

Message from the Chairman and the President

Annual Stockholders Meeting

November 26, 2021

In the year 2021, the Philippine economy continued to suffer tremendously as a consequence of the lingering rampage of COVID-19. Various degrees of Community Quarantine were imposed by the government over the different parts of the country during different periods of time. Business activities were seriously affected and the full recovery of the economy is still a vision to be achieved.

Following the guidelines of the government, Mabuhay Holdings Corporation has not been able to resume full and normal business activities under the pandemic circumstances. However, during this period of time, our wholly-owned subsidiary, T & M Holdings, Inc. was able to construct more than 80 affordable housing units in the Municipality of Trece Matres, Cavite Province under a joint venture agreement. We expect the project to be completed by early next year. All units have been purchased or reserved by investors and we have been receiving take-outs from Pag-Ibig Fund for the payments of the units.

We are happy to report to our shareholders also that two of our affiliated companies, Tagaytay Properties & Holdings, Inc. and The Taal Co. Inc., were able to liquidate two pieces of land located in the Municipality of Mataas-na-Kahoy, Batangas Province earlier this year. These properties had been held by the companies for decades already and since we have no plans to initiate any development in that area, selling the lots appeared to be our best course of action considering that we are under the constant threat of having to deal with the illegal settlers or land grabbers in the area where we have no physical presence.

When our tenant moved out of our office premises by the end of 2020, we were expecting the half floor of our property at the 35th floor of Rufino Pacific Tower to be left vacant for a prolonged period of time due to the pandemic situation. However, we are glad to inform our shareholders that a lease agreement had been signed with a new tenant by the middle of this year.

We would also like to report that in the middle of this year, Asia Development Capital Co. Ltd., a Tokyo-listed Company which is a major stockholder of our Company, sold its 29.83% holding to Zenith Element Limited, a subsidiary of APAC Resources Limited, a public company listed

on the Hong Kong Stock Exchange. With the sale, a nominee of Zenith Element Limited was elected director to replace the resigned director of Asia Development Capital in our Board. We look forward to receiving advice and assistance from our new shareholder for the development and growth of our Company.

As we approach the year 2022, we can only pray that the COVID-19 pandemic will subside soon so that we can look forward to recoveries in the various sectors of our economy. Mabuhay Holdings Corporation will continue to look for opportunities to invest in projects that will bring benefit to our shareholders and the community as a whole. We are still looking at the prospects of developing affordable housing units to satisfy the housing requirements of the lower income group as our endeavors, since such projects will not only bring profits to our company but will also help us fulfill our social responsibility as a Company.

On behalf of the members of the Board of Directors and the Management Team of Mabuhay Holdings Corporation, we would like to extend our profound gratitude to all our shareholders for your trust and support all these years.

Atty. Roberto V. San Jose
Chairman

Esteban G. Peña Sy
President