

COVER SHEET

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S.E.C. Registration Number

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(Company's Full Name)

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(Business Address: No. Street City / Town / Province)

Maria Agnes M. Siapno	(632) 8634 8712
Contact Person	Company Telephone Number

1	2	3	1	SEC Form 20-IS (Definitive)	May	24
Month		Day		FORM TYPE	Month	Day
Fiscal Year					Annual Meeting	

Secondary License Type, If Applicable

Dept. Requiring this Doc.

Amended Articles Number/ Section

	Total Amount of Borrowings	
Total No. of stockholders	Domestic	Foreign

To be accomplished by SEC Personnel concerned

<input style="width: 100%; height: 20px;" type="text"/> File Number	_____ LCU
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STAMPS

**SECURITIES AND EXCHANGE COMMISSION
FORM 20-IS INFORMATION STATEMENT
PURSUANT TO SECTION 20 OF
THE SECURITIES REGULATION CODE**

1. Check the appropriate box:
 Preliminary Information Statement
 Definitive Information Statement
2. Name Registrant as specified in its charter: **HAUS TALK, INC.**
3. Province, country or other jurisdiction of incorporation or organization: **Metro Manila**
4. SEC Identification Number: **CS200409462**
5. BIR Tax Identification Code: **233-687-508**
6. Address of principal office and Postal Code: **Unit 701 Orient Square Bldg., F. Ortigas Jr. Rd., Ortigas Center, Pasig City, Philippines 1605**
7. **(02) 8636-6929**
 Issuer's telephone number, including area code
8. Registrant's telephone number, including area code: **(02) 8636-6929**
9. Date, time and place of meeting of security holders:

Date: October 19, 2022 (Wednesday)
Time: 10:30 a.m.
Place: remote communication/online (Zoom)
10. Approximate date on which the Information Statement is first to be sent or given to security holders:
September 28, 2022
11. In Case of Proxy Solicitations:
NOT APPLICABLE
12. Securities registered pursuant to Section 8 and 12 of the Code or Section 4 and 8 of the RSA (information on number of shares and amount of debt is applicable only to corporate registrants)

Title of Each Class	Number of Shares of Common Stock Outstanding or Amount of Debt Outstanding
Common	2,500,000,000

13. Are any or all registrant's securities listed in a Stock Exchange?

Yes

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

The Philippine Stock Exchange, Inc.; Common Shares

September 26, 2022

NOTICE OF ANNUAL STOCKHOLDERS' MEETING

GREETINGS:

Please be advised that the Annual Stockholders' Meeting of **HAUS TALK, INC.** (the "Company") for the year 2022 will be conducted via remote communication/online on **October 19, 2022 at 10:30 a.m.** Stockholders who wish to participate in the proceedings may do so by registering online.

AGENDA

1. Call to order;
2. Certification of Notice and Quorum;
3. Approval of the Minutes of the Annual Stockholders' Meeting held on April 12, 2021;
4. Management report;
5. Adoption of the Audited Financial Statements for the calendar year ended December 31, 2021, as contained in the Annual Report;
6. Ratification of all previous acts and proceedings of the Board of Directors, Officers and Management;
7. Election of members of the Board of Directors;
8. Appointment of external auditor for calendar year 2022;
9. Other matters; and
10. Adjournment.

Only stockholders of record at the close of business hours on **September 22, 2022** are entitled to notice of, and vote at this meeting.

In view of the COVID-19 pandemic, stockholders may only participate via remote communication/online.

The Minutes of the last Annual Stockholders' Meeting held on April 12, 2021 and the Audited Financial Statements for 2021 are available at the website of the Company <https://www.hti.com.ph/#>, and will be appended to the Information Statement that will be distributed or disseminated to all stockholders as of record date.


Please register through the online registration form HTI Registration Form not later than 5:00 p.m. of October 14, 2022, and cast your votes not later than 5:00 p.m. of October 17, 2022.

For the detailed registration and voting procedures, please refer to the Guidelines and Procedures for Participating *via* Remote Communication as provided under the Information Statement.

Following the pre-registration and subject to validation procedures, **please submit the proxies not later than October 14, 2022** at Haus Talk Inc. c/o Office of the Corporate Secretary, Unit 701 Orient Square Building F, Ortigas Jr. Road, Ortigas Center, Pasig City. Validation of proxies is set on October 17, 2022 at 2:00 p.m.

For concerns, please reach us through haustalkinc.hti@gmail.com.

WE ARE NOT ASKING FOR A PROXY AND YOU ARE NOT REQUESTED TO SEND ONE.


LYRA GRACIA Y. LIPAE-FABELLA
Corporate Secretary

**GUIDELINES AND PROCEDURES FOR PARTICIPATING
VIA REMOTE COMMUNICATION
AT THE 2022 ANNUAL
STOCKHOLDERS' MEETING
OF
HAUS TALK, INC.**

In view of the Corona Virus Disease 2019 (COVID-19) pandemic and as precautionary and safety measure, **HAUS TALK, INC.** (the “Company”/ “Corporation”) will be conducting its 2022 Annual Stockholder’s Meeting (“ASM”) on October 19, 2022 at 10:30 a.m., by way of a virtual meeting through remote communication.

Only Stockholders of record as of September 22, 2022 who have successfully registered for the meeting shall be able to participate and vote in the ASM.

I. Registration and Participation/Attendance Procedure:

1. Stockholders who intend to participate in the virtual ASM may register by accomplishing this [HTI Registration Form](#) (please use Gmail) and attaching relevant documents/files for registration such as:

a. For individual stockholders holding stock certificates in their names:

- i. Scanned copy of valid government-issued ID;
- ii. Recent photograph;
- iii. Proxy form, if any; and
- iv. Scanned copy of the representative’s valid government-issued ID, as named in the proxy form, if any

b. For corporate stockholders holding stock certificates in the name of the corporation:

- i. Secretary’s Certificate attesting to the authority of the representative to participate and/or vote in the ASM; and
- ii. Documents required under items 1.a (i), (ii), (iii) and (iv) for the authorized representative.

c. For stockholders with joint accounts:

- i. Scanned copy of authorization letter signed by other stockholders indicating the person among them authorized to participate and/or vote in the ASM; and
- ii. Documents required under items 1.a (i), (ii), (iii) and (iv) for the authorized stockholder;

d. For stockholders under PCD Participant / Broker’s Account or “Scripless Shares”:

- i. Certification from the stockbroker stating the full account name, reference number/account number and an express statement that he/she is a beneficial stockholder of the Company as of September 22, 2022; and
- ii. Documents required under items 1.a (i), (ii), (iii) and (iv).

2. Stockholders intending to participate by remote communication in the ASM are requested to **register not later than 5:00 pm of October 14, 2022**. Successfully registered stockholders can cast their votes *in absentia* through an online voting system and will be provided access to the live streaming of the meeting. **Please cast your votes not later than 5:00 p.m. of October 17, 2022.**

3. Only those stockholders who have registered following the procedure above shall be included for purposes of determining the existence of a quorum.
4. For purposes of voting during the ASM, please see Part II below (Voting Procedure).
5. For the Question-and-Answer portion of the ASM, stockholders may send their questions related to the agenda at haustalkinc.hti@gmail.com indicating the email subject as *Q&A_ASMHTI2022*. Due to limitations on technology and time, not all questions may be responded to during the 2022 ASM but the Company will endeavor to respond to all the questions through email.
6. In compliance with SEC requirements, the proceedings during the 2022 ASM will be recorded.
7. The SEC Form 20-IS, SEC Form 17-A, Interim Reports and other pertinent documents may be accessed through the PSE EDGE portal at <http://edge.pse.com.ph/under> Haus Talk, Inc. company filings and the Company website.

II. Voting Procedure:

Stockholders may vote during the ASM either (1) by Proxy or (2) by voting *in absentia* through our online voting system.

1. Voting by Proxy:

- a. Stockholders may use the Proxy Form attached at the end of this report and accomplish and sign the same. The designated proxy or the Company's Chairman or Acting Chairman is authorized to cast the votes pursuant to your instructions in the Proxy Form.
- b. Send a scanned copy of the signed Proxy Form and corresponding requirements, if applicable, as stated above on Part I 1.a, 1.b, 1.c or 1.d (Registration and Participation/Attendance Procedure) by email to haustalkinc.hti@gmail.com.
- c. The documents should be emailed to the above email address.
- d. The original of the signed Proxy Form and relevant documents should reach the Company not later than **October 14, 2022** by delivery to:

The Corporate Secretary
HAUS TALK, INC.
Unit 701 Orient Square Bldg., F. Ortigas Jr. Rd., Ortigas Center, Pasig City 1605

2. Voting *in absentia* through the online voting system:

- a. Follow the Registration and Participation/Attendance Procedure set forth in Part I (Registration and Participation/Attendance Procedure) above.
- b. After successful **registration not later than 5:00 p.m. of October 14, 2022**, the Company upon validation will send an email to the stockholder containing the link to the online voting system and the instructions for casting votes.
- c. Registered stockholders shall have **until 5:00 PM of October 17, 2022 to cast their votes**.

d. All agenda items indicated in the Notice of Meeting will be included in the online voting system and the registered stockholder may vote as follows:

i. For items other than election of the Directors, the stockholder may vote:

“For”, “Against”, or “Abstain”. The vote shall be considered as cast for all the stockholder’s shares.

ii. For the election of Directors, the stockholder may either vote for all the nominees, not vote for any of the nominees, or vote for some of the nominees only, in such number of shares as the stockholder may see fit, provided that the total number of votes cast shall not exceed the number of shares owned, multiplied by the number of Directors to be elected.

e. Once voting is completed in the online voting system, the stockholder shall proceed to click on the “Submit” button which shall complete the process. Once submitted, the stockholder may no longer change the votes cast. The votes cast *in absentia* will have equal effect as votes cast by proxy.

For concerns, you may contact us through haustalkinc.hti@gmail.com.

For your shareholdings, you may contact your respective stockbroker or our stock transfer agent, Stock Transfer Service, Inc., Unit 34-D Rufino Pacific Tower, 6784 Ayala Avenue, Makati City, 1226, Tel. No. (632) 8403-3798, (632) 8403-2410, (632) 8403-2412.

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

INFORMATION STATEMENT

**PART I
INFORMATION REQUIRED IN INFORMATION STATEMENT**

GENERAL INFORMATION

Item 1. DATE, TIME AND PLACE OF MEETING OF SECURITY HOLDERS

Date : October 19, 2022 (Wednesday)
Time : 10:30 a.m.
Place : via remote communication/online (Zoom)

The complete mailing address of the principal office is **Unit 701 Orient Square Bldg., F. Ortigas Jr. Rd., Ortigas Center, Pasig City 1605**. The information statement is first to be sent or given to security holders approximately on September 28, 2022.

Item 2. DISSENTER'S RIGHT OF APPRAISAL

The dissenting stockholder's right of appraisal is enshrined under Title X of the Revised Corporation Code in case of the following instances:

- a) The amendment to the articles of incorporation has the effect of changing or restricting the rights of any stockholder or class of shares, or of authorizing preferences in any respect superior to those of outstanding shares of any class, or of extending or shortening the term of corporate existence;
- (b) The sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets as provided in the Code;
- (c) Merger or consolidation; and
- (d) Investment of corporate funds for any purpose other than the primary purpose of the corporation.

In order to avail of this right, the stockholder must have voted against the proposed corporate action.

The dissenting stockholder who votes against a proposed corporate action may exercise the right of appraisal by making a written demand on the Corporation for the payment of the fair value of shares held within thirty (30) days from the date on which the vote was taken: *Provided*, That failure to make the demand within such period shall be deemed a waiver of the appraisal right.

Notably, no payment shall be made to any dissenting stockholder unless the corporation has unrestricted retained earnings in its books to cover such payment. Also, upon the stockholder's exercise of the right and payment by the Corporation of the agreed or awarded price, the stockholder shall forthwith transfer the shares to the Corporation.

In the instant case, the Dissenter's right of appraisal is not available as there has been no action falling under any of the above instances.

Item 3. INTEREST OF CERTAIN PERSON IN OR OPPOSITION TO MATTERS TO BE ACTED UPON

- a. No director, officer or beneficial owner, or any nominee for election as director or an associate of a director, official, beneficial owner or nominee as director has any substantial interest within the last three fiscal years, direct or indirect, be security holdings or otherwise, in any matter to be acted upon during the Annual Stockholders' Meeting other than election to office.
- b. No director has informed the Company in writing of his intention to oppose any action to be taken during the proposed Annual Stockholders' Meeting.

CONTROL AND COMPENSATION INFORMATION

Item 4. VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

There are 2,500,000,000 issued and outstanding common shares entitled to vote at the meeting with each share entitled to one vote. As of August 31, 2022, there were 41,493,000 common shares held by foreigners representing 1.66% of the issued and outstanding shares.

All stockholders of record at the close of business hours on September 22, 2022 shall be entitled to cumulative voting rights with respect to the election of directors. A stockholder may vote such number of shares for as many persons as there are directors to be elected or he may cumulate said shares and give one candidate many votes as the number of directors to be elected multiplied by the number of his shares equal, or he may distribute them on the same principle among as he shall see fit: Provided, that the total number of votes cast by him shall not exceed the number of shares owned by him as shown in the books of the Company as of September 22, 2022 multiplied by the whole number of directors to be elected.

