

Preliminary Prospectus dated 31 May 2016



## **GOLDEN HAVEN MEMORIAL PARK INC.**

Primary Offer of 74,117,647 Common Shares  
at an Offer Price of up to [P10.62] per Common Share  
to be listed and traded on the Main Board of The Philippine Stock Exchange, Inc.



**Asian Alliance Investment Corporation**  
*Issue Manager and Sole Underwriter*

**THE SECURITIES AND EXCHANGE COMMISSION HAS NOT APPROVED THESE SECURITIES OR DETERMINED IF THIS PROSPECTUS IS ACCURATE OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE AND SHOULD BE REPORTED IMMEDIATELY TO THE SECURITIES AND EXCHANGE COMMISSION.**

This Preliminary Prospectus is dated as of 31 May 2016.

## **GOLDEN HAVEN MEMORIAL PARK INC.**

San Ezekiel, C5 Extension,

Las Piñas City, Philippines

Tel: +63(2) 873-2922/873-2543

Fax: +63(2) 873-2922/873-2543

Website: <https://www.goldenhaven.com.ph>



This Prospectus relates to the offer and sale (the "Offer") of 74,117,647 common shares, with a par value of ₱1.00 per share (the "Offer Shares"), of Golden Haven Memorial Park, Inc., a corporation organized under Philippine law ("HVN" or "Golden Haven" or the "Issuer" or the "Company") to be listed and traded in the Main Board of The Philippine Stock Exchange, Inc. (the "PSE").

The Offer Shares will be offered at a price of up to ₱[10.62] per Offer Share (the "Offer Price"). The determination of the Offer Price is further discussed on page 44 of this Prospectus and is based on a book-building process and as well as discussions between the Company and Asian Alliance Investment Corp. ("Asian Alliance" or the "Issue Manager and Sole Underwriter"). The Offer Shares represent 15% of the outstanding Common Shares of the Company after the Offer and will be issued out of the Company's authorized and unissued capital stock. Prior to the Offer, the Company has a total of 420,000,002 issued and outstanding common stock. After the Offer, the Company will have a total of 494,117,649 issued and outstanding capital stock.

As of the date of this Prospectus, the Company has an authorized capital stock of ₱1,000,000,000 divided into 996,000,000 common shares, each with a par value of ₱1.00 (the "Common Shares") and 400,000,000 preferred shares, each with a par value of ₱0.01 (the "Preferred Shares"). For a more detailed discussion on the rights and features of the Company's capital stock, including the Offer Shares, see "Description of the Common Shares" on page 91 of this Prospectus.

Assuming an Offer Price of ₱[10.62], the total gross proceeds to be raised by the Company from the sale of the Offer Shares is estimated to be ₱[787.13] million. Assuming an Offer Price of ₱[10.62], the net proceeds to be raised by Company from the sale of the Offer Shares (after deduction of estimated fees and expenses) are estimated to be ₱[711.25] million. The Company intends to use the net proceeds from the Offer to fund its acquisition, growth and expansion strategies, in particular, expanding its existing death care facilities, products and services through undertaking land and site development of the undeveloped areas of its existing memorial parks, land acquisition, and the construction and completion of new memorial chapels and crematory facilities within the Golden Haven Las Piñas Park, and for general corporate purposes including working capital requirements. For a more detailed discussion on the Company's proposed use of proceeds, see "Use of Proceeds" on page 37 of this Prospectus.

The Issue Manager and Sole Underwriter will receive a transaction fee from the Company equivalent to 3% of the gross proceeds from the sale of the Offer Shares. This fee is inclusive of the amounts to be paid to other participating underwriters and selling agents, where applicable. For a more detailed discussion on the fees to be received by the Issue Manager and Sole Underwriter, see "Plan of Distribution" on page 41 of this Prospectus.

Each holder of the Offer Shares will be entitled to such dividends as may be declared by the Company's Board of Directors (the "Board"), provided that any stock dividend declaration requires the approval of shareholders holding at least two-thirds of the Company's total outstanding capital stock. The Corporation Code of the Philippines, Batas Pambansa Blg. 68 (the "Corporation Code"), has defined "outstanding capital stock" as the total shares of stock issued, whether paid in full or not, except treasury shares.

As of the date of this Prospectus, the Company has not adopted a specific dividend policy which defines a minimum percentage of net earnings to be distributed to its shareholders. Dividends may be declared only from the Company's unrestricted retained earnings, except when, among others: (i) justified by definite corporate expansion, or (ii) when the Company is prohibited under any loan agreement with any financial institution or creditor, whether local or foreign, from declaring dividends without its consent, and such consent has not been secured, or (iii) when it can be clearly shown that the retention of earnings is necessary under special circumstances obtaining in the Company, its assets and operations, such as when there is a need for special reserves for probable contingencies. For a more detailed discussion of the Company's dividend policy, see "Dividend Policy" on page 43 of this Prospectus.

The Offer Shares may be owned by any person or entity subject to the applicable restrictions under Philippine law. Under the Philippine Constitution, being a company that owns land, foreign persons cannot own more than 40% of the Company's aggregate issued and outstanding capital stock entitled to vote. Accordingly, the Company will not allow the issuance of any of its shares, including the Offer Shares, or record the transfer of such shares to persons other than Philippine nationals if such issuance or transfer, in either case, shall exceed the foregoing foreign capital ownership limit.

Up to 22,235,294 Offer Shares are being offered in the Philippines to all of the trading participants of the PSE (the "PSE Trading Participants") and to local small investors ("LSIs") under the Local Small Investors Program, with 14,823,529 Offer Shares (or 20% of the total Offer Shares) being offered to PSE Trading Participants, and up to 7,411,765 Offer Shares (or 10 % of the total Offer Shares) being offered to LSIs. The remaining 51,882,353 Offer Shares shall be distributed by the Issue Manager and Sole Underwriter to its clients or to the general public. Offer Shares not taken up by the PSE Trading Participants, the Issue Manager and Sole Underwriter's clients or the general public shall be purchased by the Issue Manager and Sole Underwriter. For more detailed discussion of the underwriting commitment of the Issue Manager and Sole Underwriter, see "Plan of Distribution" on page 41 of the Prospectus.

The Common Shares, including all of the Offer Shares, will be listed and traded on the Main Board of the PSE. An application to list the Common Shares and the Offer Shares was filed on 11 April 2016. Assuming the Company's application to list is approved by the PSE, such an approval for listing is permissive only and does not constitute a recommendation or endorsement by the PSE or the SEC of the Offer Shares. Furthermore, the PSE makes no representation as to the completeness and expressly disclaims any liability whatsoever for any loss arising from or in reliance upon the whole or any part of the contents of this Prospectus.

On 11 April 2016, the Company filed a Registration Statement with the SEC in accordance with the Securities Regulation Code for the registration of all of the Common Shares, including the Offer Shares.

The information contained in this Prospectus relating to the Company and its operations has been supplied by the Company, unless otherwise stated herein. To the best of its knowledge and belief, the Company, which has taken reasonable care to ensure that such is the case, confirms that the information contained in this Prospectus relating to it and its operations is correct, and that there is no material misstatement or omission of fact which would make any statement in this Prospectus misleading in any material respect and that the Company hereby accepts full and sole responsibility for the accuracy of the information contained in this Prospectus with respect to the same.

The Issue Manager and Sole Underwriter confirms that it has exercised the required due diligence in verifying that all material information in this Prospectus is true and that no material information was omitted, which was necessary in order to make the statements contained in said documents not misleading. The Issue Manager and Sole Underwriter assumes no liability for any information supplied by the Company in relation to this Prospectus.

Unless otherwise indicated, all information in this Prospectus is as of the date of this Prospectus. Neither the delivery of this Prospectus nor any sale made pursuant to this Prospectus shall, under any circumstances, create any implication that the information contained herein is correct as of any date subsequent to the date hereof or that there has been no change in the affairs of the Company since such date.

Before making an investment decision, prospective investors should carefully consider the risks associated with an investment in the Shares. These risks include:

- risks related to Company's business;
- risks relating to the Philippines; and
- risks relating to the Offer and the Offer Shares.

For a more detailed discussion on the risks in investing in the Offer Shares, see the section entitled "Risk Factors" beginning on page 25 of this Prospectus, which, while not intended to be an exhaustive enumeration of all risks, must be considered in connection with any investment in or any purchase of the Offer Shares.

The Company's financial statements are reported in Pesos and are prepared based on its accounting policies, which are in accordance with the Philippine Financial Reporting Standards ("PFRS") issued by the Financial Reporting Standard Council of the Philippines. PFRS include statements named PFRS and Philippine

Accounting Standards, and Philippines Interpretations from International Financial Reporting Interpretations Committee.

Figures in this Prospectus have been subject to rounding adjustments. Accordingly, figures shown in the same item of information may vary, and figures which are totals may not be an arithmetic aggregate of their components.

The Company's fiscal year begins on January 1 and ends on December 31 of the year. Punongbayan & Araullo, the Company's external auditor, has audited and rendered an unqualified audit reports on the Company's financial statements as of and for the years ended December 31, 2013, 2014 and 2015.

Market data and certain industry information used throughout this Prospectus were obtained from internal surveys, market research, publicly available information and industry publications. Industry publications generally state that the information contained therein has been obtained from sources believed to be reliable, but that the accuracy and completeness of such information is not guaranteed. Similarly, internal surveys, industry forecasts and market research, while believed to be reliable, have not been independently verified and neither the Company nor the Issue Manager and Sole Underwriter make any representation as to the accuracy and completeness of such information.

This Prospectus includes forward-looking statements. The Company has based these forward-looking statements largely on its assumptions, current expectations and projections about future events and financial trends affecting its business and operations. Words including, but not limited to "believes", "may", "will", "estimates", "continues", "anticipates", "intends" "expects" and similar words are intended to identify forward-looking statements. In light of the risks and uncertainties associated with forward-looking statements, investors should be aware that the forward-looking events and circumstances in this Prospectus might not occur. Important factors that could cause some or all of the assumptions not to occur or result in performance or achievements materially different from those in to differ materially from those in the forward-looking statements include, among other things:

- the Company's ability to implements its strategies;
- competition in the Philippine death care industry;
- the Company's ability to anticipate and respond to economic and market trends, including changes in the Philippine, Asian or global economies;
- changes in interest rates, inflation rates and foreign exchange rates of the Peso against other currencies; and,
- changes in the laws, rules and regulations, including tax laws and licensing requirements, in the Philippines.

**A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION BUT HAS NOT YET BEEN DECLARED EFFECTIVE. NO OFFER TO BUY THE SECURITIES CAN BE ACCEPTED AND NO PART OF THE PURCHASE PRICE CAN BE ACCEPTED OR RECEIVED UNTIL THE REGISTRATION HAS BECOME EFFECTIVE, AND ANY SUCH OFFER MAY BE WITHDRAWN OR REVOKED, WITHOUT OBLIGATION OF COMMITMENT OF ANY KIND, AT ANY TIME PRIOR TO NOTICE OF ITS ACCEPTANCE GIVEN AFTER THE EFFECTIVE DATE. AN INDICATION OF INTEREST IN RESPONSE HERETO INVOLVES NO OBLIGATION OR COMMITMENT OF ANY KIND. THIS PROSPECTUS SHALL NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY.**

The Offer Shares are offered subject to the receipt and acceptance of any order by the Company and subject to the Company's right to reject any order in whole or in part. It is expected that the Offer Shares will be delivered in book-entry form against payment thereof to the Philippine Depository and Trust Corporation (the "PDTC") on or about • 2016.

**GOLDEN HAVEN MEMORIAL PARK, INC.**

By:

**JERRY M. NAVARRETE**

President

REPUBLIC OF THE PHILIPPINES            )  
MAKATI CITY                                    ) S.S.

**SUBSCRIBED AND SWORN** to before me this \_\_\_\_\_ 2016 at Makati City, the affiant  
exhibiting to me his Passport/Driver's License/Government ID No. \_\_\_\_\_ issued on  
\_\_\_\_\_ at \_\_\_\_\_ and valid until \_\_\_\_\_.

Doc No. \_\_\_\_\_

Page No. \_\_\_\_\_

Book No. \_\_\_\_\_

Series of 2016.

No representation or warranty, express or implied, is made by the Company and Issue Manager and Sole Underwriter, regarding the legality of an investment in the Offer Shares under any legal, investment or similar laws or regulations. The contents of this Prospectus are not investment, legal or tax advice. Prospective investors should consult their own counsel, accountant and other advisors as to legal, tax, business, financial and related aspects of a purchase of the Offer Shares. In making any investment decision regarding the Offer Shares, prospective investors must rely on their own examination of the Company and the terms of the Offer, including the merits and risks involved. Any reproduction or distribution of this Prospectus, in whole or in part, and any disclosure of its contents or use of any information herein for any purpose other than considering an investment in the Offer Shares is prohibited.

The Company reserves the right to withdraw the offer and sale of the Offer Shares at any time, and the Issue Manager and Sole Underwriter reserves the right to reject any commitment to subscribe for the Offer Shares in whole or in part and to allot to any prospective purchaser less than the full amount of the Offer Shares sought by such purchaser. If the Offer is withdrawn or discontinued, the Company shall subsequently notify the SEC and the PSE.

#### **Conventions which apply to this Prospectus**

In this Prospectus, unless otherwise specified or the context otherwise requires, all references to the "Philippines" are references to the Republic of the Philippines. All references to the "Government" are to the national and local government of the Philippines, including any of its departments, agencies, or other instrumentalities.

The items expressed in the Glossary of Terms may be defined otherwise by appropriate government agencies or regulations from time to time, or by conventional or industry usage.

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## GLOSSARY OF TERMS

In this Prospectus, unless the context otherwise requires, the following terms shall have the meanings set forth below:

<b>Asian Alliance or the Issue Manager and Sole Underwriter</b>	Asian Alliance Investment Corporation
<b>Applicant</b>	A person, whether natural or juridical, who seeks to subscribe to the Offer Shares
<b>Application</b>	An application to subscribe to the Offer Shares pursuant to the Offer
<b>BIR</b>	Bureau of Internal Revenue
<b>Board</b>	The Board of Directors of the Company
<b>BSP</b>	Bangko Sentral ng Pilipinas
<b>Common Shares</b>	Common shares of the Company with a par value of ₱1.00 per share
<b>Company or Golden Haven or the Issuer</b>	Golden Haven Memorial Park, Inc.
<b>Corporation Code</b>	Batas Pambansa Blg. 68
<b>DAR</b>	Department of Agrarian Reform of the Philippines
<b>DENR</b>	Department of Environment and Natural Resources of the Philippines
<b>DOH</b>	Department of Health of the Philippines
<b>Ezekiel Columbarium</b>	The 20,000-vault columbarium owned and operated by the Company within the Ezekiel Complex
<b>Ezekiel Complex</b>	The death care facilities consisting of the Santuario de San Ezekiel Moreno, a memorial chapel, the Ezekiel Columbarium and the Ezekiel Crematorium and located along C5 Road, Pulang Lupa, Las Piñas
<b>Ezekiel Crematorium</b>	The crematory facilities consisting of the two crematory units being constructed and to be owned and operated by the Company within the Ezekiel Complex
<b>Fine Properties</b>	Fine Properties, Inc.
<b>Foreign Investments Act</b>	Republic Act No. 7042, as amended
<b>HLURB</b>	Housing and Land Use Regulatory Board of the Philippines
<b>Independent Auditors</b>	Punongbayan & Araullo
<b>Listing</b>	The listing of 494,117,647 Common Shares, representing all of the issued and outstanding Common Shares of the Company after the



	Offer, on the Main Board of the PSE
<b>Listing Date</b>	[4 July 2016]
<b>LLDA</b>	Laguna Lake Development Authority of the Philippines
<b>LSI</b>	Local small investor
<b>Main Board</b>	The Main Board of the PSE
<b>National Internal Revenue Code</b>	Republic Act No. 8424, as amended
<b>Offer</b>	The offer and sale of the Offer Shares at the Offer Price in accordance with the terms set forth in this Prospectus
<b>Offer Period</b>	The period from [20 June 2016] until [24 June 2016]
<b>Offer Price</b>	Up to ₱[10.62] per Offer Share
<b>Offer Shares</b>	74,117,647 Common Shares to be offered and sold pursuant to the Offer
<b>Pesos or ₱</b>	Philippine Pesos
<b>Philippine Constitution</b>	1987 Constitution of the Republic of the Philippines
<b>PDTC</b>	Philippine Depository and Trust Corporation
<b>PFRS</b>	Philippine Financial Reporting Standards
<b>Preferred Shares</b>	Preferred shares of the Company with a par value of ₱0.01 per share
<b>Prospectus</b>	This [Preliminary] Prospectus, dated as of 31 May 2016, including any amendments or supplements thereto.
<b>PSE</b>	The Philippine Stock Exchange, Inc.
<b>PSE Listing Rules</b>	The Revised Listing Rules of the PSE, as amended
<b>PSE Trading Participants</b>	Trading participants of the PSE
<b>SCCP</b>	Securities Clearing Corporation of the Philippines
<b>SEC</b>	Securities and Exchange Commission of the Philippines
<b>SRC</b>	Securities Regulation Code and, where the context requires, its implementing rules and regulations
<b>Underwriting Agreement</b>	The Underwriting Agreement dated • by and between the Company and the Issue Manager and Sole Underwriter
<b>VLL</b>	Vista Land & Lifescapes, Inc.



<b>business day</b>	A day other than Saturday or Sunday on which banks are open for business in Metro Manila, Philippines
<b>cremation</b>	The use of high temperature burning to reduce human bodies to basic chemical compounds such as mineral fragments and ash
<b>crematorium or crematory facility</b>	A facility which houses cremating equipment where deceased human bodies are brought to be cremated
<b>columbarium or columbarium facility</b>	A structure located in a cemetery or as an independent building comprised of vaults or niches
<b>memorial lot</b>	A piece of land within a cemetery or a memorial park where remains are buried
<b>vault or niche</b>	A compartment space used for the placement of urns that store ashes or cremated remains
<b>urn</b>	A vessel for ashes or cremated remains

## EXECUTIVE SUMMARY

*The following summary is qualified in its entirety by, and is subject to, the more detailed information and financial statements including the notes thereto, appearing elsewhere in this Prospectus. Prospective investors are advised to review closely the sections entitled "Risk Factors" for a description of certain factors that may be relevant to the Offer Shares. Capitalized terms not defined in this Executive Summary are defined in the Glossary of Terms.*

### OVERVIEW

The Company, incorporated in November 1982, is one of Philippines' leading developers of memorial parks in the country in terms of land developed. As of 31 March 2016, the Company has been successful in developing a total of six memorial park projects, covering a gross area of 55.18 hectares spread across various parts of the Philippines, including the cities of Las Piñas and Cagayan de Oro and in the provinces of Bulacan, Cebu, Iloilo, and Zamboanga.

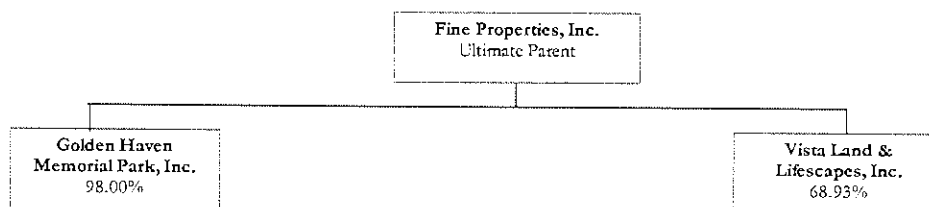
Aside from the development and sale of memorial parks, the Company likewise develops, constructs and operates columbarium facilities. As of the date of this Prospectus, the Company has four existing columbaries within its memorial parks in Las Piñas, Cebu, Cagayan de Oro, and Zamboanga and a 20,000-vault columbarium (the "Ezekiel Columbarium") located beneath the Santuario de San Ezekiel Moreno, a chapel constructed by the Company along C5 Road, Pulang Lupa, Las Piñas.

The Company prides itself as a developer of ideally located, uniquely designed, and well-maintained memorial parks. The Company believes that accessibility is and remains a key factor in the selection of memorial parks, and each of the Company's parks is strategically located within a five to 10 kilometer radius from its target communities. Eschewing standardized park designs, the Company's planners design and develop each memorial park to have its own theme, inspired by Mediterranean, Italian, American or Asian architecture and design motifs. Regimented park maintenance practices also ensure that each memorial park and columbarium developed by the Company will remain a comfortable and calming place to visit.

These same criteria of ideal location, unique designs and strict standards of maintenance and upkeep also ground the development of the Company's columbaries.

As of the date of this Prospectus and prior to the Offer, the Company is wholly-owned by Fine Properties, Inc. ("Fine Properties"), a holding and investment company owned by former Senator Manuel B. Villar and his spouse, Senator Cynthia A. Villar. Fine Properties is likewise the majority shareholder of Vista Land & Lifescapes, Inc. ("VLL"), one of the leading home and community builders in the country. Through its subsidiaries, VLL owns, develops and sells various residential projects, both horizontal and vertical developments, comprised of high-end, middle-income, low-cost and affordable products, covering the entire spectrum of the country's real estate industry.

Golden Haven Memorial Park, Inc.  
Map of Related Parties  
December 31, 2015



As of 31 December 2015, the Company generated revenues of ₱692.8 million and net income of ₱151.1 million, representing a revenue growth of 16.49% and net income growth of 4.49% compared to revenues of ₱594.7 million and net income of ₱144.6 million in 2014. Revenue and income for the periods ending 31 December 2014 and 2015 were substantially generated from the sales of memorial park lots and columbarium vaults in the Company's existing projects.

## PRODUCTS AND SERVICES

As of the date of this Prospectus, the Company's key products and services principally consist of the sale of memorial lots and columbarium vaults made available to the public through the Company's developments existing as of 31 March 2016:

- The Ezekiel Complex, which houses the Ezekiel Columbarium
- Golden Haven Las Piñas Park
- Golden Haven Cebu Park
- Golden Haven Cagayan de Oro Park
- Golden Haven Zamboanga Park
- Golden Haven Iloilo Park
- Golden Haven Bulacan Park

With the exception of the Golden Haven Cagayan de Oro Park, all of the foregoing developments are wholly-owned by the Company. On the other hand, the development of the Golden Haven Cagayan de Oro Park has been undertaken through a joint venture with a third-party land owner, under the terms of which, the Company retains rights to 70% of the total saleable areas while the joint venture partner receives the remaining 30% thereof.

In addition, the Company has recently entered into agreements for the acquisition of two existing memorial parks with an aggregate land area of 8.2 hectares and located in the provinces of Pampanga and Nueva Vizcaya. These two memorial parks have been subdivided into approximately 24,400 memorial lots and, as of the date of this Prospectus, are being re-developed by the Company to conform to its quality standards. The Company expects to complete the acquisition and the re-development of these memorial parks, as well as to commence marketing and sales of these projects, within 2016.

### **The Ezekiel Complex and the Ezekiel Columbarium**

The Ezekiel Columbarium is an eight-level, 20,000 vault columbarium facility located within the San Ezekiel Moreno Complex (the "Ezekiel Complex"), a multi-facility area built to offer an entire range of death care services within a single location. The Ezekiel Complex currently features, in addition to the Ezekiel Columbarium, a restaurant and retail area and the Santuario de San Ezekiel Moreno Chapel for regular community mass services.

The Ezekiel Complex will also house the Company's first crematory facilities (the "Ezekiel Crematorium"), the construction of which was begun in 2016. The Ezekiel Crematorium will be composed of two crematory units within a two-story facility, which will also feature congregation and viewing rooms, offices and records storage areas and has been designed to be a state-of-the-art facility, capable of completing a cremation within 45 minutes or approximately 120 cremations in a month with a 10-hour work day. The crematory will be diesel fuel-fed and have automated controls to manage temperature and oxygen levels depending on the weight of the deceased. The crematories will also have modern pollution control systems so that any discharge is kept within legally allowable levels.

Finally, the Company is likewise undertaking the construction of additional memorial service facilities and chapels within the Ezekiel Complex. Once completed, the Ezekiel Complex will contain facilities for a full range of memorial services, including embalming, cleansing, dressing and cosmetic restoration of the deceased, chapels for the traditional wake periods before burial or cremation, and limousine and hearse services for the transport of the casket to the interment site, and shops and stores for the sale of death care products including floral arrangements, caskets, urns, keepsakes and other products.

### **Golden Haven Las Piñas Park**

Golden Haven Las Piñas Park was the first memorial park project of the Company and was established to exploit the growing communities being developed by VLL and other real estate companies at the time. Golden Haven Las Piñas Park is comprised of a gross land area of 15.0 hectares resulting in a total of 31,418 memorial lots of varying packages. As of 31 March 2016, 29,678 memorial lots have been launched or offered to the market, of which a total of 29,391 memorial lots have been sold.

Golden Haven Las Piñas Park also houses a five-level columbarium facility.

### **Golden Haven Cebu Park**

Golden Haven Cebu Park started in 2003 and with a total land area of 6.8 hectares. As of the date of this Prospectus, the Company has completed and offered to the public, a total of 11,768 memorial lots of various sizes. In 2012, the Company acquired an adjacent 6.5-hectare property for the expansion on which a total of 12,460 additional memorial lots have been developed. As of 31 March 2016, Golden Haven Cebu Park has a total of 10,866 memorial lots in inventory.

Golden Haven Cebu Park also houses a five-level columbarium facility.

### **Golden Haven Cagayan de Oro Park**

Golden Haven Cagayan de Oro was launched in 2008 and has a total gross land area of 11.0 hectares. At its current stage of development, the Company has completed a total of 15,053 memorial lots of varying packages. The development of the Golden Haven Cagayan de Oro Park has been undertaken through a joint venture with a third-party land owner, under the terms of which, the Company retains rights to 70% of the total saleable areas while the joint venture partner receives the remaining 30% thereof.

As of 31 March 2016, 15,053 memorial lots have been launched and offered to the market, of which a total of 9,783 memorial lots have been sold.

Golden Haven Cagayan de Oro Park also houses a six-level columbarium facility.

### **Golden Haven Zamboanga Park**

Golden Haven Zamboanga Park was launched in 2009 and has a total gross land area of 5.5 hectares. The Company has completed and launched a total of 10,389 memorial lots of various sizes to the public. In 2015, the Company acquired an adjacent 3.2-hectare property for the Zamboanga memorial park's expansion on which a total of 7,583 memorial lots have been completed. As of 31 March 2016, the Zamboanga project has a remaining inventory of 8,408 memorial lots.

Golden Haven Zamboanga Park also houses a five-level columbarium facility.

### **Golden Haven Iloilo Park**

Golden Haven Iloilo Park was launched in 2013 and has a gross land area of 6.0 hectares and a total of 15,005 memorial lots of varying packages. As of 31 March 2016, 9,829 memorial lots have been launched, of which a total of 8,185 memorial lots have been sold. Approximately 1.4 hectares of land remain undeveloped and reserved for future expansion.

### **Golden Haven Bulacan Park**

Golden Haven Bulacan Park was recently launched in 28 March 2015 and has a gross land area of 4.4 hectares and a total of 10,741 memorial lots of varying packages. As of 31 March 2016, 4,057 memorial lots have been launched and offered to the market, of which a total of 2,878 memorial lots have been sold.

## **COMPETITIVE STRENGTHS**

The Company attributes its strong growth and attractive financial performance to the following competitive strengths:

- Significant synergies with its real estate affiliates, including (i) immediate market for its death care offerings, (ii) sales networks expansion, and (iii) access to management and technical expertise
- Extensive know-how and established operational competence
- Nationwide presence

- Significant growth potential
- Innovative product packages
- Experienced management team

#### **BUSINESS STRATEGIES**

The Company aims to continue and accelerate its growth and be regarded as one of the biggest death care service providers in the country. To achieve this objective, key components of the Company's strategies include:

- Expansion of death care facilities by active and strategic acquisitions of land and/or existing death care facilities
- Expansion of death care services to include embalming, cleansing, dressing and cosmetic restoration of the deceased in preparation for viewing, and other memorial services
- Expansion of death care products by development of pre-need death care plans and packages
- Brand building and marketing both domestically and internationally

## STATISTICS RELATING TO THE COMMON SHARES

Authorized capital stock <sup>(1)</sup>	₱1,000,000,000
Common shares outstanding before the Offer <sup>(2)</sup>	420,000,000
New Common Shares to be issued in the Offer	74,117,647
Offer Price per Share	Up to [₱10.62]
Common shares outstanding after the Offer	494,117,647
Approximate market capitalization at the Offer Price <sup>(3)</sup>	₱[5,247.53 million]

*(1) On 17 March 2016, the SEC approved the Company's application for an increase in its authorized capital stock from ₱20 million to ₱1.0 billion divided into 996,000,000 Common Shares with par value of ₱1.00 per share and 4,000,000 Preferred Shares with a par value of ₱0.01 per share. The SEC also approved the change in the par value of each Common Share from ₱100.00 to ₱1.00.*

*(2) On 8 March 2016, the Company declared stock dividends in an amount equivalent to ₱400 million worth of stock dividends, and pursuant to which, it issued 400,000,000 Common Shares upon approval by the SEC of the increase in the Company's authorized capital stock.*

*(3) Calculated by multiplying the Offer Price per Offer Share by the number of Common Shares in issue immediately after completion of the Offer.*

## CORPORATE INFORMATION

Golden Haven is a Philippine corporation with principal executive offices located at San Ezekiel, C5 Extension, Las Piñas City. The Company's telephone number is +63(2) 873-2543 and its corporate website is [www.goldenhaven.com.ph](http://www.goldenhaven.com.ph). Any information contained in the Company's website is not incorporated by reference into, and does not constitute part of, this Prospectus.

## TERMS AND CONDITIONS OF THE OFFER

<b>Offer Shares</b>	<p>The Company, through the Issue Manager and Sole Underwriter, is offering up to 74,117,647 Offer Shares with a par value ₱1.00 per share. 14,823,529 Offer Shares are being sold and offered to all PSE Trading Participants while 7,411,765 Offer Shares are being sold and offered to LSIs.</p> <p>The balance of 51,882,353 Offer Shares shall be distributed to the Issue Manager and Sole Underwriter's clients and the general public through the Issue Manager and Sole Underwriter.</p> <p>The Common Shares, including all of the Offer Shares, will be listed and traded on the Main Board of the PSE.</p>
<b>Offer Price</b>	<p>The Offer Shares are being offered at a price of up to ₱[10.62] per Offer Share.</p>
<b>Offer Period</b>	<p>The Offer Period shall commence on [20 June] 2016 and end at 12:00 noon of [24 June] 2016. The Company and the Issue Manager and Sole Underwriter reserve the right to extend or terminate the Offer Period, in each case, with the approval of the SEC and the PSE.</p> <p>Applications must be received by the Receiving Agent not later than 12:00 noon, Manila Time on [24 June] 2016 if filed through a Selling Agent or a PSE Trading Participant. Applications received thereafter or without the required documents will be rejected. Applications shall be considered irrevocable upon submission to the Selling Agent or the Issue Manager and Sole Underwriter, and shall be subject to the terms and conditions of the offer as stated in this Prospectus and in the Application. The actual subscription and/or purchase of the Offer Shares shall become effective only upon the actual listing of the Offer Shares on the PSE.</p>



**Issue Manager  
and Sole  
Underwriter**

The 74,117,647 Offer Shares shall be offered, through the Issue Manager and Sole Underwriter, to the general public including institutional investors and high net worth individuals. In the event that there are Offer Shares that remain unsubscribed, the Issue Manager and Sole Underwriter shall subscribe to the balance pursuant to the terms and conditions of the Underwriting Agreement between the Company and the Issue Manager and Sole Underwriter.

Asian Alliance Investment Corporation, the Issue Manager and Sole Underwriter, is an investment house incorporated in 1995 and obtained its license to operate as an investment house in April 1996. As such, it is licensed by the Philippine Securities and Exchange Commission to engage in underwriting or distribution of securities to the public. Asian Alliance has as total paid-up capital of ₱300 million. Over its 20-year history, Asian Alliance has been involved in a number of major equity transactions and debt arrangements.

The Offer will be underwritten at the Offer Price and in connection therewith, an Underwriting Agreement will be entered into on or before the commencement of the Offer, between the Company and the Issue Manager and Sole Underwriter, pursuant to which the Issue Manager and Sole Underwriter has firmly committed, to subscribe for, or procure subscribers for, or to purchase, or to procure purchasers for the Offer Shares to be offered. The Underwriting Agreement is subject to certain conditions and each is respectively subject to termination by the Issue Manager and Sole Underwriter if certain circumstances, including *force majeure*, occur on or before the time at which the Shares are listed on the PSE. In addition, this agreement is conditional, *inter alia*, on the Offer Shares being listed on the PSE on or before the stipulated date or such date as the Issue Manager and Sole Underwriter may agree.

The Issue Manager and Sole Underwriter will receive a transaction fee from the Company equivalent to 3% of the gross proceeds from the sale of the Offer Shares. This fee is inclusive of the amounts to be paid to other participating underwriters and selling agents, where applicable. For a more detailed discussion on the fees to be received by the Issue Manager and Sole Underwriter, see “Plan of Distribution” on page 41 of this Prospectus.

<b>Minimum Subscription Eligible Investors and</b>	Each Application must be for a minimum of 100 Offer Shares, and thereafter, in multiples of 100 Offer Shares. No Application for multiples of any other number of shares will be considered.
<b>Restrictions on Ownership</b>	<p>The Offer Shares may be subscribed to or held by any person of legal age or duly organized and existing corporations, partnerships or other juridical entities regardless of nationality, subject to the applicable restrictions on foreign capital ownership under Philippine law.</p> <p>Since the Company owns land, foreign ownership in the Company is limited to a maximum of 40% of the Company's issued and outstanding capital stock entitled to vote. Accordingly, the Company cannot allow the issuance of any of its shares, including the Offer Shares, or record the transfer of any of its shares, including the Offer Shares, to persons other than Philippine Nationals if such issuance or transfers shall result in foreign ownership in the Company exceeding the foregoing limits. In addition, any subsequent transfer of the Offer Shares by Philippine Nationals to non-Philippine Nationals will be subject to the limitation that any such transfers will not cause foreign shareholders in the Company to exceed 40% of the Company's issued and outstanding capital stock entitled to vote. In the event that the foreign ownership in the Company's issued and outstanding capital stock entitled to vote will exceed 40%, the Company has the right to reject a transfer request by persons other than Philippine Nationals and has the right not to record such purchases in the books of the Company.</p>
<b>Procedure for Application</b>	<p>Application forms to subscribe for Offer Shares in the Offer may be obtained from the Selling Agents or the Issue Manager and Sole Underwriter. All Applications shall be evidenced by the Application to Subscribe and Purchase form, duly executed in each case by an authorized signatory of the applicant and accompanied by one completed signature card, which in the case of corporate and institutional applicants, should be authenticated by the corporate secretary, and the corresponding payment for the Offer Shares covered by the Application, photocopy of two valid identification cards (IDs) for each signatory and all other required documents. The duly executed Application and required documents should be submitted during the Offer Period to the same office where it was obtained.</p> <p>If the applicant is a corporation, partnership, or trust account, the Application must be accompanied by the following documents:</p> <ul style="list-style-type: none"> <li>• a certified true copy of the applicant's latest articles of incorporation and By-laws or Partnership and other constitutive documents (each as amended to date) duly certified by its corporate secretary;</li> <li>• a certified true copy of the Applicant's SEC certificate of registration duly certified by its corporate secretary;</li> <li>• a duly notarized corporate secretary's certificate setting forth the resolution of the applicant's board of directors or equivalent body authorizing the purchase of the Offer Shares indicated in the application, identifying the designated signatories authorized for the purpose, including his or her specimen signature, and certifying the percentage of the applicant's capital or capital stock held by Philippine Nationals.</li> </ul> <p>Foreign corporate and institutional applicants, in addition to the documents required for corporate applicants, are required to submit, in quadruplicate, together with the Application, a representation and warranty stating that their investing in the Offer Shares being applied for will not violate the laws of their jurisdiction and that they are allowed to acquire, purchase and hold the Offer Shares.</p>

<b>Payment Terms</b>	The Offer Shares must be paid for in full upon submission of the Application. Payment must be made by a check drawn against a bank in Metro Manila to the order of “Golden Haven IPO”. The check must be dated as of the date of submission of the Application and crossed for deposit.
<b>Acceptance or Rejection of Applications</b>	<p>The actual number of Offer Shares that an applicant will be allowed to subscribe for in the Offer is subject to the confirmation of the Issue Manager and Sole Underwriter. Applications shall be subject to the final approval of the Company. The Company, through the Issue Manager and Sole Underwriter, reserves the right to accept or reject, in whole or in part, any Application. Applications where checks are dishonored upon first presentation and Applications which do not comply with the terms of the Offer shall be rejected. Any payment received pursuant to the Application does not mean approval or acceptance by the Company of the Application.</p> <p>An Application, when accepted, shall constitute an agreement between the Applicant and the Company for the subscription to the Offer Shares at the time, in the manner and subject to the terms and conditions set forth in the Application and those described in this Prospectus.</p> <p>Notwithstanding the acceptance of any Application by the Issue Manager and Sole Underwriter or their duly authorized representatives, acting for or on behalf of the Company, the actual subscription and/or purchase by the applicant of the Offer Shares will become effective only upon the listing of the Offer Shares on the PSE and upon the obligations of the Issue Manager and Sole Underwriter [and Selling Agents] under the Underwriting Agreement becoming unconditional and not being suspended, terminated or cancelled, on or before the Listing Date, in accordance with the provision of the said agreement. If such conditions have not been fulfilled on or before the periods provided above, all application payments will be returned to the Applicants without interest and, in the meantime, the said application payments will be held in a separate bank account with the Receiving Agent.</p>
<b>Refunds</b>	In the event that the number of Offer Shares to be received by an Applicant, as confirmed by the Issue Manager and Sole Underwriter, is less than the number covered by its Application, or if an Application is rejected by the Company, then the Issue Manager and Sole Underwriter shall refund, without interest, within five Banking Days from the end of the Offer Period, all, or a portion of the payment corresponding to the number of Offer Shares wholly or partially rejected. All refunds shall be made through the Issue Manager and Sole Underwriter or Selling Agent with whom the applicant has filed the Application, at the latter’s risk.
<b>Documentary Stamp Taxes and other Tax Considerations</b>	<p>All documentary stamp taxes applicable to the original issuance of the Offer Shares by the Company shall be for the sole account of the Company.</p> <p>The acquisition, ownership and disposition of the Offer Shares may be subject to Philippine taxation. For a general discussion on the applicability of such taxes, please refer to “Philippine Taxation” on page 18 of this Prospectus.</p>

**Registration and Lodgment of Shares with the PDTC** All Offer Shares will be issued in scripless form and lodged with the PDTC. The Applicant should indicate the lodgment information in the Application. The Offer Shares will be lodged with the PDTC at least two trading days prior to the Listing Date.

The Applicant may request for the upliftment of their shares and to receive stock certificates evidencing their investment in the Offers Shares through his/her broker after the Listing Date. Any expense to be incurred on such issuance of certificates shall be borne by the Applicant.

**Registration of Foreign Investments** The *Bangko Sentral ng Pilipinas* (“BSP”) requires that investments in shares of stock funded by inward remittance of foreign currency be registered with the BSP if the foreign exchange needed to service capital repatriation or dividend remittance will be sourced from the banking system. The registration with the BSP of all foreign investments in the Offer Shares shall be the responsibility of the foreign investor.

**Restriction on Issuance and Disposal of Shares** Existing shareholders who own an equivalent of at least 10% of the issued and outstanding capital stock of the Company after the Offer are required, under the Revised Listing rules of the PSE applicable to companies applying for listing on the PSE First Board, not to sell, assign or otherwise dispose of their common shares for a minimum period of 180 days after the Listing Date.

