.

52.58% Net Decrease in Contract Receivables

The decrease mainly due to substantial collections.

67.30% Net Decrease in Other Receivables

The decrease mainly was due to collection of advances and accrual of interest.

0.00% Variance in Real Estate Inventories Account

Evidently no sale of lots made during the year.

59.54% Decrease in Investment Properties

The decrease was mainly due to depreciation cost amounting to P1.029 million.

100% Decrease in Property and Equipment

The decrease as reiterated mainly due to last amount depreciation of equipment.

62.54% Decrease in Accounts Payable, Accrued Expenses and Other liabilities

The decrease in these accounts among others lesser income tax obligation and substantial payment of VAT and accrued payables.

55.18% Decrease in Contract Liabilities

The decrease is mainly due to the higher contracts with buyers that qualified for revenue recognition as instalment receivable.

0.41% Increase in Stockholders Equity

The increase is mainly the Company incurred a profit amounting P.578 million.

KEY PERFORMANCE INDICATORS:

1.1. CURRENT RATIO - Measures ability to meet currently maturing obligations from existing current assets.

December 31,2021

| | | |
|----------------|-------------------------|----------------|
| CURRENT ASSETS | <u>P 114,952,109.00</u> | |
| CURRENT LIAB. | P 1,712,107.00 | = 67.14073 : 1 |

December 31,2020

| | | |
|----------------|-------------------------|----------------|
| CURRENT ASSETS | <u>P 116,752,804.00</u> | |
| CURRENT LIAB. | P 1,322,666.00 | = 88.27081 : 1 |

Current assets are sufficient to cover, if any, current obligations.

2.1. DEBT RATIO – Measures the relative amount of resources provided by shareholders and creditors. Indicates extent of leverage used and creditor protection in case of insolvency.

December 31,2021

| | | |
|---------------------|-------------------------|---------------|
| TOTAL LIABILITIES | <u>₱ 2,963,094.00</u> | |
| STOCKHOLDERS EQUITY | <u>₱ 142,420,416.00</u> | = .020811 : 1 |

December 31,2020

| | | |
|---------------------|-------------------------|---------------|
| TOTAL LIABILITIES | <u>₱ 2,673,508.00</u> | |
| STOCKHOLDERS EQUITY | <u>₱ 140,869,036.00</u> | = .018979 : 1 |

The creditors are very much protected in case of insolvency meaning the company has good indication to meet its long term obligations, (if any).

3.1 RETURN ON STOCKHOLDERS EQUITY RATIO – Measures rate of earnings on resources provided by shareholders.

December 31,2021

| | | |
|---------------------|-------------------------|-------------|
| NET INCOME (LOSS) | <u>₱ 1,551,380.00</u> | |
| STOCKHOLDERS EQUITY | <u>₱ 142,420,416.00</u> | = 1.089296% |

December 31,2020

| | | |
|---------------------|-------------------------|------------|
| NET INCOME (LOSS) | <u>₱ 681,437.00</u> | |
| STOCKHOLDERS EQUITY | <u>₱ 140,869,036.00</u> | = 0.48373% |

The ratio in the current year indicates favourable result in yielding revenue to recover investment.

4.1 EARNINGS PER SHARE (EPS) – Measures the amount of earnings attributable to each share of common stock.

| | | |
|---------------------------|-----------------------|-----------|
| NET INCOME(Loss) | <u>₱ 1,551,380.00</u> | |
| NO. OF SHARES OUTSTANDING | <u>70,166,407.00</u> | = 0.02211 |

For the year ended the company's profitability in relation to each of its shares is improving as the ratio shows.

5.1 EQUITY RATIO - Measures total investment provided by stockholders.

December 31,2021

| | | |
|---------------------|-------------------------|---------------|
| STOCKHOLDERS EQUITY | <u>₱ 142,420,416.00</u> | |
| TOTAL ASSETS | <u>₱ 145,384,361.00</u> | = 1.048396: 1 |

December 31,2020

| | | |
|---------------------|-------------------------|---------------|
| STOCKHOLDERS EQUITY | <u>₱ 140,869,036.00</u> | |
| TOTAL ASSETS | <u>₱ 143,542,544.00</u> | = 0.98137 : 1 |

The total investments provided by the stockholders indicate a very favourable venture.

5.2 CREDITORS' EQUITY TO TOTAL ASSETS – Measures the amount resources provided by creditors.

December 31,2021

| | | | |
|-------------------|-----------------------|---|--------------|
| TOTAL LIABILITIES | <u>₱ 2,963,945.00</u> | | |
| TOTAL ASSETS | ₱ 145,384,361.00 | = | 0.020386 : 1 |

December 31,2020

| | | | |
|-------------------|----------------------|---|-------------|
| TOTAL LIABILITIES | <u>₱ 2,673,58.00</u> | | |
| TOTAL ASSETS | ₱ 143,542,544.00 | = | 0.01862 : 1 |

The company's indication of being solvent is realistic and the same would be in relatively good long-term financial standing.