Security Ownership of Certain Record and Beneficial Owners

The Company knows of no person who, directly or indirectly, is the record and/or beneficial owner of more than five percent (5%) of any class of the Company's voting securities, except as set forth in the table below as of August 31, 2022:

Title of Class	Name, Address of Record Owner and Relationship with Issuer	Name of Beneficial Owner and Relationship with Record Owner	Citizenship	No. of Shares	Percent Held
Common	PCD Nominee Corp. (Filipino) 29thFlr, BDO Equitable Tower, 8751 Paseo de Roxas, Makati City	<ul style="list-style-type: none"> • Terence Restituto D. Madlambayan/ Chairman and VP-Business Development (6.73%) • Maria Rachel D. Madlambayan/ Director and President (6.73%) • Ma. Leah D. Madlambayan/ Director and VP-Sales & Marketing (6.73%) • Luis Pio D. Madlambayan/ Director (6.73%) • Joselito D. Madlambayan/ Director (6.73%) • Maria Agnes M. Siapno/ CFO (6.73%) • Gloria Judith D. Madlambayan/ Treasurer (6.73%) • Noemi D. Maflambayan/ VP-Purchasing/ Asst. Corporate Secretary (6.73%) • Rufino Albert D. Madlambayan/ Stockholder (6.73%) • Edward D. Madlambayan/ Stockholder (6.73%) • Pacita D. Madlambayan/ Stockholder (6.73%) 	Filipino	2,458,506,000	98.34%

Security Ownership of Management

The following table shows the shares of the directors and executive officers of the Company as of September 13, 2022:

Title of Class	Name of Beneficial Owner	Amount and Nature of Beneficial Ownership		Citizenship	Percent of Class
Common	Terence Restituto D. Madlambayan	168,181,361	Direct	Filipino	6.73
Common	Maria Rachel D. Madlambayan	168,181,363	Direct	Filipino	6.73
Common	Ma. Leah D. Madlambayan	168,181,363	Direct	Filipino	6.73
Common	Luis Pio D. Madlambayan	168,181,363	Direct	Filipino	6.73
Common	Joselito D. Madlambayan	168,181,363	Direct	Filipino	6.73
Common	Agelico T. Salud	1	Direct	Filipino	6.73
Common	George Richard F. Siton	1	Direct	Filipino	6.73
Common	Maria Agnes M. Siapno	168,181,364	Direct	Filipino	6.73
Common	Gloria Judith D. Madlambayan	168,181,363	Direct	Filipino	6.73
Common	Noemi D. Madlambayan	168,181,363	Direct	Filipino	6.73
Common	John Elson T. Baguipo	0	N/A	Filipino	0
Common	Lyra Gracia Y. Lipae-Fabella	0	N/A	Filipino	0
All Directors and Executive Officers as a group		1,345,450,905			67.3

Voting Trust Holders of 5% or More

The Company is not aware of any voting trust or similar arrangement involving securities of the Company or any person who holds more than five percent (5%) of class of securities under a voting trust or similar agreements.

Changes in Control

The Company is not aware of any arrangement entered into by shareholders thereof which may result in the change in control of the Company.

Item 5. DIRECTORS AND EXECUTIVE OFFICERS

Directors, Executive Officers, Promoters and Control Person

(1) Directors, Including Independent Directors and Executive Officers

The Board of Directors is empowered to direct, manage and supervise, under its collective responsibility, the affairs of the Company. It is also responsible for the proper administration and management of the Company trust business. The members of the Board are elected at the Annual Stockholders' Meeting to hold office until the next Annual Stockholders' Meeting until their respective successors have been appointed or elected and qualified.

The Board of Directors is responsible for the over-all management and direction of the Company. The Board meets to review and monitor the Company's future plans. Each board member serves for a term of one year until his successor is duly elected and qualified. The Company has eight directors.

The independent directors of the Company have all the qualifications and none of the disqualifications for holding the position as independent directors pursuant to the Securities Regulation Code and the Company's Revised Manual of Corporate Governance. Furthermore, the Company shall comply with the term limit of independent directors in accordance with the SEC directives.

The Table below presents the members of the Board of Directors and Principal Officers:

Name/Nationality/Age	Present Position	Year First Elected as Director	No. of Years Served as Director	Board and Committee Memberships and Attendance	Directorships in Other Listed Companies	CG Seminar Attended
Terence Restituto D. Madlambayan, Filipino, 58	Chairman/ Vice President-Business Development	2004	18	(C) BOD-100% (M) CG-100%	None	9/5/2022-Center for Global Best Practices
Maria Rachel D. Madlambayan, Filipino, 56	Director/ President	2007	15	(M) BOD-100% (M) BROCC-100%	None	9/5/2022-Center for Global Best Practices
Ma. Leah D. Madlambayan, Filipino, 55	Director/ VP-Sales and Marketing	2021	1	(M) BOD-100% (M) AC-100%	None	9/5/2022-Center for Global Best Practices
Luis Pio D. Madlambayan, Filipino, 54	Director	2021	1	(M) BOD-100%	None	9/5/2022-Center for Global Best Practices
Joselito D. Madlambayan, Filipino	Director	2021	1	(M) BOD-100%	None	9/5/2022-Center for Global Best Practices
Angelico T. Salud, Filipino, 60	Independent Director	2021	1	(M) BOD-100% (C) AC-100% (M) BROCC-100% (M) CG-100%	None	-
George Richard F. Siton, Filipino, 58	Independent Director	2021	1	(M) BOD-100% (M) AC-100% (C) BROCC-100% (C) CG-100%	None	-
Maria Agnes M. Siapno, Filipino, 53	CFO	2006	16	N/A	None	9/5/2022-Center for Global Best Practices
Gloria Judith D. Madlambayan, Filipino,	Treasurer	2006	N/A	N/A	None	9/5/2022-Center for

48						Global Best Practices
Noemi D. Madlambayan, Filipino, 46	VP-Procurement and Warehouse/Asst. Corporate Secretary	1999	N/A	N/A	None	9/5/2022-Center for Global Best Practices
John Elson T. Baguipo, Filipino, 38	Controller/Corporate Information and Compliance Officer	N/A	N/A	N/A	None	-
Lyra Gracia Y. Lipae-Fabella, Filipino	Corporate Secretary	N/A	N/A	N/A	None	11/19/2021-Center for Global Best Practices

TERENCE RESTITUTO D. MADLAMBAYAN

Chairman of the Board/ Vice President for Business Development

Mr. Terence Restituto D. Madlambayan has been the Chairman and Vice-President of Haus Talk, Inc. and Tradition Homes, Inc., a subsidiary of Haus Talk, Inc. since 2004. He is also a stockholder and the elected treasurer of Mholdings, Inc. a holding company engaged in the purchase or acquisition of properties. He attended Don Bosco Technical School for his Bachelor of Science in Mechanical Engineering education.

MARIA RACHEL D. MADLAMBAYAN

Director/ President

Ms. Maria Rachel D. Madlambayan holds the position of President & Chief Operating Officer of Haus Talk, Inc. from April 2007 up to present. She also serves as the President and Chief Operating Officer of Allied Community Builders & Development Inc. and Tradition Homes, Inc. which are both involved in Real Estate Industry. She's also the President and Chief Operating Officer of Mholdings, Inc., a holding company engaged in purchase or acquisition of properties and Tradition Solar Energy Generation, Inc. a business engaged in developing solar energy generation. She obtained her degree in Bachelor of Science in Mathematics at St. Scholastica College.

LUIS PIO D. MADLAMBAYAN

Director

Mr. Luis Pio D. Madlambayan is a member of the Board of Directors of Haus Talk Inc. since April 2021. He is also a member of the Board of Directors of Mholdings, Inc. a holding company engaged in purchase or acquisition of properties. Also, Mr. Louie Madlambayan is the President of Life Style Development Corporation since 1998 and a subsidiary of Haus Talk, Inc. He attended Ateneo De Manila University for his tertiary education.

MA. LEAH D. MADLAMBAYAN

Director

Ms. Ma. Leah D. Madlambayan currently holds the position of Vice-President of Sales & Marketing of Haus Talk, Inc. from January 2006 up to present and also the Vice-President of Sales & Marketing of Tradition Homes, Inc., a subsidiary of Haus Talk, Inc. and Allied Community Builders & Development, Inc. both companies are engaged in Real Estate Industry. Ms. Leah Madlambayan obtained her degree in Bachelor of Science in Nutrition and Dietetics at St. Scholastica College.

JOSELITO D. MADLAMBAYAN

Director

Mr. Joselito D. Madlambayan is a member of the Board of Directors of Haus Talk Inc., since April 2021. To date, Mr. Madlambayan serves as a Director and Vice- President of Mholdings Inc. a holding company engaged in purchase or acquisition of properties and a member of the Board of Directors of Allied Community Builders & Development, Inc. a company engaged in real estate. He attended Don Bosco Technical School in San Fernando, Pampanga for his tertiary education.

ANGELICO T. SALUD

Independent Director

Atty. Angelico T. Salud has served as an Independent Director of Haus Talk, Inc. since April 2021. He is also a Consultant of San Miguel Holdings Corp. He served as Commissioner of the Philippines Basketball Association from 2010 to 2015, and was appointed as Chief Executive Officer in 2015. He was Consultant to Siklab Pilipinas Sports Foundation from 2016 to 2017. Atty. Salud obtained his Bachelor of Laws degree at the University of the Philippines.

GEORGE RICHARD F. SITON

Independent Director

Engr. George Richard F. Siton became an Independent Director of Haus Talk, Inc. since April 2021. He served as the Vice-President for Social Housing of Phinma Property Holdings Corp. from 2015 to 2018; and Executive Vice President of Community Developers and Construction Corp. from 2016 to 2018. Engr. Siton currently holds the position of Managing Director and Chief Executive Officer of SITOZA Incorporated. Mr. Siton obtained his degree of Bachelor of Science in Civil Engineering at Mapua Institute of Technology.

NOEMI D. MADLAMBAYAN

Vice-President – Procurement and Warehouse/ Asst. Corporate Secretary

Ms. Noemi D. Madlambayan holds the position of Vice-President – Procurement and Warehouse from 1999 up to present of Haus Talk, Inc. She is also the Vice-President – Procurement and Warehouse of Tradition Homes, Inc., a subsidiary of Haus Talk, Inc. She obtained her degree in Bachelor of Science in Commerce Major in Entrepreneurship at Assumption College.

MARIA AGNES M. SIAPNO

Chief Finance Officer

Mrs. Maria Agnes D. Madlambayan-Siapno is the Chief Finance Officer of Haus Talk, Inc. since April 2021. She also serves as Vice-President – Finance & Accounting of Tradition Homes, Inc a subsidiary of Haus Talk, Inc. and Allied Community Builders & Development, Inc. which are both engaged in Real Estate Industry. She also serves as the Comptroller of Tradition Solar Energy Generation, Inc. a business engaged in developing solar energy generation. She served as the Corporate Secretary of Haus Talk Inc. from April 2017 up to March 202. She studied Bachelor of Science in Commerce Major in Entrepreneurship at Assumption College.

GLORIA JUDITH D. MADLAMBAYAN

Treasurer

Ms. Gloria Judith D. Madlambayan was elected as Treasurer of the Parent Company in January 2006 up to present. She is also the Vice-President in Treasury of Tradition Homes, Inc., a subsidiary of Haus Talk, Inc. She graduated with a Bachelor of Science in Commerce Major in Entrepreneurship at Assumption College.

LYRA GRACIA Y. LIPAE-FABELLA

Corporate Secretary

Atty. Lyra Gracia Y. Lipae-Fabella was appointed as Corporate Secretary in April 2022. She is a Certified Public Accountant and member of the Integrated Bar of the Philippines. She serves/has served as Corporate Secretary/ Officer to a number of publicly-listed and private companies. At present, she is Managing Partner of the Fabella and Fabella Law Office. She previously worked as Junior Auditor in a leading auditing firm, Associate in a law firm and Securities Counsel III with the Securities and Exchange Commission. Atty. Lipae-Fabella graduated from San Beda College of Law in Manila. She obtained her BS Business Administration and Accountancy degree from the University of the Philippines in Quezon City.

JOHN ELSON T. BAGUIPO

Controller/ Investor Relations and Compliance Officer

Mr. John Elson T. Baguipo was appointed as Controller and Investor Relations and Compliance Officer in September 2022. He is a Certified Public Accountant in the Philippines, Financial Modeling & Valuation Analyst certified by the Corporate Finance Institute based in Vancouver, Canada, and Certified Management Accountant in the United States of America. He was the Finance Manager of Metrojet Engineering (Clark) Limited (2021-2022), Finance and Administrative Manager/ Finance Modeling Manager of Manila Water Philippine Ventures (2015 to 2021) and member of the faculty of the Garcia College of Technology (2010 to 2015). Mr. Baguipo obtained his Bachelor of Science degree in Accountancy from the National College of Business and Arts in Quezon City.

None of the named directors and officers works with the government

Nomination of Directors and Independent Directors

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

- Terence Restituto D. Madlambayan
- Maria Rachel D. Madlambayan
- Luis Pio D. Madlambayan
- Ma. Leah D. Madlambayan
- Joselito D. Madlambayan
- Angelico T. Salud (independent director)
- Jose Ferdinand M. Rojas II (independent director)

ANGELICO T. SALUD , Filipino, 60

Atty. Angelico T. Salud is a nominee for reelection as Independent Director of Haus Talk, Inc. He is also a Consultant of San Miguel Holdings Corp. He served as Commissioner of the Philippines Basketball Association from 2010 to 2015, and was appointed as Chief Executive Officer in 2015. He was Consultant to Siklab Pilipinas Sports Foundation from 2016 to 2017. Atty. Salud obtained his Bachelor of Laws degree at the University of the Philippines.

JOSE FERDINAND M. ROJAS II, Filipino, 56

Atty. Jose Ferdinand M. Rojas II is a nominee for election as Independent Director of Haus Talk, Inc. He is the Managing Partner of The Law Office of Rojas San Agustin & Yason. He was Vice-Chairman and General Manager of the Philippine Charity Sweepstakes Office from 2010 to 2016. He obtained his Bachelor of Arts degree from the University of Massachusetts at Amherst and Juris Doctor of Law from the Ateneo De Manila University.

The nominees for Independent Directors were nominated by Mr. Terence Restituto D. Madlambayan. The said nominees are not related to Mr. Madlambayan.

The nominated Independent Directors have certified that they possess all the qualifications and none of the disqualification provided for in the Securities Regulation Code ("SRC").

The Corporate Governance Committee which includes the functions of the Nomination and Remuneration Committee is composed of Engr. George Richard F. Siton as Chairman together with Atty. Angelico T. Salud and Mr. Terence Restituto D. Madlambayan as members.