Furthermore, pursuant to the PSE’s rules on share issuances executed and fully paid for within 180 days prior to the start of the offer period with a transaction price lower than the offer price in the initial public offer, recipients of the Common Shares issued by the Company on 17 March 2016 pursuant to its declaration of stock dividends last 8 March 2016, are likewise subject to a 365-day lock-up required by the PSE.

The Company’s shareholders and their respective Common Shares covered by the foregoing lock-up provisions are as follows:

Shareholder	Common Shares Subject to 180-day Lock-up	Common Shares Subject to 365-day Lock-up	Percentage of Ownership
Fine Properties, Inc.	19,621,800	392,436,000	98.109%
Jerry M. Navarrete	N/A	2,700,000	0.675%
Michael G. Regino	N/A	2,000	Nil
Joy J. Fernandez	N/A	2,160,000	0.675%
Rosario H. Javier	N/A	2,000	Nil
Maribeth C. Tolentino	N/A	2,700,000	0.675%
Anna Marie V. Pagsibigan	N/A	[1]	Nil
Garth F. Castaneda	N/A	[1]	Nil

Except for the issuance of the Offer Shares pursuant to the Offer or Shares for distribution by way of stock dividends or in connection with an employee stock option plan, the PSE will require the Company, as a condition to listing of the Offer Shares, not to issue new shares in its capital or grant any rights to or issue any securities convertible into or exchangeable for, or otherwise carrying rights to acquire or subscribe to, any shares in its capital or enter into any arrangement or agreement whereby any new shares or any such securities may be issued for a period of 180 days after the Listing Date.

**Use of Proceeds** The Company intends to use the net proceeds from the Offer to fund its acquisition, growth and expansion strategies, in particular, expanding its death care facilities, products and services through undertaking land and site development of the undeveloped areas of its existing memorial parks, land acquisition, and the construction and completion of new memorial chapels and crematory facilities within the Golden Haven Las Piñas Park, and for general corporate purposes including working capital requirements. For a more detailed discussion on the Company's proposed use of proceeds, see "Use of Proceeds" on page 37 of this Prospectus.

The proposed use of proceeds described above and elsewhere in this Prospectus represents the Company's best estimate of the use of the net Offer proceeds. The actual amount and timing of disbursement of the net proceeds from the Offer based on the uses stated above will depend on factors such as changing market conditions or new information regarding the cost or feasibility of the Company's geographic and product expansion projects. The Company's cost estimates may change as it develops its plans, and actual costs may be different from its budgeted costs. To the extent that the net proceeds from the Offer are not immediately applied to the above purposes, the Company will invest the net proceeds in short term demand deposits and money market placements. In the event that there is any change in the Company's development plan, including *force majeure* and circumstances, such as (i) failure to obtain requisite approvals, (ii) changes in government policies that would render any of the above plans not commercially viable, the Company will carefully evaluate the situation and may reallocate the proceeds for future investments and/or hold such funds on short term deposit whichever is better for the Company's and its shareholders' interest taken as a whole. In such event, the Company will issue a public disclosure if there is any change in the above proposed use of proceeds and shall accordingly inform the SEC, the PSE and its shareholders at least 30 days prior to its implementation.

In the event that the actual expense are more than the foregoing estimates, or the actual net Offer proceeds are not sufficient to finance the projects described above, the Company will utilize the net proceeds based on their order of priority and will use internally generated funds and, where available, bank loans to finance the shortfall, or delay or abandon one or more of the components of its plans. In such an event, the Company will inform the SEC, the PSE and its shareholders at least 30 days prior to its implementation.

**Dividends** As of the date of this Prospectus, the Company has not adopted a specific dividend policy which defines a minimum percentage of net earnings to be distributed to its shareholders. Dividends may be declared only from the Company's unrestricted retained earnings, except when, among others: (i) justified by definite corporate expansion, or (ii) when the Company is prohibited under any loan agreement with any financial institution or creditor, whether local or foreign, from declaring dividends without its consent, and such consent has not been secured, or (iii) when it can be clearly shown that the retention of earnings is necessary under special circumstances obtaining in the Company, its assets and operations, such as when there is a need for special reserves for probable contingencies. For a more detailed discussion of the Company's dividend policy, see "Dividend Policy" on page 43 of this Prospectus.

**Listing and Trading** The Company's application for the listing of the Shares was filed with the PSE on 11 April 2016. All of the Offer Shares are expected to be listed on the PSE under the symbol "HVN" on or about 4 July 2016. Trading of the Common Shares that are not subject to lock-up is expected to commence on the same date.

**Expected  
Timetable**

The expected timetable of the Offer is tentatively scheduled as follows:

Price Setting date	[15 June 2016]
Start of Offer Period	[20 June 2016 to 24 June 2016]
PSE Trading Participants' Commitment Period	[20 June 2016 to 22 June 2016]
Local Small Investor Offer Period	[20 June 2016 to 24 June 2016]
Underwriters' Offer Period	[20 June 2016 to 24 June 2016]
End of Offer Period	[24 June 2016]
Listing date	[4 July 2016]

**Risks of  
Investing**

Before making an investment decision, prospective investors should carefully consider the risks associated with an investment in the Offer Shares. These risks include:

- risks related to the Company's business;
- risks relating to the Philippines; and
- risks relating to the Offer and the Offer Shares.

For a more detailed discussion on the risks in investing in the Offer Shares, see the section entitled "Risk Factors" beginning on page 25 of this Prospectus which, while not intended to be an exhaustive enumeration of all risks, must be considered in connection with any investment in or any purchase of the Offer Shares.

## SELECTED FINANCIAL AND OPERATING INFORMATION

*The following tables set forth selected financial information for the Company and should be read in conjunction with the Company's financial statements audited by Punongbayan & Araullo for the years ending December 31, 2013, 2014 and 2015, including the notes thereto, and the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations," included elsewhere in this Prospectus. The following data is qualified in its entirety by reference to all of that information.*

### Statement of Income Data

In ₱ millions	For the years ended December 31		
	2015 (audited)	2014 (audited)	2013 (audited)
REVENUES			
Real estate sales	650.80	555.44	478.41
Interment income	21.50	19.70	17.38
Interest income on contract receivables	20.50	19.59	20.15
	692.80	594.73	515.94
COSTS AND EXPENSES			
Cost of sales and services	293.15	250.52	229.94
Operating expenses	203.96	150.56	142.81
	497.11	401.08	372.75
OPERATING PROFIT	195.69	193.65	143.19
OTHER INCOME - Net	20.65	12.85	5.73
PROFIT BEFORE TAX	216.34	206.50	148.92
TAX EXPENSE	65.22	61.87	44.50
NET PROFIT	151.12	144.63	104.42
OTHER COMPREHENSIVE LOSS			
Item that will not be reclassified subsequently to profit or loss			
Remeasurements of defined benefit post-employment obligation	(0.10)	(1.74)	(0.67)
Tax income	0.03	0.52	0.20
	(0.07)	(1.22)	(0.47)
TOTAL COMPREHENSIVE INCOME	151.05	143.41	103.95

### Statement of Financial Position Data

In ₱ millions	For the years ended December 31		
	2015 (audited)	2014 (audited)	2013 (audited)
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	114.64	80.66	129.10
Contracts receivable	445.15	391.26	346.72
Due from related parties	70.21	206.90	198.08
Other receivables	29.90	8.17	14.16
Memorial lot inventories	217.77	205.02	95.78
Other current assets	14.36	8.17	7.29
Total Current Assets	892.03	900.18	791.13
NON-CURRENT ASSETS			
Contracts receivable	828.95	696.59	595.07
Property and equipment – net	24.79	22.87	16.10
Investment properties	41.33	46.92	52.68
Retirement benefit assets – net	-	-	0.86
Total Non-current Assets	895.07	766.38	664.71
TOTAL ASSETS	1,787.10	1,666.56	1,455.84



## LIABILITIES AND EQUITY

Current Liabilities			
Interest bearing loans	5.97	-	-
Trade and other payables	264.24	217.93	208.69
Customers' deposits	5.93	7.13	6.03
Dividends payable	650.00	-	-
Income tax payable	14.95	4.25	2.18
<i>Total Current Liabilities</i>	<b>941.09</b>	<b>229.31</b>	<b>216.90</b>
Non-current Liabilities			
Interest bearing loans	3.05	-	-
Retirement benefit obligation	0.08	0.25	-
Deferred tax liabilities	255.98	219.53	171.74
Reserve for perpetual care	152.25	133.86	127.00
<i>Total Non-Current Liabilities</i>	<b>411.36</b>	<b>353.64</b>	<b>298.74</b>
<b>TOTAL LIABILITIES</b>	<b>1,352.44</b>	<b>582.95</b>	<b>515.64</b>
EQUITY			
Capital stock	20.00	20.00	20.00
Revaluation reserves	(2.54)	(2.47)	(1.25)
Retained earnings	417.19	1,066.08	921.45
<i>Total Equity</i>	<b>434.65</b>	<b>1,083.61</b>	<b>940.20</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>1,787.10</b>	<b>1,666.56</b>	<b>1,455.84</b>

## Statement of Cash Flows Data

In ₦ millions

For the years ended December 31

	2015 (audited)	2014 (audited)	2013 (audited)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before tax	216.33	206.50	148.93
Adjustments for:			
Interest Income	(21.50)	(20.63)	(22.02)
Depreciation and amortization	5.70	6.78	4.91
Interest expense	1.54	0.15	0.11
Operating profit before working capital changes:	202.07	192.80	131.93
Increase in contracts receivable	(186.26)	(146.07)	(109.51)
Decrease (increase) in other receivables	(35.04)	(2.83)	7.93
Increase in memorial lot inventories	(5.15)	(103.49)	(15.29)
Increase in other current assets	(6.19)	(0.01)	(1.57)
Increase in trade and other payables	46.31	9.25	2.42
Increase (decrease) in customers' deposits	(1.20)	1.10	1.37
Increase (decrease) in retirement benefit obligation	(0.25)	(1.05)	0.18
Increase in other liabilities	18.39	8.93	6.39
<b>Cash generated from (used in) operations</b>	<b>32.68</b>	<b>(41.37)</b>	<b>23.85</b>
Interest received	21.50	20.71	22.23
Interest paid	(1.55)	(0.15)	(0.11)
Cash paid for income taxes	(18.04)	(14.08)	(9.07)
<b>Net Cash From (Used in) Operating Activities</b>	<b>34.59</b>	<b>(34.89)</b>	<b>36.90</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Acquisitions of property and equipment	(8.04)	(13.67)	(13.37)
Proceeds from disposal of property and equipment	0.42	0.12	-
Additions to investment properties	(2.01)	-	(5.56)
<b>Net Cash Used in Investing Activities</b>	<b>(9.63)</b>	<b>(13.55)</b>	<b>(18.93)</b>

CASH FLOWS FROM FINANCING ACTIVITY			
Net availment of interest bearing loans and borrowings	9.02	-	-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	33.98	(48.44)	17.97
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	80.66	129.10	111.13
CASH AND CASH EQUIVALENTS AT END OF YEAR	114.64	80.66	129.10

### Key Performance Indicators and Ratios

	For the years ended December 31		
	2015 (audited)	2014 (audited)	2013 (audited)
Gross margin <sup>(1)</sup>	56.4%	56.4%	53.6%
Net profit margin <sup>(2)</sup>	21.8%	24.3%	20.2%
Return on equity <sup>(3)</sup>	34.8%	13.3%	11.1%
Return on total assets <sup>(4)</sup>	8.5%	8.7%	7.2%
Current ratio <sup>(5)</sup>	0.9	3.9	3.6

*Notes:*

<sup>(1)</sup> Gross margin is calculated by dividing (i) the difference between the sum of revenue from real estate sales and interment income and cost of sales and services for the year/period by (ii) the sum of revenue from real estate sales and interment income for the year/period.

<sup>(2)</sup> Net profit margin is calculated by dividing (i) net profit for the year/period by (ii) the total revenue for the year/period.

<sup>(3)</sup> Return on equity is calculated by dividing (i) net profit for the year/period by (ii) the ending balance of shareholders' equity of a given period.

<sup>(4)</sup> Return on total assets is calculated by dividing (i) net profit for the year/period by (ii) the ending balance of total assets of a given period and

<sup>(5)</sup> Current ratios are calculated by dividing (i) current assets by (ii) current liabilities at the end of the period.

## RISK FACTORS

*An Investment in the Offer Shares involves a number of risks. Prospective investors should carefully consider the risks described below, in addition to other information contained in this Prospectus, including the Company's financial statements and notes relating thereto, before making any investment decision relating to the Offer Shares. This section does not purport to disclose all the risks and other significant aspects of investing in the Offer Shares. These risk factors are presented below, and are of equal importance and are only separated into categories for easy reference.*

*The Company's past performance is not an indication of its future performance. The occurrence of any of the events discussed below and any additional risks and uncertainties not presently known to the Company or are currently considered immaterial could have a material adverse effect on the Company's business, result of operations, financial condition and prospects and could cause the market price of the Offer Shares to fall significantly and investors may lose all or part of their investment.*

*The price of securities can and does fluctuate, and the price of an individual security may experience upward or downward movements, and may even lose all of their value. There is an inherent risk that losses may be incurred rather than profits made as a result of buying and selling securities. There is an extra risk of loss when securities are bought from smaller companies. There may be a significant difference between the buying price and the selling price of these securities.*

### *Prudence Required*

*This section does not purport to disclose all of the risks and other significant aspects of investing in these securities. Investors should seek professional advice regarding any aspect of the securities such as the nature of the risks involved in the trading of the securities, especially in the trading of high-risk securities. Investors should undertake independent research regarding the Company and the trading of securities before commencing any trading activity and may request all publicly available information regarding the Company and the Offer Shares from the SEC.*

### *Professional Advice*

*An investor should seek professional advice if he or she is uncertain of, or has not understood any aspect of the securities to be invested in or the nature of the risks involved in holding and trading of such securities, especially in the trading of high-risk securities. Each investor should consult his or her own counsel, accountant and other advisors as to legal, tax, business, financial and related aspects of an investment in the Offer Shares.*

The means by which the Company plans to address the risk factors discussed herein are principally presented in the sections of this Prospectus entitled "Competitive Strengths" and "Business Strategies" on page 47 and page 49 of this Prospectus, respectively.

## RISKS RELATING TO THE BUSINESS

***Existing and prospective competitors in the death care services industry have been increasing, and increasing competition may adversely affect the Company's results of operations and profit margins.***

The Philippine death care services industry is fragmented and is made up of several non-integrated service providers providing pre-need burial packages, memorial service packages and memorial lots or niches. At present, the Company believes that it is the only company in the Philippines that is positioned to provide the full range of integrated death care services, covering the provision of memorial, crematory and chapel services to the sale of death care merchandise, memorial lots and columbarium niches.

Despite this competitive positioning, the Company competes against several major companies in each aspect of death care. Some of its competitors have had a longer operating history and higher name recognition and there is no assurance that the Company will be a customer's first choice when death care services are required. Some of the current competitors and new entrants may also offer integrated services death care services, reducing the competitive positioning that the Company aims to achieve.

Aside from these major companies, the Company also competes against smaller, typically family-owned companies that operate memorial parks and provide other death care services in towns and provinces that the

Company operates or intends to operate in. These smaller companies can offer death care services at substantially lower prices than the Company's offerings. Given the competition from various industry participants, the Company will continuously have to market, promote, and price its products and services but there is no assurance that such efforts will be successful.

***Any difficulty of the Company in accessing land suitable for memorial parks, columbaries, memorial facilities and chapels, at commercially viable rates may adversely affect the Company's expansion and growth plans.***

As of the date of this Prospectus, the Company retains approximately 8.98 hectares in inventory from its six existing and two recently-acquired memorial park projects for future sales. In addition, the Company also has 6.36 hectares of raw and undeveloped land within these memorial parks which have been reserved for future development.

Beyond the sales of its existing and prospective inventory, the Company's growth and expansion depends on future acquisitions of properties appropriate for memorial parks, chapels, columbaries, and memorial service facilities at commercially viable prices. Future land acquisition efforts may be adversely affected by competition for targeted properties from other death care service providers, as well developers of other forms of real estate projects. There is no assurance that the Company can be successful in acquiring properties for its expansion or that the Company can acquire land at costs that will allow the Company to achieve the same level of profitability previously enjoyed.

Aside from competition, the ability to acquire lands for expansion can be adversely affected by existing and prospective Government policies and rules regarding land use, zoning and conversion. The Company may encounter instances where zoning conversion applications from agricultural land to cemetery land, for example, may not be granted or may entail time periods or costs that are significantly longer or greater than expected. In such situations, the financial position and growth prospects of the Company may adversely be affected.

***Shifting consumer preferences and the changes in traditions and practices can affect the demand for the Company's death care services.***

Increasing demand for the Company's death care services requires a continuous ability to foresee, recognize and adapt to shifting consumer preferences and changes in the traditions, practices and cultural beliefs of the market. For example, a shift from the tradition of using memorial lots to vaults will adversely affect the demand for memorial park projects. A shift in the tradition of storing urns in columbarium facilities to home storage or spreading of ashes will affect the performance of columbarium projects. Emerging trends, such as resomation, cryomation, green burials, among others, may reduce the demand for certain services that the Company currently offers. While the Company monitors prevailing market preferences, traditions and practices as part of its marketing and product development efforts, there can be no assurance that the Company will successfully identify, or adapt to, any such disruptive trends in time. Additionally, the emergence of such disruptive trends may require additional investments and costs to allow the Company to adapt to these changes, and any such costs may adversely affect the Company's results of operations and profit margins.

***The Company relies on third party agents to sell its products and services.***

The Company relies extensively on third party agents to sell its products and services in the country. For the years ending December 2013, 2014 and 2015, these agents accounted for approximately 98%, 97% and 98%, respectively of the Company's total sales. As the terms of engagement by the Company of these agents is non-exclusive, these agents, in general, may likewise offer products and services of the Company's competitors. The Company cannot give any assurance that these agents will give adequate focus to the Company's products and services and not favor or give priority to any other products these agents may otherwise offer. If a large number of these agents were to reduce focus on the Company's products and services, or otherwise terminate their arrangements with the Company, there can be no assurance that the Company would be able to replace these agents in a timely or effective manner.

The Company also has limited control over these third party agents and cannot monitor all aspects of their work. With this limited control, the Company cannot give assurance that none of its third party agents will make misleading representations and promises on the Company's products and services, leading to customer disputes and damage to the Company's reputation.

***The Company is exposed to risks associated with its instalment payment arrangements, including the risk of customer default.***

For the years ending December 31, 2013, 2014, and 2015, approximately 97% of the Company's total sales were from buyers availing of the Company's instalment payment plans and the Company expects to continue to rely on these instalment plans for its future revenues. As such, especially during periods of economic slowdown, rising inflation or unemployment, the Company's cash flows may be adversely affected by any increase in delayed payments or defaults thereof. While the Company believes that it has adequate contractual protection embedded in such instalment plans arising from delay or default in payment, and while the Company can re-sell the memorial lot of any defaulting customer, there can no assurance that any re-sale can be immediately implemented or the proceeds therefrom immediately realized. A rise in delayed payments or defaults can adversely affect the Company's business, financial condition and results of operations.

***The Company faces risks associated with certain recent memorial park acquisitions.***

In 2015, the Company entered into agreements for the acquisition of two existing memorial parks located in the provinces of Pampanga and Nueva Vizcaya, with the objective of redeveloping these memorial parks and offering to the market, new memorial lot products conforming to the Company's product and pricing policies. While the Company believes that it has exercised prior due diligence in evaluating such acquisitions, there can be no assurance that the Company will not in the future be involved in or subject to claims, allegations or suits with respect to the previous business and operations of these memorial parks which arose prior to the acquisitions. Should such claims, allegations or suits arise, claimants may (rightfully or wrongly) seek redress or compensation for their claims against the Company's present management or assets, and the Company may still be at risk under principles of successor-in-interest liability. Despite the fact that the Company has, as part of such acquisitions, provided for indemnities against certain liabilities or claims or established other contractual protections, any adverse claim or liability could expose the Company to negative publicity, which could have a material adverse effect on its business and prospects, financial condition, and results of operations.

***The Company faces uncertainties and risks related to its expansion plans.***

The Company's growth is predicated on several initiatives that have been or will be implemented in 2016 and 2017. These strategies include new memorial park developments, the construction and sales of columbarium facilities, the provision of facilities for memorial services, and the sale of death care merchandise. Each of these initiatives are based on judgements with respect to market demand, competitive actions, land acquisition, construction and development costs, access to persons with the expertise to implement these initiatives, among others.

The Company faces several risks in the execution of these initiatives; these include overestimated demand and sales expectations, actual supply and cost of land for its development, construction cost overruns, the timely grant of regulatory approvals and permits, and the performance of the Company's personnel and third party contractors. If the Company is not able to manage these execution risks, its expansion initiatives may fall short of expectations and may adversely affect the Company's future financial standing and profitability.

***The Company faces risks relating to its prospective memorial parks and columbaries, chapels and memorial service facilities, including risks relating to project cost and completion.***

The Company's principal business is the development and sale of its memorial parks and the development and sale of its columbarium projects. In the future, the Company also anticipates revenues and income from services provided by its crematoriums, chapels and memorial service facilities. All these developments involve significant risks, such as the risk that the Company may invest significant time and money in a project that may not attract sufficient levels of demand in terms of anticipated sales or which may not be commercially viable. In addition, the time and the costs involved in completing the development and construction of these projects can be adversely affected by many factors, including shortages of materials, equipment and labor, adverse weather conditions, peso depreciation, natural disasters, labor disputes with contractors and subcontractors, accidents, changes in laws or in Government priorities and other unforeseen problems or circumstances. Any of these factors could result in project delays and cost overruns, which could negatively affect the Company's margins. Especially in the case of revenues recognized from sales of its memorial lots and columbarium projects, project delays may also result in sales and resulting profits from a particular development not being recognized in the

year in which it was originally expected to be recognized, which could adversely affect the Company's results of operations for that year. Further, the failure by the Company to complete construction of a project to its planned specifications or schedule may result in contractual liabilities to purchasers and lower returns. The Company cannot provide any assurance that such events will not occur in a manner that would materially and adversely affect its results of operations or financial condition.

***Independent contractors for prospective memorial parks, columbarium projects, crematoriums, chapels and memorial service facilities may not always be available, and once hired by the Company, may not be able to meet the Company's quality standards or may not complete projects on time and within budget.***

The Company relies extensively on independent contractors to provide various services related to the development of its prospective memorial parks, columbarium projects crematoriums, chapels and memorial service facilities. The Company selects independent contractors principally by conducting tenders and taking into consideration factors such as the contractors' experience, its financial and construction resources, any previous relationship with the Company, its reputation for quality and its track record. There can be no assurance that the Company will be able to find or engage an independent contractor for any particular project or find a contractor that is willing to undertake a particular project within the Company's budget, which could result in costs increases or project delays.

Further, although the Company's personnel actively supervise the work of such independent contractors, there can be no assurance that the services rendered by any of its independent contractors will always be satisfactory or be consistent with the Company's requirements and standards for quality. Any of these contractors may also experience financial or other difficulties, and shortages or increases in the price of construction materials may occur, any of which could delay the completion or increase the cost of certain housing and land development projects, and the Company may incur additional costs as a result thereof. Any of these factors could have a material adverse effect on the Company's business, financial condition and results of operations.

***Abrupt movements in inflation and yields on investment assets may adversely affect the Company's ability to meet its costs of maintaining its memorial parks and columbaries.***

The Company relies on financial budgeting models to set up funds aimed to meet maintenance obligations of its memorial parks and columbaries and these models rely on assumptions with respect to sales volumes and collections, maintenance costs over time, and returns on the funds' investment assets. Significantly adverse deviations from these assumptions, such as slower than expected sales volumes, higher costs of materials and labour, the occurrence of natural disasters, fire and other similar events, and the yields on the investment funds assets, can make actual returns of generated by investment funds insufficient to meet the Company's maintenance obligations. Such situations will reduce the Company's profits and cash flow in the future.

***Compliance with environmental, health, safety and other government regulations and costs associated therewith may adversely affect the Company's results of operations or profit margins.***

The Company's operations require compliance with government environmental, health, safety and other regulations and the procurement of various approvals, permits and licences from certain government agencies. For example, before any of the Company's properties may be fully developed into memorial parks or columbarium facilities, such development must have complied with pertinent regulations relating to, among others, land conversion, zoning and environmental clearances from the Housing and Land Use Regulatory Board ("HLURB"), the Laguna Lake Development Authority ("LLDA"), Department of Natural Resources ("DENR"), Department of Agrarian Reform ("DAR") and Department of Health ("DOH"), and other local government agencies. Other death care services, on the other hand, require periodic approvals, registrations and reportorial compliance with the DOH. The Company has incurred and will continue to incur costs and expenses to comply with such laws and regulations. Violations of these laws or regulations could result in regulatory actions with substantial penalties and there can be no assurance that the Company will not become involved in future litigation or other proceedings or be held responsible in any such future litigation or proceedings relating to environmental, health and safety matters, the costs of which could be material. In addition, any significant change in such laws or regulations or their interpretation, or the introduction of higher standards or more stringent laws or regulations could result in increased compliance costs or capital expenditures and can have adverse effects on the Company's profitability and growth prospects.

*A substantial portion of the lands forming part of Golden Haven Iloilo Park are presently subject of land use conversion proceedings which, if adversely decided, may prevent the Company from using or continuing to use such lands as memorial park lots.*

Several parcels of land forming part of the Company's Golden Haven Iloilo Park, with an aggregate land area of approximately five hectares and which were previously classified as agricultural lands, are presently subject of land use conversion proceedings initiated by the Company (or at its instance) with the DAR. For a more detailed discussion of the land use conversion proceedings relating to the foregoing lands, see "Business-Legal Proceedings" on page 20 of this Prospectus.

Under prevailing law, the approval by the DAR is necessary for the reclassification or conversion of the use of lands from agricultural to non-agricultural use. Otherwise, developers of lands previously classified as agricultural lands may be made subject to sanctions imposed by the DAR and may be prevented from undertaking any non-agricultural activities on such lands.

The Company believes that the application for the land use conversion over the relevant lands forming part of the Golden Haven Iloilo Park will be approved by the DAR in due course, considering that such lands have long been re-classified and rezoned for non-agricultural purposes by the applicable legislative bodies of the relevant local government units. Further, as of the date of this Prospectus, the Company holds all the requisite permits to develop and sell such lands as memorial park lots (including the development permit from the local governments of Iloilo and the permit to sell from the HLURB).

Nevertheless, in the event that the application for the land use conversion over the relevant lands forming part of the Golden Haven Iloilo Park is denied or otherwise disapproved by the DAR, the Company may be exposed to sanctions imposed by the DAR and may be prevented from undertaking (or continuing to undertake) its development activities within the affected area of the Golden Haven Iloilo Park, either of which, in turn, may adversely affect the Company's results of operations, business and financial performance.

*Certain of the lands used by the Company for its memorial park lots remain titled in the names of the previous owners thereof.*

The Company's key properties include its lands (raw and partially developed) designated or undergoing development into death care facilities such as memorial parks and columbaries, as well as those lands where existing death care facilities have been built or located. For a more detailed discussion on the Company's inventory of real estate, see "Business-Properties" on page 20 of this Prospectus.

Certain of such lands, including those used or otherwise underlying its existing memorial parks, remain registered in the names of the previous owners thereof despite the completion of the sale to and purchase by the Company of title to and ownership thereof, as evidenced by duly executed and fully-consummated deeds of sale executed with such previous owners. As of the date of this Prospectus, the Company has initiated or is otherwise in the process of completing all administrative procedures necessary for the cancellation of the prior certificates of title covering such lands and the issuance of new certificates of title over the same properties in the name of the Company.

Under Philippine law, the certificates of title issued by the Register of Deeds issued over registered lands comprises the best evidence of ownership over such land, and third persons who may otherwise deal or transact with such lands are entitled to rely on such certificates of title. Since the relevant lands have not been registered in the name of the Company, it is therefore possible that third persons who hold claims against the previous owners of such lands may seek to enforce their claims against such previous owners against such lands to the extent the latter remain registered in the names of such persons.

The Company believes that the registration of its acquisition of the relevant lands will be completed in due course, and that the risk that the relevant Registers of Deeds will deny such formal registration or that third persons would be able to make claims against such lands is low, considering that the purchase thereof has been adequately documented, all taxes, charges or fees for which the Company is liable applicable to or arising from such purchase have been paid or otherwise accounted for, and the Company presently holds the original owners' duplicates of title covering such lands. Nevertheless, if such registration is denied or interested third persons successfully enforce their claims against such lands, the Company's current and prospective operations, its business and financial performance may be adversely affected.



*Natural disasters such as typhoons, floods, tsunamis, earthquakes, volcanic eruptions and fire could damage the Company's properties and severely hamper operations.*

The Company's memorial parks, columbarium facilities, and other death care facilities may be exposed to occurrences of natural disasters such as typhoons, floods, earthquakes, volcanic eruptions and fire which could inflict extensive property damage and disrupt operations. The value and attractiveness of memorial parks or columbarium facilities, for example, may be damaged by the occurrence of extremely destructive natural disasters and will adversely affect the Company's business and financial performance.

*The Company's performance depends on the performance of key personnel and the ability to recruit qualified personnel.*

The Company's performance significantly depends upon the continued contributions of its executive officers and key employees, both individually and as a group, and the Company's ability to retain and motivate them. The Company's directors and members of its senior management have been an integral part of its success, and the experience, knowledge, business relationships and expertise that would be lost should any such persons depart could be difficult to replace and may result in a decrease in the Company's operating efficiency and financial performance. While the Company believes that it has provided its directors and key senior management with generous compensation, a highly skilled and reputable executive is always subject to piracy by competitors. If its directors or key management officers are not retained or if suitable replacements are not recruited, the Company's current and prospective operations, and ultimately its financial performance, may be adversely affected.

*The investment assets of the Company's maintenance funds may not be sufficient to cover future death care services costs, specifically, the costs of operation and maintenance of the Company's memorial parks and columbaries, or such investment assets may suffer significant losses or experience sharp declines in their returns, which would have a material adverse effect on the Company's results of operations and its ability to discharge its obligations under sold funeral services packages and to properly maintain its memorial parks or columbaries.*

Part of the Company's business involves discharging ongoing or future obligations, such as maintaining its memorial parks and columbarium facilities. To discharge these obligations, the Company has engaged professional fund managers to maintain and manage its maintenance funds that can only be utilized for such specific purposes. As of 31 March 2016, the aggregate balance of the Company's maintenance funds was RMB131.70 million.

The investments of the Company's existing maintenance funds for its death care facilities are managed by the China Banking Corporation, acting through its Trust and Investments Group, the designated manager under the escrow and fund management arrangements entered into by the Company for this purpose. However, these investments are subject to inherent investment risks, and there is no assurance that the investments will not suffer losses in the future, or that the return on the investments will be sufficient to cover future cemetery and columbarium facilities maintenance costs.

Realized losses on the maintenance funds are recorded as other losses in the Company's statements on profit and loss and therefore would have a direct impact on its profits for the year. In addition, as these funds are maintained to discharge the Company's obligations of maintaining its memorial parks and columbaries, significant losses on these funds may result in insufficient funds for these purposes. Maintenance funds may fail to yield adequate returns to support the maintenance of the applicable cemetery using income of the fund. In such event, the Company may be required to cover any such shortfall using its cash resources, which may have a material adverse effect on the Company's liquidity.

*The Company's major shareholder could affect matters concerning the Company.*

Following the Offer, Fine Properties, the parent company of Golden Haven will continue to hold a substantial majority of the Company's outstanding voting stock, including the Common Shares. As a result, the Company's principal shareholder will be able to significantly affect the outcome of any shareholder voting, including the election of directors or most other corporate actions which require a vote by a corporation's shareholders, thereby affecting matters concerning the Company. The interest of the Company's major shareholder may not necessarily be aligned with those of minority shareholders of the Company, and Fine Properties is not under any legal obligation to exercise its rights as a shareholder in the Company in the Company's best interests or the best

interests of the Company's other shareholders. If the interests of Fine Properties conflict with the interests of the Company, the Company could be disadvantaged by the actions that Fine Properties chooses to pursue.

## **RISKS RELATED TO THE PHILIPPINES**

### *A slowdown in the Philippines' economic growth could adversely affect the Company.*

Historically, the Company's results of operations have been influenced, and the Company believes that it will continue to be influenced, to a significant degree by the general state of the Philippine economy. As a result, income and results of operations depend, to a significant extent, on the performance of the Philippine economy. In the past, the Philippines has experienced periods of slow or negative growth, high inflation, significant devaluation of the Peso and the imposition of exchange controls.

In addition, the global financial, credit and currency markets have, during the global financial crisis of 2008, experienced significant dislocations and liquidity disruptions. These and other related events have had a significant impact on the global capital markets and the global credit and financial markets as a whole. The related slowdown in the economies of the United States, the European Union and certain Asian countries has affected, and such slowdowns may adversely affect, in the future, economic growth in the Philippines.

In recent years, the gross domestic product ("GDP") of the Philippine grew by 6.8% in 2012, 7.2% in 2013, 6.1% in 2014 and 5.8% in 2015. Despite such GDP growth, there can be no assurance that the country's GDP will continue to grow at the same level in the future. Prospects for future growth remain uncertain and the Government may be required to increase borrowings in order to meet its operational needs. Any deterioration in the Philippine economy may adversely affect consumer sentiment and lead to a reduction in demand for our products. There can be no assurance that current or future Governments will adopt economic policies conducive to sustaining economic growth.

### *Any political instability in the Philippines may adversely affect the Company's business and financial performance.*

The Philippines has from time to time experienced political and military instability, including acts of political violence. The Philippine Constitution provides that in times of national emergency, when the public interest so requires, the Government may take over and direct the operation of any privately owned public utility or business. No assurance can be given that the political environment in the Philippines will be stable and any political instability in the future could reduce demand for the Company's products.

In 2001, allegations of corruption against former President Joseph Estrada resulted in protracted televised impeachment proceedings against him. These proceedings were followed by widespread street demonstrations and a public withdrawal of support for Estrada by the military that eventually forced Estrada to resign. On July 27, 2003, over 270 military officers and soldiers conducted an unsuccessful coup d'état against Estrada's successor, President Gloria Macapagal-Arroyo, due to allegations of corruption.

After the May 2004 elections, President Arroyo was re-elected and persistent accusations of corruption and electoral fraud were made against Arroyo during her second term. On February 24, 2006, another attempted coup d'état led President Arroyo to issue Proclamation 1017, which was criticized as a virtual declaration of martial law and portions of it were later declared unconstitutional by the Supreme Court of the Philippines. On November 29, 2007, Senator Antonio Trillanes IV, a leader of the 2003 coup d'état who was elected to the Senate while in jail, led an armed occupation by military officers and soldiers of a luxury hotel in the Makati financial district and publicly called for President Arroyo's ouster. Senator Trillanes and his troops later surrendered.

On November 23, 2009, in the southern island of Mindanao's Maguindanao province, approximately 100 armed men allegedly affiliated with the Ampatuan political family murdered 58 persons, including members of the Mangudadatu family (the Ampatuans' political rivals in the province), lawyers, journalists and aides accompanying them, and motorists whose vehicles were behind the Mangudadatus' vehicles. This was the bloodiest incident of political violence and of violence directed at journalists in the Philippines' recent history and President Arroyo sent hundreds of troops to and declared martial law over Maguindanao after the incident.

In December 2011, the House of Representatives initiated impeachment proceedings against Renato Corona, Chief Justice of the Supreme Court of the Philippines. The impeachment complaint accused Chief Justice Corona of improperly issuing decisions that favored former President Arroyo, as well as failure to disclose certain properties, in violation of laws and rules applicable to all public employees and officials. The trial of Chief Justice Corona was conducted from January until May 2012, with Corona being found guilty with respect to his failure to disclose to the public his statement of assets, liabilities, and net worth, and was impeached.

In July 2013, a major Philippine newspaper exposed a scam relating to the diversion and misuse of the Priority Assistance Development Fund by some members of Congress through pseudo-development organizations headed by Janet Lim Napoles. As a result of this exposé, a number of investigations, including one in the Senate, have been launched to determine the extent of the diversion of the Priority Assistance Development Fund and the Government officials and the private individuals responsible for the misappropriation of public funds. On September 16, 2013, cases of plunder and malversation of public funds were filed with the Office of the Ombudsman against Janet Lim Napoles, three senators, a few members of the House of Representatives and other Government personnel.

In July and December 2014, complaints for plunder and violations of the Anti-Graft and Corrupt Practices Act of the Philippines were filed against Vice President Jejomar C. Binay and his son, Makati City Mayor Jejomar Erwin Binay, accusing the Binays of over-pricing the construction of a parking building at more than ₱1.314 billion and a city high school at more than ₱1.33 billion. The first complaint prompted the Senate to form a Senate Blue Ribbon subcommittee tasked to investigate the alleged overpricing of the construction of the parking building and other anomalies committed by the Vice President. In October 2015, the Ombudsman ordered the dismissal of Makati City Mayor Binay for grave misconduct and dishonesty in relation to construction of the parking building. In February 2016, the Senate Blue Ribbon subcommittee submitted its partial committee report with a recommendation to file criminal charges against the Binays.

National and local elections as well as elections for the regional officials of the Autonomous Region of Muslim Mindanao were held on May 9, 2016. The Government acknowledged [28] violent incidents related to the elections, including death.

In addition, the Government of the Philippines and the Armed Forces of the Philippines (“AFP”) have clashed with members of several separatist groups seeking greater autonomy, including the Moro Islamic Liberation Front (“MILF”), the Moro National Liberation Front (“MNLF”), Bangsamoro Islamic Freedom Fighters (“BIFF”) and the New People’s Army. Continued terrorist activities, military operations and high-profile violent crime in the Philippines could destabilize the country, adversely affecting the country’s business environment.

The Philippines has been subject to a number of terrorist attacks in the past several years. The Philippine army has been in conflict with the Abu Sayyaf organization which has been identified as being responsible for kidnapping and terrorist activities in the Philippines, and is also alleged to have ties to the Al-Qaeda and Isis terrorist networks. There have been sporadic bombings and prominent kidnappings and slayings of foreigners in the Philippines. On October 19, 2011, 19 AFP troops were killed in a firefight with MILF members in the southern Philippines. On December 16, 2011, five AFP soldiers were killed in a clash with the New People’s Army members.

In August 2013, a series of bombings occurred in the cities of Cagayan de Oro and Cotabato City, as well as other areas in Maguindanao and North Cotabato provinces, all located in Mindanao, and in September 2013, armed clashes took place between the MNLF and the AFP in Zamboanga City in Mindanao, with a number of civilians being held hostage. These continued conflicts between the Government and separatist groups could lead to further injuries or deaths by civilians and members of the AFP, which could destabilize parts of the country and adversely affect the country’s economy. While peace efforts with the MILF have continued to progress, tensions once again arose when 44 members of the Philippine National Police’s Special Action Force were killed in a January 2015 firefight allegedly involving members of the MILF and the BIFF.

In September 2015, four tourists were kidnapped from Samal Island by a group of armed men from the Abu Sayaff organization. One of the kidnapped victims was killed on April 26, 2016 after the demands of the group were not met.

Political instability in the Philippines could negatively affect the general economic conditions and operating environment in the Philippines, which could have a material impact on our business, financial condition and results of operation.

