

**MINUTES OF THE
ANNUAL CERTIFICATEHOLDERS’ MEETING
OF
HERITAGE PARK MANAGEMENT CORPORATION**

Held on 18 November 2024, Monday, 10:30 A.M.
via Remote Communication through Zoom

<u>PRESENT:</u>	<u>NO. OF VOTING RIGHTS</u>
Total Number of Issued and Outstanding Heritage Park Investment Certificates with Voting Rights Represented In Person and By Proxy	57,237
Total Number of Issued and Outstanding Heritage Park Investment Certificates	<u>107,762</u>
Attendance Percentage to Total Issued and Outstanding Heritage Park Investment Certificates	<u>53.11%</u>

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I. CALL TO ORDER

The Chairman, Atty. Hilario B. Paredes, called the meeting to order and presided over the same. The Corporate Secretary, Atty. Arsenio C. Cabrera, Jr. (“Atty. Cabrera”), recorded the minutes of the proceedings.

II. CERTIFICATION OF NOTICE AND QUORUM

The Corporate Secretary certified that:

- a. Notice for this meeting was published two (2) newspapers of general circulation, namely: The Philippine Daily Inquirer and The Manila Standard, in print and online format, on October 24 and 25, 2024, or at least twenty-one (21) days prior to the date of this meeting.
- b. The certificateholders were notified of the internal guidelines of the Corporation for participation in this meeting through remote communication in accordance with applicable rules.
- c. The meeting was conducted through remote communication pursuant to Section 49 of the Revised Corporation Code of the Philippines, Securities and Exchange Commission Memorandum Circular No. 06 Series of 2020, and Board of Trustees’ approval on the authorization (i) for the conduct of the 2024 Annual Certificateholders’ Meeting through remote

communication; and (ii) for the certificateholders to vote on matters stated in the agenda through remote communication. All certificateholders present attended the meeting through remote communication via Zoom.

- d. A quorum consisting of 53.11% of the One Hundred Seven Thousand Seven Hundred Sixty Two (107,762) total issued and outstanding Heritage Park Investment Certificates ("HPICs") existed for the valid transaction of business.

Atty. Cabrera informed the certificateholders that the "Guidelines for Participation via Remote Communication and Voting in Absentia and through Proxy" for the meeting were uploaded at the Corporation's website. He further informed the certificateholders of the following:

1. Only certificateholders whose Letter(s) of Intent or proxy forms have been validated or verified were allowed to participate in the Annual Certificateholders' Meeting and to cast their votes for this meeting through the voting portal.
2. Resolutions proposed to be approved by the certificateholders under the Agenda will be shown on the screen as it is being taken up.
3. Votes cast as of 14 November 2024 for each matters in the Agenda have been tabulated and results will be announced during the meeting.
4. A detailed result of the tabulation of the votes cast indicating the affirmative votes, negative votes and abstentions will be reflected in the Minutes of this meeting.
5. Relevant questions which have been submitted on or before 11 November 2024 will be addressed accordingly under the Other Matters item in the Agenda. Questions and comments not taken up during the meeting shall be addressed by the Corporation directly to the certificateholders via email.
6. All participants will be on mute and no video except the directors and officers of the Corporation who are participating in the meeting.
7. The meeting proceedings shall be recorded in audio and video format to be safe kept by the Office of the Corporate Secretary and shall be made available in a secured manner to certificateholders upon request by sending an email to HeritageParkACM@rmmi.com.ph.

III. APPROVAL OF PREVIOUS MINUTES

Atty. Cabrera stated that the electronic copies of the Minutes of the Annual Certificateholders' Meeting held on 15 December 2023 were uploaded at the Corporation's website.

After discussion, and upon motion duly made and seconded, the certificateholders approved the following resolution:

Resolution No. 2024-CH-01

"RESOLVED, That the Certificateholders of the Corporation hereby approves the Minutes of the Annual Certificateholders' Meeting held on 15 December 023."

The votes for the approval of the Minutes of the Annual Certificateholders' Meeting held on 15 December 2023 are as follows:

	For	Against	Abstain
% of HPICs represented in Person and by Proxy	99.93%	Nil	0.07

IV. REPORT OF THE PRESIDENT

Mr. Jacob rendered the Report of the President to the certificateholders.

The highlights of the Report of the President were as follows:

- a) The Perpetual Care Fund ("PCF") has shown signs of improvements vis-à-vis prior years due to initiatives undertaken by the Board of Trustees to shore up revenues and managing operating expenses of the Corporation.