The Committee has determined that the nominees for independent director meet the qualifications for independent directors as set forth herein below and recommend them for re-election and election. Pursuant to SRC Rule 38.1, as amended, the Committee has adopted the following guidelines to govern the conduct of the nomination for independent directors:

1. An independent director shall have the following qualifications:
 - a. Holder of at least one (1) share of stock of the Company;
 - b. He shall be at least a college graduate or he shall have been engaged or exposed to the business of the Company for at least five (5) years;
 - c. He shall possess integrity/ probity;
 - d. He shall be assiduous;
 - e. He shall bear all the qualifications and none of the disqualifications as provided under the Manual on Corporate Governance, By-laws, SRC and relevant issuances of the SEC.
2. Shareholders nominating an individual must provide to the Company all pertinent information concerning the individual's professional background and any relationship existing between the shareholder and his/her nominee.
3. The Committee shall pre-screen the qualifications of the nominees including those current independent directors wishing to stand for re-election.
4. The Committee shall prepare a final list of nominees to be incorporated in the proxy statement after full verification of eligibility, independence, background, availability, and skills. Thereafter, no other nominees for independent director shall be entertained. The proxy statement shall include all relevant information for each of the nominated candidates so that shareholders will have sound bases upon which to vote on the election of the Registrant's independent directors.

(2) Significant Employees

The Company is not dependent on the services of any particular employee. It does not have any special arrangements to ensure that any employee will remain with the Company and will not complete upon termination.

(3) Family Relationship

The following directors and officers are siblings:

- Terence Restituto D. Madlambayan
- Maria Rachel D. Madlambayan
- Luis Pio D. Madlambayan
- Ma. Leah D. Madlambayan
- Joselito D. Madlambayan
- Maria Agnes M. Siapno
- Gloria Judith D. Madlambayan
- Noemi D. Madlambayan

(4) Involvement in Certain Legal Proceedings

The Company is not aware of any legal proceedings within the last five (5) years prior to the date of this Report that are material to the evaluation of the ability or integrity of any director, any nominee for election as director, executive officer, underwriter or control person of the Company nor is the Company aware of:

- any bankruptcy petition filed by or against any business of which the incumbent directors or senior management of the Company was a general partner or executive officer, either at the time of filing of the bankruptcy petition or within three (3) years prior to that time;
- any conviction by final judgment in a criminal proceeding, domestic or foreign, pending against any of the incumbent directors or senior management of the Company;
- 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 the involvement of any of the incumbent directors or senior management of the Company in any type of business, securities, commodities or banking activities; and
- any finding by domestic or foreign court of competent jurisdiction (in civil action), the SEC or comparable foreign body, or a domestic or foreign exchange or electronic marketplace or said regulatory organization, that any of the incumbent directors or senior management of the Company has violated a securities or commodities law, and the judgment has not been reversed, suspended or vacated.

Certain Relationships and Related Transactions:

The Company, its subsidiaries and affiliates, engage in transactions in the ordinary course of business. As part of Company policy, with respect to related party transactions, it ensures that these transactions are entered into on terms comparable to those available from unrelated third parties.

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control or are controlled by or under common control with the Company, including holding companies, subsidiaries and fellow subsidiaries, are considered related parties of the Company. Associates and individuals owning, directly or indirectly an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family these individual and companies associated with these individuals also constitutes related parties. In considering each related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

Details of transactions with related parties are as follows:

Significant transactions with related parties as of December 31 are as follows:

December 31, 2021

<u>Related Party</u>	<u>Transactions</u>	<u>Outstanding Balance</u>	<u>Nature</u>	<u>Terms and Conditions</u>
Advances from related party				
Stockholders	<u>51,984,295</u>	<u>216,484,295</u>	Advances for working capital purposes; Deposits for future stock subscription	Long-term, unsecured, no impairment, no guarantee, noninterest-bearing, repayable in cash
	₱ 51,984,295	₱ 216,484,295		

December 31, 2020

<u>Related Party</u>	<u>Transactions</u>	<u>Outstanding Balance</u>	<u>Nature</u>	<u>Terms and Conditions</u>
Advances to related parties				
Lifestyle Development Corporation	₱ -	₱ 756,800,000	Advances for working capital purposes	Long-term, unsecured, no impairment, no guarantee, noninterest-bearing, repayable in cash
Stockholders	<u>247,666,426</u>	<u>-</u>	Advances for working capital purposes	Long-term, unsecured, no impairment, no guarantee, noninterest-bearing, repayable in cash
	₱ 247,666,426	₱ 756,800,000		
Advances from related party				
Stockholders	<u>6,939,845</u>	<u>164,500,000</u>	Deposits for future stock subscription	Long-term, unsecured, no impairment, no guarantee, noninterest-bearing, repayable in cash
	₱ 6,939,845	₱ 164,500,000		

(For additional information, please refer to Note 19 of the 2021 Audited Consolidated Financial Statements)

Transactions with key management personnel

Transaction prices were determined by the Company and the above-mentioned related parties, by actual costing of products and services plus a certain mark-up, likewise, price levels are dictated by market competition.

The transaction with related parties are always evaluated with fairness and are accounted for at arm's length prices or on terms similar to those offered to non-related entities in an economically comparable market. In arriving at the decision to engage services, the primordial consideration is the greater economic benefit for the Company.

Disagreement with Directors

No director has resigned or declined to stand for re-election to the board of directors since the date of the last annual meeting of security holders because of a disagreement with the Company on any matter relating to its operations, policies or practices.

Item 6. COMPENSATION OF DIRECTORS AND EXECUTIVE OFFICERS

The following table is a summary of all plan and non-plan compensation awarded to, earned by, paid to, or estimated to be paid to, directly or indirectly, the Chief Executive Officer (“CEO”) and the four (4) most highly compensated executive officers, and all officers and directors as a Group as of December 31, 2021 (including the preceding two years):

	Year	Salary (In Philippine Pesos)**	Bonus	Other Annual Compensation
CEO and top four (4) highest compensated officers	2022*	*3,887,550.00	None	None
	2021	1,150,200.00	None	None
	2020	485,520.00	None	None
	2019	653,347.80	None	None
			None	None
All officers and directors as a group unnamed	2022*	*6,479,250.00	None	None
	2021	1,917,000.00	None	None
	2020	809,200.00	None	None
	2019	1,089,063.00	None	None

* Estimated amount for the year 2022. The significant increase was due to the approval of the new salary structure based on the compensation review that was conducted earlier this year.

**The executive officers receive their compensation from the subsidiary/subsidiaries.

Four (4) Most highly compensated officers other than the CEO	
YEAR	EXECUTIVE OFFICERS
2022	Madlambayan, Ma. Leah D.
	Madlambayan, Noemi D.
	Madlambayan, Gloria Judith D.
	Siapno, Maria Agnes M.
2021	Madlambayan, Ma. Leah D.
	Madlambayan, Noemi D.
	Madlambayan, Gloria Judith D.
	Siapno, Maria Agnes M.
2020	Madlambayan, Ma. Leah D.
	Madlambayan, Noemi D.
	Madlambayan, Gloria Judith D.
	Siapno, Maria Agnes M.
2019	Madlambayan, Ma. Leah D.
	Madlambayan, Noemi D.
	Madlambayan, Gloria Judith D.
	Siapno, Maria Agnes M.

Compensation of Directors and Officers

Standard Arrangements

There are no special compensatory arrangements between the Company and its directors and officers.

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

Other Arrangements

There are no other arrangements for compensation either by way of payments for committee participation or special assignments.

Employment Contracts, Termination of Employment and Change-in-Control Arrangement

There are no special arrangements on the employment contract of any executive officer. The said officer will be compensated upon his resignation, retirement or other termination from the Company or its subsidiaries, or as may result from a change-in-control in accordance with the provisions of the law.

Warrants or Options Held by Directors and Officers

There are no outstanding warrants or options held by the Company's Chief Executive Officer, other officers and/or directors.

Significant Employees

The Company believes in the concept of shared responsibility and teamwork. For this reason, no single employee is expected by the Company to make significant contributions to the business.

Management Incentive Plans

The Company is in the process of establishing a Bonus Scheme to provide executives and key managers a long-term incentive that is designed to reward the achievements of those who exhibit exemplary performance in the business. The Bonus Scheme aims to grant cash bonuses to executives and managers of different salary grade levels assuming they have exceeded expectations on their Key Performance Indicators (KPIs), usually based on financial objectives. The approval of this scheme will be based on the discretion and approval of the Board of Directors.

Item 7. INDEPENDENT PUBLIC ACCOUNTANTS

Name of the Principal Accountant

The auditing firm of Valdes Abad & Company ("VAC") conducted the audit for the periods ended December 31, 2019, December 31, 2020 and December 31, 2021.

VAC, formerly known as Carlos J. Valdes & Associates, one of the oldest accounting firms in the Philippines today, was founded in 1951 by Carlos J. Valdes, a certified public accountant, lawyer, civic leader, educator, businessman and former Philippine Ambassador to Japan and other countries.

VAC was a member firm of Touche Ross in the 1970's; Coopers & Lybrand International in the 1980's up to 1996 and a correspondent firm of RSM International from 1997 up to 2007. This long history of international membership was recognition of its professional standing and track record of world-class service to clients over the years. It is a member firm of GMN International, the association of legally independent firms worldwide.

CHANGES IN AND DISAGREEMENT WITH ACCOUNTANTS ON ACCOUNTING DISCLOSURE

There have been no changes in or disagreements with accountants on accounting and financial disclosure.

There were no events or circumstances that led to the resignation, dismissal or cessation of services of the accountants during the past 2 years.

The Company will ensure its compliance with SRC Rule 68 and amendments thereto, Code of Corporate Governance, SEC Memorandum Circular No. 8, Series of 2003, and other SEC issuances.

The reappointment of said accounting firm as Independent Public Accountant for the incoming year shall

be submitted to the stockholders for their confirmation and approval. Duly authorized representative of VAC are expected to be present at the Annual Meeting of Stockholders and they will have the opportunity to make statements if they desire to do so and expected to be available to respond to appropriate questions.

Pursuant to SRC Rule 68 (3) (b) (iv), the registrant observes the rule on changing its external auditors or rotating the engagement partner every seven years.

External Audit Fees and Services

The following table sets out the approximate aggregate bills for each of the last three fiscal years for professional services rendered by the Company’s external auditors:

VAT exclusive amounts	2021	2020	2019
Audit Fees	Php 800,000	Php 500,000	Php 500,000

There were no other services rendered by the external auditor to the Company during the above period.

Tax Fees

No tax advisory fees have likewise been paid during the last three fiscal years.

Hence, apart from the foregoing, no other services were rendered, or fees billed by the Company’s auditors during the above-mentioned period.

Other Fees

Beginning the first quarter of 2022, the external auditor renders a report on the review of the Company’s Quarterly Progress Report on the Disbursement and Use of the IPO Proceeds.

VAT inclusive amounts	Q1 2022	Q2 2022	Total
Fees	Php 400,000	Php 200,000	Php 600,000

Audit Committee’s approval policies and procedures for the above services

The Audit Committee approves the annual audit of financial statements, the policies, services and procedures, while the other services are endorsed by the Chief Finance Officer (CFO) (or person performing said function) to the President& CEO. The Committee checks all financial reports against its compliance with both the internal financial management handbook and pertinent accounting standards, including regulatory requirements. It performs oversight financial management functions specifically in the areas of managing credit, market, liquidity, operation, legal and other risks of the Company, and crisis management.

Audit Committee’s Approval

The Audit Committee approved the payment of the above audit fees for the audit services rendered by VAC.

The members of the Audit Committee are as follows: Atty. Angelico T. Salud as Chairman, with Engr. George Richard Siton and Agnes M. Siapno as members.

Item 8. COMPENSATION PLANS.

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

Item 9. ISSUANCE AND EXCHANGE OF SECURITIES

(a) Description of Registrant's Securities.

The Company recently registered its common shares with the SEC and listed the same with the PSE on January 17, 2022.

There is no proposed issuance of securities to be discussed during the ASM.

As of present date, the shares of stock of the Company consist of common shares. The Company's Authorized Capital Stock is P 2,500,000,000.00 with par value of P 1.00 per share. The number of common shares issued and outstanding is 2,500,000,000 common shares.

Voting Rights

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

Dividends

The Company did not declare or issue cash dividends and all other types of dividends during the last 3 years.

On August 23, 2022, the Board of Directors of the Company approved the adoption of a dividend policy. Under the dividend policy, the Company shall maintain an annual dividend payout ratio of at least 20% of the Company's recurring net income for the preceding calendar year. The Board of Directors shall have the authority to declare dividends subject to the requirements of applicable laws and regulations and the absence of circumstances which may restrict their payment.

There is no impediment for the Company to declare dividends in the future provided there is unrestricted retained earnings and only up to the extent of said retained earnings. A cash dividend declaration requires the approval of the Board and no stockholder's approval is necessary. A stock dividend declaration requires the approval of the Board and of the shareholders representing at least 2/3 of the outstanding capital stock. Holders of outstanding shares on a dividend record date for such shares shall be entitled to the full dividends declared without regard to any subsequent transfer of shares, other than statutory limitations, there are no restrictions that limit the Company from paying on common equity.

Pre-emptive Rights

Shares from the unissued portion of the authorized capital stock are not subject to pre-emptive rights of stockholders and may therefore be issued in such quantities, at such time, and other terms as the Board of Directors of the Company shall determine.

There is nothing in the Articles of Incorporation and/or By-Laws of the Company that would limit delay or prevent a change in control of the Company.

Recent Sales of Unregistered or Exempt Securities, including Recent Issuance of Securities Constituting on Exempt Transaction

There have been no recent sales of unregistered or exempt securities, including issuance of securities constituting on exempt transaction.

On January 17, 2022, the shares of the Company were listed and traded on the Small, Medium and Emerging Board of the PSE.

Stock Options

The Company did not issue shares with restricted rights and/or with options. No did the Company issue any treasury share.

Securities Subject to Redemption or Call

The Company did not sell, convey, transfer or encumber any shares of stock.

Warrants

No warrants exist and are outstanding.

Debt Securities

No debt securities are registered or contemplated to be registered.

Item 10. FINANCIAL AND OTHER INFORMATION.

The audited Financial Statements as of December 31, 2021 and the interim financial statements as of June 30, 2022 of the Company are herein attached, and the Management Discussion and Analysis are incorporated in the attached Management Report.

D. OTHER MATTERS

Item 11. ACTION WITH RESPECT TO REPORTS.