***Territorial and other disputes with China and a number of Southeast Asian countries may disrupt the Philippine economy and business environment.***

The Philippines, China and several Southeast Asian nations have been engaged in a series of long standing territorial disputes over certain islands in the West Philippine Sea, also known as the South China Sea. Despite efforts to reach a compromise, a dispute arose between the Philippines and China over a group of small islands and reefs known as the Scarborough Shoal. In April and May 2012, the Philippines and China accused one another of deploying vessels to the shoal in an attempt to take control of the area, and both sides unilaterally imposed fishing bans at the shoal during the late spring and summer of 2012. These actions threatened to disrupt trade and other ties between the two countries, including a temporary ban by China on Philippine banana imports, as well as a temporary suspension of tours to the Philippines by Chinese travel agencies. Since July 2012, Chinese vessels have reportedly turned away Philippine fishing boats attempting to enter the shoal, and the Philippines has continued to protest China's presence there. In January 2013, the Philippines sent notice to the Chinese embassy in Manila that it intended to seek international arbitration to resolve the dispute under the United Nations Convention on the Law of the Sea. China has rejected and returned the notice sent by the Philippines requesting arbitral proceedings. Chinese vessels have also recently confronted Philippine vessels in the area, and the Chinese government has warned the Philippines against what it calls provocative actions. Recent talks between the Government of the Philippines and the United States of America about increased American military presence in the country, particularly through possible American forays into and use of Philippine military installations, may further increase tensions.

In early March 2013, several hundred armed Filipino-Muslim followers of Sultan Jamalul Kiram III, the self-proclaimed Sultan of Sulu from the south of the Philippines, illegally entered Lahad Datu, Sabah, Malaysia in a bid to enforce the Sultan of Sulu's historical claim on the territory. As a result of the illegal entry, these followers engaged in a three-week standoff with the Malaysian armed forces, resulting in casualties on both sides. Clashes between the Malaysian authorities and followers of the Sultan of Sulu have killed at least 98 Filipino-Muslims and 10 Malaysian policemen army since March 1, 2013. In addition, about 4,000 Filipino-Muslims working in Sabah have reportedly returned to the southern Philippines.

On May 9, 2013, a Philippine Coast Guard ship opened fire on a Taiwanese fisherman's vessel in a disputed exclusive economic zone between Taiwan and the Philippines, killing a 65-year old Taiwanese fisherman. Although the Philippine government maintained that the loss of life was unintended, Taiwan imposed economic sanctions on the Philippines in the aftermath of the incident. Taiwan eventually lifted the sanctions in August 2013 after a formal apology was issued by the Government of the Philippines. However, the incident has raised tensions between the two countries in recent months.

Should territorial disputes between the Philippines and other countries in the region continue or escalate further, the Philippines and its economy may be disrupted and the Company's operations could be adversely affected as a result. In particular, further disputes between the Philippines and other countries may lead to reciprocal trade restrictions on the other's imports or suspension of visa-free access and/or Overseas Filipino Worker ("OFW") permits. Any impact from these disputes in countries in which the Company has operations could materially and adversely affect our business, financial condition and results of operations.

***The occurrence and frequency of natural catastrophes or other catastrophes, severe weather conditions, continue to beset the Philippines.***

The Philippines has experienced a number of major natural catastrophes over the years, including typhoons, droughts, volcanic eruptions and earthquakes. In October 2013, a 7.2 magnitude earthquake affected Cebu and the island of Bohol, and on November, 2013, Super Typhoon Haiyan (also known as Yolanda in the Philippines) caused destruction and casualties of an as yet undetermined amount, in Tacloban, certain parts of Samar, and certain parts of Cebu City, all of which are located in the Visayas, the southern part of the Philippines. There can be no assurance that the occurrence of such natural catastrophes in areas where the Company's projects are located will not materially disrupt operations, affect its ability to complete projects, and result in losses not covered by its insurance. The occurrence of damage to structures resulting from such natural catastrophes could also give rise to claims against the Company from third parties or from customers for physical injuries or damage to property.

While the Company obtains and maintains insurance to cover such risks as are usual in the industry and locations in which it operates, there are losses for which the Company cannot obtain insurance at a reasonable cost or at all. However, should an uninsured loss or a loss in excess of insured limits occur, the Company could lose all or a portion of the capital invested in a project, as well as the anticipated future turnover of such project, while remaining liable for any costs or other financial obligations related to the project. Any material uninsured loss could materially and adversely affect the Company's business, financial condition and results of operations.

***The sovereign credit ratings of the Philippines may adversely affect the Company's business.***

Historically, the Philippines' sovereign debt has been rated relatively low by international credit rating agencies. Although the Philippines' long-term foreign currency-denominated debt was recently upgraded by each of Standard & Poor's, Fitch Ratings and Moody's to investment-grade, no assurance can be given that Standard & Poor's, Fitch Ratings or Moody's or any other international credit rating agency will not in the future downgrade the credit ratings of the Government and, therefore, Philippine companies. Any such downgrade could have an adverse impact on the liquidity in the Philippine financial markets, the ability of the Government and Philippine companies, including us, to raise additional financing and the interest rates and other commercial terms at which such additional financing is available.

**RISKS RELATING TO THE OFFER SHARES AND THE OFFER**

***The Common Shares, including the Offer Shares, have had no previous public market and its price may be subject to volatility and market forces and the liquidity or trading activity for the Company's shares may be limited.***

There has been no previous public market for Common Shares prior to the Offer. The initial issue price range for the Offer Shares was the outcome of consultations between the Company and the Issue Manager and Sole Underwriter and the Offer Price may be significantly higher than the market price of the Common Shares after the Offer. The Company has applied for [and has secured] the approval to list the Common Shares, including the Offer Shares, on the PSE. However, listing in the PSE gives no assurance that an active trading market for the Common Shares will arise, or if it arises, that it will continue to thrive after the Offer or that the market price of the Common Shares will not drop after the Offer.

Furthermore, the trading volume and price of the Common Shares may be subject to market volatility. The market price of the Common Shares after the Offer may fluctuate due to the following factors, among others:

- volatility in stock market prices and volume;
- fluctuations in the Company's revenue, cash flow and earnings;
- changes in the estimates of the Company's financial performance by analysts;
- any perceived decrease in the Company's competitiveness in the market;
- unforeseen disruptions and disturbances caused by natural and man-made disasters;
- departure of members of senior management and key personnel;
- embroilment in legal disputes;
- failure to maintain or obtain regulatory approvals for the Company's business and operations;
- unfavourable economic, political, social, and financial developments in the Philippines and the global economy.

***The relative volatility and illiquidity of the Philippine securities market may substantially limit investors' ability to sell the Shares at a suitable price or at a time they desire.***

The Philippine securities markets are substantially smaller, less liquid, and more volatile relative to major securities markets such as the United States and other jurisdictions, and are not as highly regulated as some of these other markets are. In recent years, stock markets, including the PSE, have experienced extreme price and volume fluctuations. This volatility has had a significant effect on the market price securities issued by many companies for reasons unrelated to the operating performance of these companies. These broad market fluctuations may adversely affect the market prices of the Company's Shares.

***The Offer Shares may not be a suitable investment for all investors.***

Each potential investor in the Offer Shares must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the Company and its business, the merits and risks of investing in the common shares and the information contained in this Prospectus;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Offer Shares and the impact the Offer Shares will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Shares, including where the currency for purchasing and receiving dividends on the Shares is different from the potential investor's currency;
- understand and be familiar with the behavior of any relevant financial markets; and
- be able to evaluate (either alone or with the help of a financial advisor) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

***Investors in the Offer Shares will face immediate and substantial dilution in the net asset value per Offer Share and may experience future dilution.***

The Offer Price is substantially higher than the net book value per share of ₱1.03 as at 31 December 2015. Thus, there will be an immediate and substantial dilution in the net asset value per share to new investors. See "Dilution" on page 37 of this Prospectus.

***The Company may be unable to pay dividends on the Offer Shares.***

As of the date of this Prospectus, the Company has not adopted a specific dividend policy which defines a minimum percentage of net earnings to be distributed to holders of the Common Shares, including the Offer Shares. While dividends may be declared by the Board in due course out of the Company's unrestricted retained earnings, there is no assurance that the Company can or will declare dividends on the Common Shares, including the Offer Shares, in the future. Future dividends, if any, will be at the discretion of the board of directors and will depend upon the future results of the Company's operations and general financial condition, capital requirements, legal, regulatory and contractual restrictions, loan obligations, and other factors the Board may deem relevant.

***Foreign ownership limitations may affect the liquidity of the market for the Offer Shares.***

The Constitution and other related statutes restrict the ownership of land in the Philippines to Philippine Nationals. The term "Philippine National" as defined under the Foreign Investments Act (Republic Act No. 7042, as amended) means a citizen of the Philippines, or a domestic partnership or association wholly-owned by citizens of the Philippines, or a corporation organized under the laws of the Philippines of which at least 60% of the capital stock outstanding and entitled to vote is owned and held by citizens of the Philippines, or a corporation organized abroad and registered to do business in the Philippines under the Corporation Code, of which 100% of the capital stock outstanding and entitled to vote is wholly-owned by Filipinos or a trustee of funds for pension or other employee retirement or separation benefits, where the trustee is a Philippine National and at least 60% of the fund will accrue to the benefit of Philippine Nationals. Foreign equity participation in entities such as the Company, which owns land used for its memorial parks, columbaries and other death care facilities, is limited to a maximum of 40% of the Company's issued and outstanding capital stock. Accordingly, to the extent that foreign investors' ability to buy the Offer Shares is limited, these restrictions may affect the liquidity of the Offer Shares.

***There can be no guarantee that the Offer Shares will be listed on the PSE***

Subscribers of the Offer Shares are required to pay for their purchase in full upon submission of their Applications during the Offer Period. [The PSE has approved] [Even assuming approval by the PSE of] the Company's application to list the Offer Shares, [but] the Listing Date is [will be] scheduled on a date that is a date after end of the Offer Period. The Company has taken steps to ensure that it fully complies with the registration and listing requirements and regulations in order to ensure that the Offer Shares will be listed on the PSE. However, there can be no guarantee that listing will occur on the anticipated Listing Date or at all. Delays in admission and commencement of trading in shares on the PSE have occurred in the past. If the PSE does not admit the Offer Shares onto the PSE, the market for the Offer Shares will be illiquid and investors may not be able to trade the Offer Shares. However, they would be able to sell their Shares by negotiated sale. This may materially and adversely affect the value of the Offer Shares.

***The sale or possible sale of a substantial number of the Offer Shares in any private or public sales following the Offer could adversely affect the price of the Offer Shares.***

Any future issue or sale of the Company's Common Shares, the disposal of Common Shares by the Company's major shareholders or the perception that such issuances, sales or disposals may occur may have a downward pressure on the price of the Company's Common Shares and there can be no assurance that such issuances, sales or disposals will not take place. To the extent further new Common Shares are issued, there may be dilution to present holders of the Company's Common Shares.



## USE OF PROCEEDS

Assuming a maximum Offer Price of ₱[10.62], the Company expects to raise from the Offer gross proceeds of approximately ₱[787.13] million. After deducting fees, taxes and other expenses related to the Offer as set out below, the net proceeds of the Offer will be approximately ₱[711.25] million.

The costs and expenses to be incurred by the Company for the Offer will be approximately ₱[75.88] million, consisting of:

Gross Proceeds (assuming an Offer Price of ₱[10.62])	₱[787,129,411]
Estimated Offer expenses:	
PSE listing and processing fees	[5,933,232]
SEC registration fees	[875,425]
Underwriting and selling commission fees	[23,613,882]
Estimated professional and accounting fees	[3,050,000]
IPO and documentary stamp tax	[31,855,764]
Miscellaneous expenses	[10,550,000]
Total Offer Expenses	[75,878,305]
<b>Estimated Net Proceeds</b>	<b>₱[711,251,106]</b>

The Company intends to use the net proceeds from the Offer to fund its acquisition, growth and expansion strategies, in particular, increasing the capacity of its existing cemeteries, columbarium facilities and funeral homes through undertaking land and site development of the undeveloped areas of its existing memorial parks, land acquisition, and the construction and completion of new memorial chapels and crematory facilities within the Golden Haven Las Piñas Park, as well as for general corporate purposes, including but not limited to working capital requirements, costs of sales and other operating expenses. For a more detailed discussion on the Company's expansion and growth initiatives, see "Description of the Business" on page 47 of this Prospectus.

### *Land Bank Development*

Part of the Company's key strategies is to continue to work on developing existing, undeveloped and contiguous land areas of its memorial parks, which would allow it to increase its inventories to meet emerging market demand for its products. Development activities will include site preparation, landscaping, beautification and other related civil works on the relevant areas intended to make the same suitable for further development into memorial park spaces.

As of the date of this Prospectus, the Company intends to utilize up to ₱231.84 million of the estimated net Offer proceeds to fund development activities for the undeveloped land areas located within the following memorial parks:

- Golden Haven Cebu Park
- Golden Haven Iloilo Park
- Golden Haven Cagayan de Oro Park
- Golden Haven Zamboanga Park
- Golden Haven Bulacan Park

In addition, Golden Haven intends to utilize a portion of the proceeds to undertake additional landscaping and other beautification activities within the land areas surrounding the Ezekiel Complex.

### *Land Acquisition*

The Company has agreed to acquire two existing memorial parks with an aggregate land areas of 8.2 hectares located in the provinces of Pampanga and Nueva Vizcaya. These memorial parks have been subdivided into approximately 24,400 memorial lots and, as of the date of this Prospectus, are being re-developed by the Company to conform to its quality standards.

Likewise, the Company has agreed to acquire a 1.4 hectare undeveloped property located in the province of Iloilo contiguous to its existing memorial park in the area, the Golden Haven Iloilo Park. The Company intends to develop this area as an additional phase or as an expansion of the Golden Haven Iloilo Park.

For each of the foregoing acquisitions, the Company has made initial payments to the respective sellers of the to enable the Company to take immediate possession thereof and commence initial development activities. However, until full payment of the purchase price for each property, title to the properties will remain with the respective sellers.

As of the date of this Prospectus, the balance of the purchase price due to the sellers for the properties acquired in Pampanga, Nueva Vizaya and Iloilo amount to ₱6.98 million, ₱57.29 million and ₱18.03 million, respectively. None of the sellers of these properties is an affiliate or other related party of the Company.

#### *Construction of Golden Haven Las Piñas Chapel & Crematorium*

As of the date of this Prospectus, the Company has commenced initial design, engineering, procurement and civil works for the construction of additional death care facilities to augment the existing products and services offered by the Golden Haven Las Piñas Park. Once completed, the Golden Haven Las Piñas Park would be able to offer additional death care services such as memorial, internment and creation services.

Construction of the additional death care facilities for the Golden Haven Las Piñas Park is being undertaken by MGS Construction, Inc., under a construction agreement entered into by the Company in May 2016. Under the terms of this agreement, the contractor shall perform all construction including earthworks, structural, architectural, mechanical and electrical works for the memorial chapel and crematorium facilities to be located within the Golden Haven Las Piñas Park. The total contract price is ₱93.0 million, and shall be paid by the Company based on progress billings by the contractor.

On the other hand, the crematorium facilities will be supplied by Coolidge Trading Corporation for a total purchase price of ₱6.5 million. As with the Company's contract with MGS Construction, Inc., payments to Coolidge Trading Corporation will be made under installments based on progress billings by the latter.

Neither MGS Construction, Inc. or Coolidge Trading Corporation is an affiliate or other related party of the Company.

The Company likewise expects to enter in due course additional contracts for fit-out and finishing works, as well as for the purchase of relevant fixtures, properties such as service vehicles and hearses, and other associated equipment for the memorial chapel and the crematorium facilities and the services to be provided by these. Costs for these additional works and acquisitions are estimated to amount to ₱95.99 million.

In summary, the Company's proposed use of the net proceeds from the Offer is as follows, in order of priority:

Project	Particulars	Amount Allocated	Estimated Disbursement Schedule
Land bank development	Land and site development of undeveloped areas of existing parks consisting of areas located in: <ul style="list-style-type: none"> <li>• Cebu</li> <li>• Iloilo</li> <li>• Cagayan de Oro</li> <li>• Zamboanga</li> <li>• Bulacan</li> <li>• San Exekiel</li> </ul>	Up to 231,836,415	2016-2017

Project	Particulars	Amount Allocated	Estimated Disbursement Schedule
Land acquisition	Payment for balance of acquisition costs for lands located in:	Up to 82,300,974	2Q 2016 to 4Q 2017
	• Iloilo	6,981,739	
	• Bambang, Nueva Vizcaya	57,286,655	
	• San Fernando, Pampanga	18,032,580	
Construction of Golden Haven Las Piñas Chapel & Crematorium	Building, land development, property and equipment acquisition costs for the construction and completion of the Golden Haven Las Piñas Chapel & Crematorium within the Golden Haven Las Piñas Park	Up to 195,490,950	1Q 2017
General corporate purposes	Working capital requirements and other operating expenses	Up to 201,625,269	2016-2017

The proposed use of proceeds described above represents the Company's best estimate of the use of the net Offer proceeds. The actual amount and timing of disbursement of the net proceeds from the Offer based on the uses stated above will depend on factors such as changing market conditions or new information regarding the cost or feasibility of the Company's geographic and product expansion projects. The Company's cost estimates may change as it develops its plans, and actual costs may be different from its budgeted costs. To the extent that the net proceeds from the Offer are not immediately applied to the above purposes, the Company will invest the net proceeds in short term demand deposits and money market placements. In the event that there is any change in the Company's development plan, including *force majeure* and circumstances, such as (i) failure to obtain requisite approvals, (ii) changes in government policies that would render any of the above plans not commercially viable, the Company will carefully evaluate the situation and may reallocate the proceeds for future investments and/or hold such funds on short term deposit whichever is better for the Company's and its shareholders' interest taken as a whole. In such event, the Company will issue a public disclosure if there is any change in the above proposed use of proceeds and shall accordingly inform the SEC, the PSE and its shareholders at least 30 days prior to its implementation.

In the event that the actual expense are more than the foregoing estimates, or the actual net Offer proceeds are not sufficient to finance the projects described above, the Company will utilize the net proceeds based on their order of priority and will use internally generated funds and, where available, bank loans to finance the shortfall, or delay or abandon one or more of the components of its plans. In such an event, the Company will inform the SEC, the PSE and its shareholders at least 30 days prior to its implementation.

In the event of any significant deviation, material adjustment or reallocation in the planned use of proceeds, the Company will secure the approval of its Board of Directors for such deviation, adjustment or reallocation and promptly make the appropriate disclosures to the SEC and the PSE. The Company shall regularly disclose to the PSE, through the PSE Electronic Disclosure Generation Technology ("PSE EDGE"), any disbursements from the proceeds generated from the Offer. In addition, the Company shall likewise submit via the PSE EDGE the following disclosure to ensure transparency in the use of proceeds:

- Any disbursements made in connection with the planned use of proceeds from the Offer;
- Quarterly Progress Report on the application of the proceeds from the Offer on or before the first 15 days of the following quarter;
- Annual Summary of the application of proceeds on or before January 31 of the year following the initial public offering;
- Approval by the Company's Board of Directors of any reallocation on the planned use of proceeds, or of any change in the work program. The actual disbursement or implementation of such reallocation will be disclosed by the Company at least 30 days prior to the said actual disbursement or implementation;

- Certification by the Company's Chief Financial Officer or Treasurer and of an external auditor on the accuracy of the information reported by the Company to the PSE in the quarterly and annual reports; and
- A comprehensive report on the progress of its business plan on or before the first 15 days of the following quarter.

No portion of the net proceeds of the Offer will be used to repay outstanding obligations of the Company to the Issue Manager and Sole Underwriter, if any. Similarly, no portion of the net Offer proceeds shall be used to reimburse any officer, director, employee, shareholder or other affiliate for services rendered, assets previously transferred, money loaned or advanced. The Issue Manager and Sole Underwriter will receive a transaction fee from the Company equivalent to 3% of the gross proceeds from the sale of the Offer Shares. This is inclusive of the amounts to be paid to the trading participants, where applicable.

## PLAN OF DISTRIBUTION

The 74,117,647 Offer Shares shall be offered, through the Issue Manager and Sole Underwriter, to the general public including institutional investors and high net worth individuals. In the event that there are Offer Shares that remain unsubscribed, the Issue Manager and Sole Underwriter shall subscribe to the balance pursuant to the terms and conditions of the Underwriting Agreement between the Company and the Issue Manager and Sole Underwriter.

The Company shall pay the Issue Manager and Sole Underwriter a transaction fee equivalent to 3% of the gross proceeds from the sale of the Offer Shares, upon receipt by the Company of the Offer proceeds pursuant to the provisions in the Underwriting Agreement. The Issue Manager and Sole Underwriter will cede to the selling agents, if any, their corresponding respective selling commissions.

### **Underwriting Commitment**

The Offer will be underwritten at the Offer Price and in connection therewith, an Underwriting Agreement will be entered into on or before the commencement of the Offer, between the Company and the Issue Manager and Sole Underwriter, pursuant to which the Issue Manager and Sole Underwriter has firmly committed, to subscribe for, or procure subscribers for, or to purchase, or to procure purchasers for the 74,117,647 Shares to be offered. The Underwriting Agreement is subject to certain conditions and each is respectively subject to termination by the Issue Manager and Sole Underwriter if certain circumstances, including *force majeure*, occur on or before the time at which the Shares are listed on the PSE. In addition, this agreement is conditional, *inter alia*, on the Offer Shares being listed on the PSE on or before the stipulated date or such date as the Issue Manager and Sole Underwriter may agree.

Under the terms and conditions of the Underwriting Agreement, the Company has agreed, *inter alia*, to indemnify the Issue Manager and Sole Underwriter in respect of any breach of warranty by the Company contained therein.

### **Allocation to the Trading Participants of the PSE and Local Small Investor Program**

Pursuant to the rules of the PSE, the Company will make available [14,823,529] Offer Shares comprising 20% of the Offer for distribution to the PSE Trading Participants. Each PSE Trading Participant shall have an allocation of [112,300] Offer Shares, subject to reallocation as may be determined by the Issue Manager and Sole Underwriter. The total number of Offer Shares allocated to the PSE Trading Participants will be distributed following the procedures indicated in the Company's implementing guidelines for the Trading Participants.

PSE Trading Participants who take up the Offer Shares shall be entitled to a selling fee of 1% of the Offer Shares taken up and purchased by the relevant trading participant. The selling fee, less a withholding tax of 10%, will be paid to the trading participants within five banking days after the Listing Date.

PSE Trading Participants may be allowed to subscribe for their dealer accounts provided that, if they opt to sell the Offer Shares to the clients during the Offer period, it must be at the Offer Price per share. Likewise, PSE Trading Participants are prohibited from selling the Offer Shares during the period after the Offer period and prior to the Listing Date.

A total of [7,411,765] Offer Shares, or 10% of the Offer, shall be made available to LSIs. An LSI is defined as a subscriber to the Offer who is willing to subscribe to a maximum of ₱25,000 worth of Offer Shares under the LSI program. Should the total demand for the Offer Shares in the LSI program exceed the maximum allocation, the Issue Manager and Sole Underwriter shall allocate the Offer Shares by balloting.

The remaining 51,882,353 Offer Shares shall be distributed by the Issue Manager and Sole Underwriter to its clients or to the general public. Offer Shares not taken up by the PSE Trading Participants, the Issue Manager and Sole Underwriter's clients or the general public shall be purchased by the Issue Manager and Sole Underwriter.

**The Issue Manager and Sole Underwriter**

Asian Alliance Investment Corporation is an investment house incorporated in 1995 and obtained its license to operate as an investment house in April 1996. As such, it is licensed by the Philippine Securities and Exchange Commission to engage in underwriting or distribution of securities to the public. Asian Alliance has as total paid-up capital of ₱300 million. Over its 20-year history, Asian Alliance has been involved in a number of major equity transactions and debt arrangements.

The Issue Manager and Sole Underwriter has no other direct or indirect interest in the Company or in any securities thereof, including options, warrants or rights thereto. Furthermore, it does not have any relationship with the Company other than as the Issue Manager and Sole Underwriter for the Offer.

The Issue Manager and Sole Underwriter likewise has no direct relations with the Company in terms of ownership by either their respective major stockholders, and has no right to designate or nominate any member of the Company's Board.

There is no contract or arrangement existing between or among the Company, the Issue Manager and Sole Underwriter, or any other third party whereby the Issue Manager and Sole Underwriter may return any unsold securities from the Offer.

Furthermore, there are no Offer Shares which are designated to be sold to specified persons.

**Issue Manager's and Sole Underwriter's Compensation**

The underwriting and selling fees to be derived by the Issue Manager and Sole Underwriter from the Offer amounts to 3% of the gross proceeds of the Offer, which shall be inclusive of amounts to be paid to the selling agents. All reasonable out-of-pocket expenses to be incurred by the Issue Manager and Sole Underwriter in connection with the Offer shall be for the account of the Company.

## **DIVIDEND POLICY**

### **Limitations and Requirements**

Under Philippine law, a corporation can only declare dividends to the extent that it has unrestricted retained earnings that represent the undistributed earnings of the corporation which have not been allocated for any managerial, contractual or legal purpose and which are free for distribution to the shareholders as dividends. The amount of retained earnings available for declaration as dividends may be determined pursuant to regulations issued by the SEC. The approval of the corporation's board of directors is generally sufficient to approve the distribution of dividends, except in the case of stock dividends which requires the approval of shareholders representing not less than two-thirds of the outstanding capital stock at a regular or special meeting duly called for the purpose.

The Corporation Code generally requires a Philippine corporation with retained earnings in excess of 100% of its paid-in capital to declare and distribute as dividends the amount of such surplus. Notwithstanding this general requirement, a Philippine corporation may retain all or any portion of such surplus in the following cases: (i) when justified by definite expansion plans approved by the Board of Directors of the corporation; (ii) when the required consent of any financing institution or creditor to such distribution has not been secured; (iii) when retention is necessary under special circumstances, such as when there is a need for special reserves for probably contingencies; or (iv) when the non-distribution of dividends is consistent with the policy or requirement of a Government office.

### **Record Date**

Pursuant to existing regulations, cash dividends declared by the Company must have a record date not less than 10 nor more than 30 days from the date of declaration. For stock dividends, the record date should not be less than 10 nor more than 30 days from the date of the shareholders' approval, provided however, that the set record date is not to be less than 10 trading days from receipt by the PSE of the notice of declaration of stock dividend. In the event that a stock dividend is declared in connection with an increase in authorized capital stock, the corresponding record date is to be fixed by the SEC.

### **Dividend History**

On 29 December 2015, the Board declared cash dividends in the amount of ₱800 million. On 8 March 2016, the Board, with the approval of the Company's shareholders representing two-thirds of its outstanding capital stock in a special meeting duly called for the purpose and held on the same date, declared stock dividends in the amount of ₱400 million.

Other than the foregoing, the Company has not declared dividends in any form since the time of its incorporation.

### **Dividend Policy**

Under the Corporation Code, the Company's shareholders are entitled to receive a proportionate share in cash dividends that may be declared by the Board out of the surplus profits derived from operations. The same right exists with respect to a stock dividend declaration, the declaration of which is subject to the approval of shareholders representing at least two-thirds of the outstanding capital stock entitled to vote.

The amount of dividends to be declared will depend on the profits, investment requirements and capital expenditures at that time.

As of the date of this Prospectus, the Company has not adopted a specific dividend policy which defines a minimum percentage of net earnings to be distributed to its common shareholders. Dividends may be declared only from the Company's unrestricted retained earnings, except when, among others: (i) justified by definite corporate expansion, or (ii) when the Company is prohibited under any loan agreement with any financial institution or creditor, whether local or foreign, from declaring dividends without its consent, and such consent has not been secured, or (iii) when it can be clearly shown that the retention of earnings is necessary under special circumstances obtaining in the Company, its assets and operations, such as when there is a need for special reserves for probable contingencies.

## **DETERMINATION OF THE OFFER PRICE**

The Offer Price per share of up to ₱[10.62] was determined based on a book building process and discussions between the Company and the Issue Manager and Sole Underwriter. Since the Common Shares have not been listed on any stock exchange, there has been no market price for the Common Shares derived from day to day trading.

Among the factors considered in determining the Offer Price are the Company's financial performance and standing, its geographic and product expansion prospects, the level of demand from institutional investors, dilution to existing shareholders, overall market conditions at the time of the Offer and the market price of listed comparable companies both domestically and within the Asian region.



## CAPITALIZATION AND INDEBTEDNESS

The following table sets forth the Company's long-term liabilities, equity and capitalization as of 31 December 2015, as adjusted to reflect the sale of the Offer Shares. For the purposes of making adjustments to the table below with respect to the Offer, the Company has estimated that it will receive net proceeds of approximately [P711.41 million] from the sale of the Offer Shares in the Offer after deducting an the amount of underwriting commissions, discounts and fees and certain other estimated expenses the Company expects to incur in connection with the Offer. The actual underwriting commission, discounts, fees and other Offer-related expenses may vary from the estimated amounts. The estimated amounts used to determine the estimated net proceeds are presented in this Prospectus for convenience only. The table should be read in conjunction with the Company's audited financial statements and the notes thereto, included in this Prospectus beginning on page F-1. Other than as described below, there has been no material change in the Company's capitalization since 31 December 2015.

In P millions	Actual as of 12/31/2015 <sup>(1)</sup>	Pre-Offer Adjustments <sup>(2)</sup>	IPO Adjustments <sup>(2)</sup>	Pro Forma Post Offer
Interest bearing loans	3.05		-	3.05
Retirement benefit	0.08		-	0.08
Deferred tax liabilities	255.98		-	255.98
Reserve for perpetual care	152.25		-	152.25
Total long-term liabilities	411.36			411.36
Capital stock	20.00	400.00 <sup>(2)</sup>	74.12 <sup>(3)</sup>	494.12
Additional paid in capital	—		637.13 <sup>(3)</sup>	637.13
Revaluation reserve	(2.54)			(2.54)
Retained earnings	417.19	(400.00)		17.19
Total Equity	434.65			1,145.91
Total capitalization and indebtedness	846.01			1,557.42

**Notes:**

<sup>(1)</sup> Based on audited financial statements as of 31 December 2015.

<sup>(2)</sup> Equity adjustment pre-Offer relates to the issuance of 400,000,000 new Common Shares issued by the Company pursuant to the stock dividend declaration approved by the Board and the Company's shareholders representing at least two-thirds of its outstanding capital stock on 8 March 2016

<sup>(3)</sup> Represents the net proceeds.

## DILUTION

The Company will offer 74,117,647 Offer Shares to the public at the Offer Price, which will be higher than the adjusted book value per share of the outstanding Common Shares, and which will result in an immediate material dilution of the new investors' equity interest in the Company. The tangible book value of the Company, based on its audited financial statements as of December 31, 2015 was ₱[434.66] million or ₱[1.03] per share. The book value represents the amount of the Company's total assets less the sum of its liabilities. The Company's tangible book value per share is computed by dividing the tangible book value by the 420,000,002 issued and outstanding Common Shares.<sup>1</sup>

Dilution in pro-forma book value per share to investors of the Offer Shares represents the difference between the Offer Price and the pro-forma book value per Share immediately following the completion of the Offer.

The Company's net tangible book value per Common Share pre-Offer will be adjusted for the issuance of 400 million new common shares in connection with the declaration of stock dividends amounting to ₱400 million approved by the Board on 8 March 2016.

After giving effect to the foregoing adjustment and to an increase in the Company's total assets to reflect the receipt of the net Offer proceeds of approximately [₱711.25 million] from the sale of 74,117,647 Offer Shares at an Offer Price of up to ₱[10.62] per Offer Share, Golden Haven's book value will be approximately ₱[1,146.07] million or ₱[2.32] per Common Share. This represents an immediate increase in book value of [₱1.28] per share to existing shareholders and an immediate decrease of [₱8.30] per share to investors of the Offer Shares.

The following table illustrates dilution on a per Common Share basis, assuming an Offer Price of [₱10.62] per Offer Share:

Offer Price per Offer Share.....	[₱10.62]
Pro forma Book Value per Share as of 31 December 2015.....	₱1.03
Increase in Book Value per Share attributable to the Offer Shares .....	₱1.28
Pro forma Book Value per Share after the Offer.....	[₱2.32]
Decrease in Book Value per Share to Investors in the Offer Shares.....	[₱8.30]

The following table sets forth the shareholdings outstanding of existing and new shareholders of the Company immediately after completion of the Offer of [74,117,647] Offer Shares:

Existing shareholders.....	420,000,002
New investors .....	74,117,647
Total .....	494,117,649

Immediately after the Offer, the 74,117,647 Offer Shares will comprise 15% of the issued and outstanding capital stock in the Company.

<sup>1</sup> Issued and outstanding shares adjusted for the issuance of 400 million new common shares arising from the declaration of stock dividends amounting to ₱400 million.

## SELECTED FINANCIAL AND OPERATING INFORMATION

*The following tables set forth selected financial information for the Company and should be read in conjunction with the Company's financial statements audited by Punongbayan & Araullo for the years ending December 31, 2013, 2014 and 2015, including the notes thereto, and the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations," included elsewhere in this Prospectus. The following data is qualified in its entirety by reference to all of that information.*

### Statement of Income Data

In ₱ Millions	For the years ended December 31		
	2015 (audited)	2014 (audited)	2013 (audited)
REVENUES			
Real estate sales	650.80	555.44	478.41
Interment income	21.50	19.70	17.38
Interest income on contract receivables	20.50	19.59	20.15
	692.80	594.73	515.94
COSTS AND EXPENSES			
Cost of sales and services	293.15	250.52	229.94
Operating expenses	203.96	150.56	142.81
	497.11	401.08	372.75
OPERATING PROFIT	195.69	193.65	143.19
OTHER INCOME - Net	20.65	12.85	5.73
PROFIT BEFORE TAX	216.34	206.50	148.92
TAX EXPENSE	65.22	61.87	44.50
NET PROFIT	151.12	144.63	104.42
OTHER COMPREHENSIVE LOSS			
Item that will not be reclassified subsequently to profit or loss			
Remeasurements of defined benefit post-employment obligation	(0.10)	(1.74)	(0.67)
Tax income	0.03	0.52	0.20
	(0.07)	(1.22)	(0.47)
TOTAL COMPREHENSIVE INCOME	151.05	143.41	103.95

### Statement of Financial Position Data

In ₱ millions	For the years ended December 31		
	2015 (audited)	2014 (audited)	2013 (audited)
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	114.64	80.66	129.10
Contracts receivable	445.15	391.26	346.72
Due from related parties	70.21	206.90	198.08
Other receivables	29.90	8.17	14.16
Memorial lot inventories	217.77	205.02	95.78
Other current assets	14.36	8.17	7.29
Total Current Assets	892.03	900.18	791.13
NON-CURRENT ASSETS			
Contracts receivable	828.95	696.59	595.07
Property and equipment – net	24.79	22.87	16.10
Investment properties	41.33	46.92	52.68
Retirement benefit assets – net	-	-	0.86
Total Non-current Assets	895.07	766.38	664.71
TOTAL ASSETS	1,787.10	1,666.56	1,455.84
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			

Interest bearing loans	5.97	-	-
Trade and other payables	264.24	217.93	208.69
Customers' deposits	5.93	7.13	6.03
Dividends payable	650.00	-	-
Income tax payable	14.95	4.25	2.18
Total Current Liabilities	941.09	229.31	216.90
NON-CURRENT LIABILITIES			
Interest bearing loans	3.05	-	-
Retirement benefit obligation	0.08	0.25	-
Deferred tax liabilities	255.98	219.53	171.74
Reserve for perpetual care	152.25	133.86	127.00
Total Non-Current Liabilities	411.36	353.64	298.74
Total Liabilities	1,352.44	582.95	515.64
EQUITY			
Capital stock	20.00	20.00	20.00
Revaluation reserves	(2.54)	(2.47)	(1.25)
Retained earnings	417.19	1,066.08	921.45
Total Equity	434.65	1,083.61	940.20
TOTAL LIABILITIES AND EQUITY	1,787.10	1,666.56	1,455.84

## Statement of Cash Flows Data

In ₦ millions

For the years ended December 31

	2015 (audited)	2014 (audited)	2013 (audited)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax	216.33	206.50	148.93
Adjustments for:			
Interest Income	(21.50)	(20.63)	(22.02)
Depreciation and amortization	5.70	6.78	4.91
Interest expense	1.54	0.15	0.11
<i>Operating profit before working capital changes</i>	<i>202.07</i>	<i>192.80</i>	<i>131.93</i>
Increase in contracts receivable	(186.26)	(146.07)	(109.51)
Decrease (increase) in other receivables	(35.04)	(2.83)	7.93
Increase in memorial lot inventories	(5.15)	(103.49)	(15.29)
Increase in other current assets	(6.19)	(0.01)	(1.57)
Increase in trade and other payables	46.31	9.25	2.42
Increase (decrease) in customers' deposits	(1.20)	1.10	1.37
Increase (decrease) in retirement benefit obligation	(0.25)	(1.05)	0.18
Increase in other liabilities	18.39	8.93	6.39
Cash generated from (used in) operations	32.68	(41.37)	23.85
Interest received	21.50	20.71	22.23
Interest paid	(1.55)	(0.15)	(0.11)
Cash paid for income taxes	(18.04)	(14.08)	(9.07)
Net Cash From (Used in) Operating Activities	34.59	(34.89)	36.90
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisitions of property and equipment	(8.04)	(13.67)	(13.37)
Proceeds from disposal of property and equipment	0.42	0.12	-
Additions to investment properties	(2.01)	-	(5.56)
Net Cash Used in Investing Activities	(9.63)	(13.55)	(18.93)
CASH FLOWS FROM FINANCING ACTIVITY			
Net availment of interest bearing loans and borrowings	9.02	-	-

NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	33.98	(48.44)	17.97
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	80.66	129.10	111.13
CASH AND CASH EQUIVALENTS AT END OF YEAR	114.64	80.66	129.10

### Key Performance Indicators and Ratios

	For the years ended December 31		
	2015 (audited)	2014 (audited)	2013 (audited)
Gross margin <sup>(1)</sup>	56.4%	56.4%	53.6%
Net profit margin <sup>(2)</sup>	21.8%	24.3%	20.2%
Return on equity <sup>(3)</sup>	34.8%	13.3%	11.1%
Return on total assets <sup>(4)</sup>	8.5%	8.7%	7.2%
Current ratio <sup>(5)</sup>	0.9	3.9	3.6

*Notes:*

<sup>(1)</sup> Gross margin is calculated by dividing (i) the difference between the sum of revenue from real estate sales and interment income and cost of sales and services for the year/period by (ii) the sum of revenue from real estate sales and interment income for the year/period.

<sup>(2)</sup> Net profit margin is calculated by dividing (i) net profit for the year/period by (ii) the total revenue for the year/period.

<sup>(3)</sup> Return on equity is calculated by dividing (i) net profit for the year/period by (ii) the ending balance of shareholders' equity of a given period.

<sup>(4)</sup> Return on total assets is calculated by dividing (i) net profit for the year/period by (ii) the ending balance of total assets of a given period.

<sup>(5)</sup> Current ratios are calculated by dividing (i) current assets by (ii) current liabilities at the end of the period.

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*The following discussion of the Company's recent financial results should be read in conjunction with the auditor's reports and the Company's financial statements and notes thereto contained in this Prospectus and the section entitled "Summary Financial and Operating Information." The Company's audited financial statements as of and for the years ended December 31, 20013, 2014 and 2015 were audited by Punongbayan & Araullo and prepared in compliance with PFRS.*

*This discussion contains forward-looking statements and reflects the current views of the Company with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in the section entitled "Risk Factors" and elsewhere in this Prospectus.*

### Overview

The Company is one of the leading death care service providers in the country whose key products and services include the sale of memorial park lots, columbarium vaults (or, more specifically in each case, the perpetual right to use the same), funeral services such as internment and other ancillary services. At present, the Company's developments span six locations across the Philippines, namely, in the cities of Las Piñas, Cebu, Cagayan de Oro, Zamboanga, Iloilo and the province of Bulacan, with an aggregate area of 55.18 hectares. In addition, the Company has recently acquired two memorial parks located in San Fernando, Pampanga and Bambang, Nueva Vizcaya, which increased the Company's total park area to 66.63 hectares. As of 31 March 2016, the Company has an inventory of 41,254 memorial lots and 12,592 columbarium vaults.