These initiatives include (i) aggressive selling of Pavilion Niches; (ii) lease of certain portion of the Heritage Park to Shell Pilipinas ("Shell"); and (iii) share of sales in the interment revenues and managed operations of Rosehills Memorial Management Philippines, Inc. ("RMMI"), the operations and maintenance operator of Heritage Park.

- b) Pavilion Niches sales has grown over the years from 20 niches sold in 2016 to 400 niches sold in 2021 and 376 niches sold in 2022. There were 281 niches sold in 2023 amounting to Php25 Million.

- c) The Statement of Comprehensive Income of Heritage Park Project-Perpetual Care Fund Trust ("HPP-PCF Trust") is set forth below:

HERITAGE PARK PROJECT - PERPETUAL CARE FUND TRUST			
STATEMENTS OF COMPREHENSIVE INCOME			
For The Years Ended December 31, 2023 and 2022			
	Notes	2023	2022
REVENUES	4,16		
Rental income		P 19,630,625	P 19,164,475
Other income, net		70,437,516	53,607,264
Interest income		9,182,460	5,451,605
Total Revenues		99,250,601	78,223,344
EXPENSES	4,17		
		73,708,887	63,497,939
NET INCOME BEFORE TAX		25,541,714	14,725,405
INCOME TAX EXPENSE		5,701,451	2,855,830
NET INCOME AFTER TAX TAX		19,840,263	11,869,575
OTHER COMPREHENSIVE INCOME (LOSS)	4,19		
Items that may be reclassified subsequently to profit and loss			
Fair value gain (loss) on financial assets through FVOCI		5,011,623	(8,556,336)
TOTAL COMPREHENSIVE INCOME		P 24,851,886	P 3,313,239

The 2023 rental income amounting to PhP19,630,625 is 2.4% higher than the 2022 rental income amounting to PhP19,164,475.

The 2023 other income amounting to PhP70,437,516 is 31% higher than the 2022 other income amounting to PhP53,607,264. The increase in the other income is attributed by a sale of an estate lot at the Heritage Park.

The 2023 operating expenses amounting to PhP73,708,887 is 16% higher than the 2022 operating expenses amounting to PhP63,497,939. The increase in the operating expenses is due to the continuous and necessary repairs at the Heritage Park.

The 2023 net income after tax amounted to PhP19,840,263 vis-à-vis 2022 net income after tax amounted to PhP11,869,575.

The 2023 total comprehensive income amounted to PhP24,851,886 vis-à-vis 2022 total comprehensive income amounted to PhP3,313,239.

- e) The Statement of Financial Position of the HPP-PCF Trust is set forth below:

HERITAGE PARK PROJECT - PERPETUAL CARE FUND TRUST			
STATEMENTS OF FINANCIAL POSITION			
December 31, 2023 and 2022			
	Notes	2023	2022
ASSETS			
Current Assets			
Cash and cash equivalents	4,5,6	P 173,252,113	P 95,162,559
Receivables	4,5,7	33,366,362	49,356,313
Inventory	4,8	240,507,550	242,566,223
Other current assets	4,9	41,782,505	52,197,367
Total Current Assets		488,908,530	439,282,462
Non-Current Assets			
Financial asset through FVOCI	4,5,10	194,854,811	224,573,726
Property and equipment, net	4,5,11	24,547,120	25,869,422
Other non-current asset	4,5,12	2,600,000	2,600,000
Total Non-Current Assets		222,001,931	253,043,148
TOTAL ASSETS		P 710,910,461	P 692,325,610

The total assets amounting to PhP710,910,461 in 2023 increased by 2.7% vis-à-vis total assets amounting to PhP692,325,610 in 2022. The increase in the total assets is due to the increase in the cash and cash equivalents.

The PCF-Trust deficit in 2023 amounting to -PhP274,187,999 decreased by 7% versus PCF-Trust deficit in 2022 amounting to -PhP294,028,262. Management aims to implement various initiatives to shore up the PCF-Trust .

- f) One of the initiatives to generate revenues for the PCF-Trust is the sale of the Heritage Heights which consists of 94 estate lots. Heritage Heights aims to further elevate the status of the Heritage Park as the premier memorial park in the Philippines. The Heritage Heights is awaiting issuance of the permits and license to sell by the relevant government agencies. The projected contribution of the Heritage Heights Project to the PCF-Trust is about PhP225 Million.
- g) The Corporation is working with the Local Government Unit of Taguig City ("LGU Taguig City") to resolve long-outstanding issues including the non-payment of Impact Fee and Real Property Tax ("RPT"). The Corporation has made a payment of PhP19.1 Million to update necessary business permits including the payment of outstanding impact fees from previous years to the LGU Taguig City. The Corporation is in coordination with the LGU Taguig City to settle any outstanding RPT issues while awaiting for the

Implementing Rules and Regulations of the RPT amnesty and its impact to the Corporation's payments.