The following reports will be presented for approval and/or ratification:

- Minutes of the previous Annual Stockholders' Meeting held on April 12, 2021;
- Audited Financial Statements for the calendar year ended December 31, 2021;

Disclosure Requirements Pursuant to Section 49 of the Revised Corporation Code of the Philippines:

1. Description of the voting and voting tabulation procedures used in the previous meeting

The Company was not yet a publicly-listed company during its previous annual stockholders' meeting in 2021.

As the number of stockholders was few compared to its present number, the stockholders registered and voted personally or by proxy.

In the election of directors, stockholders may vote only for those directors nominated for the class of shares owned by them, either in person or by proxy. Any stockholder may cumulate his shares since cumulative voting is authorized under the Revised Corporation Code of the Philippines and will be used in the election of directors at the meeting. On this basis, each holder of the Company shares may vote the number of shares registered in his name for each of the 7 directors to be elected by said classes of stock, or he may multiply the number of shares registered in his name by 7 and cast the total of such votes for one (1) director or he may distribute his votes calculated as above described among some or all of the 7 directors to be elected by the said classes of stockholders, as he elects. The proxies shall use their discretion in cumulating votes.

2. Description of the opportunity given to stockholders or members to ask questions and a record of the questions asked and answers given

The stockholders were given the opportunity to ask questions and/or comments during the said meeting. The questions revolved mostly on updates about the application for registration and listing before the SEC and PSE, respectively. The Chairman answered the question by giving updates about the status of the application.

3. The matters discussed and resolutions reached

On April 12, 2021, the stockholders of the Company representing 2,000,000,000 issued and outstanding shares, or 100% thereof, elected the following members of the Board of Directors for the ensuing year:

1. Terence Restituto D. Madlambayan
2. Maria Rachel D. Madlambayan
3. Luis Pio D. Madlambayan
4. Ma. Leah D. Madlambayan
5. Joselito D. Madlambayan
6. Atty. Angelico T. Salud
7. George Richard F. Siton

On the said meeting, the following matters were approved and/or ratified by the stockholders:

1. Minutes of the previous Annual Stockholders' Meeting held on June 24, 2020;
2. Audited Financial Statements for the calendar year ended December 31, 2020;
3. All prior acts and proceedings of the Board of Directors, Corporate Officers and Management;
4. Appointment of Valdes Abad & Company as External Auditor for the calendar year 2021

During the organizational meeting of the new Board following the stockholders' meeting, the following were duly elected:

Chairman	- Terence Restituto D. Madlambayan
President	- Maria Rachel D. Madlambayan
Treasurer	- Gloria Judith D. Madlambayan

Chief Finance Officer - Maria Agnes M. Siapno
Corporate Secretary - Noemi D. Madlambayan

4. Voting results for each agenda item

The stockholders' attendance of 2,000,000,000 common shares representing 100% of the then total issued and outstanding shares of 2,000,000,000 was obtained, unanimously voting in favor of all the resolutions.

The following directors obtained 2,000,000,000 votes each:

- Terence Restituto D. Madlambayan
- Maria Rachel D. Madlambayan
- Luis Pio D. Madlambayan
- Ma. Leah D. Madlambayan
- Joselito D. Madlambayan
- Atty. Angelico T. Salud—independent director
- George Richard F. Siton—independent director

The following matters also garnered the following votes:

- 1. Minutes of the previous Annual Stockholders' Meeting held on June 24, 2020--2,000,000,000 in favor, 0-against, 0-abstain;
 - 2. Audited Financial Statements for the calendar year ended December 31, 2020--2,000,000,000 in favor, 0-against, 0-abstain;
 - 3. All prior acts and proceedings of the Board of Directors, Corporate Officers and Management--2,000,000,000 in favor, 0-against, 0-abstain;
 - 4. Appointment of Valdes Abad & Company as External Auditor for the calendar year 2021--2,000,000,000 in favor, 0-against, 0-abstain;
5. The following are the directors, officers and stockholders (in person or by proxy) who attended the meeting:
- Terence Restituto D. Madlambayan
 - Maria Rachel D. Madlambayan
 - Luis Pio D. Madlambayan
 - Ma. Leah D. Madlambayan
 - Joselito D. Madlambayan
 - Atty. Angelico T. Salud
 - George Richard F. Siton
 - Gloria Judith D. Madlambayan
 - Maria Agnes M. Siapno
 - Noemi D. Madlambayan
 - Rufino Albert D. Madlambayan
 - Edward D. Madlambayan
 - Pacita Madlambayan
 - Rommel R. Panganiban
6. List of material information on the current stockholders and their voting rights

The stockholders as of record date September 22, 2022 are entitled to vote in the 2022 Annual Stockholders' Meeting.

The said stockholders are entitled to cumulative voting rights with respect to the election of directors. A stockholder may vote such number of shares for as many persons as there are directors to be elected or he may cumulate said shares and give one candidate many votes as the number of directors to be elected multiplied by the number of his shares equal, or he may distribute them on the same principle among as he shall see fit: Provided, that the total number of votes cast by him shall not exceed the number of shares owned by him as shown in the books of the Company as of September 22, 2022 multiplied by the whole number of directors to be elected.

7. Appraisal and performance reports for the board and the criteria and procedure for assessment

As the Company is at its infancy stage as publicly-listed, it is in the process of developing an effective evaluation system and process to measure the effectiveness of the members of the Board of Directors as well as determine the compliance of the Board with the Company's Manual of Corporate Governance. The Manual is available on the PSE and Company website.

The Board conducts self-assessment of its performance including the performance of the Chairman, individual members and committees. Copy of self-assessment report is an integral part of Annual Corporate Governance Report which can be accessed through the PSE or Company website.

There are no material deviations from the company's Manual of Corporate Governance.

8. Director disclosures on self dealings and related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence which include affiliates.

On the directors' self-dealings, the Company adopts the SEC and PSE rule requiring directors and officers to report their dealings in Company shares within five (5) trading days from the date of Company share-related transactions. The Company discloses to the SEC and PSE the ownership, acquisition or disposal of the Company's shares of stock by directors and officers. The Company also requires the directors and officers to refrain from buying and selling the Company's shares of stock within which material non-public information is obtained until two (2) full trading days from disclosure.

Further, the Company has not been a party in any transactions or proposed transactions in which a director or executive officer of the Company, any nominee for election as director had a material interest adverse to the Company or any of its subsidiaries.

For additional information, please see Note 19 on Related Party Transactions of the Audited Financial Statements.

NEW APPROVALS REQUESTED FOR 2021 ASM:

TO RATIFY ALL PREVIOUS ACTS AND PROCEEDINGS OF THE BOARD OF DIRECTORS AND OFFICERS

Shareholders are requested to ratify and confirm all acts of the Board of Directors, Officers and Management after the 2021 ASM to date, as reflected in the records of the Registrant and disclosed

with the Securities and Exchange Commission and the Philippine Stock Exchange. The matters approved, acted upon by the Board of Directors of the Company, or disclosed by the Company, are as follows:

Date	Matters Approved/ Reported
December 23, 2021	Notice that the Company received the SEC Order rendering effective the Registration Statement filed by the Company for the registration of up to 2,500,000,000 common shares with par value of P1.00 per share to be listed and traded on the Small, Medium and Emerging Board of the PSE, subject to certain conditions
January 4, 2022	Affidavit of Publication of the SEC Order rendering effective the Registration Statement filed by the Company
January 20, 2022	HTI listing ceremony at the PSE on January 17, marking the first IPO at the PSE for 2022
January 20, 2022	Report on Initial Stockholdings of the Directors, Officers and Stockholders of the Company with more than 5% ownership as of January 17, 2022, Listing Date with the PSE
January 20, 2022	Update on Results of Operations for 2021 Q3
February 4, 2022	The Celestis Project (P500M Project)
February 7, 2022	The 50 Jocson Residences Project
March 28, 2022	Acquisition of 12-hectare Biñan property, Postponement of ASM, Change in Use of IPO Proceeds, Personnel movement
April 13, 2022	Progress report on the application of proceeds from Primary Offer of 500,000,000 Common Shares
May 6, 2022	Approval of AFS
May 18, 2022	Update on acquisition of the 12-hectare Biñan property
July 13, 2022	Progress report on the application of proceeds from Primary Offer of 500,000,000 Common Shares
August 23, 2022	Approval of the adoption of a dividend policy. Under the dividend policy, the Corporation shall maintain an annual dividend payout ratio of at least 20% of the Corporation's recurring net income for the preceding calendar year. The Board of Directors shall have the authority to declare dividends subject to the requirements of applicable laws and regulations and the absence of circumstances which may restrict their payment.
September 7, 2022	Holding of ASM on October 19, 2022; Appointment of Mr. John Elson T. Baguio as the Corporation's Investor Relations and Compliance Officer to replace Ms. Julie O. Lapina whose resignation was accepted, effective immediately. The Board also confirmed the appointment of Mr. Baguio as the Corporation's Contoller.
September 9, 2022	Corporate governance seminar attendance

Item 12. MATTERS NOT REQUIRED TO BE SUBMITTED

There is no action to be taken with respect to any matter which is not required to be submitted to a vote of security holders.

Item 13. AMENDMENT OF CHARTER, BY-LAWS OR OTHER DOCUMENTS

There are no items to be submitted involving the amendment of Company Charter and By-laws.

Item 14. OTHER PROPOSED ACTIONS FOR RATIFICATION BY THE STOCKHOLDERS

None

Item 15. VOTING PROCEDURES.

Please refer to Page 4 of this report for the Guidelines and Procedures for Participating *via* Remote Communication at the 2022 Annual Stockholders' Meeting.

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

In general, all corporate powers are exercised by the board of directors and stockholders' approval is usually not required. However, the Revised Corporation Code requires (and the by-laws of the corporation may require) stockholders' approval for certain corporate acts. Listed below are the corporate acts that require stockholders' approval:

- (a) Amendment of articles of incorporation – vote (or written assent) of at least $2/3$ of outstanding capital stock;
- (b) Election of directors – vote of stockholders representing at least a majority of the outstanding capital stock;
- (c) Removal of directors – vote of stockholders holding or representing $2/3$ of the outstanding capital stock;
- (d) Ratifying a contract of a director/officer with the corporation – vote of stockholders representing at least $2/3$ of the outstanding capital stock;
- (e) Extending or shortening the corporate term – vote of stockholders representing at least $2/3$ of the outstanding capital stock;
- (f) Increase or decrease of the capital stock – vote of stockholders representing at least $2/3$ of the outstanding capital stock;
- (g) Incurring, creating or increasing bonded indebtedness – vote of stockholders representing at least $2/3$ of the outstanding capital stock;
- (h) Sale, lease, exchange, mortgage, pledge of all or substantially all the corporate assets – vote of stockholders representing at least $2/3$ of the outstanding capital stock;
- (i) Investment of corporate funds in another corporation or for any purpose other than the primary purpose for which the corporation was organized – vote of stockholders representing at least $2/3$ of the outstanding capital stock;
- (j) Issuance of stock dividends – vote of stockholders representing at least $2/3$ of the outstanding capital stock;
- (k) Execution of management contracts – vote of stockholders representing at least a

- majority of the Outstanding capital stock;
- (l) Adoption of by-laws – vote of stockholders representing at least a majority of the outstanding capital stock;
 - (m) Amendment or repeal of by-laws – vote of stockholders representing at least a majority of the Outstanding capital stock;
 - (n) Delegation to board of the power to amend or repeal the by-laws or adopt new by-laws – vote of stockholders representing at least 2/3 of the outstanding capital stock;
 - (o) Revocation of the power given to the board to amend or repeal the by-laws or to adopt new by-laws – vote of stockholders representing at least a majority of the outstanding capital stock;
 - (p) Fixing issue price of no-par value shares – a majority of the quorum of the board of directors if authorized by the articles of incorporation, or in the absence of such authority, by a majority of the outstanding capital stock;
 - (q) Approval or amendment of a plan of merger or consolidation – vote of stockholders representing at least 2/3 of the outstanding capital stock;
 - (r) Dissolution of a corporation – vote of stockholders representing at least 2/3 of the outstanding capital stock;

During meetings, only stockholders who hold voting shares may vote. Thus, holders of non-voting shares generally cannot vote. However, the Revised Corporation Code allows holders of non-voting shares to vote on the following matters:

- (a) Amendment of the articles of incorporation;
- (b) Adoption and amendment of by-laws;
- (c) Sale, lease, exchange, mortgage, pledge or other disposition of all or substantially all of the corporate property;
- (d) Incurring, creating or increasing bonded indebtedness;
- (e) Increase or decrease of capital stock;
- (f) Merger or consolidation of the corporation with another corporation or other corporations;
- (g) Investment of corporate funds in another corporation or business in accordance with the Revised Corporation Code; and
- (h) Dissolution of the corporation.

A stockholder may vote: (1) directly; or (2) indirectly through a representative. This representative may be a proxy, a trustee under a voting trust agreement, or an executor or other legal representative appointed by the court. With respect to shares of stock that have been pledged, the pledgor still has the right to attend and vote at stockholders' meetings unless the pledgee is expressly given such right in writing which is recorded on the appropriate books by the pledgor. In case of shares of stock owned jointly by 2 or more persons, in order to vote the same, the consent of all the co-owners is necessary, unless there is a written proxy signed by all co-owners authorizing one or some of them or any other person to vote such share. Where the shares are owned in an "and/or" capacity, any one of the joint owners can vote said shares or appoint a proxy to vote the shares.

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

as shown in the books of the corporation as of the record date multiplied by the whole number of directors to be elected.

The following rules are adopted in the nomination and election of independent directors:

- a. The nomination committee shall have at least three (3) members, one of whom is the independent director.
- b. Nomination of Independent director/s shall be conducted by the committee prior to a stockholder's meeting. All recommendation shall be signed by the nominating stockholders together with the acceptance and the conformity of the would-be-nominees.
- c. The Committee shall pre-screen policies the qualifications and prepares a final list of candidates and put in place screening policies and parameters to enable it to effectively review the qualifications of the nominees for independent director/s.
- d. After the nomination, the committee shall prepare a final list of candidates which shall contain all the information about the nominees for independent directors, required under SRC Rule 12, which list shall be made available to the Commission and to all stockholders through the filing and distribution of the Information Statement, in accordance with SRC Rule 20, or in such other reports the Company is required to submit to the Commission. The name of the person or group of persons who recommend the nomination of the independent directors shall be identified in such report including any relationship with the nominee.