Real estate sales, representing sales of memorial park lots (or, more specifically, the perpetual right to use the same), have historically accounted for more than 95% of the Company's total revenues generated. The Company also generates revenues from interest on its installment sales and from interment services provided. As of the year ended 31 December 2015, the Company generated total revenues in the amount of ₱692.80 million, of which real estate sales contributed ₱650.80 million while interment income and interest income from contract receivables contributed ₱21.50 million and ₱20.50 million, respectively. The real estate sales is composed of ₱513.81 million from sale of memorial park lots and ₱136.99 million from sale of columbarium vaults.

### Factors Affecting the Company's Results of Operations

Set out below are the most significant factors that have affected the Company's operating results in the past and which are expected to affect the Company's results in the future. Factors other than those set forth below may also have a significant impact on the Company's results of operations and financial condition in the future. See "Risk Factors" on page 21 of this Prospectus.

#### *Sales Volume / Market Demand*

Over the years 2013 to 2015, the Company sold 10,869, 11,767 and 13,272 memorial lots and columbarium vaults, representing a growth of 8.26% and 12.8%, respectively. During the first quarter of 2016, the Company sold a total of 2,927 memorial lots and columbarium vaults. The consistent annual increase in sales volume can be attributed to the successful development and marketing strategies of the Company which resulted in attractive locations, competitive pricing and payment schemes offered to its customers. Likewise, the Company believes that the increase in the Company's sales volume is attributable to its successful implementation of management systems which focused on improving collection efficiencies, as well as the introduction of insurance plans packaged with its memorial lot offerings.

#### *Cost of Sales for Memorial Park Lots and Columbarium Vaults*

Land acquired by the Company for future development into memorial parks are identified based on its proximity to communities, including the other real estate development of VLL, the population and income levels and the presence of established competitors in these areas. The cost of land depends primarily on market conditions within the location of the target site and is usually negotiated, together with the other terms and conditions, with the sellers of the property.

Upon acquisition of land, the Company undertakes the development of the memorial park or columbarium based on a plan and design drawn up by its in-house team of engineers and planners. Park development usually

involves the subdivision of the property into memorial lot units and building roads, landscaping, constructing the perimeter fence, sewers and drainage system, among others. On the other hand, the construction of a columbarium entails the erection of the facility, interior design and acquisition of furniture and fixtures, among others. The cost to develop the park or columbarium varies depending on the design and features.

In 2015, total cost of sales for memorial park lots and columbarium vaults amounted to ₱ 282.14 million. In 2014 and 2013, total cost of sales for memorial park lots and columbarium vaults amounted to ₱242.08 million and ₱222.30 million, respectively.

### Key Performance Indicators

The following table shows the top five key performance indicators for the past three calendar years ending December 31:

	For the years ended December 31		
	2015 (audited)	2014 (audited)	2013 (audited)
Gross margin <sup>(1)</sup>	56.4%	56.4%	53.6%
Net profit margin <sup>(2)</sup>	21.8%	24.3%	20.2%
Return on equity <sup>(3)</sup>	34.8%	13.3%	11.1%
Return on total assets <sup>(4)</sup>	8.5%	8.7%	7.2%
Current ratio <sup>(5)</sup>	0.9	3.9	3.6

*Notes:*

<sup>(1)</sup> Gross margin is calculated by dividing (i) the difference between the sum of revenue from real estate sales and interment income and cost of sales and services for the year/period by (ii) the sum of revenue from real estate sales and interment income for the year/period.

<sup>(2)</sup> Net profit margin is calculated by dividing (i) net profit for the year/period by (ii) the total revenue for the year/period.

<sup>(3)</sup> Return on equity is calculated by dividing (i) net profit for the year/period by (ii) the ending balance of shareholders' equity of a given period.

<sup>(4)</sup> Return on total assets is calculated by dividing (i) net profit for the year/period by (ii) the ending balance of total assets of a given period.

<sup>(5)</sup> Current ratios are calculated by dividing (i) current assets by (ii) current liabilities at the end of the period.

### Critical Accounting Policies

For information on the Company's significant accounting policies, judgments and estimates, please refer to notes 2 and 3 of the Company's audited financial statements included elsewhere in this Prospectus.

### Description of Key Line Items

#### Revenues

Revenues refer to (i) sales of memorial lots and columbarium niches; (ii) rendering of memorial and chapel services; and (iii) interest income from contract receivables.

For financial reporting purposes, sales of memorial lots and columbarium vaults, which are generally completed and ready for use, are recognized using the accrual method. If the criteria under the full accrual method are not met, the deposit method is applied. For tax reporting purposes, revenues are recognized in full upon collection of 25 % or more of the contract price within the initial year of sale. Otherwise, revenue is recognized based on the percentage collected or using the installment method.

The Company also recognizes interment income when the performance of contractually-agreed tasks have been substantially rendered. Interment tasks refer to burial services rendered.

Lastly, interest income accrues to the Company from installment sales on contracts receivable. Interest income is recognized as interest accrues.

#### Cost of Sales and Services

Cost of sales and services refer to (i) cost of real estate sales, (ii) cost of interment, and (iii) cost of premium payments on insurance bundled with memorial lot sales when applicable.

Cost of real estate sales is comprised of cost land and development cost while cost of interment pertains to the labor and materials and other expenses related to the burial services rendered by the Company.

### Operating Expenses

Operating expenses include commissions given to accredited selling agents, salaries and wages, promotions, outside services, utilities and taxes and licenses.

### Results of Operations

The following discussion and analysis is based on Golden Haven's audited financial statements for 2013, 2014 and 2015 prepared in conformity with PFRS and included herein, and should be read in conjunction with such financial statements.

	2015	2014	2013
	(P, in millions)		
Revenues .....	692.80	594.73	515.94
Cost of sales and services .....	293.15	250.52	229.94
Gross profit.....			
Operating expenses.....	203.96	150.56	142.81
Operating profit .....	195.69	193.65	143.19
Other income/(expense) .....	20.65	12.85	5.73
Profit before tax.....	216.34	206.50	148.92
Net Income .....	151.12	144.63	104.42

#### For the year ending December 31, 2015 compared with the year ending December 31, 2014

#### **Revenues**

Revenues increased to ₱692.80 million in 2015 from ₱594.73 million in 2014, representing an increase of ₱98.07 million or 16.49 % due to the following:

- Real estate sales grew from ₱555.44 million in 2014 to ₱650.80 million in 2015, representing an increase of ₱95.36 million or 17.17 %. The increase was primarily on account of ₱90.73 million and ₱4.63 million increase in the sale for the year of memorial park lots and columbarium vault, respectively.
- Interment income also grew to ₱21.50 million in 2015 from ₱19.70 million in 2014, representing an increase of ₱ 1.80 million or 9.14%. This increase in interment income was mainly attributable to an increase in the number of services from 1,241 to 1,455 rendered for the year.
- Interest income arising from installment sales increased to ₱20.50 million in 2015 from ₱19.59 million in 2014, representing an increase of ₱ 0.91 million or 4.65%. The increase in interest income was primarily due to higher sales volume posted in 2015.

#### **Cost of Sales and Services**

Cost of sales increased to ₱293.15 million in 2015 from ₱250.52 million in 2014, representing an increase of 17.02%. The increase in cost of sales and services was primarily attributable to increase in sales of memorial park lots and columbarium vaults for the year.

#### **Operating Expenses**

Operating expenses increased to ₱203.96 million in 2015 from ₱150.56 million in 2014, representing an increase of ₱53.40 million or 35.47 %. The increase in operating expenses was mainly attributable to increase in commission, promotions and outside services as a result of the higher sales for the year and increase in salaries and wages as a result of additions to the Company's manpower complement.

#### **Other Income – net**



Other income increased to ₱20.65 million in 2015 from ₱12.85 million in 2014, representing an increase of ₱7.80 million or 60.70%. The increase in other income was mainly attributable to the increase in forfeited sales for the year.

#### ***Tax Expense***

Tax expense increased to ₱65.22 million in 2015 from ₱61.87 million in 2014, representing an increase of ₱3.35 million or 5.41 %. The increase in tax expense was mainly attributable to the higher tax base for the period.

#### ***Net Profit***

The foregoing factors resulted in an increase in net profit to ₱151.12 million in 2015 from ₱144.63 million in 2014, representing an increase of ₱ 6.49 million or 4.49 %.

#### ***For the year ended December 31, 2014 compared with the year ended December 31, 2013***

Revenues increased to ₱594.73 million in 2014 from ₱515.94 million in 2013, representing an increase of 15.27% due to the following:

- Real estate sales grew to ₱555.44 million in 2014 from ₱ 478.41 million in 2013, representing an increase of ₱77.03 million or 16.10 %. The increase was primarily on account of ₱61.76 and ₱15.26 million increase in the sale for the year of memorial lots and columbarium niche, respectively.
- Interment income also grew to ₱19.70 million in 2014 from ₱17.38 million in 2013, representing an increase of ₱ 2.32 million or 13.35%. This increase in interment income was mainly attributable to an increase in the number of services from 1,086 to 1,240 rendered for the year.
- Interest income arising from installment sales decreased to ₱19.59 million in 2014 from ₱20.15 million in 2013, representing a decrease of 2.78%. The decrease in interest income was due to slightly lower sales volume for the period.

#### ***Cost of Sales and Services***

Cost of sales and services increased to ₱250.52 million in 2014 from ₱229.94million in 2013, representing an increase of 8.95 %. The increase in cost of sales and services was primarily attributable to an increase in sales of memorial lots and columbarium niches for the year.

#### ***Operating Expenses***

Operating expenses increased to ₱150.56 million in 2014 from ₱142.81 million in 2013, representing an increase of ₱7.75 million or 5.43%. The increase in operating expenses mainly attributable to an increase in commissions arising from higher sales, and higher promotions and outside services expenses and an increase in salaries and wages due to additional manpower hired during the period.

#### ***Other Income – net***

Other income increased to ₱12.85 million in 2014 from ₱5.73 million in 2013, representing an increase of ₱ 7.12 million or 124.26 %. The increase in other income was mainly attributable to increase in forfeited sales for the year.

#### ***Tax Expense***

Tax expense increased to ₱61.87 million in 2014 from ₱44.50 million in 2013, representing an increase of ₱ 17.37million or 39.03 %. The increase in tax expense was mainly attributable to higher tax base.

#### ***Net Profit***

The foregoing factors resulted in an increase in net profit to ₱144.63 million in 2014 from ₱104.42 million in 2013, representing an increase of ₱ 40.21 million or 38.51%.

## Liquidity and Capital Resources

### Overview

The Company's principal requirements for liquidity for land acquisition and development costs and working capital expenses have, in the past years, been financed substantially by internally generated funds. Cash flows generated by Golden Haven's operations have been sufficient in funding its expansion plans and operating expenses. The Company expects its operating cash flows to be sufficient to fund its requirements in the foreseeable future.

### Cash Flows

The following discussions of the Company's cash flows for 2014 and 2015 should be read in conjunction with the statements of cash flows included in the audited financial statements included herein.

	2015	2014
	(P, in millions)	(P, millions)
Net cash from (used in) operating activities .....	34.59	(34.89)
Net cash used in investing activities .....	(9.63)	(13.55)
Net cash from financing activities .....	9.02	-
Net increase (decrease) in cash and cash equivalents..	33.98	(48.44)
Cash and cash equivalents .....	114.64	80.66

As of the year ended December 31, 2015, net cash inflows amounted to P33.98 million. Net cash generated from operations amounted to P34.59 million while net cash flow used in investing activities amounted to P9.63 million and cash flow from financing activities amounted to P9.02 million as a result, the Company's cash position as of December 31, 2015 was at P114.64 million.

#### *Net cash flow from (used in) operating activities*

For the year ended December 31, 2015, the Company's net cash from operating activities amounted to P34.59 million. Profit before tax amounted to P216.33 million. Cash generated by operating income (after adding back non-cash items) was P202.08 million. The Company generated cash from interest received of P21.50 million, paid interest of P1.55 million and paid income taxes of P18.04 million.

For the year ended December 31, 2014, the Company's net cash flows used in operating activities amounted to P34.89 million. Profit before tax amounted to P206.50 million. Cash generated by operating income (after adding back non-cash items) was P192.80 million. The Company generated cash from interest received of P20.71 million, paid interest of P0.15 million and paid income taxes of P14.08 million.

#### *Cash flows used in investing activities*

The Company's cash used in investing activities generally pertain to acquisition of property, and purchases of maintenance and service equipment and additions to investment property.

Net cash used in investing activities in 2015 and 2014 were P9.63 million and P13.55 million respectively. The Company's expenditures for investing activities primarily relate to property and equipment purchases.

#### *Cash flows from (used in) financing activities*

Net cash from financing activities in 2015 was P9.02 million and none in 2014. In 2015, the Company obtained various loans from a local commercial bank with tenors of between one to three years. The Company had no outstanding bank loans in 2014.

### *Interest-bearing Loans*

The Company obtained short- and long-term loans from a local commercial bank amounting to P14,862,000 for working capital requirements. These loans have tenors from one to three years and carry an average interest equivalent to 8 % p.a. As of 31 December 2015, the Company paid P5,843,215 of the said loans.

There are no financial covenants required to be maintained under the loan agreements of the Company. Further, the Company has not defaulted in the amortization of any of its loans.

### ***Financial Condition***

#### **Assets**

Current assets of the Company consist of cash, contracts and other receivables and memorial lot inventory.

#### ***Inventories***

Memorial lot inventories consist of acquisition costs of the land, construction and development costs incurred in bringing the memorial lots ready for sale.

The amount of inventory presented in the financial statements is net of the Reserve for Land Development Cost. The Reserve for Land Development Cost is computed by deducting the actual costs incurred from the total contract price of construction contracts for the memorial park and the total selling price of the land acquired; hence, no significant estimate was involved.

Total current assets as of December 31, 2015 amounted to ₱892.03 million compared to ₱900.18 million as of December 31, 2014. The movements in the current asset accounts as of December 31, 2014 and 2015 are discussed below:

- Total cash and cash equivalent grew by 42.1% from ₱80.66 million to ₱114.64 million arising from higher cash flow from operations.
- Total contracts receivable increased by 13.8% from ₱391.26 million to ₱445.15 million primarily due to increased sales of memorial park lots and columbarium niches.
- Due from related parties decreased by 66.1% from ₱206.90 million to ₱70.21 million as a portion of these obligations were settled during the year
- Other receivables, consisting of Advances to Suppliers and Advances to Employees, increased by 265.97% due to the increase in launches of additional phases for the year.
- Memorial lot inventories increased by 6.2% from ₱205.02 million to ₱217.77 million as a result of the launch of additional phases in the Company's various projects for the year.
- Other current assets increased by 75.8% from ₱8.16 million to ₱14.35 million due primarily to the increase in the Deferred Input VAT.

Non-current assets consist primarily of the long-term portion of contracts receivable, property and equipment, investment properties and retirement benefit assets.

Total non-current assets as of 31 December 2015 amounted to ₱895.07 million compared to ₱766.38 million as of 31 December 2014. The movements in the non-current asset accounts as of 31 December 2014 and 2015 are discussed below:

- Contracts receivable increased by 19.0% from ₱696.59 million to ₱828.95 million primarily due to increased sales of memorial park lots and columbarium vaults.
- Property and equipment increased by 8.4% from ₱22.87 million to ₱24.79 million attributable to acquisitions for the year.
- Investment properties decreased by 11.9% from ₱46.92 million to ₱41.33 million as a result of reclassification to memorial lot inventory due to the change in use and intention for the asset.

Total current assets as of 31 December 2014 amounted to ₱900.18 million compared to ₱791.13 million as of 31 December 2013. The movements in the current asset accounts as of 31 December 2014 and 2013 are discussed below:

- Total cash and cash equivalent declined by 37.5% from ₱129.10 million to ₱80.66 million primarily attributable to disbursements made for asset acquisitions and memorial park development ;
- Total contracts receivable increased by 12.9% from ₱346.72 million to ₱391.26 million primarily due to increased sales of memorial park lots and columbarium vaults.

- Other receivables decreased by 42.3% from ₱14.16 million to ₱8.17 million due to collections for the year.
- Memorial lot inventories increased by 114.1% from ₱95.78 million to ₱205.02 million as a result of the launch of additional phases for the year.
- Other current assets increased by 12.1% from ₱7.29 million to ₱8.17 million due to increase in prepaid expenses.

Total non-current assets as of 31 December 2014 amounted to ₱766.38 million compared to ₱895.07 million as of December 31, 2013. The movements in the non-current asset accounts as of 31 December 2014 and 31 December 2015 are discussed below:

- Contracts receivable increased by 17.1% from ₱595.07 million to ₱696.59 million primarily due to increased sales of memorial park lots and columbarium vaults.
- Property and equipment increased by 42.1% from ₱16.10 million to ₱22.87 million due to acquisitions for the year.
- Investment properties decreased by 10.9% from ₱52.68 million to ₱46.92 million as a result of reclassification to memorial lot inventory due to the change in use and intention for the asset.
- Retirement benefit assets had no balance as of year-end 2014 from ₱0.86 million in the previous year mainly as a result of adjustments due to adoption of new accounting standard.

### **Liabilities**

Current liabilities primarily consist of interest-bearing loans, trade and other payables and customers' deposits.

Total current liabilities as of December 31, 2015 amounted to ₱941.09 million compared to ₱229.31 million as of December 31, 2014. The movements in the current liabilities accounts as of 31 December 2014 and 31 December 2015 are discussed below:

- Interest bearing loans amounted to ₱5.97 million in 2015. The Company had no loans in 2014.
- Trade and other payables grew by 21.2% from ₱217.93 million to ₱264.24 million primarily on account of the increase in Deferred Output Tax.
- Customers' deposits decreased by 16.8% from ₱7.13 million to ₱5.93 million due to recognition to Revenue.
- Dividends payable amounted to ₱650 million in 2015, representing cash dividends declared amounting to ₱800 million net of the advances to the shareholders
- Income tax payable increased by 251.8% from ₱4.25 million to ₱14.95 million primarily due to the higher tax base.

Non-current liabilities consist of the long-term loans, retirement benefit obligation, deferred tax liabilities and reserve for perpetual care.

Total non-current liabilities as of December 31, 2015 amounted to ₱411.36 million compared to ₱353.64 million as of 31 December 2014. The movements in the non-current liabilities accounts as of 31 December 2014 and 31 December 2015 are discussed below:

- Interest bearing loans amounted to ₱3.05 million in 2015. The Company had no loans in 2014.
- Retirement benefit obligations decreased by 68.0% from ₱0.25 million to ₱0.08 million due to actuarial adjustment.
- Deferred tax liabilities increased by 16.6% from ₱219.53 million to ₱255.98 million due primarily to increase in Unrealized Gross Profit;
- Reserve for perpetual care grew by 13.7% from ₱133.86 million to ₱152.25 million due mainly to the increase in sale of memorial lots and columbarium vaults.

Total current liabilities as of 31 December 2014 amounted to ₱229.31 million compared to ₱216.90 million as of 31 December 2013. The movements in the current liabilities accounts as of December 31, 2013 and 2014 are discussed below:

- Customers' deposits increased by 18.2% from ₱6.03 million to ₱7.13 million primarily due to higher sales.

- Income tax payable increased by 94.7% from ₱2.18 million to ₱4.25 million primarily due to the higher taxable base.

Total non-current liabilities as of 31 December 2014 amounted to ₱353.64 million compared to ₱298.74 million as of December 31, 2013. The movements in the non-current liabilities accounts as of 31 December 2013 and 31 December 2014 are discussed below:

- Retirement benefit obligations amounted to ₱0.25 million. No retirement obligation was recorded in 2013.
- Deferred tax liabilities increased by 27.8% from ₱171.74 million to ₱219.53 million as a result of an increase in Unrealized Gross Profit;
- Reserve for perpetual care grew by 5.4% from ₱127.00 million to ₱133.86 million due mainly to the increase in sale of memorial lots and columbarium vaults.

### ***Working Capital***

As of 31 December 2013 and 31 December 2014 the Company's net current assets, computed as the difference between total current assets and total current liabilities, amounted to ₱574.23 million and ₱670.87 million, representing a positive net working capital position. In 2015, the Company posted a negative working capital of ₱49.06 million mainly due to the dividends payable recorded for the year in the amount of ₱650 million.

### **Financial Risk Management**

The contract receivables that are past due but not impaired are as follows:

	<u>2015</u>	<u>2014</u>	<u>2013</u>
More than 3 months but not more than 6 months	₱20,057,845	₱15,615,267	₱15,512,921
More than 6 months but not more than one year	30,780,488	23,799,339	24,572,491
More than one year	<u>96,304,548</u>	<u>89,985,645</u>	<u>63,740,693</u>
	<b><u>₱147,142,881</u></b>	<b><u>₱129,400,251</u></b>	<b><u>₱103,826,105</u></b>

All of the Company's contracts receivables have been reviewed for indicators of impairment. However, no receivables were found to be impaired. Furthermore, the Company's contracts receivable are effectively collateralized by the memorial lots sold to the buyers considering that the title over the right in the memorial lots will only be transferred upon full payment as discussed in Note 5 of the Audited Financial Statements.

### **Subsequent Events**

On 17 March 2016, the SEC approved the Company's application to increase its authorized capital from ₱20,000,000 divided into 200,000 common shares with a par value of ₱100.00 per share to its present authorized capital, that is, ₱1,000,000,000 divided into 996,000,000 common shares with a par value of ₱1.00 per share (application also covered a change in par value per share from ₱100.00 to ₱1.00) and 400,000,000 voting, non-participating preferred shares with a par value of ₱0.01 per share. Out of the increase in the authorized capital stock, 400,000,000 common shares worth ₱400,000,000 have been subscribed and paid up through the declaration of stock dividends by the Company on 8 March 2016.

As of the date of this Prospectus, the Company has (i) an authorized capital stock of ₱1,000,000,000 divided into 996,000,000 Common Shares and 400,000,000 Preferred Shares with a par value of ₱0.01 per share; and (ii) 420,000,000 Common Shares issued and outstanding, all of which have been fully paid-up.

## Off-Balance Sheet Arrangements

As of 31 December 2015, there were no off-balance sheet arrangements or obligations that were likely to have a current or future effect on our financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to investors.

## Capital Expenditure

The table below sets out the Company's capital expenditures for 2014 and 2015, together with the budgeted capital expenditure for 2016.

<i>Year ended December 31,</i>	<b>Expenditure</b> <i>(in ₱, millions)</i>
2014 (actual).....	₱13.55
2015 (actual).....	₱9.63
2016 (budgeted).....	₱557.71

The Company's capital expenditures have, in the past, been financed by internal funds.

The details of the Company's capital expenditures for 2014 and 2015 are summarized below:

	<b>For the years ended December 31,</b>	
	<b>2014</b>	<b>2015</b>
	<i>(in ₱, millions)</i>	
Land acquisition .....	-	2.01
Memorial park development.....	-	-
Property and equipment.....	13.55	7.62
<b>Total</b> .....	<b>₱ 13.55</b>	<b>₱ 9.63</b>

For 2016, the Company has budgeted ₱557.71 million for capital expenditures with details summarized below:

	<b>Expenditure</b> <i>(₱, in millions)</i>
Land acquisition .....	135.29
Memorial park development.....	189.92
Memorial chapel construction .....	130.10
Property and equipment .....	102.40
<b>Total</b> .....	<b>557.71</b>

The figures in the foregoing capital expenditure plans are based on the Company's management's estimates and have not been appraised by an independent organization. In addition, these capital expenditure plans are subject to a number of variables, including: possible cost overruns; construction/development delays; the receipt of environmental and other regulatory approvals; changes in management's views of the desirability of current plans; the identification of new projects; and macroeconomic factors such as the Philippine's economic performance and interest rates. There can be no assurance that the Company will execute the foregoing capital expenditure plans as contemplated at or below estimated costs.

## DESCRIPTION OF THE BUSINESS

### OVERVIEW

The Company, incorporated in 16 November 1982, is one of Philippines' leading developers of memorial parks in the country in terms of land developed. As of 31 March 2016, the Company has been successful in developing a total of six memorial park projects, covering 55.18 hectares in various parts of the country. These existing projects are spaced across various areas of the Philippines, including the cities of Las Piñas and Cagayan de Oro and in the provinces of Bulacan, Cebu, Iloilo, and Zamboanga.

In January 2016, the Company also acquired two existing memorial parks in Bambang, Nueva Vizcaya and in San Fernando, Pampanga, covering, in the aggregate, 8.2 hectares of land. The existing memorial parks were acquired from unrelated parties, namely, the Bambang Ecological Sanctuary with respect to the memorial park in Bambang, Nueva Vizcaya and Sixta C. Patawaran with respect to the memorial park in San Fernando, Pampanga. These newly acquired parks are now under re-development by the Company.

Aside from the development and sale of memorial parks, the Company also develops and constructs columbaries. As of the date of this Prospectus, the Company has five existing columbaries, namely, the Ezekiel Columbarium, a 20,000-vault columbarium facility located beneath the Santuario de San Ezekiel Moreno, a chapel constructed by the Company within the Ezekiel Complex along C5 Road, Pulang Lupa, Las Piñas, as well as four columbarium facilities within its memorial parks in the cities of Las Piñas and Cagayan de Oro, and the provinces of Cebu and Zamboanga.

The Company prides itself as a developer of ideally located, uniquely designed, and well-maintained memorial parks. The Company believes that accessibility is and remains a key factor in the selection of memorial parks, and each of the Company's parks is strategically located within a five to 10 kilometer radius from its target communities. Eschewing standardized park designs, the Company's planners design and develop each memorial park to have its own theme, inspired by Mediterranean, Italian, American or Asian architecture and design motifs. Regimented park maintenance practices also ensure that each memorial park and columbarium developed by the Company will remain a comfortable and calming place to visit.

These same criteria of ideal location, unique designs and strict standards of maintenance and upkeep also ground the development of the Company's columbaries.

The Company is majority owned by Fine Properties, a holding and investment company owned by the family of former Senator Manuel B. Villar. Fine Properties is likewise the majority shareholder of VLL, one of the leading home and community builders in the country. Through its subsidiaries, VLL owns, develops and sells various residential projects, both horizontal and vertical developments, comprised of high-end, middle-income, low-cost and affordable products, covering the entire spectrum of the country's real estate industry.

As of 31 December 2015, the Company generated revenues of ₱692.8 million and net income of ₱151.1 million, representing a revenue growth of 16.50% and net income growth of 4.50% compared to revenues of ₱594.7 million and net income of ₱144.6 million in 2014. Revenue and income for the periods ending December 31, 2014 and 2015 were substantially generated from the sales of memorial park lots and columbarium vaults in the Company's existing projects.

### COMPETITIVE STRENGTHS

- *Significant synergies with real estate affiliates*

VLL is the largest home developer in the country with residential developments in 95 cities and municipalities in 36 provinces throughout the Philippines. Both the Company and VLL have the same majority shareholder, Fine Properties, and while both companies are engaged in real estate development, neither the Company nor VLL are directly in competition with each other. In contrast, the Company believes that there are significant synergies that may be derived from its relationship with VLL. For instance, the Company has utilized, and it will continue to utilize, the following advantages arising from this relationship:

- Immediate market for its death care offerings – with over 300,000 homes in its projects, VLL customers constitute a ready market for the Company's own developments. The Company has and it will continue to take advantage of sales prospects coming from VLL's home buyers. Moreover, the

Company's selling efforts are made easier with the clients' familiarity with VLL and the association between the two companies.

- Sales networks expansion – the Company believes that its affiliation with VLL allows their respective sales agents to cross-sell products, increasing the product range that an agent can offer to prospective clients, which, in turn, creates more income opportunities for the Company, VLL and the agent himself, making the agent more motivated and productive.
- Access to management and technical expertise – the Company's relationship with VLL provides it with access to VLL's best practices in planning, engineering, project development, marketing, and compliance with regulatory matters. From time to time, the Company consults with or engages experts from or engaged by VLL to supplement the Company's own management, development, marketing and technical teams. This relationship has also enabled the Company and VLL to share their common experience with their third party contractors, suppliers and service providers, improving the Company's ability to evaluate, select and engage such third parties in the planning, engineering, development and implementation of its own projects.

- *Extensive know-how and established operational competence*

From 2002 to 2015, the Company developed, completed and launched five memorial parks, constructed and launched a total of five columbaries, including the Ezekiel Columbarium and four columbaries within its existing memorial parks, or 10 death care projects over the last 12 years, all of which, as of the date of this Prospectus, are fully operational.

The development of death care facilities such as memorial parks, columbaries and crematory facilities is highly complex, and the construction, operation and maintenance thereof are subject to extensive and continuing regulation in the Philippines. The Company's experience in successfully completing and launching 10 death care projects over the last 12 years has enabled the Company to gain expertise, extensive know-how and operational competence in all aspects of the development, operation and maintenance of death care facilities, including site selection, master planning, development and construction activities. The Company believes that this accumulated expertise and technical know-how will allow it to replicate its success in its ongoing and future death care projects and services. Likewise, the Company's successful track record has also allowed the Company to gain a broad and deep familiarity with its target clientele, as well as the key and critical factors which influence their purchase decisions, enabling the Company to develop, customize and tailor its present and future death care projects, products and services to best address its clients' needs.

- *Nationwide presence*

The Company's existing death care facilities are spread across various metropolitan and provincial areas of the Philippines, including the cities of Las Piñas and Cagayan de Oro and in the provinces of Bulacan, Cebu, Iloilo, and Zamboanga. As a result, the Company is one of the few companies in the death care industry in the Philippines that has established nationwide presence.

The Company believes that its presence across the Philippines allows the Company to tap markets across the nation and enhances the Company's status as a national brand, and likewise enables the Company to develop and implement marketing and advertising strategies which are more effective, efficient and inclusive than its competitors. In particular, since a prospective customer's decision to purchase death care products or avail of death care services is largely influenced by factors such as location and accessibility, when the Company's death care products and services are offered to its customers, including overseas workers, the Company believes that such customers are likely to choose the Company's products and services over its competitors considering the Company's presence in such customer's hometown or province.

- *Significant growth potential*

As of the date of this Prospectus, the Company holds a total of over 25,000 memorial park lots of various types and over 8,600 columbarium vaults within its existing memorial parks to be launched in future phases of the pertinent memorial parks and columbaries. The design and infrastructure requirements and lot allocations for these new and additional phases are in place, and the Company expects to be able to launch these additional phases within a shorter period of time relative to the duration required to launch a new project.



In addition, the Company has recently entered into agreements for the acquisition of two existing memorial parks with an aggregate land area of 8.2 hectares and located in the provinces of Pampanga and Nueva Vizcaya. These two memorial parks have been subdivided into approximately 24,400 memorial park lots and, as of the date of this Prospectus, are being re-developed by the Company to conform to its quality standards. The Company expects to commence marketing and sales of these projects within 2016.

The Company also owns approximately 2.8 hectares of prime raw land, located along C5 Road in the city of Las Piñas, and strategically situated within 200 meters from the Ezekiel Complex. This property is suitable for the development of additional death care facilities, such as memorial chapels, columbaries, and other memorial facilities to supplement the products and services offered at the Ezekiel Complex.

The Company believes that, combined with its solid operating track record, the Company's existing land reserves and its array of expansion projects currently in development provide it with meaningful and realizable opportunities for strategic growth and expansion and give strong visibility of future revenues and earnings.

- *Innovative product packages*

The Company is known for the quality and affordability of its memorial lots and columbarium niches, as well as for offering clients innovative death care product packages which have been designed to cater not only to its clients' immediate needs but also to respond to emerging market trends and preferences. For example, through an arrangement with the Manufacturers Life Insurance Co. (Phil.), Inc. ("Manulife"), the Company has developed a memorial lot package that offers its clients, in addition to the purchase of such memorial lot, life, accidental death and dismemberment insurance coverage, with premium payments embedded into the cost of the memorial lot. Aside from the additional insurance benefits, such an arrangement provides the client with the assurance that any unpaid installments on the memorial lot, plus other costs of death care service will be sufficiently provided for and addressed. To its knowledge, the Company is the only death care service provider in the Philippines that offers such a package.

The Company believes that its ability to develop, offer and implement bespoke death care products, services and packages further enhances and differentiates its brand, and allows the Company to offer a wider and more attractive range of death care products and services to its clients than its competitors.

- *Experienced management team*

The Company's senior management team has extensive experience in the real estate and death care industry in the Philippines, and the Company believes that they have a deep understanding of key aspects of the industry, including the development, construction, operation and maintenance of death care facilities, products and services. Mr. Jerry M. Navarrete has more than 30 years of experience in the death care industry, and, together with the rest of the Company's senior management team, have decades of experience and strong professional relationships with key industry participants. This breadth and depth of industry experience and execution expertise can be seen with the number and scale of successful projects implemented in the past 12 years, the continuous growth in the Company's revenues and earnings and in the Company's expansion plans that are currently being implemented.

The Company believes that the strength and experience of its management and development teams enable it to maintain and strengthen its position as one of the largest death care providers in the Philippines, and would allow the Company to successfully implement its growth and expansion strategies.

## **BUSINESS STRATEGIES**

The Company aims to continue and accelerate its growth and be regarded as one of the biggest and fully-integrated death care provider in the Philippines. To achieve this objective, key components of the Company's strategies include:

- *Expansion of death care facilities by active and strategic acquisitions of land and/or existing death care facilities*

Aside from the launch of new sales phases within its existing memorial parks and columbaries, the Company intends to continue its strategic expansion throughout the country. This expansion, via land acquisitions and the acquisition and re-development of existing memorial parks, will focus on those

locations or areas where VLL real estate projects have been established or being developed to capitalize on the marketing synergies between the two companies.

With a view to establishing its brand presence in multiple key cities, the Company aims to expand its land bank through multiple acquisitions in a diverse set of cities and provinces nationwide. Leveraging on its experience and track record in land development, land acquired is expected to vary based on the needs of the Company's target population, the type of services required in the area, or customer (or prospective customer) preferences in general. Direct acquisition of raw land or developed property remains the preferred means of expansion, with the possibility of entering joint ventures as a secondary means of acquisition.

- *Expansion of death care services to include embalming, cleansing, dressing and cosmetic restoration of the deceased in preparation for viewing, and other memorial services*

As of the date of this Prospectus, the Company is constructing memorial chapels within the Ezekiel Complex. These memorial chapels will contain rooms of varying sizes, and may then be leased out to its clients for the traditional wake and viewing period before the deceased is buried or cremated, and will have video memorialization and online streaming capabilities to enable on-line participation of the deceased's relations during religious and other memorial ceremonies.

Once these developments are completed, the Company will be able to offer, in addition to its existing death care products, at-need burial or at-need cremation services covering embalming, cleansing, dressing and cosmetic restoration of the deceased in preparation for viewing, and other memorial services. The Company believes that by offering these expanded services, the Company would be able to simplify and reduce any stress incurred by its clients with the death care process. Further, the inclusion of such services in addition to its existing death care products would enhance the Company's product and service portfolio, and make its present and prospective offerings more attractive to its clients.

- *Expansion of death care products by development of pre-need death care plans and packages*

The Company intends to expand its death care product portfolio by developing, by itself or through any one or more subsidiaries, planned pre-need death care packages, which would be designed to include a mix of the Company's suite of products, such as memorial lots and funeral services (embalming, cleaning, cosmetic restoration and the use of the Company's chapels during the viewing period), the supply of caskets or urns, and cremation or burial services – customized according to the client's preferences.

The inclusion of pre-need death care plans into the Company's product portfolio will enable the Company to offer its entire range of products before these are actually required, at discounted rates compared to at-need purchases. Such packages will also allow clients to customize their requirements and to pay for the relevant products and services over an extended payment period.

- *Brand building and marketing both domestically and internationally*

With projects in various cities and provinces, covering Luzon, Visayas and Mindanao, the Company plans to undertake aggressive nation-wide marketing and advertising efforts to enhance its brand recognition throughout the Philippines and to become the first name and the provider of choice for death care products and services.

The Company intends to aggressively promote this position especially to overseas Filipino workers. In line with this, the Company intends to increase and strengthen arrangements with international brokers and agents who operate in key cities and countries in North America, Europe, the Middle East and Asia.

## **PRODUCTS AND SERVICES**

The death care services market comprises products and services during the period of mourning and grief following the death of a loved one. The market generally includes funerary arrangements (care for the deceased and cosmetic embalming in preparation for viewing), burial or cremation services, and the sale of caskets, urns and death care memorabilia.

As of the date of this Prospectus, the Company's key products and services principally consist of the sale of memorial lots and columbarium vaults made available to the public through the Company's developments existing to date:

- The Ezekiel Complex, which houses the Ezekiel Columbarium
- Golden Haven Las Piñas Memorial Park
- Golden Haven Cebu Memorial Park
- Golden Haven Cagayan de Oro Memorial Park
- Golden Haven Zamboanga Memorial Park
- Golden Haven Iloilo Memorial Park
- Golden Haven Bulacan Memorial Park

In addition, the Company has recently entered into agreements for the acquisition of two existing memorial parks with an aggregate land area of 8.2 hectares and located in the provinces of Pampanga and Nueva Vizcaya. These two memorial parks have been subdivided into approximately 24,400 memorial lots and, as of the date of this Prospectus, are being re-developed by the Company to conform to its quality standards. The Company expects to complete the acquisition and the re-development of these projects, as well as to commence marketing thereof within 2016.

### **Memorial Parks and Lots**

The Company offers memorial lots at packages consisting of varying lot sizes and price points within each of its existing memorial parks, and within those memorial parks presently in development. Upon use, the Company also charges the purchaser a fee for burial services covering labor and material costs associated with the interment.

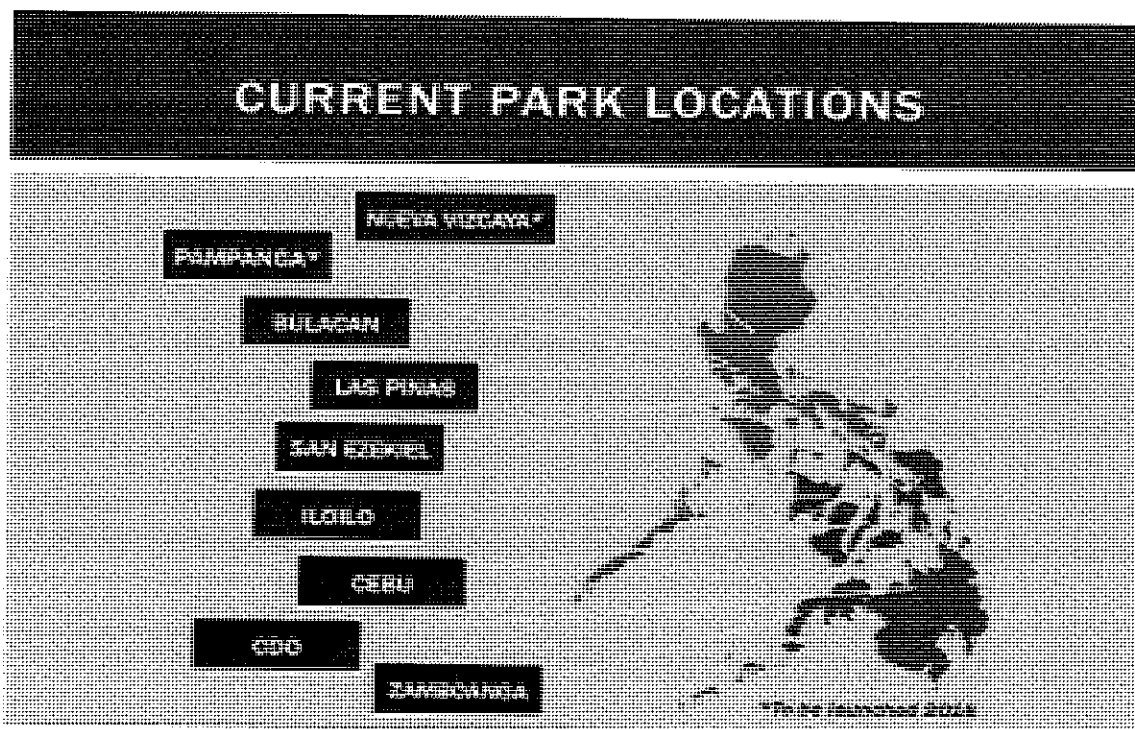
Upon full payment of a memorial lot, the Company issues to its purchasers a certificate evidencing the purchaser's perpetual right to use the relevant lot. Each certificate includes the Company's undertaking to be liable for real estate and any other taxes that may be imposed on the memorial park, as well as the undertaking to operate, maintain or cause the maintenance of the memorial park. To address these future and continuing obligations, the cost of these undertakings (or anticipated cost thereof) is incorporated into the purchase price for the memorial lot, and a portion of the proceeds collected from purchasers is allocated into a maintenance fund escrowed with, and managed by, a third party escrow agent and fund manager. Income from this maintenance fund is then used to finance the operating and maintenance costs of a park. Each of the Company's memorial park has established and maintains its own maintenance fund.