Common Stockholders: There are approximately 2,626 holders of common shares of the Company as of May 28, 2022. Here are the top 20 stockholders of the company:

| | STOCKHOLDERS | | SHARES | % |
|----|--|----------|--------------------|----------------|
| 1 | Lordiz and Co., Inc. | FILIPINO | 10,360,350 | 14.77% |
| 2 | Diz-Marc Fortunes, Inc. | FILIPINO | 10,156,459 | 14.47% |
| 3 | Little Flower Corporation | FILIPINO | 6,615,632 | 9.43% |
| 4 | Markeisha Developers, Inc. | FILIPINO | 5,607,343 | 7.99% |
| 5 | Fordjem Enterprises Inc. | FILIPINO | 4,707,504 | 6.71% |
| 6 | Marcel Holdings Corporation | FILIPINO | 4,481,304 | 6.39% |
| 7 | Lutgarda D. Lacson | FILIPINO | 3,945,833 | 5.62% |
| 8 | Lourdes D. Dizon &/Or Fortunata D. Matsuda | FILIPINO | 2,011,492 | 2.87% |
| 9 | Teresita D. Dizon | FILIPINO | 1,865,374 | 2.66% |
| 10 | Carllo, Inc. | FILIPINO | 1,828,268 | 2.61% |
| 11 | Juver Enterprises Inc. | FILIPINO | 1,231,345 | 1.75% |
| 12 | Gibraltar Mining Enterprises, Inc. | FILIPINO | 1,161,950 | 1.66% |
| 13 | Acrodiz Estate Realty & Development Corp. | FILIPINO | 960,177 | 1.37% |
| 14 | Lourdes D. Dizon | FILIPINO | 747,973 | 1.07% |
| 15 | Michael O. Uy | FILIPINO | 480,500 | 0.68% |
| 16 | Abacus Securities Corporation | FILIPINO | 466,419 | 0.66% |
| 17 | Elma Laguinia | FILIPINO | 412,500 | 0.59% |
| 18 | Joel D. Masuda. | FILIPINO | 356,180 | 0.51% |
| 19 | Dizon-Jose Realty & Development Corp. | FILIPINO | 351,301 | 0.46% |
| 20 | Juvencio D. Dizon &/or Veronica C. Dizon | FILIPINO | 234,235 | 0.33% |
| | | | | |
| | SUB - TOTAL | | 57,982,139 | 82.64% |
| | OTHER STOCKHOLDERS | | 20,056,680 | 17.36% |
| | | | | |
| | | | 78,006,687 | |
| | LESS TREASURY SHARES | | (7,840,280) | |
| | | | | |
| | TOTAL SHARES | | 70,166,407 | 100.00% |
| | | | ===== | |

KALAHI REALTY, INC.
Suite 214 State Condominium IV
Ortigas Avenue, San Juan City, M.M.

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

The Annual Meeting of Stockholders of Kalahi Realty, Inc. will be held at Suite 214 State Condominium IV, Greenhills, and San Juan City 1502 on November 23, 2022, at **2:00 p.m.**

The agenda of the meeting is as follows:

1. Call to Order
2. Report on Attendance and Quorum
3. Review and Approval of the Minutes of the Previous Stockholders' Meeting of November 25, 2021
4. Approval of 2021 Audited Financial Statement
5. Ratification of the Acts, Resolutions, and Proceeding of the Board of Directors, Corporate Officers, and Management from November 25, 2021 up to 22 November 2022
6. Election of the Board of Directors and Independent Directors
7. Appointment of Independent External Auditors
8. Other business as may properly be brought before the meeting
9. Adjournment

The Directors of the Corporation had fixed the close of business hours on May 31, 2022, as the record date for the determination of the stockholders of the company entitled to vote at the said meeting.


ATTY. FRANCIS V. GUSTILO
Corporate Secretary

**RATIONALE AND BRIEF DISCUSSION OF
THE AGENDA OF THE 2022 ANNUAL
STOCKHOLDERS' MEETING (THE
“ANNUAL STOCKHOLDERS' MEETING”)**

1. Call to Order

The Chairman of the Board or the Chairman of the meeting, as the case may be will call the meeting to order.

2. Report on Attendance and Quorum

Notice and Quorum

The Corporate Secretary (or the Secretary of the meeting), as the case may be will certify the date when the written notice of the Annual Stockholders' Meeting was sent to the stockholders as of the record date of May 31, 2021, and the date of publication of the notice in newspapers of general circulation.

The Secretary will likewise certify the presence of a quorum. Under the by-laws of the Company (the “Company’s By-laws”), the holders of a majority of the issued and outstanding capital stock of the Company entitled to vote shall, if present in person or by proxy, constitute a quorum for the transaction of business.