Undertaking to Provide Financial Reports

The Company attached herewith a copy of the latest Audited Financial Statements (SEC Form 17-A) and the Interim Report (SEC Form 17-Q), forming an integral part of the Definitive Information Statement.

The Company shall provide without charge a printed copy of the latest SEC Form 17-A and/or the SEC Form 17-Q upon written request of the shareholder addressed to:

The Corporate Secretary
HAUS TALK, INC.
Unit 701 Orient Square Bldg., F. Ortigas Jr. Rd., Ortigas Center, Pasig City 1605
Tel. #: (632) 8636-6929
haustalkinc.hti@gmail.com

Please note that soft copies of the above reports are available on the PSE EDGE portal at [http://edge.pse.com.ph/under HAUS TALK, INC. company filings and the Company website](http://edge.pse.com.ph/under_HAUS_TALK,_INC._company_filings_and_the_Company_website).

SIGNATURE PAGE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete and correct. This report is signed in Pasig City on 26th day of September, 2022.

HAUS TALK, INC.


MARIA RACHEL D. MADLAMBAYAN
President

MANAGEMENT REPORT

The Audited Financial Statements as of December 31, 2021 and Interim Unaudited Financial Statements as of June 30, 2022 of the Company are herein attached, and the Management Discussion and Analysis are incorporated in the attached Management Report.

Duly authorized representatives of Valdes Abad & Company are expected to be present at the Annual Meeting of Stockholders and they will have the opportunity to make if they desire to do so and are expected to be available to respond to appropriate questions. The Company has no material disagreement with Valdes Abad & Company on any matter of accounting principle or practices or disclosures in the Company's financial Statements.

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following is a discussion and analysis of the Company's financial condition and results of operations and certain trends, risks and uncertainties that may affect the Company's business and should be read in conjunction with the independent auditor's reports and the Company reviewed and audited consolidated financial statements and notes thereto contained in this report. The critical accounting policies section discloses certain accounting policies and management judgments that are material to the results of operations and financial condition for the periods presented in this report. The discussion and analysis in the succeeding sections of this report pertains to the result of our Company's financial condition and operations for the past twelve (12) months for the year ended December 31, 2021 with comparative figures from the previous year's financial condition and operation for the years ended December 31, 2020, 2019 and 2018.

FACTORS AFFECTING THE COMPANY'S RESULTS OF OPERATIONS

The Group's results of operations are affected by a variety of factors. Set out below is a discussion of the most significant factors that have affected its results in the past, and which the Group expects to affect its results in the foreseeable future. Factors other than those discussed below could also have a significant impact on the Group's results of operations and financial condition in the future.

General Global and Philippine Economic Conditions and the Condition of the Philippine Real Estate and Residential Housing Markets

The Group derives substantially all its revenue from its Mass Housing development activities in the Philippines. The Philippine real estate and housing markets have historically been affected by the prevailing economic conditions in the Philippines, which may also be affected by the economic conditions in other parts of the world. Accordingly, the Group's results of operations may be significantly affected by the state of the global and Philippine economies generally and specifically the Philippine property and housing markets. The Philippine real estate and housing markets have historically been subject to cyclical trends, and property values have been affected by the supply of and demand for comparable properties, the rate of economic growth, the rate of unemployment and political and social developments in the Philippines. Demand for new residential projects in the Philippines has historically also been affected by, among other things, prevailing political, social and economic conditions in the Philippines, including overall growth levels, the value of the Philippine peso and interest rates, as well as the strength of the economy in other parts of the world, given that a substantial portion of demand comes from overseas Filipino workers. Furthermore, as the Group continues expanding its business, these operations will also be increasingly affected by general conditions in the global and Philippine economies. As a result, the Group expects that its results of operations will continue to vary from period to period largely as a result of general global and Philippine economic conditions.

Collection of Receivables

The Groups's results of operations are also affected to some degree by the success and efficiency of its collection of receivables from its customers. Only when the Group experiences any significant delays or defaults on its collection of receivables, could it experience liquidity issues including the inability to meet its obligations as they come due.

In case of default, the Group may cancel the contract with customers and find another buyer of the property thus, no allowance for expected credit losses was recognized in 2021 and 2020.

Liquidity Risk Management

To better manage its liquidity risk, interest risk, as well as improve its cash conversion cycle, the Group typically enters into take-out arrangements with the Department of Human Settlements and Urban Development (DHSUD).

Interest Rates

The Group generally charges its customers an annual fixed interest rate of 16% on their in-house financing. The Company's financing arrangements with commercial banks and other financial institutions are typically on a fixed interest basis, with interest rates typically averaging approximately 8% or 10% per annum.

However, in cases of extraordinary increases in interest rates, such as during the Asian financial crisis of the late 1990s or the global economic downturn of 2008, the Group's financial position and results of operations could be adversely affected.

Tax Incentives and Exemptions

Tax incentives and exemptions play a big part in the decision-making and strategic plans of the Company. The Group has availed of income tax holidays and tax exemptions pursuant to the Investment Priority Plan of the Philippines which includes socialized housing projects. This has further bolstered the position of the Group in regards to being a strong advocate of socialized housing and its benefit to the society.

Price Volatility of Construction Materials and Other Development Costs

The Group's cost of sales is affected by the price of construction materials such as steel, tiles and cement, as well as fluctuations in electricity and energy prices. With respect to electricity, higher prices generally result in a corresponding increase in the Group's overall development costs. As a result, rising costs for any construction materials or in the price of electricity will impact the Group's construction costs, cost of sales and the price for its products. Any increase in prices resulting from higher construction costs could adversely affect demand for the Group's products and the relative affordability of such products, particularly as a Mass Housing developer. This could reduce the Group's profitability.

With regard to sales of subdivision house and lots, if the actual cost of completing the development of a particular project exceeds the Group's estimates, any increase in cost is recorded as part of the cost of sales of subdivision house and lots in the same project. This means that the cost of sales for future sales in the same project will be higher.

Availability of Suitable Land for Development

The Group meticulously selects the sites for its Mass Housing development projects, typically undergoing a research process of anywhere from six months to one year before deciding to acquire land for its contemplated developments. After beginning in the Visayas and Mindanao, the Company is currently looking to expand its footprint in Luzon and also the Metro and Greater Manila areas. To this end, the Group is currently examining its options for the acquisition of parcels of land in these areas. The Group selects the location of its developments based on numerous factors, such as proximity to public transportation hubs and employment areas, as well as vicinity to retail and other commercial establishments, among others. That said, properties which meet all these criteria may not be available for the price the Group is willing to pay, or the Group may encounter competing offers from other developers who may have more resources at their disposal. If the Group is unable to acquire or select the optimal parcels of land for its development projects and expansion plans or is unable to successfully grow and manage its land bank, its ability to meet its revenue and growth targets may be adversely affected.

Demand for Residential Properties

The Group has benefited from greater demand for residential properties resulting from, among other factors, the growth of the Philippine economy, the increasing number of Filipinos investing in the Philippine real estate market, strong levels of OFW remittances and increasing demand from expatriate Filipinos. In addition, the Group has also benefited specifically from the underserved backlog for Mass Housing in the Philippines in recent years. The increased demand for residential properties has been a significant factor in the Group's increased revenues and profits over the last three years. In response to these developments, the Group has further increased the number of Mass Housing development projects. The Group has also begun to offer new Mass Housing residential products, such as condominiums, to address potential demand from specific target markets. It is unclear whether the demand for housing in the Philippines will remain high or continue to grow or whether the demand for the Group's products will reach the levels anticipated by the Group. Negative developments with respect to demand for housing in the Philippines would in turn have a negative effect on the Group's operational results. Conversely, positive developments in housing demand would likely positively contribute to the Group's operational results as observed in the past.

CRITICAL ACCOUNTING POLICIES

Critical accounting policies are those that are both (i) relevant to the presentation of the Group's financial condition and results of operations and (ii) require management's most difficult, subjective or complex judgments, often as a result of the need to make estimates about the effect of matters that are inherently uncertain. As the number of variables and assumptions affecting the possible future resolution of the uncertainties increase, those judgments become even more subjective and complex. In order to provide an understanding of how the Group's management forms its judgments about future events, including the variables and assumptions underlying its estimates, and the sensitivity of those judgments to different circumstances, the Group has identified the significant accounting judgments, estimates and assumptions discussed in Note 3 of the Group's audited consolidated financial statements.

The main items subject to estimates and assumptions by management include, among others, due from related parties and refundable deposits, estimation of useful lives of property and equipment, and realizability of

deferred tax assets.

While the Group believes that all aspects of its financial statements, including the accounting policies discussed in Note 2 to its audited financial statements should be studied and understood in assessing the Group's current and expected financial condition and results of operations, the Group believes that the significant accounting judgments, estimates and assumptions discussed in Notes 2 and 3 to the Group's audited financial statements warrant particular attention.

Financial Statements

FULL CALENDAR YEARS

Results of Operations as of December 31, 2021 vs. December 31, 2020

	For the years ended December 31,		Horizontal Analysis	Vertical Analysis	
	2021	2020	% Change	2021	2020
	(Audited)			% of Total Sales	
	(P in thousands)				
REVENUE					
Real estate sales	428,006	284,725	50.3%	97.0%	98.1%
Other operating income	13,287	5,583	138.0%	3.0%	1.9%
Total Revenue	441,293	290,308	52.0%	100.0%	100.0%
COST OF REAL ESTATE SALES	259,236	184,714	40.3%	58.7%	63.6%
GROSS PROFIT	182,057	105,594	72.4%	41.3%	36.4%
OPERATING EXPENSES					
Selling expenses	14,848	10,231	45.1%	3.4%	3.5%
General and administrative expenses	42,508	30,908	37.5%	9.6%	10.6%
Total Operating Expenses	57,356	41,139	39.4%	13.0%	14.2%
Net Operating Income	124,700	64,454	93.5%	28.3%	22.2%
Finance Cost, Net	13,079	12,872	1.6%	3.0%	4.4%
Income Before Tax	111,621	51,583	116.4%	25.3%	17.8%
Income Tax Expense	14,191	1,179	1103.5%	3.2%	0.4%
Net Income	97,430	50,403	93.3%	22.1%	17.4%

Revenue

Haus Talk and its subsidiaries posted total revenues of ₱441.3 Million for the year 2021, ₱151.0 Million or 52.0% growth from the ₱290.3 Million total revenues for the year 2020. Sales in 2020 were lower than the current year due to the impact of the imposed community quarantine in 2020 which caused some businesses to either limit their operations or temporarily close to which the buying public's general reaction was to control or withhold their spending. When the community quarantine was lifted in 2021 and vaccines became available, businesses were allowed to operate, thus renewing the group's customers' confidence to acquire properties. Other operating income grew by ₱7.7 Million or 138.0% due to forfeiture income, miscellaneous and interest income earned from sales through the in-house financing scheme.

Cost of sales

Cost of sales amounted to ₱259.2 Million which is ₱74.5 Million or 40.3% more than the ₱184.7 Million incurred in 2020. This is attributable to the increase in sales during the year.

Operating expenses

Selling expenses of ₱14.8 Million and general and administrative expenses of ₱42.5 Million grew by 45.1%

and 37.5%, respectively. This was likewise due to the limited operations in 2020.

Finance Cost

Finance costs amounted to ₱13.1 Million and ₱12.9 Million for the years 2021 and 2020, respectively. The ₱0.2 Million or 1.6% increase was due to the buyers' CTS in-house financing, development of new projects and house construction.

Net Income

Haus Talk and Tradition Homes posted a consolidated net income of ₱97.4 Million. This is ₱47.0 Million or 93.3% higher than 2020 consolidated net income of ₱50.4 Million. The increase in other operating income contributed to the increase in consolidated net income.

Financial Condition as of December 31, 2021 vs. December 31, 2020

ASSETS	December 31,		Horizontal Analysis	Vertical Analysis	
	2021	2020		2021	2020
	(₱ in thousands)				
			% Change	% of Total Assets	
CURRENT ASSETS					
Cash	27,982	13,582	106.0%	0.9%	0.4%
Receivables	361,492	187,187	93.1%	11.2%	6.1%
Real estate inventories	1,908,518	2,029,603	-6.0%	58.9%	65.7%
Prepayments and other current assets	1,489	1,770	-15.8%	0.1%	0.1%
Total Current Assets	2,299,481	2,232,142	3.0%	71.0%	72.3%
NON-CURRENT ASSETS					
Receivables, net of current portion	69,229	84,203	-17.8%	2.1%	2.7%
Advances to related parties	-	756,800	-100.0%	-	24.5%
Property and equipment, net	864,270	10,207	8367.1%	26.7%	0.3%
Other non-current asset	6,073	6,059	0.2%	0.2%	0.2%
Total Non-Current Assets	939,572	857,269	9.6%	29.0%	27.7%
TOTAL ASSETS	3,239,053	3,089,411	4.8%	100.0%	100.0%

LIABILITIES AND EQUITY

CURRENT LIABILITIES

Accounts and other payables	177,612	111,542	59.2%	5.5%	3.6%
Income tax payable	14,175	1,488	852.6%	0.4%	0.0%
Loans and borrowings - current portion	188,877	127,150	48.6%	5.8%	4.1%
Total Current Liabilities	380,664	240,180	58.4%	11.8%	7.8%

NON-CURRENT LIABILITIES

Loans and borrowings, net of current portion	187,029	329,514	-43.2%	5.8%	10.7%
Advances from related parties	216,484	164,500	31.6%	6.7%	5.3%
Defined benefit obligation	12,995	15,020	-13.5%	0.4%	0.5%
Total Non-Current Liabilities	416,508	509,034	-18.2%	12.9%	16.5%

EQUITY

Share capital	2,000,000	2,000,000	0.0%	61.8%	64.7%
Retained earnings	438,545	341,115	28.6%	13.5%	11.0%
Actuarial gain (loss) on defined benefit obligation	3,336	(917)	-463.6%	0.1%	-0.0%
Total Equity	2,441,881	2,340,197	4.4%	75.4%	75.7%

TOTAL LIABILITIES AND EQUITY	3,239,053	3,089,411	4.8%	100.0%	100.0%
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Haustalk and its subsidiaries posted total assets of ₱3.2 Billion as of December 31, 2021, a net increase of 4.8% from ₱3.1 Billion as of December 31, 2020. The Group's cash increased by 106.0% or ₱14.4 Million and had an ending balance of ₱28.0 Million. The increase was derived from collections from prior years' and the current year's sales. Current trade receivables increased by 93.1% and stood at ₱361.4 Million as of December 31, 2021 as a result of the sales generated during the year. A 6.0% decrease in real estate inventories amounting to ₱121.1 Million was also posted as a result of the conveyance of fully paid units to the respective buyers and the acquisition of Lifestyle Development Corporation, additional construction and land development.