The Company has established, and presently maintains, a separate maintenance fund for each of its memorial parks, other than the Golden Haven Iloilo Park and the Golden Haven Bulacan Park, which projects had only been recently launched in 2013 and 2015, respectively.

As of the date of this Prospectus, the escrow agent and fund manager of each of the Company's existing maintenance funds for its memorial parks is China Banking Corporation., acting through its Trust and Investments Group. For a more detailed discussion on the terms of the Company's escrow and fund management agreement with the fund manager, see "Maintenance Funds" on page 61 of this Prospectus.

The use of a memorial lot is strictly for human interment only. While a purchaser does not acquire or hold legal title thereto, the Company allows the purchaser to nominate any person as the intended user of the memorial lot. A purchaser may likewise transfer the perpetual right to use such lot to any other party subject to compliance with the Company's procedures and regulations regarding such transfers.

Similar to the practice of real estate developments, the Company launches the offer and sale of its memorial lots in phases. At each phase, the Company offers to prospective customers a pre-determined number of lots at pre-established prices. Succeeding phases would then entail the launch of another pre-determined number of memorial lots, typically at higher prices. The timing of launches and the price escalations at each succeeding phase generally depends on several factors, including market demand, supply and pricing strategies of competitors within the location, if any, and the target profit margins for such developments as set by the Company's management.



As of 31 March 2016, Golden Haven has a total of six memorial parks with details summarized in the table below:

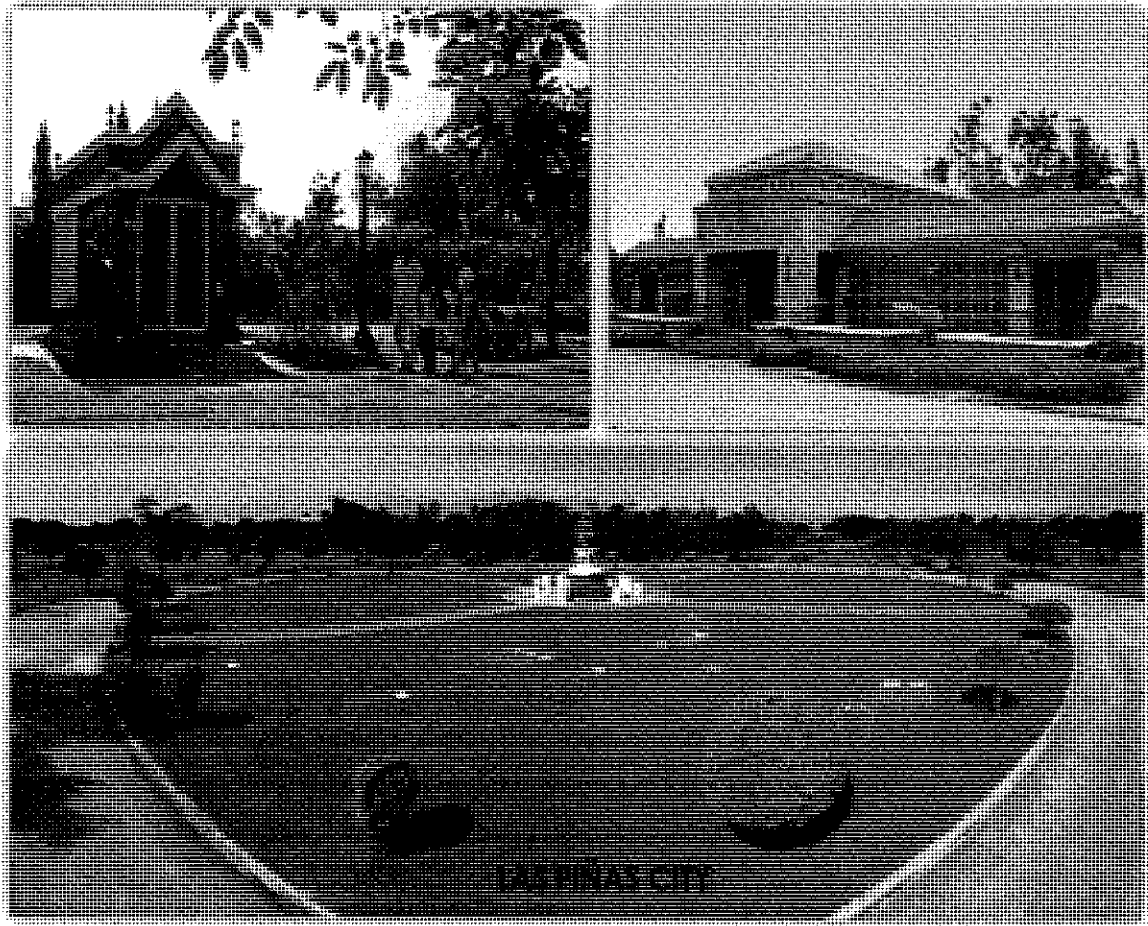
As of 31 March 2016

Project Name	Location	Launch Date	Gross Land Area (in hectares)	Total No. of Sellable Lots	No. of Lots Launched for Sale	No. of Lots Sold	Remaining Lot Inventory
Golden Haven Las Piñas Park	C5 Road Pulang Lupa, Las Pinas	1984	12.15	31,418	29,678	29,391	2,027
Golden Haven Cebu Park	Brgy. Binaliw 1, Tambalan Hills, Cebu	2003	6.79	11,768	11,768	9,024	2,744
Golden Haven Cebu Park Expansion		2012	6.53	12,460	6,852	4,338	8,122
Golden Haven Cagayan de Oro Park	Macapagal Road, Bulua Heights, CDO	2008	10.57	15,053	15,053	9,783	5,270
Golden Haven Zamboanga Park	Ma. Clara Lobregat Highway, Boalan, Zamboanga	2009	5.50	10,389	10,389	9,140	1,249
Golden Haven Zamboanga Park Expansion		2015	3.20	7,583	2,173	424	7,159
Golden Haven Iloilo Park	Brgy. San Jose, San Miguel, Iloilo	2013	6.00	15,005	9,829	8,185	6,820
Golden Haven Bulacan Park	Sitio Compara, San Mateo, Norzagaray, Bulacan	2015	4.44	10,741	4,057	2,878	7,863
<b>TOTAL</b>			<b>55.18</b>	<b>114,417</b>	<b>89,799</b>	<b>73,163</b>	<b>41,254</b>

\*Excluding the 1.4 hectare property adjacent to Golden Haven Iloilo Park acquired by the Company on May 2015. This area is expected to be utilized for future expansion of Golden Haven Iloilo Park.

In addition, the Company has recently entered into agreements for the acquisition of two existing memorial parks with an aggregate land area of 8.2 hectares and located in the provinces of Pampanga and Nueva Vizcaya. These two memorial parks have been subdivided into approximately 24,400 memorial lots and, as of the date of this Prospectus, are being re-developed by the Company to conform to its quality standards. The Company expects to complete the acquisition and the re-development of these projects, as well as to commence marketing and sales thereof, within 2016.

*Golden Haven Las Piñas Park*



Golden Haven Las Piñas Park was the first memorial park project of the Company and was established to exploit the growing communities being developed by VLL and other real estate companies at the time. Golden Haven Las Piñas Park is comprised of a gross land area of 12.15 hectares resulting in a total of 31,418 memorial lots of varying packages. As of 31 March 2016, 29,678 memorial lots have been launched or offered to the market, of which a total of 29,391 memorial lots have been sold.

Golden Haven Las Piñas Park's classical design features various types of lots, ossuaries and columbaries.

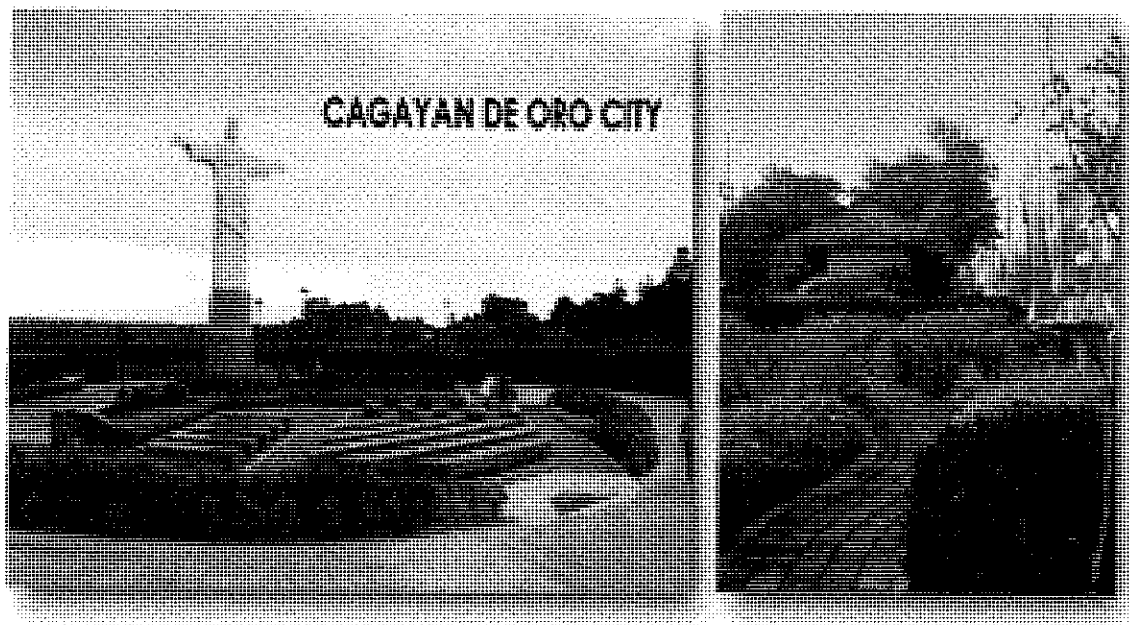
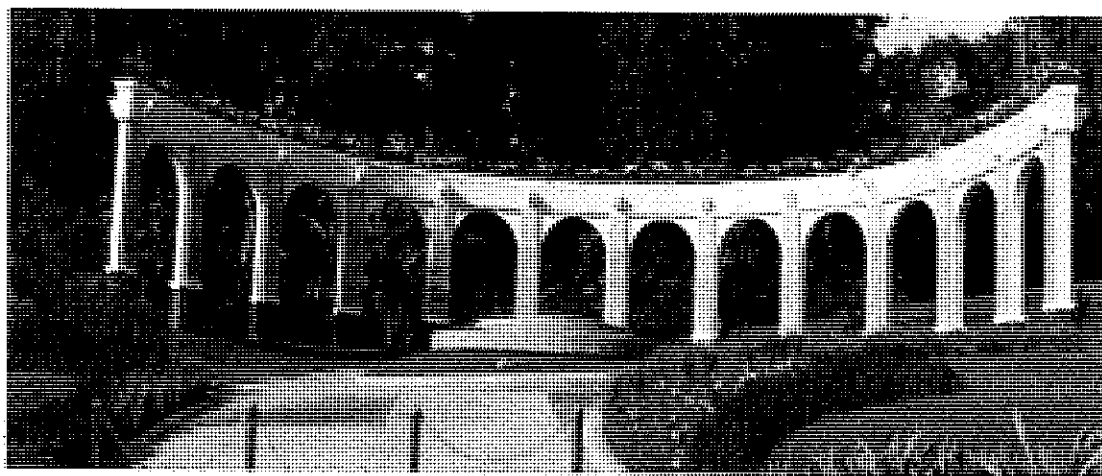
### *Golden Haven Cebu Park*



Golden Haven Cebu Park started in 2003 and with a total land area of 6.8 hectares. As of the date of this Prospectus, the Company has completed and offered to the public a total of 11,768 memorial lots of various sizes. In 2012, the Company entered into agreements for the acquisition from Brittany Estates Corporation, an affiliate, of an adjacent 6.5-hectare property for the expansion of the Golden Haven Cebu Park. While title to and ownership of the lands remains in the name of the seller until the Company pays the balance of the purchase price, the Company has acquired, as part of the terms of the purchase, the right to use and develop the property as a memorial park, as a result of which a total of 12,460 additional memorial lots have been developed. As of 31 March 2016, Golden Haven Cebu Park has a total of 10,866 memorial lots in inventory.

Golden Haven Cebu Park is known for its garden designs inspired by famous landscapes from Europe and Asia.

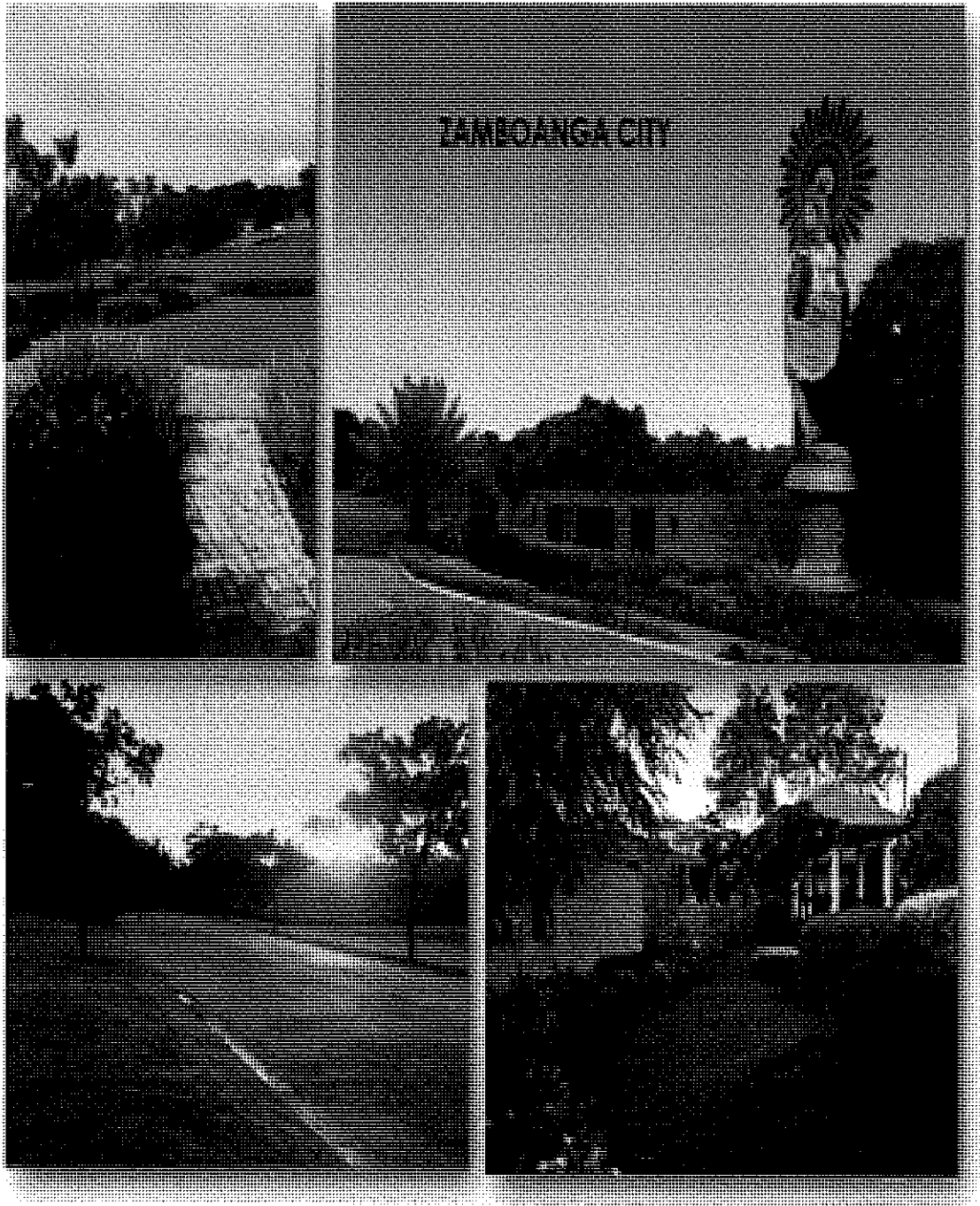
*Golden Haven Cagayan de Oro Park*



Golden Haven Cagayan de Oro Park was launched in 2008 and has a total gross land area of 10.57 hectares. At its current stage of development, the Company has completed a total of 15,053 memorial lots of varying packages. As of 31 March 2016, 15,053 memorial lots have been launched and offered to the market, of which a total of 9,783 memorial lots have been sold.

Golden Haven Cagayan de Oro Park is noted for the Christ the Redeemer Statue situated at the highest point of the park, overlooking the themed landscaping inspired by famous gardens from all over the world.

*Golden Haven Zamboanga Park*

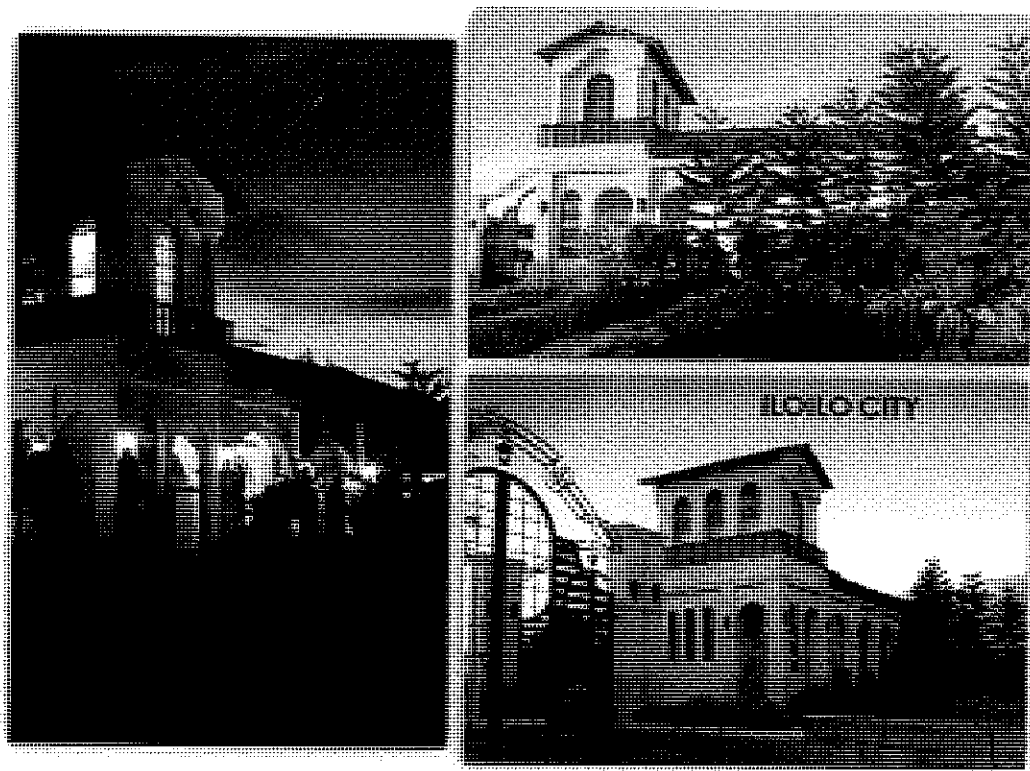


Golden Haven Zamboanga Park was launched in 2009 and has a total gross land area of 5.5 hectares. The Company has completed and launched a total of 10,389 memorial lots of various sizes to the public. In 2015, the Company entered into agreements for the acquisition from non-related third parties of an adjacent 3.2-hectare property for the expansion of the Golden Haven Zamboanga Park. While title to and ownership of the lands remain in the names of the respective sellers thereof until the Company pays the balance of the purchase price, the Company has acquired, as part of the terms of the purchase, the right to use and develop the property as a memorial park, as a result of which a total of 7,583 additional memorial lots have been developed. As of March 2016, the Zamboanga project has a remaining inventory of 8,408 memorial lots.



The Spanish-inspired Golden Haven Zamboanga Park is noted for its “Nuestra de Senora” theme, with monuments of religious icons displayed around the park paying homage to the patron saint of Zamboanga.

#### *Golden Haven Iloilo Park*



Golden Haven Iloilo Park was launched in 2013 and has a gross land area of 6.0 hectares and a total of 15,005 memorial lots of varying packages. As of 31 March 2016, 9,829 memorial lots have been launched, of which a total of 8,185 memorial lots have been sold. Approximately 1.4 hectares of land forming part of the Golden Haven Iloilo Park remain undeveloped and reserved for future expansion.

In May 2015, the Company entered into agreements for the acquisition from non-related third parties a 1.4 hectare property adjacent to the Golden Haven Iloilo Park, which has likewise been earmarked for future expansion. While title to and ownership of the lands remain in the name of the the Company has acquired, as part of the terms of the purchase, the right to use and develop the property as a memorial park, title to and ownership of the lands remain in the names of the respective sellers thereof until the Company pays the balance of the purchase price.

Golden Haven Iloilo Park is noted for its sprawling Garden Gate frontage leading into its themed “Gardens of the Americas”, accented by numerous fountain nodes scattered around the park.

#### *Golden Haven Bulacan Park*

Golden Haven Bulacan Park was recently launched in 28 March 2015 and has a gross land area of 4.4 hectares and a total of 10,741 memorial lots of varying packages. As of December 31 2015, 4,057 lots have been launched and offered to the market, of which a total of 2,878 memorial lots have been sold.

Golden Haven Bulacan Park is noted for its South American-inspired theme with a towering Christ the Redeemer Statue, engendering an atmosphere reminiscent of Rio de Janeiro.

### *Recent Acquisitions*

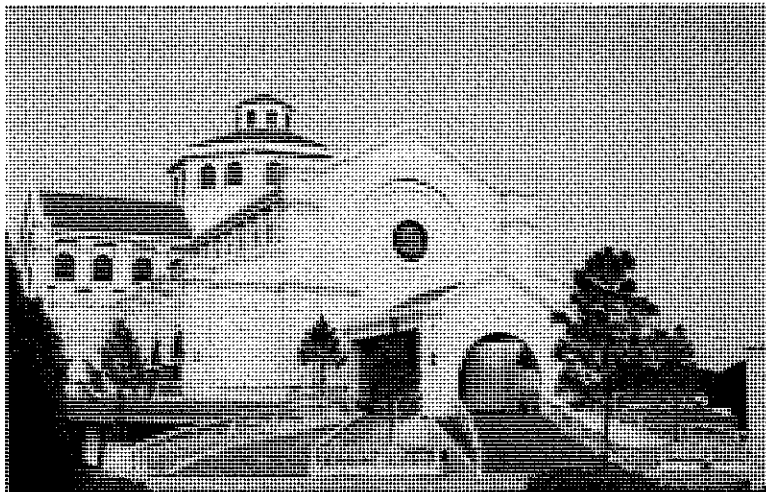
On January 2016, the Company entered into agreements for the purchase of a six-hectare memorial park in Bambang, Nueva Vizcaya and a 2.2 hectare park in San Fernando, Pampanga. Summary information on these acquired properties is as follows:

Name	Location	Land Area (hectares)	Est. Available Lots (at completion)	Expected Sales Launch
Golden Haven Nueva Vizcaya Park	Bambang, Nueva Vizcaya	6.0	14,175	2 <sup>nd</sup> Quarter 2016
Golden Haven Pampanga Park	San Fernando, Pampanga	2.2	5,194	2 <sup>nd</sup> Quarter 2016

As of the date of this Prospectus, the Company has made initial payments amounting to, in each case, approximately 20% of the stipulated purchase price for the foregoing properties to the respective sellers thereof to enable the Company to take immediate possession thereof and commence its re-development activities. However, until full payment of the purchase price for each property, title to the underlying lands as well as the memorial parks and lots themselves will remain with the respective sellers.

The Company's newly-acquired properties in Nueva Vizcaya and Pampanga are currently under re-development to conform these memorial parks to the Company's design and quality standards. The Company expects to complete the acquisition and the re-development of these projects and to commence the sale of memorial lots under these projects within the second quarter of 2016.

### **Columbaries**



The Company also offers columbarium vaults in its columbaries such as the Ezekiel Complex in Las Piñas, as well as those established and operated within its existing memorial parks, namely, within the Golden Haven Las Piñas Park, the Golden Haven Cebu Park, the Golden Haven Cagayan de Oro Park, and the Golden Haven Zamboanga Park. Each vault is approximately 300 cm by 370 cm by 500 cm and can accommodate up to four regular-sized urns. The Company also offers premium vaults depending on the columbarium; these are vaults which are at or about eye-level.

As with its memorial lots, at full payment, the Company issues to its purchasers certificates evidencing the purchaser's perpetual right to use the vault. Each certificate also includes the Company's undertaking to be liable for real estate and any other taxes that may be imposed on the columbarium, and the undertaking to operate, maintain or cause the maintenance of the facility. To address these future and continuing obligations, the cost of these undertakings (or anticipated cost thereof) is included into the purchase price for a vault, and a portion of the proceeds collected from purchasers is allocated into a maintenance fund in the form of a fund managed by a third party manager. Income from this maintenance fund is then used to finance the operating and maintenance costs of the columbarium.

As of the date of this Prospectus, the Company's existing maintenance funds (or the income from such maintenance funds) for the memorial parks where its four columbaries are located, namely, the Golden Haven Las Piñas Park, the Golden Haven Cebu Park, the Golden Haven Cagayan de Oro Park and the Golden Haven Zamboanga Park, likewise service the Company's maintenance obligations in respect of such columbaries. For a more detailed discussion on the terms of the Company's escrow and fund management agreement with the fund manager, see "Maintenance Funds" on page 61 of this Prospectus.

The Company allows the purchaser of a vault to nominate any person as the intended user thereof. A purchaser may likewise transfer the perpetual right to use such vault to any other party subject to compliance with the Company's procedures and regulations regarding such transfers.

As of 31 March 2016, Golden Haven has a total of five columbarium projects summarized in the table below:

Location	Launch Date	Levels	No. Of Vaults Launched for Sale	No. of Remaining Launched Inventory
Ezekiel Complex	2011	8	11,392	3,057
Golden Haven Las Piñas Park	2002, 2007 & 2008	5	963	132
Golden Haven Cebu Park	2010, 2011 & 2012	5	702	322
Golden Haven Cagayan de Oro Park	2013	6	456	280
Golden Haven Zamboanga Park	2014	5	244	193

Each of the Company's columbaries is designed with classical or neo-classical themes and constructed with quality materials such as glass, marble and granite to give the impression of solidity, permanence and tranquility. These developments include ample parking spaces and congregation areas for religious services.

## DEVELOPMENT AND OPERATIONS

### Development and Operation of Death Care Facilities

In developing a death care facility, the Company conducts a site evaluation to assess the suitability of a property for development into any one type of death care facility, such as a memorial park, a columbarium, a crematorium or whether such property is best suited for ancillary services such as memorial chapels. Aside from property costs, land access, water and power supply and other infrastructure determine a site's suitability for each type of death care facility. The Company simultaneously conducts a market assessment, considering potential market size, the income levels and the presence of established competition in the area.

After a favorable feasibility study, the Company begins the project development process starting with the process of securing regulatory approvals and clearances from various government departments, including the DENR, the LLDA and, if necessary, the DAR, as well as the local government units having jurisdiction over the project area. For more information on the regulations applicable to the Company and its business, see "Regulatory and Environmental Matters" on page 67 of this Prospectus.

Concurrent with its regulatory compliance efforts, the Company undertakes the process of master planning, design and engineering. Golden Haven has its own architects, engineers, and design experts to plan its developments and at present has a total design and development team of 16 employees. On occasion, the Company may engage third party architects, designers and planners. Design and architectural and engineering development timetables vary by project, depending on its scale and design.

Once a project has received a development permit from the relevant local government unit, the Company then applies for a permit to sell from the HLURB to allow the pre-selling of memorial lots and columbarium niches.

Land development, landscaping, infrastructure, and construction work for the Company's projects are all contracted out to various independent contractors. Over its history, the Company has utilized a total of 56 independent contractors and is not dependent on any single firm or contractor.

As of the date of this Prospectus, the Company believes that it has secured all material licenses, permits, consents and registrations from the relevant regulatory authorities which it is required to obtain under applicable

law to enable it to engage in the development, operation and maintenance of memorial parks and columbaries. For a detailed description of all material licenses, permits, consents and registrations obtained and maintained by the Company as of the date of this Prospectus, please refer to the section “Summary of Material Consents” appearing in Annex B of this Prospectus.

### **Maintenance Funds**

Since the sale of the Company’s memorial lots and columbarium vaults require it to perform certain future and perpetual obligations, such as the payment of real estate and any other taxes that may be imposed on the memorial park or the columbarium facility, as well as the continuing operation or maintenance thereof, the Company has established perpetual care funds or maintenance funds designed to address these future and continuing obligations.

In general, the cost of these undertakings (or anticipated cost thereof) is incorporated into the purchase price for the memorial lot or the columbarium vault in the form of a one-time maintenance fee, and a portion of the proceeds collected from purchasers is then allocated into the relevant maintenance fund. Where the sale of the product is by way of installments, this maintenance fee is likewise collected ratably from each installment and set aside for such purpose.

The Company’s maintenance funds typically take the form of funds escrowed with, and managed by, a third party manager under an escrow and management agreement entered into by the Company for this purpose, and the income from such maintenance funds are then used to finance the operating and maintenance costs of the applicable death care facility. Under this fund management arrangement:

- The Company has no right to amend the fund management arrangements established that may in any way reduce or impair the principal of the maintenance fund, or divert income thereof to any purpose other than the perpetual care and maintenance of the relevant memorial park or columbarium, including expenses for the maintenance and preservation of the scenery, background and landscape of its areas, cleaning, pruning and maintenance of the grounds, boundaries, walks, roadways and structures. Any release of income from the maintenance fund must be supported by receipts, billing statements, statements of account and similar documents evidencing the use of such funds for the maintenance and administrative costs of the relevant memorial park or columbarium.
- The Company has no right or authority to decrease the principal amount of the maintenance fund except for major rehabilitation of the relevant memorial park or columbarium as a result of natural calamities, fire, earthquake, typhoons, floods, civil war and the like.
- The escrow agent and fund manager may, in its sole discretion, invest the maintenance funds into the following forms of investments: (i) treasury notes or bills, BSP Certificates of Indebtedness or other government securities, bonds or other evidence of indebtedness, the servicing and repayment of which are fully guaranteed by the Government, (ii) deposits with the fund manager and other banks, and (iii) loans or investments upon the direction of the Company or of a court of competent jurisdiction or other competent authority in writing indicating the nature of the transaction, the borrower’s or other party’s name, the amount involved and the collateral, if any.
- In the event that the income of the maintenance fund for a period is not adequate, the balance of any repair and maintenance expenses is then financed directly by the Company.

As of the date of this Prospectus, the escrow agent and manager of each of the Company’s existing maintenance funds is China Banking Corporation, acting through its Trust and Investments Group.

The size of the fund for a project is a result of an actuarial model which considers number of memorial lots or niches available, the present value of the annual budget for maintenance, assumptions on the returns the maintenance fund will generate, among other factors. Ultimately, the amount charged to purchasers will depend on the necessary amount of the fund and the memorial lot package or niche acquired.

The Company has established, and presently maintains, a separate maintenance fund for each of its memorial parks, other than the Golden Haven Iloilo Park and the Golden Haven Bulacan Park, which had only been recently launched in 2013 and 2015, respectively. These maintenance funds, or the income from these maintenance funds, likewise service the Company’s maintenance obligations in respect of its columbarium facilities located within the pertinent memorial parks.

The Company intends to create a separate maintenance fund for the Golden Haven Iloilo Park within 2016 and one for the Golden Haven Bulacan Park by 2018. Each of the foregoing funds is expected to be established under the same or similar terms as the Company's existing maintenance funds, and would therefore be escrowed and managed by the Company's present fund manager.

As of 31 March 2016, the balance of the Company's maintenance funds in the aggregate amounted to ₱131.70 million.

### **Contracts with Suppliers**

In general, the Company enters into fixed-priced standard form contracts, awarded after a bidding process, with its contractors, with the cost of materials included as part of the contract price. Payments are generally on a percentage of completion or milestone basis. In each development, contractors are managed and evaluated by a project manager, directly employed by the Company.

Project duration from launch to completion for a memorial park project or a columbarium project typically takes anywhere from one to two years, depending on the scale and size of the memorial park project or the columbarium project.

After completion of a project, the Company then engages independent contractors to operate and maintain its memorial parks and columbarium facilities. These contractors customarily provide the security, janitorial, gardening and repair and maintenance requirements of each development. The Company engages several firms, based on a competitive selection process and for fixed terms or durations, and is not dependent on any single provider for each of these various services.

However, because of the technical and highly-specialized nature of memorial services and cremations, the Company intends to restrict the management and operation of its memorial service facilities and its crematorium to in-house personnel, rather than rely on contracted or third party personnel. Each memorial service facility or crematorium will have its own manager, accounting and administrative, and customer support staff as well as the technical experts providing the services offered.

The Company has likewise standardized its maintenance protocols, including periodic re-planting, repainting and other maintenance activities, to which each contractor is expected to conform.

## **MARKETING AND SALES**

### **Target Market**

The Company believes that purchasers of its memorial lots, niches and eventually, its memorial services, are typically heads of households, between 25 to 55 years of age, with a median family income of between ₱75,000 to ₱100,000, and have generally attained financial stability.

In general, clients purchase the Company's memorial lots and niches in advance or before the need for such products arises.

The Company believes that proximity to the home of a prospective client dictates such client's decision to purchase a death care product or avail of death care services. Accordingly, the Company has built, and it will continue to build, death care facilities, products and services in various strategic locations across the country. The Company also believes that rising incomes and economic development in the provinces will drive demand for its products throughout the Philippines.

### **Sales and Agency Network**

The Company has over 4,000 independent accredited agents organized into 149 sales networks located nationwide to generate sales of memorial lots and columbarium vaults.

The Company's agents are compensated solely on a commission basis. Agents are generally not exclusive and can offer real estate packages and other product and service offerings, including products and services that may compete with those of the Company.

The Company, through its internal marketing and sales organization, manages and monitors the performance of its sales teams and individual agents. Aside from the evaluation, training and management of the Company's independent agents, its sales and marketing organization is responsible for market evaluations, pricing and credit packages, and the preparation of marketing materials such as fliers and brochures. As of the date of this Prospectus, the Company has a total of 28 employees directly responsible for its sales and marketing functions.

### **Pricing and Instalment Plans**

The price of a memorial lot or niche is location specific and is dependent on several factors, including the cost of land, development and construction costs and the estimated operating costs of a memorial park or columbarium, pricing of competitors within proximity of the development, income levels of the target market, among other considerations.

Selling of prospective memorial parks and niches begin as soon as the Company has completed securing all of the necessary government approvals and has completed the preparation of marketing materials. At launch, the Company has a pre-determined the number of memorial lots or niches to be offered at the launch price. Succeeding releases of memorial lots and niches are at increasing prices, depending on market demand and the acquisition of any necessary government approval.

Aside from cash purchases, the Company also offers instalment plans for its memorial lots and niches allowing for monthly payments over a term of between one to five years. Mandatory down payment is typically in between 15% to 20% of the purchase price. Monthly amortizations are inclusive of an effective interest rate of 6% to 15% per annum depending on the term of the instalment plan.

Instalment sales are documented through a purchase agreement between the purchaser and the Company. Under these agreements, in the event of a default, the purchaser forfeits all rights to the subject memorial park lot or columbarium vault. Any refund, if proper, shall be governed by the applicable laws at the time of the purchase; otherwise, the Company retains all payments made by the purchaser as liquidated damages.

The Company believes that through the combination of its customer selection process, pricing and instalment plans, it has adequately managed the risk of defaults.

Upon full payment of a memorial lot or the niche, the Company issues to its purchasers a certificate evidencing the buyer's perpetual right to use the memorial lot or the niche, as applicable.

### **EMPLOYEES**

The following table provides a breakdown of the Company's regular employees as of 31 March 2016:

<b>Department</b>	<b>Headcount</b>
Operations.....	33
Technical.....	15
Administration.....	40
Total.....	88

The Company has no collective bargaining agreements with its employees and none of its employees belong to a labor union. The Company believes its relationships with its employees are generally good.

Considering the expansion of the Company's memorial park and columbarium projects and the launch of its memorial services and crematorium within 2016, the Company expects to increase headcount by five to seven for each new death care facility by the end of 2016. The Company does not expect to incur any difficulties in the recruitment of these additional employees.

### **HEALTH, SAFETY AND ENVIRONMENT**

The Company regards occupational safety, employees' health and welfare, and the protection of the environment as key corporate and social responsibilities. In all of its existing memorial parks and columbaries and in all of its future developments, the Company ensures and will ensure that it will operate in compliance with health, safety and environmental standards.

For more information on the regulations applicable to the Company and its business, including health, safety and environmental regulations, see "Regulatory and Environmental Matters" on page 67 of this Prospectus.

As of the date of this Prospectus, there are no pending, outstanding or imminent disputes, findings or cases against the Company involving occupational safety, health or environmental matters.

## COMPETITION

The Philippine death care industry is fragmented. Companies within the industry provide only segments of the death care value chain which covers a range of products and services starting from memorial services (inclusive of embalming, cleaning, and cosmetic restoration), memorial chapel spaces leased out for the wake period prior to cremation or burial, death care merchandise sales (caskets, urns, keepsakes, tombstones, and other similar products), cremation, burial services, to the sale of memorial lots and columbarium niches.

Although the Company believes that, within 2016, it will be the only fully integrated death care products and services provider in the Philippines, the Company competes against other service providers of various segments of the death care value chain.

For the sale of memorial lots, the Company competes against large developers such as the Manila Memorial Parks Group, the Holy Cross Memorial Parks Group, the Eternal Gardens Memorial Parks Group and the Forest Lake Memorial Parks Group.

The Manila Memorial Parks Group is one of the oldest memorial park developers in the country. Established in 1964, this group has a total of six memorial parks covering approximately 427 hectares of land. While the Manila Memorial Parks Group has a memorial park in Cebu and another in Davao, most of its developments are within Metro Manila and surrounding provinces.

The Holy Cross Memorial Parks Group started in 1983 and to date has 10 memorial parks, four of which are located in Metro Manila and another four (4) parks in other provinces in Luzon. The company also has one memorial park in Iloilo and another in South Cotabato.

The Eternal Gardens Memorial Parks Group was founded in 1976 and has 10 memorial parks, of which nine are in Luzon. The company has one park in Cagayan de Oro. Lastly, the Forest Lake Memorial Parks Group has 13 memorial park developments, majority of which are located in Mindanao.