- h) The Heritage Park experienced two (2) power outages in April 2024 and July 2024, respectively. Each power outage lasted in 10 days and 12 days, respectively. The power outages were due to various electrical systems issues which need immediate replacement and repairs. The total expenses incurred for the electrical repairs is about PhP5.9 Million.

- i) There is an urgent need to examine and implement the following further repairs and rehabilitation of the existing electrical system at the Heritage Park:
 - 1. full electrical audit of the Heritage park and development of as-built electrical plans;
 - 2. checking of electrical loading of mausoleums and its impact to the Heritage Park's electrical plans;
 - 3. repairs and improvements of electrical wires, panel boards, switches, and transformers; and
 - 4. improvement of electrical facilities including street lights and lamp posts.

- j) The Board of Trustees has identified the need to refurbish Heritage Park to further solidify its status as the premier memorial park in the Philippines. The following are the upcoming projects to be undertaken to improve and elevate the Heritage Park's overall aesthetic, services and value:
 - 1. Repair and refurbishment of electrical lines;
 - 2. Refurbishment and improvement of perimeter fence;
 - 3. Replacement of lamp posts;
 - 4. Repairs of road and drainage; and
 - 5. Repairs of trash bins and street signs.

After discussion, and upon motion duly made and seconded, the certificateholders approved the following resolution:

Resolution No. 2024-CH-02

“RESOLVED, That the Certificateholders of the Corporation hereby notes and approves the Report of the President.”

The votes for the notation and approval of the Report of the President are as follows:

	For	Against	Abstain
% of HPICs represented in Person and by Proxy	99.93%	Nil	0.07%

V. **APPROVAL OF THE AUDITED FINANCIAL STATEMENTS
OF THE CORPORATION AND THE PERPETUAL CARE FUND
AS OF 31 DECEMBER 2023**

Atty. Cabrera stated that the copies of the Audited Financial Statements of the Corporation and the Perpetual Care Fund as of 31 December 2023 were uploaded on the Corporation’s website.

After discussion, and upon motion duly made and seconded, the certificateholders approved the following resolution:

Resolution No. 2024-CH-03

“RESOLVED, That the Certificateholders of the Corporation hereby approves the Audited Financial Statements of the Corporation and the Perpetual Care Fund as of 31 December 2023.”

The votes for the approval of the Audited Financial Statements are as follows:

	For	Against	Abstain
% of HPICs represented in Person and by Proxy	99.93%	Nil	0.07%

VI. **RATIFICATION OF ALL LEGAL ACTS, RESOLUTIONS AND
PROCEEDINGS OF THE BOARD OF TRUSTEES AND OF
MANAGEMENT FROM 15 DECEMBER 2023 TO 18 NOVEMBER 2024**

Atty. Cabrera stated that a summary of all acts, resolutions, and proceedings performed by the Board of Trustees and of Management from 15 December 2023 to 18 November 2024, to be approved, confirmed and ratified by the certificateholders were uploaded on the Corporation’s website.

After discussion, and upon motion duly made and seconded, the certificateholders approved the following resolution:

Resolution No. 2024-CH-04

“RESOLVED, That the Certificateholders of the Corporation hereby approves, confirms, and ratifies all legal acts, resolutions, and proceedings of the Board of Trustees and of Management from 15 December 2023 to 18 November 2024.”

The votes for the approval, confirmation, and ratification of all legal acts, resolutions, and proceedings are as follows:

	For	Against	Abstain
% of HPICs represented in Person and by Proxy	99.93%	Nil	0.07%

VII. ELECTION OF TRUSTEES

Atty. Cabrera stated that Article III, Section 3.2 of the By-Laws of the Corporation provides that the “Board of Trustees shall have seven (7) members composed of a Chairman, who shall be the Chairman of the Board of Directors of the Bases Conversion Development Authority (BCDA), and six (6) members who shall be elected by the Certificateholders.” He also stated that Article III, Section 3.3 of the Corporation’s By-Laws provides that the “six (6) elective members of the Board of Trustees shall be elected for a term of three (3) years.”