Collections received reduced the receivables, net of current portion by ₱15.0 Million or 17.8%. The elimination of the ₱756.8 Million advances to related parties was mainly due to the acquisition in property and equipment by 8367.1% or ₱854.1 Million due to acquisition of land and equipment. Other noncurrent assets rose by ₱0.01 Million or 0.2% representing movements in refundable deposits and deferred tax assets.

Accounts and other payables increased by ₱66.1 Million or 59.2% due to purchase of additional construction materials, customer deposits and government liabilities. Income tax payable rose by ₱12.7 Million or 852.6% due to the increase in net taxable income because new projects are non-BOI registered and therefore, no Income Tax Holiday incentive was availed. Loans and borrowings-current portion increased by ₱61.7 Million or 48.6% due to reclassification of some non-current loans payable to current.

Loans and borrowings—net of current portion decreased by ₱142.5 Million or 43.2% due to reclassification from non-current to current liabilities.

Statement of Cash Flows as of December 31, 2021 vs. December 31, 2020

The net cash provided by operations amounted to negative ₱ 157.4 Million for the year 2021 as compared to negative ₱305.3 Million in 2020.

Net cash used in investing activities amounted to ₱100.7 Million as compared to ₱246.0 Million in 2020 as a result of the acquisition of Lifestyle Development Corporation.

Net cash used in financing activities amounted to ₱41.3 million for the period as compared to net cash provided by financing activities of ₱53.7 Million for the same period last year.

The net effect of the foregoing operating, investing and financing activities is an increase of ₱14.4 Million and a decrease by ₱5.6 Million for each of the years 2021 and 2020. Cash balance of ₱28.0 Million as of December 31, 2021, and ₱13.6 Million as of December 31, 2020.

Results of Operations as of December 31, 2020 vs. December 31, 2019

	For the years ended December 31,		Horizontal Analysis	Vertical Analysis	
	2020	2019		2020	2019
	(Audited)				
	(₱ in thousands)		% Change	% of Total Sales	
REVENUE					
Real estate sales	284,725	236,276	20.5%	98.1%	98.3%
Other operating income	5,583	4,072	37.1%	1.9%	1.7%
				100.0	
Total Revenue	290,308	240,348	20.8%	%	100.0%
COST OF REAL ESTATE SALES	184,714	168,558	9.6%	63.6%	70.1%
GROSS PROFIT	105,594	71,790	47.1%	36.4%	29.9%
OPERATING EXPENSES					0.0%
Selling expenses	10,231	29,584	-65.4%	3.5%	12.3%
General and administrative expenses	30,908	33,709	-8.3%	10.6%	14.0%
Total Operating Expenses	41,139	63,293	-35.0%	14.2%	26.3%
Net Operating Income	64,454	8,497	658.6%	22.2%	3.5%
Finance Cost, Net	12,872	6,790	89.6%	4.4%	2.8%
Income Before Tax	51,583	1,707	2922.2%	17.8%	0.7%
Income Tax Expense	1,179	346	240.9%	0.4%	0.1%
Net Income	50,403	1,361	3603.7%	17.4%	0.6%

Revenue

Haus Talk and Tradition Homes posted total revenues of ₱290.31M and ₱240.35M for the years ended December 2021 and 2020, respectively. The ₱49.96M or 20.79% growth was due to the release of the license to sell for the new projects, Eastview Homes Premiere of Haus Talk and South View Homes - Calendola of Tradition Homes. The increase in sales, other operating income, composed mainly of the interest income earned from the sales through the in-house financing scheme also increased by ₱1.51M or 37.09%.

Cost of sales

Cost of sales amounted to ₱184.71M, an increment by ₱16.15Mn or 9.58% from the ₱168.56M incurred in 2019. This was mainly due to the increase in real estate sales during the year.

Operating expenses

Total Operating expenses amounted to ₱41.14M, a decline by ₱22.15M 35% versus the ₱63.29M incurred in 2019. This was primarily due to the decrease by ₱19.35M or 65.42% in selling expenses and a decrease by 8.31% or ₱2.80 M in General and administrative expenses due to the minimal expenses incurred while stricter community quarantine classifications were imposed by the government when offices were closed and construction was suspended.

Finance Cost

The ₱6.08M or 89.57% increase was due to the slower processing of buyers' loan take outs as an effect of the various community quarantine for more than three quarters of the year 2020. Hence, the company had to pay for the interests on these accounts and subsequently recover the costs incurred from the buyers.

Net Income

Haus Talk and Tradition Homes posted a net income after tax of ₱50.40M in 2020, ₱49.04M or 3603.66%% higher than the 2019 net income of ₱1.36M due to the combined effects of the higher sales and lower expenses.

Financial Condition as of December 31, 2020 vs. December 31, 2019

ASSETS	December 31,		Horizontal	Vertical Analysis	
	2020	2019	Analysis	2020	2019
(₱ in thousands)					
			% Change	% of Total Assets	
CURRENT ASSETS					
Cash	13,582	19,146	-29.1%	0.4%	0.7%
Receivables	187,187	68,382	173.7%	6.1%	2.4%
Real estate inventories	2,029,603	1,733,107	17.1%	65.7%	59.7%
Prepayments and other current assets	1,770	1,970	-10.1%	0.1%	0.1%
Total Current Assets	2,232,142	1,822,605	22.5%	72.3%	62.8%

NON-CURRENT ASSETS

Receivables, net of current portion	84,203	54,723	53.9%	2.7%	1.9%
Advances to related parties	756,800	1,004,466	-24.7%	24.5%	34.6%
Property and equipment, net	10,207	13,812	-26.1%	0.3%	0.5%
Other non-current asset	6,059	5,913	2.5%	0.2%	0.2%
Total Non-Current Assets	857,269	1,078,914	-20.5%	27.7%	37.2%
TOTAL ASSETS	3,089,411	2,901,519	6.5%	100.0%	100.0%
LIABILITIES AND EQUITY					
CURRENT LIABILITIES					
Accounts and other payables	111,542	43,093	158.8%	3.6%	1.5%
Income tax payable	1,488	325	357.6%	0.0%	0.0%
Loans and borrowings - current portion	127,150	60,876	108.9%	4.1%	2.1%
Total Current Liabilities	240,180	104,294	130.3%	7.8%	3.6%
NON-CURRENT LIABILITIES					
Loans and borrowings, net of current portion	329,514	336,768	-2.2%	10.7%	11.6%
Advances from related parties	164,500	157,560	4.4%	5.3%	5.4%
Defined benefit obligation	15,020	11,791	27.4%	0.5%	0.4%
Total Non-Current Liabilities	509,034	506,120	0.6%	16.5%	17.4%
EQUITY					
Share capital	2,000,000	2,000,000	0.0%	64.7%	68.9%
Retained earnings	341,115	290,711	17.3%	11.0%	10.0%
Actuarial gain (loss) on defined benefit obligation	(917)	394	-0.0%		0.0%
Total Equity	2,340,197	2,291,105	2.1%	75.7%	79.0%
TOTAL LIABILITIES AND EQUITY	3,089,411	2,901,519	6.5%	100.0%	100.0%

Cash balance of ₱13.58M as at end of December 2020 was lower by ₱5.56M of 29.06% compared to the 2019 ending balance due to the increase in sales, delayed collections and land development activities. Receivables increased from ₱68.38 to ₱187.19M. The 173.74% increase was brought about by the increase in sales and the considerations granted to buyers who were temporarily delayed in their payments at the height of the pandemic. Real estate inventories rose by ₱296.50M or a 17.11% increase to ₱2.03B due to the acquisition and pre-development of the newly acquired lands which are located in San Roque, Hinapao, Bayugo, De Guzman and

De Joya. Amortization reduced prepayments and other current assets by 10.15% or ₱1.77M in 2020 compared to the ₱1.97M balance in 2019.

Non-current portion of receivables rose from ₱54.72M to ₱84.20M or an increase by 53.87% also due to the considerations granted to buyers. Advances to related parties were lower by 24.66% or ₱247.67M due to advances made to support and development activities.

Property & Equipment decreased by ₱3.6M, equivalent to 26.10%, to ₱10.21M due to full depreciation of old equipment and there were no significant acquisitions made during the year.

Accounts and other payables closed at ₱111.54M and ₱43.09M as at year-end 2020 and 2019, respectively. The 158.84% increase was triggered by the increase in construction and land development activities. The significant increase in the Income tax payable from ₱0.32M in 2019 to ₱1.49M in 2020 was driven by the ₱49.88M increase in the net income before tax.

Loans and borrowings – current portion increased by ₱66.27M or 108.87% as a result of the re-classification of the principal amortization that fell due during the period. In addition to the new loans that were availed of for the current projects, principal amortizations for the existing were accumulated as a result of the suspension of collection extended by our bank partners in relation to the pandemic.

Defined benefit obligation increased by ₱3.23M or a 27.38% increase mainly due to the adjustments made based on the actuarial report.

Statement of Cash Flows as of December 31, 2020 vs. December 31, 2019

The net cash provided by operations amounted to negative ₱305.04 million for the year 2020 as compared to negative ₱43.27 million in 2019.

Net cash used in investing activities amounted to ₱246.04 million as compared to negative ₱226.53 million for the same period in 2019

Net cash generated from financing activities amounted to ₱53.67 million for the period as compared to net cash provided by financing activities of ₱279.96 million for the same period last year.

The net effect of the foregoing operating, investing and financing activities is a decrease of ₱15.76 million and a balance of ₱13.58 million in cash as of December 31, 2020 and a balance of ₱19.14 million as of December 31, 2019.

Results of Operations as of December 31, 2019 vs. December 31, 2018

For the years ended December 31,		Horizontal Analysis	Vertical Analysis	
2019	2018		2019	2018
(Audited)				
(₱ in thousands)		% Change	% of Total Sales	

REVENUE					
Real estate sales	236,276	381,381	-38.0%	98.3%	99.4%
Other operating income	4,072	2,183	86.6%	1.7%	0.6%
				100.0	
Total Revenue	240,348	383,564	-37.3%	%	100.0%
COST OF REAL ESTATE SALES	168,558	194,800	-13.5%	70.1%	50.8%
GROSS PROFIT	71,790	188,764	-62.0%	29.9%	49.2%
OPERATING EXPENSES				0.0%	0.0%
Selling expenses	29,584	12,240	141.7%	12.3%	3.2%
General and administrative expenses	33,709	55,364	-39.1%	14.0%	14.4%
Total Operating Expenses	63,293	67,604	-6.4%	26.3%	17.6%
NET OPERATING INCOME	8,497	121,160	-93.0%	3.5%	31.6%
FINANCE COST, NET	6,790	1,557	336.2%	2.8%	0.4%
INCOME BEFORE TAX	1,707	119,603	-98.6%	0.7%	31.2%
INCOME TAX EXPENSE	346	769	-55.0%	0.1%	0.2%
NET INCOME	1,361	118,835	-98.9%	0.6%	31.0%

Revenue

Haus Talk and Tradition Homes posted total revenues of ₱240.35M and ₱383.56M for the years ended December 2019 and 2018, respectively. The ₱143.22M or 37.34% drop was due to fewer units as a result of the delay in the release of the license to sell pertaining to one of its projects. Other operating income composed mainly of interest income earned from the sales through the in-house financing scheme increased by ₱1.89M or 86.56%. The income recorded in 2019 includes interest earned from amortizations for the units sold in previous years.

Cost of sales

Cost of sales amounted to ₱168.56M, a ₱26.24M or 13.47% drop from the ₱194.80M in 2018. This is in proportion to the decline in real estate sales during the year.

Operating expenses

Total Operating expenses amounted to ₱63.29, a decline by ₱4.31M or 6.38% versus the ₱67.60M incurred in 2018. Selling expenses went up by 17.34M or 141.69% from ₱12.24M in 2018. The increase was due to the commissions paid and accrued for the collections made on sales during and in the previous years. On the other hand, there was a decrease by 39.11% or ₱21.65M in general and administrative expenses due to decrease in depreciation and salaries and wages.

Finance Cost

The ₱5.23M or 336.16% increase was due to the interest expense on the mortgaged properties paid to the banks while buyers are still completing their requirements.

Net Income

Haus Talk and Tradition Homes posted a net income after tax of ₱1.36M in 2019, ₱117.47M or 98.85% lower than the 2018 net income after tax of ₱118.83 due to the lower sales posted in the current year.