Aside from the foregoing major developers, the Company competes against smaller memorial park developers throughout the country. These would typically be family owned corporations with memorial park projects in a particular province.

There are likewise several developers of columbarium projects in the country. The Company believes that most of these developers would be single-project companies, typically in Metro Manila and surrounding provinces. Several parish churches in Metro Manila have built small columbaries within or adjacent to the church compound which are offered to the public.

With respect to memorial services, the Company will compete against several established companies in the country, such as St. Peter Chapels, La Funeraria Paz, Loyola Memorial Chapels and the Cosmopolitan Memorial Chapels.

St. Peter Chapels started 1975 and is considered one of the largest memorial service providers in the country, serving over 1.5 million plan holders. The company has over 200 chapels, either company-owned, tie-ups, or franchised, in 12 branches nationwide. The company also offers memorial and cremation services in several of its branches.

La Funeraria Paz offers memorial and cremation services and has five branches with a total of 93 chapels. The company's top three branches, covering 75 chapels are located in Metro Manila. Similarly, Loyola Memorial Chapels and Crematorium, which was established in 1972 is focused on serving the Metro Manila market. All of the company's six branches are located within Metro Manila.

Cosmopolitan Memorial Chapels was established in 1950 and is one of the largest memorial service providers in the Visayan region. The company has a total of 15 branches, 10 of which are in provinces in the Visayas and five in provinces in Mindanao. The company also offers cremation services in some of its branches.

## PROPERTIES

The Company's key properties consist of its lands (raw and partially-developed) designated or undergoing development into death care facilities, its death care facilities such as its memorial parks and columbaries (existing and under construction) and its inventory of the memorial lots and/or columbarium vaults available for sale to the public. Except as otherwise discussed in this Prospectus, the Company holds legal and/or beneficial title to each of its existing death care facilities, including the land on which such death facilities have been built or are intended to be built.

As of 31 March 2016, the Company has a total of six memorial parks with details summarized in the table below:

Project Name	Location	Gross Land Area (in hectares)	Total No. of Sellable Lots	As of 31 March 2016		
				No. of Lots Launched for Sale	No. of Lots Sold	Remaining Lot Inventory
Golden Haven Las Piñas Park	C5 Road Pulang Lupa, Las Piñas	12.15	31,418	29,678	29,391	2,027
Golden Haven Cebu Park	Brgy. Binaliw 1, Tambalan Hills, Cebu	6.79	11,768	11,768	9,024	2,744
Golden Haven Cebu Park Expansion		6.53	12,460	5,608	4,338	8,122
Golden Haven Cagayan de Oro Park	Macapagal Road, Bulua Heights, CDO	10.57	15,053	15,053	9,783	5,270
Golden Haven Zamboanga Park	Ma. Clara Lobregat Highway, Boalan, Zamboanga	5.50	10,389	10,389	9,140	1,249
Golden Haven Zamboanga Park Expansion		3.20	7,583	2,173	424	7,159
Golden Haven Iloilo Park*	Brgy. San Jose, San Miguel, Iloilo	6.00	15,005	9,829	8,185	6,820
Golden Haven Bulacan Park	Sitio Compara, San Mateo, Norzagaray, Bulacan	4.44	10,741	4,057	2,878	7,863
<b>TOTAL</b>		<b>55.18</b>	<b>114,417</b>	<b>89,799</b>	<b>73,163</b>	<b>41,254</b>

\*Excluding the 1.4 hectare property adjacent to Golden Haven Iloilo Park acquired by the Company on May 2015. This area is expected to be utilized for future expansion of Golden Haven Iloilo Park.

In addition, in January 2016, the Company entered into agreements for the purchase of a six-hectare memorial park in Bambang, Nueva Vizcaya and a 2.2 hectare memorial park in San Fernando, Pampanga. Summary information on these acquired properties is as follows:

Name	Location	Land Area (hectares)
Golden Haven Nueva Vizcaya Park	Bambang, Nueva Vizcaya	6.0
Golden Haven Pampanga Park	San Fernando, Pampanga	2.2

As of the date of this Prospectus, the Company has made initial payments to the respective sellers of the foregoing properties to enable the Company to take immediate possession thereof and commence its re-development activities. However, until full payment of the purchase price for each property, title to the underlying lands as well as the memorial parks and lots themselves will remain with the respective sellers.

On the other hand, as of 31 March 2016, the Company has a total of five columbarium facilities with details summarized in the table below:

Location	Levels	No. of Vaults Launched for Sale	No. of Vaults Remaining (Inventory)
Ezekiel Columbarium	8	11,392	3,057



Golden Haven Las Piñas Park	5	963	132
Golden Haven Cebu Park	5	702	322
Golden Haven Cagayan de Oro Park	6	456	280
Golden Haven Zamboanga Park	5	244	193

Notwithstanding the sale of any of its memorial lots or columbarium vaults, title thereto is retained by the Company and a purchaser only receives certificates evidencing his or her perpetual right to use the memorial lot or columbarium vault. This perpetual right, however, may be transferred to any person designated by the original purchaser subject to compliance with the Company's procedures and regulations regarding such transfers.

Certain of the lands forming part of the Golden Haven Las Piñas Park and Golden Haven Cebu Park are subject to encumbrances, including rights of way and public easements granted to third parties including the Government. The Company believes that none of such encumbrances, rights of way or public easements materially affect its title to or ownership of the relevant lands, or the value thereof.

In addition, certain lands held by the Company remain registered in the names of the previous owners thereof. However, as of the date of this Prospectus, ownership over such lands has been acquired by the Company via duly executed and fully-consummated deeds of sale executed with such prior owners, and each such purchase has been either annotated, in the process of being annotated on the relevant certificates of title covering such lands or proceedings for the cancellation of the prior certificate of title and the issuance of a new certificate of title in the name of the Company have been initiated.

#### **Intellectual Property**

The Company owns a variety of intellectual property rights for its brands, including the trade or business name "Golden Haven" and the Golden Haven trademark, and has applications for registration of additional trademarks, including the Santuario de San Ezekiel Moreno trademark, pending with the Intellectual Property office. These trademarks are important in the aggregate because name recognition and exclusivity of use are contributing factors to the success of the Company's developments.

#### **Insurance**

The Company has insurance coverage for its real and personal properties, columbaries and its main office, covering fire, lighting, earthquake, typhoon and flood. The Company also maintains motor vehicle insurance, and death and total or partial disability for its employees with benefits depending on the employee's position in the Company. However, there is no assurance that the amount of cover will be adequate in the event of a covered event or that the insurers will pay in claims promptly and in full.

The Company does not carry any business interruption insurance.

#### **Legal Proceedings**

As of the date of this Prospectus, several parcels of land forming part of the Company's Golden Haven Iloilo Park, with an aggregate land area of approximately five hectares and which were previously classified as agricultural lands, are presently subject of land use conversion proceedings initiated by the Company (or at its instance) with the DAR.

The application for land use conversion was submitted by the previous owners of the land (who remain the registered owners thereof), and covers six parcels of land with an aggregate land area of approximately five hectares, all located and forming part of the Golden Haven Iloilo Park, as follows:

<b>Lot No.</b>	<b>Title No.</b>	<b>Area Applied for Conversion</b>
69-D	T-18886	0.1248
4-B	T-213822	0.5482
1043-B	T-205191	0.9729
1036-B	T-205195	1.9325
1055	T-11185	0.7834

1044	T-25808	0.6382
<b>Total</b>		5.0000

Under prevailing law, the approval by the DAR is necessary for the reclassification or conversion of the use of lands from agricultural to non-agricultural use. Otherwise, developers of lands previously classified as agricultural lands may be made subject to sanctions imposed by the DAR and may be prevented from undertaking any non-agricultural activities on such lands.

The Company believes that the application for the land use conversion over the relevant lands forming part of the Golden Haven Iloilo Park will be approved by the DAR in due course, considering that such lands have long been re-classified and rezoned for non-agricultural purposes by the applicable legislative bodies of the relevant local government units. Further, as of the date of this Prospectus, the Company holds all the requisite permits to develop and sell such lands as memorial park lots (including the development permit from the local governments of Iloilo and the permit to sell from the HLURB).

Nevertheless, in the event that the application for the land use conversion over the relevant lands forming part of the Golden Haven Iloilo Park is denied or otherwise disapproved by the DAR, the Company may be exposed to sanctions imposed by the DAR and may be prevented from undertaking (or continuing to undertake) its development activities within the affected area of the Golden Haven Iloilo Park, either of which, in turn, may adversely affect the Company's results of operations, business and financial performance.

Other than the foregoing, the Company is not involved in, or the subject of any legal proceedings which, if determined adversely against the Company, would have a material effect on its business, operations or financial standing.

## REGULATORY AND ENVIRONMENTAL MATTERS

The development of death care facilities such as memorial parks, columbaries and crematory facilities is highly complex, and the construction, operation and maintenance thereof are subject to extensive and continuing regulation in the Philippines. The following is a discussion of the material Philippine legislation governing the death care business, though it does not purport to be a comprehensive description of all laws that may apply to the Company, its business and its operations.

As of the date of this Prospectus, the Company believes that it has secured all material licenses, permits, consents and registrations from the relevant regulatory authorities that it is required to obtain under applicable law to enable it to engage in the development, operation and maintenance of memorial parks and columbaries. For a detailed description of all material licenses, permits, consents and registrations obtained and maintained by the Company as of the date of this Prospectus, please refer to the section “Summary of Material Consents” appearing in Annex B of this Prospectus.

### **Zoning and Land Use**

Death care industry encompasses funeral homes, memorial parks or cemeteries and crematoria. Zoning is the delineation or division of a city or municipality into functional zones where only specific land uses are allowed.

#### *Local Government Code*

Land use may be limited by zoning ordinance enacted by Local Government Units (“LGUs”). Lands may be classified under zoning ordinances as commercial, industrial, residential or agricultural. The appropriate *Sanggunian Bayan* or the *Sangguniang Panglungsod* has the power to enact integrated zoning ordinances in consonance with the approved comprehensive land use plan.

The *Sangguniang Bayan* or the *Sangguniang Panglungsod* also has the power to regulate the establishment, operation, and maintenance of funeral parlors and the burial or cremation of the dead.

#### *Agrarian Reform Law*

Under Republic Act No. 6657, otherwise known as the “Comprehensive Agrarian Reform Law of 1988”, the approval by the DAR is necessary for the reclassification or conversion of land to non-agricultural use.

#### *National Building Code of the Philippines*

Presidential Decree No. 1096, otherwise known as the “National Building Code of the Philippines”, establishes the framework of minimum standards and requirements for all buildings and structures by guiding, regulating, and controlling their location, site, design, quality of materials, construction, use, occupancy, and maintenance, including their environment, utilities, fixtures, equipment, and mechanical electrical, and other systems and installations.

A building permit from the Building Official shall be required in all construction, alteration, repair, movement, conversion or demolition of any building or structure.

Funeral establishments, memorial parks or cemeteries and crematoria must comply with the pertinent provisions of the National Building Code of the Philippines.

### **Housing and Land Use Regulatory Board**

Executive Order No. 648 series of 1981 (“E.O. No. 648”), as amended by Executive Order No. 90, declared the HLURB as the planning, regulatory and quasi-judicial instrumentality of the government for land use development. HLURB has the power to promulgate zoning and other land use control standards and guidelines which shall govern land use plans and zoning ordinances of LGUs. Pursuant to this, HLURB enacted rules and regulations for memorial parks or cemeteries and funeral establishments.

#### *Funeral Establishments*

HLURB, pursuant to E.O. No. 648, issued the “Implementing Rules and Regulations to Govern the Processing of Applications for Locational Clearance of Funeral Establishments” (“IRR for Funeral Establishments”) on 10

March 1999. These regulations set out the guidelines for the application of locational clearance, design standards and necessary permits for the operation of funeral establishments.

Under the IRR for Funeral Establishments, funeral establishments are classified into three categories: (a) Category I - funeral establishments with chapels and embalming facilities and offering funeral services; (b) Category II - funeral establishments with chapels and offering funeral services without embalming facilities; and (c) Category III - funeral establishments offering only funeral services from the house of the deceased to the burial place. Depending on the category, a funeral establishment may only be established within a specific zone.

A locational clearance is required for all proposed funeral establishments. In addition, all funeral establishments must comply with the Code on Sanitation of the Philippines on sanitary permits and sanitary requirements for funeral chapels, embalming and dressing room and morgue.

The DOH and the respective LGU shall have the authority to monitor funeral establishments.

#### *Memorial Parks or Cemeteries*

HLURB, pursuant to E.O. No. 648, promulgated the “Rules and Regulations for Memorial Parks/Cemeteries”. These regulations set out the guidelines for the development and operations of proposed and existing memorial parks or cemeteries and define location restrictions, design parameters and road specifications.

All memorial parks or cemeteries must be located in areas zoned for cemetery purposes, in accordance with the comprehensive land use plan or zoning ordinance, or in the absence thereof, in areas deemed appropriate by the HLURB. They shall not be allowed in environmentally critical areas, as defined in Presidential Proclamation No. 2146 series of 1981, or on grounds where water table is not higher than four and 4.50 meters below ground surface as certified by the National Water Resources Board (“NWRB”).

The LGU concerned must approve the Preliminary Memorial Park or Cemetery Plan and Final Memorial Park or Cemetery Plan. Approval of the Preliminary Memorial Park or Cemetery Plan shall be valid only for a period of one hundred eight days from date of approval and may be revalidated once after expiration of said period.

The approval of the Final Memorial Park or Cemetery Plan is shown by the issuance of a development permit by the LGU concerned. The development permit shall be valid for a period of two years from date of issue; however, if physical development is not commenced within said period, the grantee of the permit may apply for its revalidation within the next succeeding year. If development permit expires, no development shall be allowed unless a new application for approval is filed.

All existing memorial parks or cemeteries, or proposed memorial parks or cemeteries which are being developed for perpetual lease or sale of plots and has accomplished at least 20% of the total development, must be registered with the HLURB is necessary. The survey returns of the mother title including the technical description of each lot (i.e., section and block with number of lots per block in each section of the lot), which shall form part of the certificate of lease or deed of sale, shall be registered with the HLURB. No owner or dealer shall lease or sell any plot without a license issued by the HLURB.

#### *Crematoria*

The Rules and Regulations for Memorial Parks/Cemeteries also set out the minimum requirements for the construction of crematoria. All crematoria must comply with design parameters such as types of rooms, design of the smoke stack and crematorium oven temperature.

#### **Code on Sanitation of the Philippines**

Presidential Decree No. 856 (“P.D. No. 856”), otherwise known as the “Code on Sanitation of the Philippines”, is the consolidation of health laws and regulation on sanitation to ensure that protection and promotion of health. Chapter XXI of P.D. No. 856 covers the disposal of dead persons. The sanitary requirements for funeral establishments, memorial parks or cemeteries and crematoria are laid out in the Code on Sanitation. The Regional Health Director, or his duly authorized representative, shall have the authority to monitor and implement the sanitary rules and regulations.

The DOH, through Administrative Order No. 2010-0033 (“DAO No. 2010-0033”) issued on 6 December 2010, has promulgated revised implementing rules and regulations to regulate the practice of embalming. Embalmers

are required to obtain license from the DOH, which is renewable every three years, before they are allowed to practice. DAO No. 2010-033 has also expanded the coverage of communicable diseases, which require documentary requirements for the deceased to be transported from the place of death to burial or cremation.

#### *Funeral Establishments*

Funeral establishments are required to obtain sanitary permit issued by the local health office, which shall be valid for one year ending on the last day of December and shall be renewed every first month of the year.

#### *Memorial parks or cemeteries*

Memorial parks or cemeteries are required to obtain operational clearance issued by the regional health director and sanitary permit issued by the local health office.

#### *Crematoria*

All crematoria shall submit a feasibility study reviewed by the regional health office and approved by the Secretary of Health. A sanitary permit issued by the local health office shall also be required of all crematoria. The sanitary permit shall be valid for one year ending on the last day of December and shall be renewed every first month of the year.

### **Environmental Laws**

#### *Philippine Environmental Impact Statement System*

The Philippine Environmental Impact Statement System was established by virtue of Presidential Decree No. 1586. Development projects that are classified by law as environmentally critical or projects within statutorily defined environmentally critical areas are required to obtain an Environmental Compliance Certificate ("ECC") prior to project construction and operation. Through its regional offices or through the Environmental Management Bureau ("EMB"), the DENR determines whether a project is environmentally critical or located in an environmentally critical area.

As a prerequisite for the issuance of an ECC, an environmentally critical project is required to submit an Environmental Impact Statement ("EIS") to the EMB while a project in an environmentally critical area is generally required to submit an Initial Environmental Examination ("IEE") to the proper DENR regional office, without prejudice to the power of the DENR to require a more detailed EIS. The EIS refers to both the document and the environmental impact assessment of a project, including a discussion of direct and indirect consequences to human welfare and ecology as well as environmental integrity. The IEE refers to the document and the study describing the environmental impact, including mitigation and enhancement measures, for projects in environmentally critical areas.

While the terms and conditions of an EIS or an IEE may vary from project to project, at a minimum, they contain all relevant information regarding the environmental effects of a project. The entire process of organization, administration and assessment of the effects of any project on the quality of the physical, biological and socio-economic environment as well as the design of appropriate preventive, mitigating and enhancement measures is known as the EIS system. The EIS system successfully culminates in the issuance of an ECC.

The ECC is a government certification that (i) the proposed project or undertaking will not cause a significant negative environmental impact, (ii) the proponent has complied with all the requirements of the EIS system, and (c) the proponent is committed to implement its approved environmental management plan in the EIS or, if an IEE was required, that it will comply with the mitigation measures suggested therein. The ECC contains specific measures and conditions that the project proponent must undertake before and during the operation of a project, and in some cases, during the abandonment phase of the project to mitigate identified environmental impact.

Project proponents that prepare an EIS are required to establish an Environmental Guarantee Fund ("EGF") when the ECC is issued to projects determined by the DENR to pose significant public risks to life, health, property and the environment. The EGF is intended to answer for damages caused by such projects as well as any rehabilitation and restoration measures. Project proponents that prepare an EIS are mandated to include a commitment to establish an Environmental Monitoring Fund ("EMF") when an ECC is eventually issued. The

EMF shall be used to support activities of a multi-partite monitoring team that will be organized to monitor compliance with the ECC and applicable laws, rules, and regulations.

All development projects, installations and activities that discharge liquid waste into and pose a threat to the environment of the Laguna de Bay Region are also required to obtain a discharge permit from the Laguna Lake Development Authority.

Memorandum Circular No. 005-14 issued by the EMB on 7 July 2014 provides EMB with the guidelines in determining whether a proposal has potential impact to the environment. Criteria used in the categorization includes, among others, the likelihood, duration, frequency and magnitude of the potential impact as well as the spatial and temporal extent of the projected impact. To facilitate the expedient screening, a ready matrix for determining the category in which proposed projects fall is provided. Memorial parks or cemeteries with an area of more than five hectares while funeral establishments and crematoria with an area of more than one hectare are required to secure an ECC.

#### *Philippine Clean Air Act of 1999*

Republic Act No. 8749, otherwise known as the “Philippine Clean Air Act of 1999”, focuses primarily on pollution prevention and provides for a comprehensive management program for air pollution. The law bans burning of municipal, biomedical and hazardous waste. However, crematoria are expressly exempt from this prohibition.

Consistent with the policies of said law, all planned sources of air pollution that have the potential to emit 100 tons per year or more of any regulated air pollutant, or when required under the ECC, must secure an Authority to Construct from the EMB prior to commencement of construction or modification activities. Once new source construction or modification is completed, the source owner shall request the EMB to convert to Authority to Construct to Permit to Operate. The Authority to Construct is a one-time permit. Permit to Operate is valid for the period specified but not beyond one year from the date of issuance, unless sooner suspended or revoked. It may be renewed at least thirty days before its expiration date.

#### *Philippine Clean Water Act of 2004*

Republic Act No. 9275, otherwise known as the “Philippine Clean Water Act of 2004”, focuses primarily on water quality management in all water bodies and the abatement and control of pollution from land based sources. All owners or operators of facilities that discharge regulated effluents pursuant to this Act are required to secure a permit to discharge. The discharge permit shall be the legal authorization granted by the DENR to discharge wastewater.

#### *Ecological Solid Waste Management Act*

Republic Act No. 9003, otherwise known as the “Ecological Solid Waste Management Act of 2000”, provides the legal framework for the systematic, comprehensive, and ecological solid waste management program which shall ensure protection of the public health and the environment. Solid waste management is required to be observed by funeral establishments, memorial parks or cemeteries and crematoria, in accordance with the Code on Sanitation of the Philippines.

### **Property Taxation**

Real property taxes are payable annually based on the property’s assessed value. The assessed value of property and improvements vary depending on the location, use and the nature of the property. Land is ordinarily assessed at 20% to 50% of its fair market value; buildings may be assessed at up to 80% of their fair market value; and machinery may be assessed at 40% to 80% of its fair market value. Real property taxes may not exceed 2% of the assessed value in municipalities and cities within Metro Manila or in other chartered cities and 1% in all other areas. An additional special education fund tax of 1% of the assessed value of the property is also levied annually.

## BOARD, MANAGEMENT AND CERTAIN SHAREHOLDERS

### Board of Directors and Management

Under the Company's articles of incorporation, as amended, the Board is composed of five directors.<sup>2</sup> The Board is responsible for the overall management and direction of the Company. The Board meets regularly every [month] and as often as necessary, to be provided with updates on the business of the Company and to be consulted on (and, where appropriate, participate in) material decisions affecting the Company, its business, assets and operations.

No person can be elected as a director of the Company unless he or she is a registered owner of at least one voting share of the capital in the Company. Each director has a term of one year and is elected annually at the Company's shareholders meeting which is held every first Saturday of April unless rescheduled. A director who was elected or appointed to fill a vacancy holds the office only for the unexpired term of the predecessor.

As of the date of this Prospectus, the following individuals are members of the Company's Board of Directors and executive officers:

Name	Age	Citizenship	Position
Jerry M. Navarrete.....	61	Filipino	Director, Chairman of the Board and President
Joy J. Fernandez .....	50	Filipino	Director and Treasurer
Michael G. Regino .....	54	Filipino	Director
Maribeth C. Tolentino .....	51	Filipino	Director and Chief Operating Officer
Rosario H. Javier .....	63	Filipino	Director
Ana Marie V. Pagsibigan .....	46	Filipino	Independent Director
Garth F. Castaneda .....	35	Filipino	Independent Director
Roy Joseph S. Fernandez.....	49	Filipino	Chief Financial Officer and Chief Information Officer
Timothy Joseph M. Mendoza .....	34	Filipino	Corporate Secretary
Mark Aurelio B. Dantes .....	29	Filipino	Investor Relations Officer

Below are summaries of the business experience and credentials of the Company's directors and executive officers for the last five years.

**JERRY M. NAVARRETE**, *Director, Chairman of the Board and President*. Mr. Navarrete graduated from the Lyceum of the Philippines with a Bachelor's degree in Economics and from Ateneo de Manila University with a Master's degree in Business Administration. He previously worked as research analyst with Aguilar Shipping for one year and was the General Manager of the Company from 1984 until 1987. Mr. Navarrete has been with the Villar Group of Companies for more than 35 years and currently serves as the President of Starmalls, Inc. and Fine Properties, Inc. He has been the President of the Company since January 2016.

**JOY J. FERNANDEZ**, *Director and Treasurer*. Ms. Fernandez graduated from the Central Philippine University with a Bachelor's degree in Commerce and from the Royal Melbourne Institution of Technology as a chartered accountant associate. She previously served as the Comptroller of the Company from October 2009 until June 2015. Ms. Fernandez currently serves as the Chief Operating Officer of MGS Construction, Inc. and has been the Treasurer of the Company since June 2015.

**MICHAEL G. REGINO**, *Director*. Mr. Regino graduated from Ateneo de Zamboanga University with a Bachelor's degree in Economics and from Ateneo de Manila University with a Master's degree in Business Administration. He previously served as the President of the Company from December 2005 until December 2015. Mr. Regino currently serves as the President of Triton Exploration Corp. and as director of Prime Resources Holdings, Inc. and TVI Resource Development Phils., Inc.

<sup>2</sup> On April 2016], the Corporation filed an application to increase the members of its Board from five to seven, two of whom are independent.

**MARIBETH C. TOLENTINO**, *Director and Chief Operations Officer*. Ms. Tolentino is a Certified Public Accountant and graduated from the University of the East with a Bachelor's degree in Business Administration. She previously served as the General Manager of the Company from 1999 to 2005. Ms. Tolentino currently serves as the President of Vista Residences, Inc., Camella Homes, Inc. and Household Development Corporation and as director of Vista Land & Lifescapes, Inc., Vista Residences, Inc. and Camella Homes, Inc. Ms. Tolentino was appointed Chief Operations Officer of the Company in February 2016.

**ROSARIO H. JAVIER**, *Director*. Ms. Javier graduated from the University of the Philippines with a Bachelor's degree in Political Science. She previously served as the Corporate Secretary of the Company from April 1984 until December 2015. Ms. Javier currently serves as the President of Prescription Holdings Limited, Inc., the Corporate Secretary of MB Villar Company, the Treasurer of Infra Holdings Corp., a director of Links Holdings & Prop., Inc., and a director of Ultimate Holdings, Inc.

**ANA MARIE V. PAGSIBIGAN**, *Independent Director*. Atty. Pagsibigan graduated from the University of the Philippines with a Bachelor's degree in History and from San Sebastian College with a Bachelor's degree in Law. She previously served as a director and the legal counsel of Great Domestic Insurance. She is currently the legal counsel to SEDAS Security Specialists. Atty. Pagsibigan was appointed as independent director of the Company on May 2016.

**GARTH F. CASTANEDA**, *Independent Director*. Atty. Castaneda graduated from the University of Sto. Tomas with a Bachelor's degree in Accountancy and from the University of the Philippines with a Bachelor's degree in Law. He previously served as a consultant of the Privatization Management Office. He is currently a partner at SYMECS Law and serves as a director and the Corporate Secretary of each of Phoenix Solar Philippines, Inc. and Communications Wireless Group (Philippines), Inc. Atty. Castaneda was appointed as independent director of the Company on May 2016.

**ROY JOSEPH S. FERNANDEZ**, *Chief Financial Officer and Chief Information Officer*. Mr. Fernandez is a Certified Public Accountant and graduated from the De la Salle University with a Bachelor's degree in Accounting and from Asian Institute of Management with a Master's degree in Business Administration. He previously served as the General Manager of Brittany Corporation and eBusiness Services, Inc. and the Operations Director of Western Union Financial Services (HK) Ltd. He currently serves as the Head of Operations of All Home Corporation and has been the Chief Financial Officer and Chief Information Officer of the Company since March 2016.

**TIMOTHY JOSEPH M. MENDOZA**, *Corporate Secretary*. Atty. Mendoza graduated from Ateneo de Manila University with a Bachelor's degree in Political Science and from the University of the Philippines with a Bachelors of Laws degree. He is currently a partner at the Picazo Buyco Tan Fider & Santos Law Offices and serves as the Corporate Secretary of San Carlos Solar Energy, Inc. and Negros Island Solar Power, Inc. Atty. Mendoza was appointed as the Company's Corporate Secretary in February 2016.

**MARK AURELIO B. DANTES**, *Investor Relations Officer*. Mr. Dantes graduated from the University of the Philippines with a Bachelor's Degree in Journalism. He holds a Masters Degree in Business Administration from the National University of Singapore. Mr. Dantes was appointed as Investor Relations Officer of the Company on 1 October 2015. Prior to joining the Company, Mr. Dantes was a Brand Manager (2011-2012) and Director for Business Development (2014-2015) of Property Company of Friends, Inc.. He was also an Accounts Manager at DM9 Jayme Syfu in 2011, and was an Assistant Manager at Rockwell Land Corp. from 2009-2011.

### **Significant Employees**

While the Company values the contribution of each executive and non-executive employee, there is no non-executive employee that the resignation or loss of whom would have a significant adverse effect on the business of the Company. Other than standard employment contracts, there are no arrangements with non-executive employees that will assure the continued stay of these employees with the Company.

### **Family Relationships**

There are no family relationships either by consanguinity or affinity up to the fourth civil degree among directors, executive officers and nominees for election as directors.



## Involvement in Certain Legal Proceedings

To the best knowledge of the Company, none of its present directors, executive officers [or its nominees for independent directors] has been subject to the following:

- Any bankruptcy petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time;
- Any conviction by final judgment, including the nature of the offense, in a criminal proceeding, domestic or foreign, excluding traffic violations and other minor offenses;
- Any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities, commodities or banking activities;
- Being found by a domestic or foreign court of competent jurisdiction (in a civil action), the SEC or comparable foreign body, or a domestic or foreign Exchange or other organized trading market or self-regulatory organization, to have violated a securities or commodities law or regulation and the judgment has not been reversed, suspended, or vacated.

## Executive Compensation

The following table sets forth the aggregate compensation received by its key management officers:

Name and Principal Position	Year	Aggregate Compensation Paid as a Group In ₱ millions		
		Salary	Bonus	Others
Jerry M. Navarette*	Chairman & President			
Maribeth C. Tolentino*	Chief Operating Officer			
Roy Joseph S. Fernandez*	Chief Financial Officer/ Chief Information Officer			
Karlo G. Magpayo**	General Manager			
Emaliza Cadacio	Chief Accountant			
Aggregate executive compensation for above named officers	Actual 2014	₱ 5.43M	₱ 0.96M	None
	Actual 2015	₱ 8.36M	₱ 1.48M	None
	Project 2016	₱ 12.77M	₱ 2.25M	None
Aggregate executive compensation of all other officers and directors, unnamed	Actual 2014	₱ 6.56M	₱ 1.16M	None
	Actual 2015	₱ 7.60M	₱ 1.34M	None
	Projected 2016	₱ 8.21M	₱ 1.45M	None

\* Appointed in 2016, compensation not included in 2014 and 2015; Michael G. Regino served as President from 2005 to 2015.

\*\* Starting January 1, 2015, Bernadette Malbas served as General Manager from 2012 to 2014.

## Compensation of Directors

Each director of the Company receives a per diem allowance of ₱10,000 determined by the Board of Directors for attendance in a Board meeting and a ₱10,000 allowance for attendance in a committee meeting (except for independent directors). Except as disclosed above, none of these Directors receive any additional compensation for any special assignments.

Except for each of the individual Directors' participation in the Board, no Director of the Company enjoys other arrangements such as consulting contracts or similar arrangements.

#### **Employment Contracts, Termination of Employment, Change-in-Control Arrangements**

There are no special employment contracts between the Company and the named executive officers.

#### **Warrants and Options held by the Executive Officers and Directors**

There are no outstanding warrants or options held by the Company's Chief Executive Officer, the named executive officers, and all officers and directors as a group.

#### **Corporate Governance**

The Company submitted its Manual on Corporate Governance (the "Manual") with the SEC, as amended and restated, on 27 May 2016 in accordance with SEC Memorandum No. 6 (series of 2009), as amended. The Company and its directors, officers and employees comply with best practices and principles on good corporate governance as embodied in the Manual. An evaluation system has been established by the Company to measure or determine the level of compliance by the Board and top management with its Manual.

#### **Independent Directors**

The Manual requires the Company to have at least two independent directors in the Board. An independent director is defined as a person who has not been an officer or employee of the Company, its subsidiaries or affiliates or related interests during the past three years counted from date of his election, or any other individual having a relationship with the Company, its parent, subsidiaries or related interest, or to any of the Company's director, officer or stockholder holding shares of stock sufficient to elect one seat in the board of directors or any of its related companies within the fourth degree of consanguinity or affinity, legitimate or common-law, which would interfere with the exercise of independent judgment in carrying out the responsibilities of a director.

#### **Committees of the Board**

Pursuant to the Company's Manual, the Board will create the committees below and will appoint members thereto.

#### **Audit Committee**

The Company's Audit Committee is responsible for assisting the Board in its fiduciary responsibilities by providing an independent and objective assurance to its management and shareholders of the continuous improvement of its risk management systems, business operations and the proper safeguarding and use of its resources and assets. The Audit Committee provides a general evaluation of and assistance in the overall improvement of its risk management, control and governance processes.

The Audit Committee checks all financial reports against compliance with Manual, pertinent accounting standards, and regulatory requirements; performs oversight financial management functions; pre-approves all audit plans and interacts directly with the external auditors of the Company; seeks to elevate to international standards the accounting and auditing processes and practices of the Company; and seeks to develop a transparent financial management system to better ensure the integrity of internal control activities throughout the Company.

The Audit Committee must be comprised of at least three members, one of whom shall be an independent director. As of the date of this Prospectus, the members of the Audit Committee are as follows: (a) Atty. Garth F. Castaneda, as independent director and Chairman of the Audit Committee, (b) Mr. Roy Joseph S. Fernandez, and (c) Ms. Maribeth C. Tolentino.

### **Compensation and Remuneration Committee**

The Compensation and Remuneration Committee seeks to establish a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of corporate officers and directors, and provides oversight over remuneration of senior management and other key personnel, ensuring that compensation is consistent with the Company's culture, strategy and control environment. The Compensation and Remuneration Committee also establishes a formal and transparent procedure for developing a policy on executive remuneration, develops a form on full business interest disclosure as part of the pre-employment requirements for all incoming officers, which among others, compels all officers to declare under the penalty of perjury, any existing business interests or shareholdings that may directly or indirectly conflict in their performance of duties once hired by the Company, and reviews the Company's human resources development or personnel handbook.

The Compensation and Remuneration Committee must have at least three members, one of whom must be an independent director. As of the date of this Prospectus, the members of the Audit Committee are as follows: (a) Atty. Ana Marie V. Pagsibigan, as independent director, (b) Mr. Jerry M. Navarrete, as Chairman of the Compensation and Remuneration Committee, and (c) Ms. Maribeth C. Tolentino.

### **Nomination Committee**

The Company's Nomination Committee is responsible for providing shareholders with an independent and objective evaluation of and assurance that the members of its Board are competent and will foster the Company's long-term success and secure its competitiveness. In that respect, the Nomination Committee formulates the screening policies to enable it to effectively review the qualification of the nominees for independent directors and conducts nominations of independent directors prior to the shareholders' meetings in accordance with the procedures set forth under the SRC.

The Nomination Committee must have at least three members, one of whom must be an independent director. As of the date of this Prospectus, the members of the Audit Committee are as follows: (a) Atty. Ana Marie V. Pagsibigan, as independent director, (b) Mr. Jerry M. Navarrete, and (c) Mr. Michael G. Regino, as Chairman of the Nomination Committee.

### ***Investor Relations Office***

The Company's Investor Relations unit has been tasked to establish an Investor Relations Committee that will be responsible for ensuring that all of the Company's shareholders have access to official announcements, disclosures and publicly available information regarding the Company.

The Investor Relations Committee will also be responsible for receiving and responding to investor and shareholder queries and in ensuring that investors and shareholders have easy and direct access to the Company's officially designated spokespersons.

The Company has appointed Mr. Roy Joseph S. Fernandez as its Chief Information Officer (CIO). The CIO will ensure that the Company complies with and files on a timely basis all required disclosures and continuing requirements of the SEC and the PSE.

The Investor Relations Unit will be located in the Company's Head Office with contact details as follows:

Landline: +63(2) 873-2922/873-2543

Email: [ir@goldenhaven.com.ph](mailto:ir@goldenhaven.com.ph)

Website: [goldenhaven.com.ph](http://goldenhaven.com.ph)

## SECURITY OWNERSHIP OF CERTAIN RECORD AND BENEFICIAL OWNERS

As of the date of this Prospectus, the following persons own at least 5% of the Company's outstanding Common Shares:

Title of Class	Name, Address of Record Owners and relationship with the issuer	Name of Beneficial Owner and relationship with record owner	Citizenship	No. of shares held	% of class
Common	<b>Fine Properties, Inc.</b> <i>Parent</i> Address: 3rd Level Starmall Las Piñas, CV Starr Avenue, Philam Village, Las Piñas City	The record owner is also the beneficial owner.	Filipino	412,057,800	98.109%
<b>Total Common Shares</b>				<b>412,057,800</b>	<b>98.109%</b>

### Fine Properties

Fine Properties was incorporated as a stock corporation under the Corporation Code of the Philippines on 28 June 1982 under SEC Registration No. 105578. The company's principal registered office is at 31 Starmall Las Piñas City CV Starr Ave., Philamlife Village, Pamplona 2 Las Piñas, Metro Manila.

The company has an authorized capital stock of ₱200,000,000 divided into 1,000,000 common shares with a par value of ₱100.00 per share and 1,000,000 preferred shares with a par value of ₱100.00 per share, out of which 980,000 common shares and 827,783 preferred shares have been subscribed and fully paid-up.

The company is engaged in the business of investing in, purchasing, or otherwise acquiring, owning and holding any and all kinds of real and personal properties.

### Security Ownership of Management

The table below sets forth the security ownership of management as of the date of this Prospectus:

Title of Class	Name and Address of Beneficial Owner	Citizenship	Amount and Nature of Beneficial Ownership		% of class
Common	<b>Jerry M. Navarrete</b> No. 333 Sineguelasan Bacoar, Cavite	Filipino	2,835,000	Direct	0.675%
Common	<b>Maribeth C. Tolentino</b> Block 1 Lot 2 Merida Subdivision BF Resort Village Talon, Las Piñas City	Filipino	2,835,000	Direct	0.675%
Common	<b>Joy J. Fernandez</b> Block 11 Lot 3 Joshua Street Camella Las Piñas Classic Pilar, Las Piñas City	Filipino	2,268,000	Direct	0.54%

<b>Title of Class</b>	<b>Name and Address of Beneficial Owner</b>	<b>Citizenship</b>	<b>Amount and Nature of Beneficial Ownership</b>		<b>% of class</b>
Common	<b>Michael G. Regino</b> No.1 Job corner Corinthian Street Camella Las Piñas Classic Pilar, Las Piñas City	Filipino	2,100	Direct	nil
Common	<b>Rosario H. Javier</b> Block 4 Lot 30 Camella Homes Las Piñas 6 Brgy. Tungtong, Las Piñas City	Filipino	2,100	Direct	nil
<b>Total Common Shares</b>			<b>7,942,200</b>		<b>1.89%</b>

#### **Voting Trust**

The Company is unaware of any person holding more than 5% of shares under a voting trust or similar agreement.

## **CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS**

The Company, in the ordinary course of its business, engages in transactions with related parties. The Company's policy with respect to related party transactions is to ensure that these transactions are entered into on terms comparable to those available from unrelated third parties.

As of the date of this Prospectus, the following are the significant transactions of the Company in the normal course of business with related parties, as reflected in the audited financial statements of the Company:

### ***Other Major Transactions***

- The Company has outstanding receivables from Fine Properties, its parent, and other related parties under common ownership amounting to ₱70.2 million as of 31 December 2015 which principally pertain to advances and reimbursement of expenses, as well as sale of real properties.
- The Company has outstanding payables from a related party, Brittany Estates Corporation amounting to ₱18.4 million as of 31 December 2015, which principally pertain to advances and reimbursement of expenses, as well as purchase of real estate properties.

For further information on the Company's related party transactions, including detailed breakdowns of amounts receivable from and amounts payable to related parties, see Note 16 of the Company's consolidated financial statements for the year ended December 31, 2013, 2014 and 2015, included in this Prospectus.

### **Agreements among Certain Shareholders**

As of the date of this Prospectus and except as otherwise disclosed herein, there are no existing agreements among or between the shareholders.