He likewise stated that the Board of Trustees, during its meeting held on 16 August 2024, created the Nomination Committee and designated the members, namely: Atty. Arsenio C. Cabrera, Jr., Mr. Carlo L. Rieza, and Ms. Anita C. Rodriguez. The Nomination Committee determined the following Final List of Candidates for trustees who possess all the qualifications and none of the disqualifications as a member of the Board of Trustees:

The nominees for trustees are:

- 1. Engr. Joshua M. Bingcang;
- 2. Mr. Santiago S. Cua, Jr.;
- 3. Ms. Maria Lydia L. Enriquez;
- 4. Mr. Monico V. Jacob;
- 5. Atty. Gisela Z. Kalalo; and
- 6. Mr. Eusebio H. Tanco.

He further stated that pursuant to Article III, Section 3.2 of the By-Laws of the Corporation, Atty. Hilario B. Paredes, as Chairman of the Board of Directors of Bases Conversion and Development Authority, shall be the Chairman of the Board of Trustees of the Corporation.

After tabulating the votes cast garnered by the nominees mentioned in the Final List of Candidates, the result of the tabulation of the votes cast is set forth below:

Nominees	For	Against	Abstain
Mr. Santiago S. Cua, Jr.	343,188		8
Engr. Joshua M. Bingcang	343,188		8
Ms. Maria Lydia L. Enriquez	343,188		8
Mr. Monico V. Jacob	343,188		8
Atty. Gisela Z. Kalalo	343,188		8
Mr. Eusebio H. Tanco	343,188		8

After discussion, and upon nomination duly made and seconded, the certificateholders approved the following resolutions:

Resolution No. 2024-CH-05

“RESOLVED, That based on the votes cast by proxy or in person the following persons shall be elected Trustees of the Corporation and shall hold office for three (3) years until such that their successors shall have been elected and qualified:

- 1. Mr. Santiago S. Cua, Jr.;
- 2. Engr. Joshua M. Bingcang;
- 3. Ms. Maria Lydia L. Enriquez;
- 4. Mr. Monico V. Jacob;
- 5. Atty. Gisela Z. Kalalo; and
- 6. Mr. Eusebio H. Tanco.

“RESOLVED, FINALLY, That pursuant to Article III, Section 3.2 of the By-Laws of the Corporation, Atty. Hilario B. Paredes, as Chairman of the Board of Directors of Bases Conversion and Development Authority, shall be the Chairman of the Board of Trustees of the Corporation.”

VIII. APPOINTMENT OF EXTERNAL AUDITOR

Chairman Paredes stated that the current external auditor of the Corporation and the Perpetual Care Fund is the auditing firm of Perez, Sese, Villa & Co.

After discussion, and upon motion duly made and seconded, the certificateholders approved the following resolution:

Resolution No. 2024-CH-06

“RESOLVED, That the Certificateholders of the Corporation hereby approves the appointment of Perez, Sese, Villa & Co. as the external auditor of the Corporation and the Perpetual Care Fund for 2024.”

The votes for the approval of the appointment of the auditing firm, Perez, Sese, Villa & Co. as external auditor of the Corporation and the Perpetual Care Fund for 2024

	For	Against	Abstain
% of HPICs represented in Person and by Proxy	99.93%	Nil	0.07%

**IX. AMENDMENT OF THE ARTICLES OF INCORPORATION
TO CHANGE PRINCIPAL OFFICE ADDRESS TO COMPLY
WITH THE SECURITIES AND EXCHANGE COMMISSION
MEMORANDUM CIRCULAR NO. 6, SERIES OF 2014
DATED 20 FEBRUARY 2014**

Atty. Cabrera stated that in the absence of the required quorum of at least two-thirds (2/3) of the outstanding HPICs with voting rights, the amendment of Article III of the Articles of Incorporation to change its principal office address will no longer be discussed during the meeting.

X. ADJOURNMENT

Atty. Cabrera stated that the last day for the certificateholders to send queries and comments to the items in the Agenda to the Office of the Corporate Secretary via email was on 11 November 2024. He further stated that there were no questions and comments received from the certificateholders.

Chairman Paredes extended his gratitude to the certificateholders who attended the 2024 Annual Certificateholders' Meeting and for their continued support.

There being no further business to transact, and upon motion duly made and seconded, the meeting was adjourned.

(SGD.)
ARSENIO C. CABRERA, JR.
Corporate Secretary

ATTEST:

ATTY. HILARIO B. PAREDES
Chairman