Financial Condition as of December 31, 2019 vs. December 31, 2018

ASSETS	December 31,		Horizontal	Vertical Analysis	
	2019	2018	Analysis	2019	2018
(₱ in thousands)					
			% Change	% of Total Assets	
CURRENT ASSETS					
Cash	19,146	8,952	113.9%	0.7%	0.3%
Receivables	68,382	45,541	50.2%	2.4%	1.7%
Real estate inventories	1,733,107	1,766,298	-1.9%	59.7%	65.9%
Prepayments and other current assets	1,970	1,970	0.0%	0.1%	0.1%
Total Current Assets	1,822,605	1,822,762	0.0%	62.8%	68.0%
NON-CURRENT ASSETS					
Receivables, net of current portion	54,723	53,530	2.2%	1.9%	2.0%
Advances to related parties	1,004,466	784,926	28.0%	34.6%	29.3%
Property and equipment, net	13,812	10,563	30.8%	0.5%	0.4%
Other non-current asset	5,913	9,875	-40.1%	0.2%	0.4%
Total Non-Current Assets	1,078,914	858,893	25.6%	37.2%	32.0%
TOTAL ASSETS	2,901,519	2,681,655	8.2%	100.0%	100.0%
LIABILITIES AND EQUITY					
CURRENT LIABILITIES					
Accounts and other payables	111,542	101,200	-57.4%	3.6%	3.8%
Income tax payable	1,488	1,073	-69.7%	0.0%	0.0%
Loans and borrowings - current portion	127,150	54,026	12.7%	4.1%	2.0%
Total Current Liabilities	104,294	156,299	-33.3%	3.6%	5.8%
NON-CURRENT LIABILITIES					
Loans and borrowings, net of current portion	336,768	200,540	67.9%	11.6%	7.5%
Advances from related parties	157,560	14,500	986.6%	5.4%	0.5%
Defined benefit obligation	11,791	8,706	35.4%	0.4%	0.3%
Total Non-Current Liabilities	506,120	223,746	126.2%	17.4%	8.3%

EQUITY					
Share capital	2,000,000	2,000,000	0.0%	68.9%	74.6%
Retained earnings	290,711	299,720	-3.0%	10.0%	11.2%
Actuarial gain (loss) on defined benefit obligation	394	1,889	-79.1%	0.0%	0.1%
Total Equity	2,291,105	2,301,609	-0.5%	79.0%	85.8%
TOTAL LIABILITIES AND EQUITY	2,901,519	2,681,655	8.2%	100.0%	100.0%

Cash balance of ₱19.14M as at end of December 2019 was lower by ₱10.19M or 113.87% compared to the 2019 ending balance due to the decrease in sales, delayed collections and land development activities. Current receivables increased from ₱45.54 to ₱68.38M. The 50.16% increase was brought about by the amortizations due from previous sales and the current year's sales.

Advances to related parties went up by 27.97% or ₱219.54M due to advances issued to subsidiaries to support development and construction activities. Amortization of prepayments and application of deferred tax assets reduced other current assets by 40.12% or ₱3.96M with an ending balance of ₱5.91M in 2019 compared to the ₱9.87M balance in 2018.

Property & Equipment increased by ₱3.25M, equivalent to 30.76%, to ₱13.81M due to replacement of depreciated office and construction equipment.

Accounts and other payables closed at ₱43.09M and ₱101.20M as at year-end 2019 and 2018, respectively. The 57.42% decrease was due to fewer units constructed as a result of the delay in the issuance of the license to sell for its one of its projects lined up during the year. The significant decrease in the Income tax payable from ₱1.07M in 2018 to ₱0.32M in 2019 was due to the ₱117.90M drop in the net income before tax.

Loans and borrowings – current portion increased by ₱6.85M or 12.68% as a result of the of the re-classification of the principal amortization that fell due during the period. New loans were also availed of to support the current projects.

Non-current loans and borrowings increased also due to new loans availed of during the year. The balances as of year-end 2019 and 2018 were ₱336.77M and ₱200.54M, respectively.

Defined benefit obligation increased by ₱3.08M or a 35.43% mainly due to the increase in the tenure of the existing employees.

Statement of Cash Flows as of December 31, 2019 vs. December 31, 2018

The net cash provided by operations amounted to negative ₱43.26 million for the year 2019 as compared to negative ₱1.10 million for same period in 2018. The decrease in cash from operations is the net result of prior period adjustments.

Net cash used in investing activities amounted to negative ₱226.53 million as compared to negative P 792.33 for the same period in 2018 mainly as a result of the acquisition of the property and equipment related to its operations.

Net cash generated from financing activities amounted to ₱279.98 million for the year as compared to net cash provided by financing activities of ₱1.98 billion last year.

The net effect of the foregoing operating, investing and financing activities is an increase of ₱10.19 million and a balance of ₱19.14 million in cash as of December 31, 2019 and a balance of ₱8.95 million as of December 31, 2018.

KEY PERFORMANCE INDICATORS

The following key indicators were chosen to provide Management with a measure of the Company's financial strength (i.e., Current Ratio, Debt to Equity Ratio, and Earnings before Interest and Taxes) and the Company's ability to maximize the value of its stockholders' investment in the Company (i.e., Return on Equity, Earnings per Share).

Current ratio shows the liquidity of the Company by measuring how much current assets it has over its current liabilities. The Debt-to-Equity Ratio indicates how much debt the Company has incurred for each amount of equity in the Company. A higher ratio means that the Company is more aggressive in its use of capital. Earnings per share shows how much the Company is earning for each share that is currently issued and outstanding. Earnings before interest and taxes indicates how much income the Company is generating from its entire operations before interest charges and taxes are deducted. Return on Equity shows how much profits the Company is making for each amount of equity invested in the Company. Likewise, these ratios are used to gauge the performance of the Company in the industry in which it operates.

TABLE [14]: KEY PERFORMANCE INDICATORS (2019-2021)

	DEC. 31, 2021	DEC. 31, 2020	DEC. 31, 2019
	AUDITED	AUDITED	AUDITED
Current Ratio ¹	6.04	9.29	17.47
Debt to Equity Ratio ²	.33	.32	.27
Gross Profit Margin (%) ³	41%	36%	30%
Before Tax Return on Sales (%) ⁴	25%	18%	1%
Earnings per Share ⁵	.0487	.0252	.0006
Earnings before Interest, Taxes,	128,661,313	69,684,092	12,233,182
Depreciation & Amortization ⁶	4,438,417	5,229,749	3,736,592
Return on Equity ⁷	0.04	0.02	.00

¹ *Current Assets / Current Liabilities*

² *Total Liabilities/Stockholders' Equity*

³ *Gross Profit/Revenues*

⁴ *Profit Before Tax/Revenues*

⁵ *Net Income/Outstanding Shares*

⁶ *Net Income plus Interest Expenses, Provision for Income Tax, Depreciation and Amortization*

⁷ *Net Income / Average Stockholders' Equity*

INTERIM PERIOD

The Interim Consolidated Financial Statements of the Company are filed as part of this report. The interim consolidated financial reports for the quarter ending June 30, 2022 with comparative figures are in compliance with generally accepted accounting principles. There were no changes in accounting policies and methods of computation in the preparation of interim financial statements as prepared with the most recent annual financial statements.

No disclosures or discussions were made in the interim report on the seasonality or cyclicity of interim operations as there were no identified seasonal aspects that have material effect on the financial condition or results of operation of the company.

No disclosures or discussions were made in the nature and amounts of items affecting assets, liabilities, equity, net income, or cash flows that are unusual of their nature, size, or incidents as there are no unusual occurrences that are expected to happen.

There are no material changes in estimates of amounts reported in prior interim periods or changes in estimates of amounts reported in prior financial years that have a material effect in the current interim period as the company has not changed its accounting policies and methods of computation in the preparation of interim financial statements.

No issuances, repurchases and repayments of debt and equity securities were disclosed as the same is not applicable.

There are no material events subsequent to the end of the interim period.

Results of Operations as of June 30, 2022 vs. June 30, 2021

	For the 6 months ended Jun 30		Horizontal Analysis	Vertical Analysis	
	2022 Unaudited (₱ in thousands)	2021 Audited	% Change	2022 % of Total Sales	2021
REVENUE					
Real estate sales	378,387	81,609	363.7%	98.1%	91.9%
Other operating income	7,332	7,162	2.4%	1.9%	8.1%
Total Revenue	385,719	88,772	334.5%	100.0%	100.0%
COST OF REAL ESTATE SALES	214,987	52,649	308.3%	55.7%	59.3%
GROSS PROFIT	170,732	36,123	372.6%	44.3%	40.7%
OPERATING EXPENSES					
Selling expenses	22,991	3,914	487.4%	6.0%	4.4%
General and administrative expenses	34,923	8,926	291.3%	9.0%	10.1%
Total Operating Expenses	57,914	12,840	351.0%	15.0%	14.5%
Net Operating Income	112,818	23,283	384.6%	29.3%	26.2%
Finance Cost, Net	3,111	4,116	-24.4%	0.8%	4.6%
Income Before Tax	109,707	19,167	472.4%	28.4%	21.6%
Income Tax Expense	24,494	3,076	696.4%	6.4%	3.5%
Net Income	85,213	16,091	22.1%	18.1%	15.3%

Real estate sales grew by 364% or Php296.78M as more units were sold/taken out.

Cost of Sales registered an increase of 308.34% or Php162.34M relative to the growth in sales.

Selling expenses increased by 487% or Php19.08M attributed to the strengthened marketing activities during

the current period.

General and administrative expenses rose by 291% or Php26M as a result of the hiring of additional talents and the alignment of the salary structure of the existing personnel.

Finance cost went down by 24% or Php1M due to loan repayments made.

Income before tax spiked by 472% or Php90.54M driven by the growth in sales.

Income tax expense grew by 696% or Php21.42M consequent to the growth in the taxable income.

Net income rose by 430% or Php69.12M attributed to the growth in sales.

Financial Condition as of June 30, 2022 vs. December 31, 2021

ASSETS			Horizontal Analysis	Vertical Analysis	
	Jun 30 2022	Dec 31 2021		2021	2021
	(P in thousands)		% Change	% of Total Assets	
CURRENT ASSETS					
Cash	219,645	27,982	685.0%	5.4%	0.9%
Receivables	384,696	361,492	6.4%	9.5%	11.2%
Real estate inventories	3,296,201	1,908,518	72.7%	81.8%	58.9%
Prepayments and other current assets	9,510	1,489	-15.8%	0.1%	0.1%
Total Current Assets	3,910,052	2,299,481	70.0%	97.0%	71.0%
NON-CURRENT ASSETS					
Receivables, net of current portion	87,890	69,229	27.0%	2.2%	2.1%
Advances to related parties	-	-	-	-	-
Property and equipment, net	16,336	864,270	-98.1%	0.4%	26.7%
Software	9,408	-		0.2%	-
Other non-current asset	6,847	6,073	12.8%	0.2%	0.2%
Total Non-Current Assets	120,481	939,572	-87.2%	3.0%	29.0%
TOTAL ASSETS	4,030,533	3,239,053	24.4%	100.0%	100.0%
LIABILITIES AND EQUITY					
CURRENT LIABILITIES					
Accounts and other payables	254,437	177,612	43.2%	6.3%	5.5%
Income tax payable	9,334	14,175	-34.2%	0.2%	0.4%
Loans and borrowings - current portion	175,393	188,877	-7.1%	4.3%	5.8%

Total Current Liabilities	439,164	380,664	15.4%	10.9%	11.8%
NON-CURRENT LIABILITIES					
Loans and borrowings, net of current portion	176,974	187,029	-5.4%	4.4%	5.8%
Advances from related parties	155,000	216,484	-28.4%	3.9%	6.7%
Defined benefit obligation	12,995	12,995	-	0.3%	0.4%
Total Non-Current Liabilities	344,968	416,508	-17.2%	8.6%	12.9%
EQUITY					
Share capital	2,500,000	2,000,000	25.0%	62.0%	61.8%
Share premium	219,306	-		5.4%	-
Retained earnings	523,759	438,545	19.4%	13.0%	13.5%
Actuarial gain (loss) on defined benefit obligation	3,336	3,336	-	0.1%	0.1%
Total Equity	3,246,400	2,441,881	33.0%	80.5%	75.4%
TOTAL LIABILITIES AND EQUITY	4,030,533	3,239,053	24.4%	100.0%	100.0%

Cash increased by 684.95% or Php191.66M as a net effect of the proceeds from the IPO, payments from buyers and the acquisition of the Biñan property.

Receivables-current portion declined by 6.42% or Php23.20M due to re-classification to from noncurrent.

Real estate inventories increased by 72.71% or Php1.39B due to the acquisition of Biñan property and the re-classification to inventory of a subsidiary's property.

Prepayments and other current assets increased by 538.46% or Php8.02M relative to the acquisition of the Biñan property and other prepayments.

Receivables, net of current portion went up by 26.95% or Php18.66M driven by the installment sales.

Property and equipment declined by 98.11% or Php847.93M due to the re-classification of a subsidiary's property to inventory.

Software account registered a 100% increase attributed to the company's acquisition of its accounting system.

Other non-current assets posted a raise by 12.76% or Php0.77M due to refundable deposits made.

Accounts and other payables increased by 43.25% or Php76.84M due to procurement of office and construction equipment and materials.

Income tax payable registered a downward trend by 34.15% or Php4.84M since the reference period is for one full year vis-à-vis a half year's performance in the current period.

Loans and borrowings - current posted a decrease by 7.14% or Php13.48 due to repayments made.

Loans and borrowings-net of current portion posted a balance lower by 5.38% or Php10.06M due to repayments made.

Advances from related parties decreased by 28.40% or Php61.48M relative to the settlement of accounts with subsidiaries.

Share capital increased by 25% or P500M as a result of the company's initial public offering of its shares of stock in the SME board of the PSE.

The company registered Php219.30M paid-in capital reflecting the payments in excess of par value for subscriptions made on the 500M shares issued during the IPO.

Retained earnings grew by 19.43% or Php85.21M consequent to the higher net income.

Barring any unforeseen circumstances, the Company's Board of Directors is confident that the future operating financial performance of the Company and its subsidiaries are expected to be satisfactory in the coming period.

- i. Known trend, event or uncertainty that has or is reasonably likely to have a negative impact on the Company's short-term or long-term liquidity.

There is no known trend, event or uncertainty that has or is reasonably likely to have a negative impact on the Company's short-term or long-term liquidity.

- ii. Any known event that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation

There is no known event that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation

The liquidity of the Company is generated from the Company's financial resources. The Company believes that it has reasonably sufficient resources to finance its working capital requirements for the next twelve (12) months and has ready access to sources of credit from both trade suppliers and financial institutions.

- iii. Material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons created during the reporting period.

There are no material off-balance sheet transactions, arrangements, obligations, and other relationships of the Company with unconsolidated entities or other persons created during the reporting period.