## DESCRIPTION OF THE COMMON SHARES

*The following is general information relating to the Company's capital stock but does not purport to be complete or to give full effect to the provisions of the law and is in all respects qualified by reference to the applicable provisions of the Company's amended articles of incorporation and by-laws.*

### SHARE CAPITAL

The Company was incorporated on 16 November 1982 with an authorized capital stock of ₱3,600,000 divided into 36,000 common shares with a par value of ₱100.00 per share, out of which ₱900,000 were fully subscribed and paid-up.

On 5 July 1991, the SEC approved the Company's application to increase its authorized capital to ₱20,000,000 divided into 200,000 common shares with a par value of ₱100.00 per share.

On 17 March 2016, the SEC approved the Company's application to increase its authorized capital from ₱20,000,000 divided into 200,000 common shares with a par value of ₱100.00 per share to its present authorized capital, that is, ₱1,000,000,000 divided into 996,000,000 common shares with a par value of ₱1.00 per share (application also covered a change in par value per share from ₱100.00 to ₱1.00) and 400,000,000 voting, non-participating preferred shares with a par value of ₱0.01 per share. Out of the increase in the authorized capital stock, 400,000,000 common shares worth ₱400,000,000 have been subscribed and paid up through the declaration of stock dividends by the Company on 8 March 2016.

As of the date of this Prospectus, the Company has (i) an authorized capital stock of ₱1,000,000,000 divided into 996,000,000 Common Shares and 400,000,000 Preferred Shares with a par value of ₱0.01 per share; and (ii) 420,000,000 Common Shares issued and outstanding, all of which have been fully paid-up.

### Market Information

As of the date of this Prospectus, the Common Shares have not been traded in any market nor have they been subject to outstanding options or warrants to purchase, or securities convertible into Common Shares of the Company. Prior to the Offer, there has been no public trading market for any of the Company's Common Shares.

### Holders of the Company's Common Shares

As of the date of this Prospectus, the following are the holders of record of the Company's Common Shares as set forth in the table below:

Shareholder	No. Of Common Shares Subscribed	% Ownership
Fine Properties, Inc.	412,057,800	98.109%
Jerry M. Navarrete	2,835,000	0.675%
Maribeth C. Tolentino	2,835,000	0.675%
Joy J. Fernandez	2,268,000	0.54%
Michael G. Regino	2,100	nil
Rosario H. Javier	2,100	nil
Ana Maric V. Pagsibigan	1	nil
Garth F. Castaneda	1	nil
<b>TOTAL</b>	<b>420,000,002</b>	<b>100%</b>

*Note: The dilutive effect of the issuance of the Offer Shares on the abovementioned shareholders prior to the Offer assumes that the existing shareholders will not subscribe to the Offer Shares.*

### Fine Properties

Fine Properties was incorporated as a stock corporation under the Corporation Code of the Philippines on 28 June 1982 under SEC Registration No. 105578. The company's principal registered office is at 31 Starmall Las Piñas City CV Starr Ave., Philamlife Village, Pamplona 2 Las Piñas, Metro Manila.

Fine Properties has an authorized capital stock of ₱200,000,000 divided into 1,000,000 common shares with a par value of ₱100.00 per share and 1,000,000 preferred shares with a par value of ₱100.00 per share, out of which 980,000 common shares and 827,783 preferred shares have been subscribed and fully paid-up.

Fine Properties is engaged in the business of investing in, purchasing, or otherwise acquiring, owning and holding any and all kinds of real and personal properties.

**Jerry M. Navarrete**, *Director, Chairman of the Board and President*. Mr. Navarrete graduated from the Lyceum of the Philippines with a Bachelor's degree in Economics and from Ateneo de Manila University with a Master's degree in Business Administration. He previously worked as research analyst with Aguilar Shipping for one year and was the General Manager of the Company from 1984 until 1987. Mr. Navarrete has been with the Villar Group of Companies for more than 35 years and currently serves as the President of Starmalls, Inc. and Fine Properties, Inc. He has been the President of the Company since January 2016.

**Joy J. Fernandez**, *Director and Treasurer*. Ms. Fernandez graduated from the Central Philippine University with a Bachelor's degree in Commerce and from the Royal Melbourne Institution of Technology as a chartered accountant associate. She previously served as the Comptroller of the Company from October 2009 until June 2015. Ms. Fernandez currently serves as the Chief Operating Officer of MGS Construction, Inc. and has been the Treasurer of the Company since June 2015.

**Michael G. Regino**, *Director*. Mr. Regino graduated from Ateneo de Zamboanga University with a Bachelor's degree in Economics and from Ateneo de Manila University with a Master's degree in Business Administration. He previously served as the President of the Company from December 2005 until December 2015. Mr. Regino currently serves as the President of Triton Exploration Corp. and as director of Prime Resources Holdings, Inc. and TVI Resource Development Phils., Inc.

**Maribeth C. Tolentino**, *Director*. Ms. Tolentino is a Certified Public Accountant and graduated from the University of the East with a Bachelor's degree in Business Administration. She previously served as the General Manager of the Company from 1999 to 2005. Ms. Tolentino currently serves as the President of Vista Residences, Inc., Camella Homes, Inc. and Household Development Corporation and as director of Vista Land & Lifescapes, Inc., Vista Residences, Inc. and Camella Homes, Inc.

**Rosario H. Javier**, *Director*. Ms. Javier graduated from the University of the Philippines with a Bachelor's degree in Political Science. She previously served as the Corporate Secretary of the Company from April 1984 until December 2015. Ms. Javier currently serves as the President of Prescription Holdings Limited, Inc., the Corporate Secretary of MB Villar Company, the Treasurer of Infra Holdings Corp., a director of Links Holdings & Prop., Inc., and a director of Ultimate Holdings, Inc.

**Ana Marie V. Pagsibigan**, *Independent Director*. Atty. Pagsibigan graduated from the University of the Philippines with a Bachelor's degree in History and from San Sebastian College with a Bachelor's degree in Law. She previously served as a director and the legal counsel of Great Domestic Insurance. She is currently the legal counsel to SEDAS Security Specialists. Atty. Pagsibigan was appointed as independent director of the Company on May 2016.

**Garth F. Castaneda**, *Independent Director*. Atty. Castaneda graduated from the University of Sto. Tomas with a Bachelor's degree in Accountancy and from the University of the Philippines with a Bachelor's degree in Law. He previously served as a consultant of the Privatization Management Office. He is currently a partner at SYMECS Law and serves as a director and the Corporate Secretary of each of Phoenix Solar Philippines, Inc. and Communications Wireless Group (Philippines), Inc. Atty. Castaneda was appointed as independent director of the Company on May 2016.

## **RIGHTS RELATING TO THE SHARES**

### **Voting Rights**

The Company's Common Shares have full voting rights.

At each meeting of the shareholders, every common stockholder entitled to vote on a particular question or matter involved shall be entitled to one vote for each share of stock standing in his name in the books of the Company at the time of closing of the transfer books for such meeting.



The Corporation Code provides that voting rights cannot be exercised with respect to shares declared delinquent, treasury shares, or if the shareholder has elected to exercise his rights of appraisal referred to below.

### **Dividend Rights**

Under Philippine law, a corporation can only declare dividends to the extent that it has unrestricted retained earnings that represent the undistributed earnings of the corporation which have not been allocated for any managerial, contractual or legal purposes and which are free for distribution to the shareholders as dividends. A corporation may pay dividends in cash, by the distribution of property or by the issuance of shares. Stock dividends may only be declared and paid with the approval of shareholders representing at least two-thirds of the issued and outstanding capital stock of the corporation voting at a shareholders' meeting duly called for the purpose.

The Company's Board of Directors is authorized to declare cash or stock dividends or a combination thereof. A cash dividend declaration requires the approval of the Board and no shareholder approval is necessary. A stock dividend declaration requires the approval of the Board and shareholders representing at least two-thirds of the Company's outstanding capital stock. Holders of outstanding shares on a dividend record date for such shares will be entitled to the full dividend declared without regard to any subsequent transfer of shares.

As of the date of this Prospectus, the Company has not approved a specific dividend policy, and may declare dividends upon the recommendation of the Board. Such recommendation will take into consideration factors such as the Company's general financial condition, its operating expenses, the implementation of its business plans, and availability of working capital, among other factors.

### **Pre-Emptive Rights**

The Corporation Code confers pre-emptive rights on shareholders of a Philippine corporation, which entitle them to subscribe to all issues or other disposition of shares of any class by the corporation in proportion to their respective shareholdings, subject to certain exceptions. A Philippine corporation may provide for the exclusion of these pre-emptive rights in its articles of incorporation.

The articles of incorporation of the Company currently contain such a denial of pre-emptive rights applicable to all classes of shares issued by the Company and, therefore, further issues or disposition of shares of the Company (including treasury shares) can be made without offering such shares on a pre-emptive basis to the Company's existing shareholders.

### **Derivative Rights**

Philippine law recognizes that the right of a shareholder to institute proceedings on behalf of the corporation in a derivative action in circumstances where the corporation itself is unable or unwilling to institute the necessary proceedings to redress wrongs committed against the corporation or to vindicate corporate rights as, for example, where the directors themselves are the malefactors.

### **Appraisal Rights**

The Corporation Code grants a shareholder the right of appraisal in certain circumstances where he or she has dissented and voted against a proposed corporate action, including:

- In case any amendment of the articles of incorporation has the effect of changing or restricting the rights of any shareholders or class of shares, or of authorizing preferences in any respect superior to those of outstanding shares of any class, or of extending or shortening the term of corporate existence;
- In case of sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets as provided in the Corporation Code;
- In case of merger or consolidation; and
- In case the corporation invests corporate funds in another corporation or business or for any other purpose.

In these circumstances, the dissenting shareholder may require the corporation to purchase its shares at a fair value, which in default of agreement is determined by three disinterested persons, one of whom shall be named

by the shareholder, one by the corporation, and the third by the two thus chosen. The designated commercial courts of the regional trial court in a given city or province will, in the event of a dispute, determine any question about whether a dissenting shareholder is entitled to this right of appraisal. The remedy will only be available if the corporation has unrestricted retained earnings sufficient to support the purchase of the shares of the dissenting shareholders. From the time the shareholder makes a demand for payment until the corporation purchases such shares, all rights accruing on the shares, including voting and dividend rights, shall be suspended, except the right of the shareholder to receive the fair value of the share.

#### **Disclosure Requirements/Right of Inspection**

Philippine corporations are required to file a general information sheet which sets forth data on their management and capital structure and copies of their annual financial statements with the SEC. Corporations must also submit their annual financial statements to the BIR. Corporations whose shares are listed on the PSE are also required to file current, quarterly and annual reports with the SEC and the PSE. Shareholders are entitled to require copies of the most recent financial statements of the corporation, which include a balance sheet as of the end of the most recent tax year and a profit and loss statement for that year. Shareholders are also entitled to inspect and examine the books and records that the corporation is required by law to maintain.

#### **Change in Control**

As of the date of this Prospectus, the Company's articles of incorporation and by-laws do not contain any provision that will delay, deter or prevent a change in control of the Company.

#### **Restrictions on the Issuance and Disposal of Common Shares**

Under the PSE Listing Rules, an applicant company that applies to list on the Main Board through a primary offering shall be subject to the lock-up requirements prescribed by the PSE.

In particular, Part D, Section 2 of the PSE Listing Rules for the Main and SME Boards of the PSE provide that an applicant company shall cause its existing stockholders who own an equivalent of at least 10% of the issued and outstanding shares of stock of such company to refrain from selling, assigning or in any manner disposing of their shares for the following periods counted from the date of listing of such shares: (a) 180 days, if the applicant company meets the track record requirements set forth in Section 1 of the PSE Listing Rules for the Main and SME Boards of the PSE; or (b) 365 days, if the applicant company is exempt from the track record and operating history requirements of the PSE Listing Rules for the Main and SME Boards of the PSE.

In addition, if there is any issuance or transfer of shares (*i.e.*, private placements, asset for shares swap or a similar transaction) or instruments which lead to issuance of shares (*i.e.*, convertible bonds, warrants or a similar instrument) done and fully paid for within 180 days prior to the start of the offering period, and the transaction price is lower than that of the offer price, all shares availed of shall be subject to a lock-up period of at least 365 days from full payment of the aforesaid shares.

In compliance with the PSE Listing Rules, the Company has filed an application to incorporate the foregoing lock-up requirements in its articles of incorporation.

Fine Properties, Inc., which holds at least 10% of the issued and outstanding shares of stock of the Company, is covered by the foregoing lock-up restrictions.

Likewise, considering that, within 180 days prior to the Listing Date, all of the Company's existing stockholders were issued Common Shares at less than the initial listing price of [up to ₱10.62], the Common Shares they have acquired are likewise subject to the lock-up restrictions for a period of 365 days from the date when such Common Shares are fully paid (or deemed fully paid) by and issued to them.

The Company's shareholders and their respective Common Shares covered by the foregoing lock-up provisions are as follows:

Shareholder	Common Shares Subject to 180-day Lock-up	Common Shares Subject to 365- day Lock-up
Fine Properties, Inc.	19,621,800	392,436,000
Jerry M. Navarrete	N/A	2,700,000
Michael G. Regino	N/A	2,000
Joy J. Fernandez	N/A	2,160,000
Rosario H. Javier	N/A	2,000
Maribeth C. Tolentino	N/A	2,700,000
Ana Marie V. Pagsibigan	1	N/A
Garth F. Castaneda	1	N/A

To implement the lock-up restrictions of the PSE, the Company and all of its existing shareholders have entered into an escrow agreement with Maybank ATR Kim Eng Securities, Inc., authorized to act as escrow agent for this purpose. A copy of this escrow agreement will be submitted to the PSE as part of the Company's application for Listing.

Other than the foregoing and subject to the restrictions on the issuance and transfer of the Company's shares due to nationality restrictions on the capital ownership in corporations that own land, there are no other restrictions on the issuance or disposal of the Common Shares.

#### Other Features and Characteristics of Common Shares

The Common Shares are neither convertible nor subject to mandatory redemption. All of the Company's issued Common Shares are fully paid and non-assessable and free and clear from any and all liens, claims and encumbrances. All documentary stamp tax due on the issuance of all Common Shares has been fully paid.

#### RECENT ISSUANCE OF EXEMPT SECURITIES

On 17 March 2016, after approval by the SEC of the increase of the Company's authorized capital stock from ₱20,000,000 to ₱1,000,000,000, the Company issued Common Shares to the persons and in the amounts indicated below pursuant to the foregoing capital increase and in implementation of the distribution of stock dividends in the amount of ₱400,000,000 declared and paid by the Company on 8 March 2016:

Name of Stockholder	Issued Common Shares	Subscription Price (₱)
Fine Properties, Inc.	392,436,000	392,436,000
Jerry M. Navarrete	2,700,000	2,700,000
Maribeth C. Tolentino	2,700,000	2,700,000
Joy J. Fernandez	2,160,000	2,160,000
Michael G. Regino	2,000	2,000
Rosario H. Javier	2,000	2,000
<b>Total</b>	<b>400,000,000</b>	<b>₱400,000,000</b>

The distribution by a corporation of securities to its stockholders or other security holders as a stock dividend or other distribution out of surplus is exempt from registration under Section 10.1(d) of the SRC.

#### ISSUE OF SHARES

Subject to otherwise applicable limitations, the Company may issue additional Common Shares to any person for consideration deemed fair by the Board, provided that such consideration shall not be less than the par value of the issued Common Shares. No share certificates shall be issued to a subscriber until the full amount of the subscription together with interest and expenses (in case of delinquent shares) has been paid and proof of payment of the applicable taxes shall have been submitted to the Company's Corporate Secretary.

#### SHARE CERTIFICATES

Certificates representing the Common Shares will be issued in such denominations as shareholders may request, except that certificates will not be issued for fractional shares. Shareholders wishing to split their certificates may do so upon application to the Company's stock transfer agent. Shares may also be lodged and maintained under the book-entry system of the PDTC.

## **MANDATORY TENDER OFFER**

Under the SRC which took effect on 8 August 2000 and its implementing rules and regulations, it is mandatory for any person or group of persons acting in concert intending to acquire (a) at least 35% of outstanding voting shares in a public company; or (b) at least 35% of outstanding voting shares of a public company within a period of 12 months, or (c) any acquisition of equity shares in a public company that would result in the ownership of over 50% of the total outstanding equity of such public company, to make a tender offer to all the shareholders of the target corporation on the same terms. The term "public company" refers to a corporation: (i) with a class of equity securities listed in an exchange (e.g. the PSE); or (ii) with assets of at least 50 million and having 200 or more shareholders with at least 100 shares each. In the event that the securities tendered pursuant to such an offer exceed that which the acquiring person or group of persons is willing to take up, the securities shall be purchased from each tendering shareholder on a pro-rata basis.

No mandatory tender offer is required in: (i) purchases of shares from unissued capital stock unless it will result in a 50 % or more ownership of shares by the purchaser or such percentage that is sufficient to gain control of the Board; (ii) purchases from an increase in the authorized capital stock; (iii) purchases in connection with a foreclosure proceedings involving a pledge or security where the acquisition is made by the debtor or creditor; (iv) purchases in connection with privatization undertaken by the government of the Philippines; (v) purchases in connection with corporate rehabilitation under court supervision; (vi) purchases through an open market at the prevailing market price; or (vii) purchases resulting from a merger or consolidation.

## **FUNDAMENTAL MATTERS**

The Corporation Code provides that certain significant acts may only be implemented with shareholders' approval. The following require the approval of shareholders representing at least two-thirds of the issued and outstanding capital stock of the corporation in a meeting duly called for the purpose:

- amendment of the articles of incorporation;
- removal of directors;
- sale, lease, exchange, mortgage, pledge or other disposition of all or a substantially all of the assets of the corporation;
- investment of corporate funds in any other corporation or business or for any purpose other than the primary purpose for which the corporation was organized;
- issuance of stock dividends;
- amendment of by-laws or delegation to the board of directors of the power to amend or repeal by-laws or adopt new by-laws;
- merger or consolidation;
- an increase or decrease in capital stock;
- extension or shortening of the corporate term;
- creation or increase of bonded indebtedness; and
- voluntary dissolution of the corporation.

## **STOCK TRANSFER AGENT**

Unionbank of the Philippines, acting through its Trust Investment & Services Group, shall act as the Stock Transfer Agent for the purpose of authenticating and registering transfer of the Offer Shares as set forth in the Stock Transfer Agreement.

## **ACCOUNTING AND AUDITING REQUIREMENTS**

Philippine stock corporations are required to file copies of their annual financial statements with the SEC. Corporations whose shares are listed on the PSE are also required to file quarterly financial statements (for the first three quarters) with the SEC and the PSE. Shareholders are entitled to request copies of the most recent financial statements of the corporation which include a balance sheet as at the end of the most recent tax year and a profit and loss statement for that year. Shareholders are also entitled to inspect and examine the books and records that the corporation is required by law to maintain.

The Board is required to present to shareholders at every annual meeting a financial report of the operations of the Company for the preceding year. This report is required to include audited financial statements.

## THE PHILIPPINE STOCK MARKET

*The information presented in this section has been extracted from publicly available documents which have not been prepared or independently verified by us, the Issue Manager and Sole Underwriter, or any of their respective subsidiaries, affiliates or advisors in connection with the Offer and sale of the Offer Shares.*

### **Brief History**

The Philippines initially had two stock exchanges, the Manila Stock Exchange, which was organized in 1927, and the Makati Stock Exchange, which began operations in 1963. Each exchange was self-regulating, governed by its respective Board of Governors elected annually by its members.

Several steps initiated by the Philippine government have resulted in the unification of the two bourses into the PSE. The PSE was incorporated in 1992 by officers of both the Makati and the Manila Stock Exchanges. In March 1994, the licenses of the two exchanges were revoked. While the PSE maintains two trading floors, one in Makati City and the other in Pasig City, these floors are linked by an automated trading system, which integrates all bids, and ask quotations from the bourses.

In June 1998, the SEC granted the Self-Regulatory Organization status to the PSE, allowing it to impose rules as well as implement penalties on erring trading participants and listed companies. On August 8, 2001, the PSE completed its demutualization, converting from a non-stock member-governed institution into a stock corporation in compliance with the requirements of the SRC. The PSE had an authorized capital stock of 97.8 million shares, of which 61,258,733 shares were subscribed and fully paid-up as of June 30, 2013. Each of the 184 member-brokers was granted 50,000 common shares of the new PSE at a par value of P1.00 per share. In addition, a trading right evidenced by a "Trading Participant Certificate" was immediately conferred on each member broker allowing the use of the PSE's trading facilities. As a result of the demutualization, the composition of the PSE Board of Governors was changed, requiring the inclusion of seven brokers and eight non-brokers, one of whom is the President.

On December 15, 2003, the PSE listed its shares by way of introduction at its own bourse as part of a series of reforms aimed at strengthening the Philippine securities industry.

Classified into financial, industrial, holding firms, property, services, and mining and oil sectors, companies are listed either on the PSE's Main Board or the Small, Medium and Emerging Board. Recently, the PSE issued Rules on Exchange Traded Funds ("ETF") which provides for the listing of ETFs on an ETF Board separate from the PSE's existing boards. Previously, the PSE allowed listing on the First Board, Second Board or the Small, Medium and Enterprises Board. With the issuance by the PSE of Memorandum No. CN-No. 2013-0023 dated June 6, 2013, revisions to the PSE Listing Rules were made, among which changes are the removal of the Second Board listing and the requirement that lock-up rules be embodied in the articles of the incorporation of the Company. Each index represents the numerical average of the prices of component shares. The PSE has an index, referred to as the PHISIX, which as at the date thereof reflects the price movements of selected shares listed on the PSE, based on traded prices of shares from the various sectors. The PSE shifted from full market capitalization to free float market capitalization effective April 3, 2006, simultaneous with the migration to the free float index and the renaming of the PHISIX to PSEi. The PSEi is composed of shares of 30 selected companies listed on the PSE. On July 26, 2010, the PSE launched its current trading system, PSE Trade.

With the increasing calls for good corporate governance, the PSE has adopted an online daily disclosure system to improve the transparency of listed companies and to protect the investing public.

The table below sets out movements in the composite index as of the last business day of each calendar year from 1995 to 2015 and shows the number of listed companies, market capitalization, and value of shares traded for the same period:

Year	Composite Index at Closing	Number of Listed Companies	Aggregate Market Capitalization (in P billions)	Combined Value of Turnover (in P billions)
1995.....	2,594.2	205	1,545.7	379.0
1996.....	3,170.6	216	2,121.1	668.8
1997.....	1,869.2	221	1,251.3	586.2
1998.....	1,968.8	222	1,373.7	408.7
1999.....	2,142.9	225	1,936.5	781.0
2000.....	1,494.5	229	2,576.5	357.7

2001.....	1,168.1	231	2,141.4	159.6
2002.....	1,018.4	234	2,083.2	159.7
2003.....	1,442.4	236	2,973.8	145.4
2004.....	1,822.8	235	4,766.3	206.6
2005.....	2,096.0	237	5,948.4	383.5
2006.....	2,982.5	239	7,173.2	572.6
2007.....	3,621.6	244	7,977.6	1,338.3
2008.....	1,872.9	246	4,069.2	763.9
2009.....	3,052.7	248	6,029.1	994.2
2010.....	4,201.1	253	8,866.1	1,207.4
2011.....	4,372.0	245	8,697.0	1,422.6
2012.....	5,812.7	254	10,952.7	1,771.7
2013.....	5,889.8	257	11,931.3	2,546.2
2014.....	7,230.6	263	14,251.7	2,130.1
2015.....	6,952.1	266	13,465.2	2,151.4

Source: PSE

### Trading

The PSE is a double auction market. Buyers and sellers are each represented by stockbrokers. To trade, bid or ask prices are posted on the PSE's electronic trading system. A buy (or sell) order that matches the lowest asked (or highest bid) price is automatically executed. Buy and sell orders received by one broker at the same price are crossed at the PSE at the indicated price. Payment of purchases of listed securities must be made by the buyer on or before the third trading day (the settlement date) after the trade.

Beginning January 2, 2012, trading on the PSE starts at 9:30 a.m. until 12:00 p.m., when there will be a one and a half hour lunch break. In the afternoon, trading resumes at 1:30 p.m. and ends at 3:30 p.m., with a 10-minute extension during which transactions may be conducted, provided that they are executed at the last traded price and are only for the purpose of completing unfinished orders. Trading days are Monday to Friday, except legal holidays and days when the BSP clearing house is closed.

Minimum trading lots range from 5 to 1,000,000 shares depending on the price range and nature of the security traded. Odd-sized lots are traded by brokers on a board specifically designed for odd-lot trading.

To maintain stability in the stock market, daily price swings are monitored and regulated. Under current PSE regulations, when the price of a listed security moves up by 50% or down by 50% in one day (based on the previous closing price or last posted bid price, whichever is higher), the price of that security is automatically frozen by the PSE, unless there is an official statement from the company or a government agency justifying such price fluctuation, in which case the affected security can still be traded but only at the frozen price. If the Company fails to submit such explanation, a trading halt is imposed by the PSE on the listed security the following day. Resumption of trading shall be allowed only when the disclosure of the company is disseminated, subject again to the trading ban.

### Settlement

The Securities Clearing Corporation of the Philippines ("SCCP") is a wholly-owned subsidiary of the PSE, and was organized primarily as a clearance and settlement agency for SCCP-eligible trades executed through the facilities of the PSE. SCCP received its permanent license to operate on January 17, 2002. It is responsible for:

- synchronizing the settlement of funds and the transfer of securities through Delivery versus Payment clearing and settlement of transactions of Clearing Members, who are also Trading Participants of the PSE;
- guaranteeing the settlement of trades in the event of a Trading Participant's default through the implementation of its Fails Management System and administration of the Clearing and Trade Guaranty Fund; and
- performance of Risk Management and Monitoring to ensure final and irrevocable settlement.

SCCP settles PSE trades on a three-day rolling settlement environment, which means that settlement of trades takes place three trading days after transaction date ("T+3"). The deadline for settlement of trades is 12:00 noon of T+3. Securities sold should be in scripless form and lodged under the book-entry system of the PDTC. Each PSE Broker maintains a Cash Settlement Account with one of the seven existing Settlement Banks of SCCP,

which are Banco de Oro Unibank, Inc., Rizal Commercial Banking Corporation, Metropolitan Bank and Trust Company, Deutsche Bank, HSBC Philippines, Unionbank of the Philippines and Maybank. Payment for securities bought should be in good, cleared funds and should be final and irrevocable. Settlement is presently on a broker level.

SCCP implemented its Central Clearing and Central Settlement system on May 29, 2006. CCCS employs multilateral netting, whereby the system automatically offsets "buy" and "sell" transactions on a per issue and a per flag basis to arrive at a net receipt or a net delivery security position for each Clearing Member. All cash debits and credits are also netted into a single net cash position for each Clearing Member. Novation of the original PSE trade contracts occurs, and SCCP stands between the original trading parties and becomes the Central Counterparty to each PSE-eligible trade cleared through it.

### *Scripless Trading*

In 1995, the PDTC (formerly the Philippine Central Depository, Inc.), was organized to establish a central depository in the Philippines and introduce scripless or book-entry trading in the Philippines. On December 16, 1996, the PDTC was granted a provisional license by the SEC to act as a central securities depository.

All listed securities at the PSE have been converted into book-entry settlement in the PDTC. The depository service of the PDTC provides the infrastructure for lodgment (deposit) and upliftment (withdrawal) of securities, pledge of securities, securities lending and borrowing and corporate actions including shareholders' meetings, dividend declarations and rights offerings. The PDTC also provides depository and settlement services for non-PSE trades of listed equity securities. For transactions on the PSE, the security element of the trade will be settled through the book-entry system, while the cash element will be settled through the current settlement banks, Banco de Oro Unibank, Inc., Rizal Commercial Banking Corporation, Metropolitan Bank and Trust Company, Deutsche Bank, HSBC Philippines, Unionbank of the Philippines and Maybank.

In order to benefit from the book-entry system, securities must be immobilized into the PDTC system through a process called lodgment. Lodgment is the process by which shareholders transfer legal title (but not beneficial title) over their shares in favor of the PCD Nominee Corporation ("PCD Nominee"), a corporation wholly-owned by the PDTC, whose sole purpose is to act as nominee and legal title holder of all shares lodged in the PDTC. "Immobilization" is the process by which the warrant or share certificates of lodging holders are cancelled by the transfer agent and the corresponding transfer of beneficial ownership of the immobilized shares in the account of the PCD Nominee through the PDTC participant will be recorded in the issuing corporation's registry. This trust arrangement between the participants and PDTC through the PCD Nominee is established by and explained in the PDTC Rules and Operating Procedures approved by the SEC. No consideration is paid for the transfer of legal title to the PCD Nominee. Once lodged, transfers of beneficial title of the securities are accomplished via book-entry settlement.

Under the current PDTC system, only participants (e.g. brokers and custodians) will be recognized by the PDTC as the beneficial owners of the lodged equity securities. Thus, each beneficial owner of shares, through his participant, will be the beneficial owner to the extent of the number of shares held by such participant in the records of the PCD Nominee. All lodgments, trades and uplifts on these shares will have to be coursed through a participant. Ownership and transfers of beneficial interests in the shares will be reflected, with respect to the participant's aggregate holdings, in the PDTC system, and with respect to each beneficial owner's holdings, in the records of the participants. Beneficial owners are thus advised that in order to exercise their rights as beneficial owners of the lodged shares, they must rely on their participant-brokers and/or participant-custodians.

Any beneficial owner of shares who wishes to trade his interests in the shares must course the trade through a participant. The participant can execute PSE trades and non-PSE trades of lodged equity securities through the PDTC system. All matched transactions in the PSE trading system will be fed through the SCCP, and into the PDTC system. Once it is determined on the settlement date (T+3) that there are adequate securities in the securities settlement account of the participant-seller and adequate cleared funds in the settlement bank account of the participant-buyer, the PSE trades are automatically settled in the SCCP Central Clearing and Central Settlement system, in accordance with the SCCP and PDTC Rules and Operating Procedures. Once settled, the beneficial ownership of the securities is transferred from the participant-seller to the participant-buyer without the physical transfer of stock certificates covering the traded securities.

If a shareholder wishes to withdraw his shareholdings from the PDTC system, the PDTC has a procedure of upliftment under which PCD Nominee will transfer back to the shareholder the legal title to the shares lodged. The uplifting shareholder shall follow the Rules and Operating Procedures of the PDTC for the upliftment of the shares lodged under the name of the PCD Nominee. The transfer agent shall prepare and send a Registry

Confirmation Advice to the PDTC covering the new number of shares lodged under the PCD Nominee. The expenses for upliftment are for the account of the uplifting shareholder.

The difference between the depository and the registry would be on the recording of ownership of the shares in the issuing corporations' books. In the depository set-up, shares are simply immobilized, wherein customers' certificates are cancelled and a confirmation advice is issued in the name of PCD Nominee to confirm new balances of the shares lodged with the PDTC. Transfers among/between broker and/or custodian accounts, as the case may be, will only be made within the book-entry system of the PDTC. However, as far as the issuing corporation is concerned, the underlying certificates are in the PCD Nominee's name. In the registry set-up, settlement and recording of ownership of traded securities will already be directly made in the corresponding issuing company's transfer agents' books or system. Likewise, recording will already be at the beneficiary level (whether it be a client or a registered custodian holding securities for its clients), thereby removing from the broker its current "de facto" custodianship role.

#### ***Amended Rule on Lodgment of Securities***

On June 24, 2009, the PSE apprised all listed companies and market participants through Memorandum No. 2009-0320 that commencing on July 1, 2009, as a condition for the listing and trading of the securities of an applicant company, the applicant company shall electronically lodge its registered securities with the PDTC or any other entity duly authorized by the SEC, without any jumbo or mother certificate in compliance with the requirements of Section 43 of the SRC. In compliance with the foregoing requirement, actual listing and trading of securities on the scheduled listing date shall take effect only after submission by the applicant company of the documentary requirements stated in the amended rule on Lodgment of Securities of the PSE.

Pursuant to the said amendment, the PDTC issued an implementing procedure in support thereof to wit:

- For a new company to be listed at the PSE as of July 1, 2009, the usual procedure will be observed but the transfer agent of the company shall no longer issue a certificate to PCD Nominee but shall issue a Registry Confirmation Advice, which shall be the basis for the PDTC to credit the holdings of the depository participants on the listing date.
- On the other hand, for an existing listed company, the PDTC shall wait for the advice of the transfer agent that it is ready to accept surrender of PCD Nominee jumbo certificates and upon such advice the PDTC shall surrender all PCD Nominee jumbo certificates to the transfer agent for cancellation. The transfer agent shall issue a Registry Confirmation Advice to PDTC evidencing the total number of shares registered in the name of PCD Nominee in the listed company's registry as of confirmation date.

Further, the PSE apprised all listed companies and market participants on May 21, 2010 through Memorandum No. 2010-0246 that the Amended Rule on Lodgement of Securities under Section 16 of Article III, Part A of the Revised Listing Rules of the PSE shall apply to all securities that are lodged with the PDTC or any other entity duly authorized by the SEC.

For listing applications, the amended rule on lodgment of securities is applicable to:

- The offer shares/securities of the applicant company in the case of an initial public offering;
- The shares/securities that are lodged with the PDTC, or any other entity duly authorized by the SEC in the case of a listing by way of introduction;
- New securities to be offered and applied for listing by an existing listed company; and
- Additional listing of securities of an existing listed company.

#### ***Issuance of Stock Certificates for Certificated Shares***

On or after the listing of the shares on the PSE, any beneficial owner of the shares may apply with PDTC through his broker or custodian-participant for a withdrawal from the book-entry system and return to the conventional paper-based settlement. If a shareholder wishes to withdraw his shareholdings from the PDTC system, the PDTC has a procedure of upliftment under which PCD Nominee will transfer back to the shareholder the legal title to the shares lodged. The uplifting shareholder shall follow the Rules and Operating Procedures of the PDTC for the uplifting of the shares lodged under the name of the PCD Nominee. The transfer agent shall prepare and send a Registry Confirmation Advice to the PDTC covering the new number of shares lodged under PCD Nominee. The expenses for upliftment are on the account of the uplifting shareholder.



authority as to his citizenship and residence. Proof of residence and corporate status for a corporation consists of authenticated copies of its articles of association, or other equivalent certifications issued by the proper government authority, or any other official document proving residence. If the regular rate of tax is withheld by the corporation instead of the reduced rates applicable under a treaty, the non-resident holder of the Common Shares may file a claim for a refund from the BIR. However, because the refund process in the Philippines requires the filing of an administrative claim and the submission of supporting information, and may also involve the filing of a judicial appeal, it may be impractical to pursue such a refund.

The term “non-resident holder” means a holder of the Common Shares:

- who is an individual who is neither a citizen nor a resident of the Philippines or an entity which is a foreign corporation not engaged in trade or business in the Philippines; and
- should a tax treaty be applicable, whose ownership of the Common Shares is not effectively connected with a fixed base or a permanent establishment in the Philippines.

Stock dividends distributed pro rata to any holder of shares are not subject to Philippine income tax. However, the sale, exchange or disposition of shares received as share dividends by the holder is subject to either capital gains tax and documentary stamp tax or stock transaction tax.

### **Sale, Exchange or Disposition of Common Shares**

#### ***Capital gains tax, if sale was made outside the PSE***

Net capital gains realized by a resident or non-resident other than a dealer in securities during each taxable year from the sale, exchange or disposition of shares outside the facilities of the PSE, unless an applicable treaty exempts such gains from tax or provides for preferential rates, are subject to tax as follows: 5.0% on gains not exceeding ₱100,000 and 10% on gains over ₱100,000. An application for tax treaty relief must be filed (and approved) by the Philippine tax authorities to obtain an exemption under a tax treaty.

The transfer of shares shall not be recorded in the Company’s books unless the BIR certifies that the capital gains and documentary stamp taxes relating to the sale or transfer have been paid or, where applicable, tax treaty relief has been confirmed by the International Tax Affairs Division of the BIR in respect of the capital gains tax or other conditions have been met.

#### ***Taxes on transfer of shares listed and traded at the PSE***

Sales, exchanges or other dispositions of the Common Shares which are effected through the PSE by persons other than a dealer in securities are subject to a stock transaction tax at the rate of 0.5% based on the gross selling price of the Common Shares. This tax is required to be collected by and paid to the Philippine government by the selling stockbroker on behalf of his client. The stock transaction tax is classified as a percentage tax in lieu of a capital gains tax. Notwithstanding its classification as a percentage tax, exemptions from capital gains tax may also apply to the stock transaction tax under the terms of some tax treaties.

In addition, a value-added tax of 12% is imposed on the commission earned by the PSE registered broker, which tax is generally passed on to the client.

Subject to applicable tax treaty rates, a capital gains tax of 5% on the net capital gains realized during the taxable year, not in excess of ₱100,000, and 10% on the net capital gains realized during the taxable year, in excess of ₱100,000, is imposed on sales, exchanges or other dispositions of shares of stock not traded through a local stock exchange.

The Bureau of Internal Revenue has effectively expanded the application of the 5%/10% capital gains tax by extending it even to trades through the stock exchange of shares of listed companies which do not maintain their public ownership requirement. The BIR, in a letter dated 28 December 2010 addressed to the SEC, stated that it would “strictly impose the 5%/10% capital gains tax” for trades in listed companies “who will not maintain their public ownership requirement”, said public ownership requirement being the 10% to 33% public ownership levels (based on the listed company’s market capitalization) required for an initial public offering or IPO. This BIR letter was referred to the PSE by the SEC on 3 January 2011. The PSE subsequently issued a memorandum dated 20 January 2011 in response to the SEC on the BIR’s statements. The PSE noted that the Tax Code imposes a stock transaction tax of ½ of 1% of the gross selling price or gross value in money of shares of stock listed and traded on the PSE, without qualification and that the power of the Secretary of Finance to promulgate

rules and regulations implementing the Tax Code should be confined to the details for the implementation of the law and does not include the power to amend the law.

Regardless, on 7 November 2012, the BIR issued regulations which provided that the tax treatment of sales or other dispositions of shares of stock of publicly listed companies which fail to meet the minimum public ownership after 31 December 2012 shall be subject to the 5%/10% capital gains tax and the documentary stamp tax.

### **Documentary Stamp Tax**

The original issue of shares is subject to documentary stamp tax of ₱1.00 for each ₱200.00, or a fractional part thereof, of the par value of the shares issued. The transfer of shares is subject to a documentary stamp tax of ₱0.75 for each ₱200.00, or a fractional part thereof of the par value of the shares transferred. However, the sale, barter or exchange of shares of stock listed and traded through the local stock exchange shall not be subject to documentary stamp.

### **Estate and Gift Taxes**

The transfer of the Common Shares upon the death of a registered holder to his heirs by way of succession, whether such an individual was a citizen of the Philippines or an alien, regardless of residence, will be subject to Philippine estate tax at progressive rates ranging from 5% to 20% if the net estate is over ₱200,000.

Individual registered holders, whether or not citizens or residents of the Philippines, who transfer Common Shares by way of gift or donation will be liable for Philippine donor's tax on such transfers at progressive rates ranging from 2% to 15% if the total net gifts made during the calendar year exceed ₱100,000. The rate of tax with respect to net gifts made to a stranger (one who is not a brother, sister, spouse, ancestor, lineal descendant or relative by consanguinity within the fourth degree of relationship) is a flat rate of 30%. Corporate registered holders are also liable for Philippine donor's tax on such transfers, but the rate of tax with respect to net gifts made by corporate registered holders is always at a flat rate of 30%.

Estate and gift taxes will not be collected in respect of intangible personal property, such as Common Shares of stock, (i) if the deceased at the time of death, or the donor at the time of donation, was a citizen and resident of a foreign country which at the time of his death or donation did not impose a transfer tax of any character in respect of intangible personal property of citizens of the Philippines not residing in that foreign country, or (ii) if the laws of the foreign country of which the deceased or the donor was a citizen and resident at the time of his death or donation allow a similar exemption from transfer or death taxes of every character or description in respect of intangible personal property owned by citizens of the Philippines not residing in that foreign country.