3. Review and Approval of the Minutes of the Previous Annual Stockholders' Meeting

Copies of the minutes of the annual stockholders' meeting held on November 25, 2021, will be made available to the stockholders at the registration area of the venue of the Annual Stockholders' Meeting.

The stockholders will be requested to approve the draft of the minutes of the 2021 annual stockholders' meeting.

4. Approval of the Audited Financial Statements for the Year 2021

The Management of the Company will deliver the report on the performance of the Company for 2021.

The stockholders will be allowed to ask questions or raise concerns.

The stockholders will then be requested to approve the report and the audited financial statements of the Company for 2021.

Duly authorized representatives of Sycip, Gorres, Velayo & Co. (SGV & Co.), the external auditor for 2021, will be present at the Annual Stockholders' Meeting to respond to appropriate questions concerning the 2021 financial statements of the Company.

5. Ratification of All Acts of the Board of Directors and Management Since the Last Stockholders' Meeting in the Year 2021

These are the acts and resolutions of the Board of Directors, including those of the Executive Committee, and other board committees, and all the acts of management of the company taken or adopted from the annual stockholders' meeting on November 25, 2021, until November 22, 2022 (*Annex C*)

The stockholders will be requested to ratify all acts of the Board of Directors and Management since the last stockholders' meeting on November 25, 2021.

6. Election of the Board of Directors and Independent Directors

At its meeting held on July 11, 2021, the Nomination Committee, as the standing committee of the Board of Directors constituted to review and evaluate the qualifications of persons nominated to become members of the Board of Directors (including the independent directors) and according to the provisions of the Corporate Governance Manual of the Company and the Charter of the Nomination Committee, reviewed the candidates for director to ensure that they have all the qualifications and none of the disqualifications for nomination and election as members of the Board of Directors. The profiles of the nominees are provided in the Definitive Information Statement for the Annual Stockholders' Meeting.

The seven nominees will be submitted for election to the Board of Directors by the stockholders at the Annual Stockholders' Meeting. The directors are elected by a plurality of votes using the cumulative voting method.

7. Appointment of an Independent External Auditor

According to the Corporate Governance Manual of the Company and the Audit Committee Charter, the Audit Committee will recommend to the Board of Directors the appointment of an external auditor who will examine the accounts of the Company for 2021.

The stockholders will be requested to approve the appointment of the external auditor of the Company.

8. Other Matters

The Chairman will inquire whether there are other relevant matters and concerns to be discussed.

9. Adjournment

Upon determination that there are no other relevant matters to be discussed, the meeting will be adjourned on motion duly made and seconded.

Kalahi Realty, Inc.

Suites 214-215, State Condominium IV
Ortigas Avenue, Greenhill's
San Juan City, Philippines
Telephone Nos. 8570-3639

CERTIFICATION

I, Frederick D. Matsuda, as the Vice President / Treasurer of Kalahi Realty, Inc., with SEC registration number 161872 with principal office at Suite 214 State Condominium IV, Ortigas Avenue, Greenhills, San Juan, Metro Manila, on oath state:

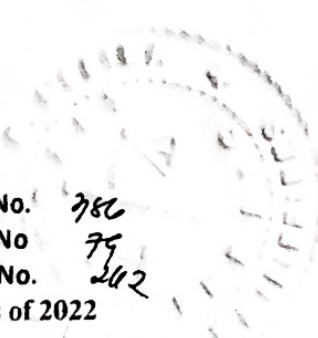
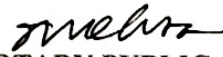
- 1) That on behalf of Kalahi Realty, Inc. I have caused this Definitive Information Statement to be prepared;
- 2) That I read and understood its contents which are true and correct of my own personal knowledge and/or based on true records;
- 3) That the company Kalahi Realty, Inc., will comply with the requirements set forth in SEC Notice dated June 24, 2020 for a complete and official submission of reports and/or documents through electronic mail; and
- 4) That I am fully aware that documents filed online which requires pre-evaluation and/or processing fee shall be considered complete and officially received only upon payment of a filing fee.

IN WITNESS WHEREOF, I have hereunto set my hand this SEP 15 2022 day of September 2022.


Frederick D. Matsuda
Affiant

SUBSCRIBED AND SWORN to before me this SEP 15 2022 day of August 2022, affiant exhibiting his Passport no. P4703704B expire on February 05, 2030.

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Series of 2022



NOTARY PUBLIC
ATTY. NELLY B. MOLINA
Notary Public for Quezon City
Until December 2022
Commission No. NP-125 (2021-2022)
Roll of Attorney No. 19379
PTR NO. SJ 1571179 1-3-2022
IBP No. 183825; 1-31-2022
MCLE Exemption No. VII-NPO03333; valid until 4-14-25
#12 Natib St., Cubao, Quezon City