## **FOREIGN EXCHANGE REGULATIONS AND FOREIGN OWNERSHIP RESTRICTIONS**

Under current BSP regulations, an investment in listed Philippine securities (such as the Common Shares) must be registered with the BSP if the foreign exchange needed to service the repatriation of capital and the remittance of dividends, profits and earnings derived from such Shares is to be sourced from the Philippine banking system. If the foreign exchange required to service capital repatriation or dividend remittance is sourced outside the Philippine banking system, registration is not required. Current BSP Circular No. 471 (series of 2005), however, subjects foreign exchange dealers and money changers to Republic Act No. 9160 (otherwise known as the Anti-Money Laundering Act of 2001), as amended, and requires these nonbank sources of foreign exchange to require foreign exchange buyers to submit, among others, the original BSP registration document in connection with their application to purchase foreign exchange for purposes of capital repatriation and remittance of dividends.

The application for registration may be done directly with the BSP or through a custodian bank duly designated by the foreign investor. A custodian bank may be a commercial bank or an offshore banking unit registered with the BSP to act as such and appointed by the investor to register the investment, hold shares for the investor, and represent the investor in all necessary actions in connection with his investments in the Philippines. Applications for registration must be accompanied by: (i) purchase invoice, subscription agreement and proof of listing on the PSE (either or both); (ii) credit advice or bank certificate showing the amount of foreign currency inwardly remitted and converted into Pesos; and (iii) transfer instructions from the stockbroker or dealer, as the case may be.

Upon registration of the investment, proceeds of divestments, or dividends of registered investments are repatriable or remittable immediately and in full through the Philippine banking system, net of applicable tax, without need of BSP approval. Capital repatriation of investments in listed securities is permitted upon presentation of the BSP registration document and the broker's sales invoice, at the exchange rate prevailing at the time of purchase of the foreign exchange from the banking system. Remittance of dividends is permitted upon presentation of: (i) the BSP registration document; (ii) the cash dividends notice from the PSE and the Philippine Central Depository printout of cash dividend payment or computation of interest earned; (iii) copy of the secretary's sworn statement on the board resolution covering the dividend declaration and (iv) detailed computation of the amount applied for in the format prescribed by the BSP. Pending reinvestment or repatriation, divestment proceeds, as well as dividends of registered investments, may be lodged temporarily in interest-bearing deposit accounts. Interest earned thereon, net of taxes, may also be remitted in full. Remittance of divestment proceeds or dividends of registered investments may be reinvested in the Philippines if the investments are registered with the BSP or the investor's custodian bank.

The foregoing is subject to the power of the BSP, through the Monetary Board, with the approval of the President of the Philippines, to suspend temporarily or restrict the availability of foreign exchange, require licensing of foreign exchange transactions or require delivery of foreign exchange to the BSP or its designee during an exchange crisis, when an exchange crisis is imminent, or in times of national emergency.

The registration with the BSP of all foreign investments in any Common Shares received in exchange for Offer Shares shall be the responsibility of the foreign investor.

### **Foreign Ownership**

The Philippine Constitution and related statutes set forth restrictions on foreign ownership of companies engaged in certain activities, including, the ownership of private land.

In connection with the ownership of private land, Article XII, Section 7 of the Philippine Constitution, in relation to Article XII, Section 2 of the Philippine Constitution and Chapter 4 of Commonwealth Act No. 141, states that no private land shall be transferred or conveyed except to citizens of the Philippines or to corporations or associations organized under the laws of the Philippines at least 60% of whose capital is owned by such citizens.

Republic Act No. 7042, otherwise known as the Foreign Investments Act, as amended, and the negative list issued by the Government pursuant thereto, reserves to Philippine Nationals all areas of investment in which foreign ownership is limited by mandate of the Constitution and specific laws. Section 3(a) of the Foreign Investments Act defines a "Philippine National" as:

- a citizen of the Philippines;
- a domestic partnership or association wholly-owned by citizens of the Philippines;
- a trustee of funds for pension or other employee retirement or separation benefits where the trustee is a Philippine National and at least 60 % of the fund will accrue to the benefit of the Philippine Nationals;
- a corporation organized under the laws of the Philippines of which at least 60 % of the capital stock outstanding and entitled to vote is owned and held by citizens of the Philippines; and
- a corporation organized abroad and registered as doing business in the Philippines under the Corporation Code of which 100 % of the capital stock outstanding and entitled to vote is wholly-owned by Filipinos.

However, the Foreign Investments Act states that where a corporation (and its non-Filipino shareholders) own stock in a SEC-registered enterprise, at least 60 % of the capital stock outstanding and entitled to vote of both the investing corporation and the investee corporation must be owned and held by citizens of the Philippines. Further, at least 60 % of the members of the board of directors of both the investing corporation and the investee corporation must be Philippine citizens in order for the investee corporation to be considered a Philippine National.

## **LEGAL MATTERS**

Philippine legal matters in connection with the Offer have been passed upon for the Company by Rosero Lazaro & Sabillo Law Office, the Company's counsel for the Offer. Rosero Lazaro & Sabillo Law Office does not have and will not receive any direct or indirect interest in the Company or in any of the Company's securities (including options, warrants or rights thereto) pursuant to or in connection with the Offer.

## INDEPENDENT AUDITORS

The financial statements of Golden Haven as of December 31, 2013, 2014 and 2015 and for the years then ended were audited by Punongbayan & Araullo, Certified Public Accountants, in accordance with Philippine Standards on Auditing.

Punongbayan & Araullo has acted as the Company's external auditor since June 15, 2015. Nelson J. Dinio is the current audit partner for Golden Haven and has served as such since 2015. Golden Haven has not had any material disagreement on accounting and financial disclosure with Punongbayan & Araullo for the periods stated above or during interim periods.

The external auditor has neither shareholdings in the Company nor any right to nominate persons or to subscribe to Golden Haven. In accordance with the Code of Ethics for Professional Accountants in the Philippines, Punongbayan & Araullo will not receive any direct or indirect interest in Golden Haven or its securities in connection with the Offer.

The following table sets out the aggregate fees billed for each of the last two years for professional services rendered by Punongbayan & Araullo:

In Philippine pesos	2013	2014	2015
Audit and Audit Related Fees	₱250,000 <sup>1</sup>	₱250,000 <sup>1</sup>	₱1,250,000 <sup>2</sup>
Tax Fees	—	—	—
All other fees	—	₱148,643.64	—

<sup>1</sup> Audit fee of Ocampo, Mendoza, Leong, Lim & Co.

<sup>2</sup> Audit fee of Punongbayan & Araullo for the restatement of prior-year financial statements

The Audit and Audited Related Fees refers to the professional services rendered by Punongbayan & Araullo for audit of the Company's annual financial statements or services that are normally provided in connection with statutory and regulatory filings for the said fiscal years.

## ATTACHMENTS AND EXHIBITS

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## **PARTIES TO THE OFFER**

### **ISSUER**

**Golden Haven Memorial Park, Inc.**  
San Ezekiel, C5 Extension  
Las Piñas City

### **ISSUE MANAGER AND SOLE UNDERWRITER**

**Asian Alliance Investment Corporation**  
22<sup>nd</sup> Floor, Equitable Bank Tower  
8751 Paseo de Roxas  
Makati City

### **COUNSEL TO THE ISSUER**

**Rosero Lazaro & Sabillo Law Office**  
Upper Ground Floor, Worldwide Corporate Center,  
Shaw Boulevard, Mandaluyong City

### **COUNSEL TO THE ISSUE MANAGER AND SOLE UNDERWRITER**

**Picazo Buyco Tan Fider & Santos**  
Liberty Center, 104 H.V. dela Costa Street  
Salcedo Village, Makati City

### **INDEPENDENT AUDITORS**

**Punongbayan & Araullo**  
20<sup>th</sup> Floor, Tower 1  
The Enterprise Center  
6766 Ayala Avenue, Makati City



**ANNEX A**  
**SUMMARY OF MATERIAL PERMITS AND LICENSES**

The following are the significant and material permits and licenses of the Company.

#	Permit	Description	Expiry Date
<b>Golden Haven – Las Pinas City</b>			
1	3 <sup>rd</sup> Indorsement issued on 29 July 1983 by the Regional Health Office	Approves the development of memorial park	Not applicable
2	Water Permit Application No. 75834 issued on 28 October 1988 by the National Water Resources Council	Allows Golden Haven Memorial Park, Inc. to draw water supply from the groundwater	Not applicable
3	Development Permit No. 01526 issued on 4 June 1984 by the Human Settlements Regulatory Commission	Allows Golden Haven Memorial Park, Inc. to develop the land covered by TCT No. 60422 to a memorial park with approved site development plan	Not applicable
4	Certificate of Registration No. 0014 issued on 2 November 1984 issued by the Human Settlements Regulatory Commission	Certifies that Golden Haven Memorial Park is registered with the Housing and Land Use Regulatory Board	Not applicable
5	License to Sell No. 0014 issued on 9 November 1984 by the Human Settlements Regulatory Commission	Authorizes Golden Haven Memorial Park, Inc. to sell 2,755 memorial plots	Not applicable
6	Alteration of Plan No. 00916 issued on 11 July 1985 by the Human Settlements Regulatory Board	Approved the widening of main and secondary roads and park entrance of Golden Haven Memorial Park	Not applicable
7	Certificate of Assurance issued on 22 February 1983 by the Office of the Mayor	Allows the construction of memorial park	Not applicable
8	Certification of the Relative Position issued on 10 February 1989 by the Department of Environment and Natural Resources	Surveys the position of Lot No. PSU-04-003442	Not applicable
9	Locational Clearance No. LC-83-04110-LP-SD-R1 issued on 29 April 1983 by the Metropolitan Manila Commission	Certifies that the proposed memorial park complies with Metro Manila zoning ordinance	Not applicable
10	Preliminary Approval and Locational Clearance No. 00861 issued on 23 April 1989 by the Human Settlements Regulatory Commission	Certifies that the proposed memorial park complies with Metro Manila zoning ordinance	Not applicable
<b>Golden Haven – Cebu (Phase 1)</b>			
11	Initial Clearance No. 05-Y03 issued on 15 August 2003 by the Department of Health	Allows the construction of proposed memorial park	Not applicable
12	Certificate of Suitability of Burial Ground issued on 3 October 2002 by the City Health Department	Certifies that the site for memorial park is suitable as burial ground	Not applicable
13	Development Permit No. 2002-001 issued on 23 January 2003 by the Department of Planning and Development	Certifies that the proposed memorial park complies with the zoning ordinance with approved site development plan	Not applicable

#	Permit	Description	Expiry Date
14	Resolution No. 01 issued on 15 August 2002 by the Office of the Sangguniang Barangay of Barangay Binaliw	Favorable endorses the proposed memorial park situated in the barangay	Not applicable
15	Resolution No. 347 issued on 28 November 2002 by the Cebu City Zoning Board	Recommends the approval of the development permit application of Golden Haven Memorial Park, Inc. to the Members of the Sanggunian Panglungsod	Not applicable
16	Resolution No. 03-2329 issued on 8 January 2003 by the Sangguniang Panglungsod of the City of Cebu	Approves the development permit application of Golden Haven Memorial Park, Inc.	Not applicable
17	Resolution No. 256 issued on 15 August 2002 by the Cebu City Zoning Board	Approves the variance application of Golden Haven Memorial Park, Inc. from land use and the development of a memorial park	Not applicable
18	Resolution No. 313 issued on 17 October 2002 by the Cebu City Zoning Board	Allows the reassessment of land from agricultural to commercial	Not applicable
19	Resolution No. 333 issued on 21 November 2002 by the Cebu City Zoning Board	Amends Resolution No. 256	Not applicable
20	Resolution No. 334 issued on 21 November 2002 by the Cebu City Zoning Board	Recommends the approval of the Preliminary Approval and Locational Clearance Application of Golden Haven Memorial Park, Inc.	Not applicable
21	Exemption Order (Administrative Case No. A-999-07-E-2500) issued on 24 October 2000 by the Department of Agrarian Reform	Grants the exemption of parcels of land from the coverage of Comprehensive Agrarian Reform Program	Not applicable
22	Environmental Compliance Certificate No. 070211-140296214 issued on 14 November 2002 by the Department of Environment and Natural Resources	Certifies that Golden Haven Memorial Park, Inc. complies with the requirements of the Environmental Impact System	Not applicable
23	Certificate of Registration No. 07171 issued on 27 May 2003 by the Housing and Land Use Regulatory Board	Certifies that Golden Haven Memorial Park is registered with the Housing and Land Use Regulatory Board	Not applicable
24	License to Sell No. 07641 issued on 27 May 2003 by the Housing and Land Use Regulatory Board	Authorizes Golden Haven Memorial Park, Inc. to sell memorial plots	Not applicable
Golden Haven – Cebu (Phase 2)			
25	Initial Clearance No. IC-004-Y09 issued on 8 August 2009 by the Department of Health	Allows the construction of proposed memorial park	Not applicable
26	Inspection Report dated 19 May 2009 by the Department of Health	Recommends the approval of the Initial Clearance for the construction of Golden Haven Memorial Park subject to the conditions stated	Not applicable
27	Sanitary Survey Form issued on 22 May 2009 by the Department of Health	Recommends that the site be certified as suitable to be utilized as burial ground	Not applicable
28	Certificate of Suitability of Burial Ground No. 004-09 issued on 22 May 2009 by the Department of Health	Certifies that the site for memorial park is suitable as burial ground	Not applicable
29	Development Permit No.	Certifies that the proposed memorial park	Not applicable

#	Permit	Description	Expiry Date
	001-648-2009 issued on 19 August 2009 by the Office of the City Planning and Development Coordinator	complies with the zoning ordinance with approved site development plan	
30	Resolution No. 09-031 issued on 5 March 2009 by the Cebu City Zoning Board	Approves the Variance Application of Golden Haven Memorial Park, Inc. from land use for the proposed memorial park	Not applicable
31	Resolution No. 09-2790 issued on 3 June 2009 by the Cebu City Zoning Board	Approves the Development Permit Application of Golden Haven Memorial Park, Inc. for its proposed memorial park	Not applicable
32	Resolution No. 009 series of 2009 issued on 26 April 2009 by the Barangay Council of Pulangbato	Recommends to the Pulangbato Barangay Council to pass a resolution for the development of the proposed memorial park expansion	Not applicable
33	Resolution No. 27 series of 2008 issued on 8 November 2008 by the Barangay Council of Binaliw	Recommends to the Binaliw Barangay Council to pass a resolution for the development of the proposed memorial park expansion	Not applicable
34	Environmental Compliance Certificate No. RO7 0902 0062 214 issued on 19 March 2009 by the Department of Environment and Natural Resources	Certifies that Golden Haven Memorial Park, Inc. complies with the requirements of the Environmental Impact System	Not applicable
35	Certificate of Registration No. 20766 issued on 23 September 2011 by the Housing and Land Use Regulatory Board	Certifies that Golden Haven Memorial Park is registered with the Housing and Land Use Regulatory Board	Not applicable
36	License to Sell No. 21799 issued on 23 September 2011 by the Housing and Land Use Regulatory Board	Authorizes Golden Haven Memorial Park, Inc. to sell memorial plots	Not applicable
Golden Haven – Cagayan de Oro			
37	Certification issued on 9 July 2008 by City Health Department	Certifies that the proposed memorial park has complies with existing rules and regulations of the Department of Health and in accordance with the provision of the Sanitation Code	Not applicable
38	Certification issued on 26 November 2009 by the National Water Resources Board	Certifies that the area applied for by Golden Haven Memorial Park, Inc. is not higher than 4.50 meters below the ground surface	Not applicable
39	Ordinance No. 11210-2008 issued on 17 November 2008 by the Office of the City Council of the City of Cagayan de Oro	An ordinance approving the application of Golden Haven for a development permit of its memorial park project located in Brgy. Bulua	Not applicable
40	Certification issued on 11 March 2009 by the Cagayan de Oro District Engineering Office	Certifies that the area applied for by Golden Haven Memorial Park, Inc. is not higher than 4.50 meters below the ground surface	Not applicable
41	Ordinance No. 11210-2008 issued on 17 November 2008 by the Office of the City Council	Approves the Development Permit Application of Golden Haven Memorial Park, Inc.	Not applicable
42	Environmental Compliance Certificate No. 10(43)08 03-06 4624-84920 issued on 6 March 2008 by the Department of Environment and Natural Resources	Certifies that Golden Haven Memorial Park, Inc. complies with the requirements of the Environmental Impact System	Not applicable
43	Certificate of Registration No. 18934 issued on 26	Certifies that Golden Haven Memorial Park is registered with the Housing and Land Use	Not applicable

#	Permit	Description	Expiry Date
	June 2009 by the Housing and Land Use Regulatory Board	Regulatory Board	
44	License to Sell No. 23397 issued on 26 June 2009 by the Housing and Land Use Regulatory Board	Authorizes Golden Haven Memorial Park, Inc. to sell memorial plots	Not applicable
45	Zoning Certification No. 0239 issued on 3 March 2008 by the City Planning and Development Office	Certifies that the proposed memorial park complies with the zoning ordinance	Not applicable
Goldent Haven – Zamboanga (Phase 1)			
46	Sanitary Survey Form issued on 21 January 2008 by the Center for Health Development	Determines the suitability of the land proposed to be utilized as burial ground	Not applicable
47	Certificate of Suitability of Burial Ground No. 01-2008 issued on 21 January 2008 by the Center for Health Development	Certifies that the site for memorial park is suitable as burial ground	Not applicable
48	Operational Clearance No. 02-2010-O issued on 1 July 2010 by the Center for Health Development	Allows the memorial park to assume operations	Not applicable
49	Certification issued on 9 November 2015 by the National Water Resources Board	Certifies that the area applied for by Golden Haven Memorial Park, Inc. is not higher than 4.50 meters below the ground surface	Not applicable
50	Development Permit No. DP-2009-03-002 issued on 3 March 2009 by the Office of the City Mayor	Certifies that the proposed memorial park complies with the zoning ordinance with approved site development plan	Not applicable
51	Certificate of Non-Coverage No. R09-0803-013-8492 issued on 13 March 2008 by the Department of Environment and Natural Resources	Certifies that the proposed memorial park is outside the purview of the Environmental Impact System	Not applicable
52	Certificate of Registration No. 20258 issued on 23 March 2010 by the Housing and Land Use Regulatory Board	Certifies that Golden Haven Memorial Park is registered with the Housing and Land Use Regulatory Board	Not applicable
53	License to Sell No. 23502 issued on 23 March 2010 by the Housing and Land Use Regulatory Board	Authorizes Golden Haven Memorial Park, Inc. to sell memorial plots	Not applicable
54	Zoning Certification No. C-09-032010 issued on 14 December 2009 by the Housing and Land Use Regulatory Board	Certifies that the proposed memorial park complies with the zoning ordinance	Not applicable
55	Land Use Certification issued on 9 October 2009 by the Office of the City Planning and Development Coordinator	Certifies that the land is within the commercial zone under the zoning ordinance	Not applicable
Goldent Haven – Zamboanga (Phase 2)			
56	Initial Clearance No. 2015-02 IC issued on 10 December 2015 by the Department of Health Regional Office IX	Allows the construction of proposed memorial park	December 10, 2016
57	Certification issued on 9 November 2015 by the	Certifies that the area applied for by Golden Haven Memorial Park, Inc. is not higher than	Not applicable

#	Permit	Description	Expiry Date
	National Water Resources Board	4.50 meters below the ground surface	
58	Development Permit No. DP-2016-01-001 issued on 8 January 2016 by the Office of the City Mayor	Development Permit issued to Golden Haven for the memorial park	Not applicable
60	Environmental Compliance Certificate No. R09-1511-0068 issued on 4 November 2015 by the Department of Environment and Natural Resources Environmental Management Bureau Regional Office No. IX	Certifies that Golden Haven Memorial Park, Inc. is granted an ECC for the proposed Golden Haven Memorial Park located at Barangay Zambowood	Not applicable
Golden Haven – Bulacan			
61	Initial Clearance No. 016-3-02 issued on 4 March 2016 by the Department of Health	Allows the construction of proposed memorial park	Not applicable
62	Certification issued on 18 May 2015 by National Water Resources Board	A certification of groundwater table depth in the area of Brgy. San Mateo, Norzagaray, Bulacan where the proposed 44,449 square meters Golden Haven Memorial Park will be located conforms to the minimum allowable 4.50 meters below ground surface (mbgs).	Not applicable
63	Decision on Zoning No. LC-05-13-15-009 issued on 13 May 2015 by Municipal Planning and Development Office of Municipality of Norzagaray, Province of Bulacan	Final approval and development permit granted over the land purchased from Romeo L. Bernardo with Deed of Absolute Sale to Golden Haven Memorial Park, Inc. with approved site development plan	Not applicable
64	Decision on Zoning No. LC-04-14-15-007 issued on 14 April 2015 by Municipal Planning and Development Office of Municipality of Norzagaray, Province of Bulacan	Preliminary approval and locational clearance granted over the land which is covered by an agreement to Purchase and Sell between Romero L. Bernardo (Seller) and Golden Haven Memorial Park, Inc. (Buyer)	Not applicable
65	Barangay Resolution No. 2014-07-15 issued on 17 July 2014 by the Sangguniang Barangay of San Mateo, Norzagaray, Bulacan	Resolution favorably endorsing the construction/development of the Golden Haven Memorial Park of Golden Haven Memorial Park, Inc. located at Sitio Compra, San Mateo, Norzagaray, Bulacan	Not applicable
66	Resolution no. 2014-12-183 issued on 6 December 2014 by the Sangguniang Bayan ng Norzagaray, Bulacan	Resolution of the Sangguniang Bayan that it is awarding and issued the development permit to the Golden Haven Memorial Park, Inc. for the Memorial Park Project located at Sitio Compra, San Mateo, Norzagaray, Bulacan	Not applicable
67	Ordinance No. 2014-12-16 issued on 6 December 2014 by the Sangguniang Bayan of Norzagaray, Bulacan	An ordinance reclassifying the 44,449 square meters parcel of land owned by Golden Haven Memorial Park, Inc. located at Brgy. San Mateo, Norzagaray, Bulacan from agricultural to institutional covered by Tax Declaration of Real Property No. 2014-14009-03960 issued by the Office of the Municipal Assessor, Norzagaray, Bulacan and Transfer Certificate of Title No. T-28488 P(M) intended for the construction and development of the Memorial Park Project	Not applicable
68	Department of Agrarian Reform Conversion Order No. 302-072412 LUCF 2014-0145 issued on 4 August 2014 by the Department of Agrarian	Grant of the application for land use conversion from agricultural to institutional (memorial park) use involving 4.4449 hectares, located in Barangay San Mateo, Norzagaray, Bulacan, covered by TCT No. T-28488 P(M), and registered in the name of Romeo L. Bernardo,	Not applicable

#	Permit	Description	Expiry Date
	Reform Regional Office III	married to Amina Rasul, subject to some conditions	
69	Environmental Compliance Certificate No. R03-1408-0407 issued on 16 September 2014 by the Department of Environment and Natural Resources Environmental Management Bureau Regional Office NO. III	Certifying that Golden Haven Memorial Park, Inc. is granted an ECC for the proposed Golden Haven Memorial Park – Bulacan located at Brgy. San Mateo, Norzagaray, Bulacan	Not applicable
70	Certificate of Registration No. 26585 issued on 14 July 2015 by the Housing and Land Use Regulatory Board Region III	Certificate of Registration that Golden Haven Memorial Park-Bulacan is a project covered by SK-03-005398	Not applicable
71	License to Sell No. 029681 issued on 14 July 2015 by the Housing and Land Use Regulatory Board Region III	License issued for the sale of saleable lots/units/lots with units in Golden Haven Memorial Park-Bulacan (7,223 plots)	Not applicable
72	Zoning Certification issued on 14 August 2014 by the Municipal Planning and Development Office of the Municipality of Norzagaray, Bulacan	Certifying that the parcel of land located at Barangay San Mateo, Norzagaray, Bulacan per TD/ARP No. 2014-14009-03960 with an area of 44,499 square meters, more or less, owned by Spouses Romeo L. Bernardo M/T/O Amina Rasul is classified as per Comprehensive Land Use Plan 2011-2020	Not applicable
Golden Haven – San Ezekiel			
73	Development Permit No. 11-02-0009 issued on 15 February 2011 by the Housing and Land Use Regulatory board	Development Permit issued to Golden Haven for the Project Santuario De San Ezekiel Moreno Columbarium with approved site development plan	Not applicable
74	Excavation and Ground Permit No. 1911-016 issued on (no date) by the Office of the Building Official City of Las Pinas	Excavation and Ground Permit issued to Golden Haven Memorial Park, Inc. with address at 40 Real St. Alabang-Zapote Road, Zapote, Las Pinas City	Not applicable
75	DPWH Building Permit No. 1011-022 issued on 13 January 2011 by DPWH	DPWH Building Permit for the Golden Haven Memorial Park, Inc. along C-5 Construction, Pulanglupa Uno, Las Pinas City	Not applicable
76	Construction Permit No. 592-10 Zonal Clearance issued on 19 November 2010 by the City Planning and Development Department of the City of Las Pinas	Construction Permit issued to Golden Haven Memorial Park, Inc. for the project Church with Columbarium	Not applicable
77	Certificate of Non-Coverage No. CNC-NCR-1012-0066 issued on 17 December 2010 by the Department of Environment and Natural Resources	Certifies that the proposed project church and columbarium is outside the purview of the Environmental Impact System	Not applicable
78	Certificate of Registration No. 22882 issued on 23 May 2011 by the Housing and Land Use Regulatory Board Expanded National Capital Region	Certificate of Registration Santuario de San Ezekiel Moreno Columbarium	Not applicable

#	Permit	Description	Expiry Date
79	License to Sell No. 24680 issued on 23 May 2011 by the Housing and Land Use Regulatory Board Expanded National Capital Region	License to Sell for the sale of saleable lots/units/lots with units in Santuario de San Ezekiel Moreno Columbarium located at C-5 Extension, Pulang Lupa Uno, Las Pinas City	Not applicable
Golden Haven – Iloilo (Phase I)			
80	Initial Clearance No. 09-016-13 issued on 16 September 2013 by the Department of Health	Allows the construction of proposed memorial park	Not applicable
81	Certification issued on 2 August 2012 by the National Water Resources Board	Certifies that the area applied for by Golden Haven Memorial Park, Inc. is not higher than 4.50 meters below the ground surface	Not applicable
82	Development Permit No. DP-MP-2013-01 issued on 14 January 2013 by the Housing and Land Use Regulatory board	Development Permit issued to Golden Haven for the Project Golden Haven Memorial Park	Not applicable
83	Preliminary Approval No. PA-MP-12-01 issued on 26 November 2012 issued by the Office of the Sangguniang Bayan	Decision granting the preliminary approval of the memorial park and compliance with the zoning ordinance of San Miguel Iloilo.	Not applicable
84	Resolution No. 2012-168 issued on 26 November 2012 by the Office of the Sangguniang Bayan of San Miguel	Resolution approving the application for preliminary approval of Golden Haven Memorial Park Inc. for the construction of Golden Haven Memorial Park - Iloilo	Not applicable
85	Resolution No. 2013-08 issued on 14 January 2013 by the Office of the Sangguniang Bayan of San Miguel	Resolution Approving the Application for Development Permit of Golden Haven	Not applicable
86	Resolution No. 2012-36 issued on 7 October 2012 by the Office of the Sangguniang Barangay of San Miguel	Resolution endorsing the proposed project to the sangguniang bayan for appropriate action	Not applicable
87	Environmental Compliance Certificate No. ECC-R6-1207-0197-8492 issued on 28 August 2012 by the Environmental Management Bureau of the Department of Environment and Natural Resources	Certifies that Golden Haven Memorial Park, Inc. complies with the requirements of the Environmental Impact System	Not applicable
88	Certificate of Registration No. 24873 issued on 20 March 2014 issued by the Housing and Land Use Regulatory Board	Certifies that Golden Haven Memorial Park is registered with the Housing and Land Use Regulatory Board	Not applicable
89	License to Sell No. 26665 issued on 20 March 2014 by the Housing and Land Use Regulatory Board	Authorizes Golden Haven Memorial Park, Inc. to sell 11,678 burial plots	Not applicable
90	Building Permit No. 2013-11-000033 issued on 29 October 2013 by the Office of the Building Official of the Province of Iloilo	Permit issued in favor of Golden Haven for the construction of the project memorial park in Brgy. San Jose, San Miguel	Not applicable
91	Resolution No.03-2012 issued on 29 October 2012 by the Local Zoning Board of Adjusted and Appeals	Resolution approving the application for the locational clearance of Golden Haven Memorial Park located at Brgy. San Jose, San Miguel	Not applicable

#	Permit	Description	Expiry Date
92	Certification issued on 26 December 2011 by the National Irrigation Administration	Certifies that Golden Haven applied for land Use Conversion from agricultural to residential use, over 6 parcels of land in Brgy. San Jose.	Not applicable
Golden Haven – Pampanga			
93	Initial Clearance No. 016-4-01 issued on 8 April 2016 by the Department of Health	Allows the construction of proposed memorial park	Not applicable
94	Certification issued on 15 January 2016 by the National Water Resources Board	Certifies that the area applied for by Golden Haven Memorial Park, Inc. is not higher than 4.50 meters below the ground surface	Not applicable
95	Environmental Compliance Certificate No. R03-1307-0317 issued on 10 March 2015 by the Environmental Management Bureau of the Department of Environment and Natural Resources	Certifies that Golden Haven Memorial Park, Inc. complies with the requirements of the Environmental Impact System	Not applicable
96	Certification issued by the National Irrigation Administration (undated)	Certifies that 10 parcels of land situated in Brgy. Calulut are not covered by A.O. No. 20 (series of 1992) and that the subject parcels are not indebted to the office regarding Irrigation Service Fee/CIS Amortization.	Not applicable
Golden Haven – Nueva Vizcaya			
97	Operational Clearance No. 01-12 issued on 07 February 2012 by the Center for Health Development	Allows the memorial park to assume operations	Not applicable
98	Development Permit No. 001-2011 issued on 27 October 2011 by the Housing and Land Use Regulatory board	Development Permit issued to Golden Haven for the Project Golden Haven Memorial Park with approved site development plan	Not applicable
99	Environmental Compliance Certificate No. ECC-R02-1108-0145 issued on 5 August 2011 by the Environmental Management Bureau of the Department of Environment and Natural Resources	Certifies that Golden Haven Memorial Park, Inc. complies with the requirements of the Environmental Impact System	Not applicable
100	Certification issued on 1 February by the National Irrigation Administration	Certifies that Golden Haven applied for Land Use Conversion from Agricultural to Commercial use over a parcel of land and is found not to be an irrigated land and not covered by an irrigation project, it is a sloping terrain and is not within the parameters restricted by MC#41 (series of 2011).	Not applicable



**ANNEX B**  
**REAL PROPERTIES OF THE COMPANY<sup>3</sup>**

	Location	Lot No.	OCT/TCT No. or Tax Declaration No.	Area (sqm)	Other Remarks
1	Buag, Bambang, Nueva Vizcaya	1-A	T-036-2011001057	60,018	This property is subject of an agreement to purchase and sell dated 7 January 2016 in favor of the Company.
2	Calulut, City of San Fernando, Pampanga	3928-A-1-1-2-A	T-711677-R	1,000	This property is subject of an agreement to purchase and sell dated 7 January 2016 in favor of the Company.
3	Calulut, City of San Fernando, Pampanga	3928-A-1-1-2-B	T-711678-R	1,000	This property is subject of an agreement to purchase and sell dated 7 January 2016 in favor of the Company.
4	Calulut, City of San Fernando, Pampanga	3928-A-1-1-2-C	T-711679-R	1,000	This property is subject of an agreement to purchase and sell dated 7 January 2016 in favor of the Company.
5	Calulut, City of San Fernando, Pampanga	3928-A-1-1-2-D	T-711680-R	1,000	This property is subject of an agreement to purchase and sell dated 7 January 2016 in favor of the Company.
6	Calulut, City of San Fernando, Pampanga	3928-A-1-1-2-E	T-711681-R	1,000	This property is subject of an agreement to purchase and sell dated 7 January 2016 in favor of the Company.
7	Calulut, City of San Fernando, Pampanga	3928-A-1-1-2-F	T-711682-R	1,000	This property is subject of an agreement to purchase and sell dated 7 January 2016 in favor of the Company.
8	Calulut, City of San Fernando, Pampanga	3928-A-1-1-2-G	T-711683-R	1,000	This property is subject of an agreement to purchase and sell dated 7 January 2016 in favor of the Company.
9	Calulut, City of San Fernando, Pampanga	3928-A-1-1-2-H	T-711684-R	1,000	This property is subject of an agreement to purchase and sell dated 7 January 2016 in favor of the Company.
10	Calulut, City of San Fernando, Pampanga	3928-A-1-1-2-I	T-711685-R	1,191	This property is subject of an agreement to purchase and sell dated 7 January 2016 in favor of the Company.
11	Calulut, City of San Fernando, Pampanga	3928-A-1-1-2-J	T-711686-R	12,396	This property is subject of an agreement to purchase and sell dated 7 January 2016 in favor of the Company.
12	Brgy. San Mateo, Norzagaray, Bulacan	LOT C-1-B	T-040-2015040995	44,449	None
13	Brgy. San Jose, San Miguel, Iloilo	69-D-2	T-18886	1,248	This property is subject of a deed of absolute sale dated 15 August 2014 in favor of the Company.
14	Brgy. San Jose, San Miguel, Iloilo	4-B	T-213622	5,482	This property is subject of a deed of absolute sale dated 15 August 2014 in favor of the Company.
15	Brgy. San Jose, San Miguel, Iloilo	1055	T-11185	7,834	This property is subject of a deed of absolute sale dated 15 August 2014 in favor of the Company.
16	Brgy. San Jose, San Miguel, Iloilo	1043-B-1	T-205191	9,729	This property is subject of a deed of absolute sale dated 15 August 2014 in favor of the Company.
17	Brgy. San Jose, San Miguel, Iloilo	1044-A	T-25808	6,382	This property is subject of an agreement to purchase and sell dated December 2011 in favor of the Company.
18	Brgy. San Jose, San Miguel, Iloilo	1036-B-2 & B-3	T-205195	23,081	This property is subject of a deed of absolute sale dated 15 August 2014 in favor of the Company.
19	Brgy. San Jose, San Miguel, Iloilo	5600	T-1590	2,825	This property is subject of a deed of absolute sale dated 15 August 2014 in favor of the Company.
20	Brgy. San Jose, San	3	T-230	4,415	This property is subject of a deed of

<sup>3</sup> A column showing the encumbrances (if any) of each of the foregoing properties will be included in the table once the same is finalized.

	Location	Lot No.	OCT/TCT No. or Tax Declaration No.	Area (sqm)	Other Remarks
	Oro City				February 2008 between the Company and the landowner.
38	Macapagal Road, Bulua Heights, Cagayan de Oro City	36118 / 4251-A	T-99506	46,627	This property is subject of a land development agreement dated 7 February 2008 between the Company and the landowner.
39	Binaliw 1, Cebu City	14134 A	T-10815	459	None
40	Binaliw 1, Cebu City	14134 B	T-10816	459	None
41	Binaliw 1, Cebu City	14134 C	T-10814	459	None
42	Binaliw 1, Cebu City	13523	T-164808	57,237	None
43	Binaliw 1, Cebu City	13513	GRC6-01-003-00774	5,826	This property is subject of a deed of absolute sale dated 9 June 2003 in favor of the Company.
44	Binaliw 1, Cebu City	13514	GRC6-01-003-00772	8,187	This property is subject of a deed of absolute sale dated 11 November 2002 in favor of the Company.
45	Binaliw 1, Cebu City	13508	T-107-2012000882	8,104	
46	Binaliw 1, Cebu City	13509	T-930	1,624	
47	Binaliw 1, Cebu City	13510	O-1520	1,577	
48	Binaliw 1, Cebu City	13511	O-1632	22,974	
49	Binaliw 1, Cebu City	13512	O-107-2012	1,630	
50	Binaliw 1, Cebu City	13515	O-1568	5,382	
51	Binaliw 1, Cebu City	13524	O-1379	1,771	
52	Binaliw 1, Cebu City	14013	O-1007	6,188	This property is subject of a deed of absolute sale dated 2 October 2015 in favor of the Company.
53	Binaliw 1, Cebu City	14014	T-107-2012003755	5,615	None
54	Binaliw 1, Cebu City	14018	O-107-2014000092	5,185	This property is subject of a deed of absolute sale dated 5 June 2014 in favor of the Company.
55	Binaliw 1, Cebu City	13409	GRC6-01-012-00918	2,969	This property is subject of a deed of absolute sale dated 19 January 2012 in favor of the Company.
56	Binaliw 1, Cebu City	13410	GRC6-01-003-01267	2,336	This property is subject of an agreement to purchase and sell notarized on 21 July 2010 in favor of the Company.
57	Pulang Lupa 1, Las Piñas City	PSU-114981	T-50174	396	
58	Pulang Lupa 1, Las Piñas City	Lot 3 SWO-11560	T-52252	8,770	None
59	Pulang Lupa 1, Las Piñas City	Lot 2 PSU-001636	E-005-12952	299	
60	Pulang Lupa 1, Las Piñas City	Lot 1-A PSD-334765	T-7385-A (105324)	11,818	None
61	Pulang Lupa 1, Las Piñas City	Portion of Lot 31278 PSU-04-003442	T-7775	14,180	None
62	Pulang Lupa 1, Las Piñas City	2-A-1	T-7394-A (78092)	396	None
63	Pulang Lupa 1, Las Piñas City	2-A-2	T-7395-A (78093)	3,513	None
64	Pulang Lupa 1, Las	2-A-3	T-7396-A (78094)	541	None

	Location	Lot No.	OCT/TCT No. or Tax Declaration No.	Area (sqm)	Other Remarks
	Piñas City				
65	Pulang Lupa 1, Las Piñas City	2-A-4	T-7397-A (78095)	399	None
66	Pulang Lupa 1, Las Piñas City	2-A-5	T-7398-A (78096)	400	None
67	Pulang Lupa 1, Las Piñas City	2-A-6	T-7399-A (78097)	400	None
68	Pulang Lupa 1, Las Piñas City	2-A-7	T-7400-A (78098)	397	None
69	Pulang Lupa 1, Las Piñas City	2-A-8	T-7401-A (78099)	448	None
70	Pulang Lupa 1, Las Piñas City	2-A-9	T-7402-A (78100)	645	None
71	Pulang Lupa 1, Las Piñas City	Lot A	T-11589	2,483	None
72	Pulang Lupa 1, Las Piñas City	Lot 1	T-12402	2,187	None
73	Pulang Lupa 1, Las Piñas City	Lot 2	T-9913	1,299	None
74	Pulang Lupa 1, Las Piñas City	Lot 3	T-9912	3,074	None
75	Pulang Lupa 1, Las Piñas City		T-13011	4,374	None
76	Pulang Lupa 1, Las Piñas City	PSU-182365	E-005-01872	4,641	This property is subject of a deed of sale dated 29 May 1990 in favor of the Company.
77	Pulang Lupa 1, Las Piñas City		O-74	4,589	
78	Pulang Lupa 1, Las Piñas City	PSU-120854	T-23535-A (426425)	12,256	This property is subject of a deed of sale notarized in 27 May 1991 in favor of the Company.
79	Pulang Lupa 1, Las Piñas City	PSU-119771	T-8344	18,124	This property is subject of a deed of sale notarized in 1995 in favor of the Company.
80	Pulang Lupa 1, Las Piñas City	Lot 1 PSU-183667	O- 0-101	35,356	None