- iv. Material commitments for capital expenditures, general purpose of such commitments, expected sources of funds for such expenditures

Lease Agreement

Since November 1, 2016, the Company has been using an approximately one hundred fifty-nine (159sqm) square meter office space located at Unit 701 Orient Square Building, along F. Ortigas Center, Pasig City, covered by CCT No. PT 54210 which is gratuitously granted for use by the owner, Miss Noemi D. Madlambayan, a major stockholder of the Company. As discussed in Note 2, the asset pertaining to such lease was classified as a short-

term lease and its related rental payments are recognized in profit or loss on a straight-line basis. Rent expense amounted to ₱847,715, ₱213,250 and ₱236,934 in 2021, 2020 and 2019, respectively (see Note 27 of 2021 Audited Financial Statements). Rent expense amounted to ₱602,012 as of June 30, 2022.

Housing and Land Use Regulatory Board

The Parent Company has registered with the Housing and Land Use Regulatory Board and was issued Certificate of Registration no. 24744 and License to sell on September 18, 2013, for the sale of lots/units/lots with units of their housing project namely Eastview Homes 3 Antipolo with 379 lots and units located at Brgy. San Roque, Antipolo City.

The Certificate of Registration and License to Sell were subsequently amended 029480 and 034564 as a result of the alterations made by the development plan which reduced the saleable lots and units to 377.

THI has registered under Certificate of Registration no. 028698 and approved on August 30, 2017 with the Housing and Land Use Regulatory Board for the license to sell of the saleable lots/units/lots with units of their housing project namely Southview Homes – Sta. Rosa with 261 lots and units located at Brgy. Ibaba, Sta. Rosa City, Laguna.

LDC has registered Certificate of Registration no. 028195 and approved on May 10, 2018 with the Housing and Land Use Regulatory Board for the license to sell of the saleable lots/units/lots with units of their housing project namely Southview Homes – Sta. Rosa with 278 lots and units located at Hopeful St., Area 4, Sitio Veterans, Brgy. Bagong Silangan, Quezon City.

Department of Human Settlements and Urban Development

HausTalk Inc. has registered under Provisional Certificate of Registration No. 637 and approved on August 15, 2022 with the Department of Human Settlements and Urban Development for the provisional license to sell of the saleable lots/units/lots with units of their housing project namely Celestis 1 with 36 house and lot units located at Brgy. San Luis, Antipolo City, Rizal.

HausTalk Inc. has registered under Provisional Certificate of Registration No. 638 and approved on August 15, 2022 with the Department of Human Settlements and Urban Development for the provisional license to sell of the saleable lots/units/lots with units of their housing project namely Celestis 2 with 58 house and lot units located at Brgy. San Luis, Antipolo City, Rizal.

Tradition Homes Inc. has registered under Provisional Certificate of Registration No. 238 and approved on September 9, 2022 with the Department of Human Settlements and Urban Development for the provisional license to sell of the saleable lots/units/lots with units of their housing project namely Southview Homes – Calendola with 224 house and lot units and 7 lots located at Brgy. San Vicente, San Pedro, Laguna.

v. Known Trends, Events or Uncertainties (Material Impact on Sales)

There are no known trends, events or uncertainties that would materially impact sales.

vi. Significant Elements of Income or Loss (from continuing operations)

There is no known significant elements of income or loss from continuing operations.

vii. Known Causes for Any Material Changes from Period to Period of FS which shall include vertical and horizontal analyses of any material item (5%)

Please see discussion on pages 55-72.

viii. Unexpected seasonal aspects that had a material impact effect on the financial condition or results of operations.

There are no unexpected seasonal aspects that had a material impact effect on the financial condition or results of operations.

Description of Business

HAUS TALK, INC. (the “Company”/ “Corporation”) was organized under the laws of the Republic of the Philippines and registered with the Securities and Exchange Commission (SEC) per Registration no. CS200409462 on June 21, 2004 under the name of Haus Talk Project Managers, Inc., and subsequently amended on March 15, 2017 to its current name. Its primary purpose is to invest in real estate, more specifically to acquire land, engage in land and housing development and participate in the government’s mass housing program.

On November 18, 2021 and December 2, 2021, the Securities and Exchange Commission (SEC) and Philippine Stock Exchange, Inc. (PSE), respectively, approved the application of the Company for the listing of up to 2,500,000,000 common shares of the Company, which includes the 500,000,000 common shares subject of the Company’s Initial Public Offering (IPO), under the Small, Medium and Emerging Board (SME Board) of the PSE.

On January 17, 2022, the Company completed its IPO and was listed in the PSE under the stock symbol “HTI”. As a public company, it is covered by the Revised Securities Regulation Code (SRC) Rule 68.1.

The Parent Company’s current registered address is at Unit 701 Orient Square Building, F. Ortigas Avenue, Ortigas Center, Pasig City.

The Parent Company’s Eastview Homes 3 Project was registered with the Board of Investments (BOI) under Certificate of Registration 2014-056. The enterprise Income Tax Holiday from June 2014 until May 2018. The project consisted of three hundred seventy-nine (379) housing units.

The Parent Company and its subsidiary are collectively known herein as the “Group”.

Tradition Homes, Inc. (referred to as the “Subsidiary or THI”), formerly known as Tradition Homes Project Managers, Inc. before it was amended on December 11, 2017 to its current name, was incorporated in the Philippines and registered with the Securities and Exchange Commission (SEC) per SEC Registration No.CS200700454 on January 16, 2007. The Subsidiary’s primary purpose is to invest in real estate, more specifically to acquire land, engage in land and housing development and participate in the government’s mass housing program.

The Subsidiary’s current registered address is at Unit 701 Orient Square Building, F. Ortigas Avenue, Ortigas Center, Pasig City.

On January 18, 2018, the Parent Company acquired 100% ownership and control of Tradition Homes, Inc. for an acquisition cost of ₱30,000,000.

THI was approved by the Board of Investments (BOI) as a New Developer of Economic and Low-Cost Housing Project for its Southview Homes – Sta. Rosa, located at Sta. Rosa, Laguna. The Income Tax Holiday (ITH) certification bearing the number of 2019-041 valid from March 6, 2019, and four (4) years thereafter provides exemption from income taxes on revenue generated from the said project.

THI’s WINN residences project, a residential condominium project located at Sitio Veterans, Barangay Bagong Silangan, Quezon City, was approved as a Socialized Housing Project by the Housing and Land Regulatory Board (HLURB) and thereby granting the Company exemption from Income Tax, Capital Gains Tax and Value-Added Tax. The certification issued by the HLURB bears the reference number 15-06-038.

Lifestyle Development Corporation (referred to as the “Subsidiary or “LDC”) was incorporated in the Philippines and registered with the Securities and Exchange Commission (SEC) per SEC Registration No. A199918322 on February 23, 2019. The Subsidiary’s primary purpose is to invest in real estate, more specifically to acquire land, engage in land and housing development and participate in the government’s mass housing program.

The Subsidiary’s current registered address is at 1802 Jollibee Plaza Emerald Avenue, Ortigas Center, Pasig City.

On May 26, 2021, the Parent Company acquired 100% ownership and control of Lifestyle Development Corporation for an acquisition cost of ₱105,737,000.

Securities of Registrant

Market Information

The shares of the Company are listed and traded at the Philippine Stock Exchange beginning January 17, 2022. As of September 13, 2022, the shares closed at 1.01/share.

The high and low prices of the Company’s share for each quarter in 2022 are as follows:

Stock	Quarter	High	Low
HTI	1Q 2022	1.73	0.82
HTI	2Q 2022	1.19	0.92
HTI	*3Q 2022	1.09	0.80

**Until September 13, 2022*

Shareholders

The Company has 2,500,000,000 common shares issued and outstanding. As of August 31, 2022, the Company has 3 stockholders which include the PCD Nominee Corporation (Non-Filipino and Filipino) which holds shares of various retail customer traders through stock brokerage houses. A total of 41,493,000 common shares or 1.66% of the issued and outstanding shares are owned by foreigners and are recorded under PCD Nominee Corporation (Non-Filipino).

The top 20 stockholders are as follows:

Rank	Name	Class of Securities	No. of Shares	Percentage
1	PCD NOMINEE CORPORATION (Filipino)	Common	2,458,506,000	98.34%
2	PCD NOMINEE CORPORATION (Non-Filipino)	Common	41,493,000	01.66%
3	JENNIFER T. RAMOS	Common	1,000	00.00%
TOTAL SHARES (TOP 20)			2,500,000,000	100.00%
Others		Common	0	0.00%
TOTAL ISSUED AND OUTSTANDING SHARES			2,500,000,000	100.00%

PHILIPPINE CENTRAL DEPOSITORY, INC. (PCD)

Regulated by the Securities and Exchange Commission (SEC), PCD is owned by major capital market players in the Philippines.

The PCD Nominee Corporation is a wholly-owned subsidiary of the Philippine Depository and Trust Corporation, Inc. (PDTC) and is the registered owner of the shares in the books of the Registrant's stock transfer agent. The beneficial owner of such shares entitled to vote the same are PDTC's participants, who hold the shares either in their own behalf or on behalf of their clients.

All PSE-member brokers are Participants of PCD. Other Participants include custodian banks, institutional investors and other corporations or institutions that are active players in the Philippine equities market.

Market Information for Securities Other Than Common Equity

None

Corporate Governance

The Company is committed to high standards of corporate governance in discharging its obligations to act in the interests of the public and to enhance shareholders' value. Its guiding principles and provisions are set out in the Company's Manual on Corporate Governance.

The Board

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

The non-executive officers are independent of management and free from any business which could materially interfere with the exercise of their independent judgment.

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

Board Process

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

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

Committees

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

Audit Committee

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

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

Board Risk Oversight Committee

The Board also established a separate Board Risk Oversight Committee that is responsible for the oversight of the Company's Enterprise Risk Management System to ensure its functionality and effectiveness.

Corporate Governance Committee

A Corporate Governance Committee was likewise established by the Board. The Committee is tasked to assist the Board in the performance of its corporate governance responsibilities, including the functions that were formerly assigned to the Nomination and Remuneration Committee. It should be composed of at least three (3) directors, majority of whom should be independent directors, including the Chairperson. The Corporate Governance Committee is tasked with ensuring compliance with and proper observance of corporate governance principles and practices. It has the following duties and functions.

Compliance Officer

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

Mr. John Elson T. Baguipo is the Compliance Officer of the Company.

Relation with Shareholders

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

Plan to Improve the Corporate Governance of the Company

As the Company is still at its infancy stage as a publicly-listed company, continuous initiatives for training of Directors, Officers and Employees are being sought and undertaken to further develop and improve the Company's corporate governance.

-END-

PROXY

**HAUS TALK, INC.
Annual Meeting of the Stockholders
October 19, 2022**

THE COMPANY IS NOT SOLICITING YOUR PROXY. However, if you would not be able to attend the annual meeting but would like to be represented thereat, please accomplish this form, email to haustalkinc.hti@gmail.com and **submit the original thereof to the Company not later October 14, 2022** (c/o The Corporate Secretary, Unit 701 Orient Square Bldg., F. Ortigas Jr. Rd., Ortigas Center, Pasig City 1605, Tel. #: [02] 8636-6929)

I, the undersigned stockholder of **HAUS TALK, INC.**, do hereby appoint, name and constitute:

or, in his/her absence, the Chairman of the Company or, in his/her absence, Acting Chairman of the Annual Meeting of the Stockholders as my attorney and proxy, to represent me at the Annual Meeting of the Stockholders of the Company scheduled on **October 19, 2022 at 10:30 a.m. via remote communication/online (Zoom)**, and any postponements or adjournment(s) thereof, and to vote for me as indicated below, or, if no such indication is given, as my proxy thinks fit, as fully and to all intents and purposes as I might or could if present, hereby ratifying and confirming any and all action taken on matters which may properly come before such meeting or adjournment(s) thereof.

	RESOLUTION	FOR	AGAINST	ABSTAIN
1	Approval of the Minutes of the Annual Stockholders' Meeting held on April 12, 2021.			
2	Approval/ratification of the Audited Financial Statements for the calendar year ended December 31, 2021, as contained in the Annual Report			
3	Ratification of all previous acts and proceedings of the Board of Directors, Officers and Management			
4	Election of members of the Board of Directors (Note: If you desire to vote by cumulative voting, please also indicate opposite the name of the nominee director/s that you are voting FOR, the number of votes that you want to give such nominee director/s, provided that the total number of votes cast shall not exceed the number of shares owned multiplied by the number of directors to be elected).			
	Terence Restituto D. Madlambayan			
	Maria Rachel D. Madlambayan			
	Luis Pio D. Madlambayan			
	Ma. Leah D. Madlambayan			
	Joselito D. Madlambayan			

	Angelico T. Salud (independent director)			
	Jose Ferdinand M. Rojas II (independent director)			
5	Appointment of Valdes Abad & Co. as external auditor for calendar year 2022			

IN CASE A PROXY FORM IS SIGNED AND RETURNED IN BLANK. If no instructions are indicated on a returned and duly signed proxy, the shares represented by the proxy will be voted:

- FOR the approval of the Minutes of the Annual Stockholders' Meeting held on April 12, 2021;
- FOR the approval/ratification of the Audited Financial Statements for the calendar year ended December 31, 2021, as contained in the Annual Report;
- FOR the ratification of all previous acts and proceedings of the Board of Directors, Officers and Management
- FOR the election of the following directors:
 - Terence Restituto D. Madlambayan
 - Maria Rachel D. Madlambayan
 - Luis Pio D. Madlambayan
 - Ma. Leah D. Madlambayan
 - Joselito D. Madlambayan
 - Angelico T. Salud (independent director)
 - Jose Ferdinand M. Rojas II (independent director)
- FOR the approval of the appointment of Valdes Abad & Co. as external auditor for calendar year 2022; and
- TO authorize the Proxy to vote according to the Proxy's discretion on any matter that may be discussed under "Other Matters".

REVOCABILITY OF PROXY. A stockholder returning a Proxy may revoke it any time prior to the voting at the Annual Stockholders' Meeting. A Proxy returned by a stockholder before the Annual Meeting, and which is not subsequently revoked, will be voted in accordance with the marked instructions indicated thereon.

A Proxy which revokes another Proxy shall not be allowed to vote unless it has passed the proxy validation process.

A Proxy Form that is returned without a signature shall not be valid.

Signed this _____ at _____.

Printed Name of Stockholder

Signature of Stockholder or Authorized Signatory

[N.B. Corporate stockholders must attach board resolution designating the authorized signatory. Representatives and stockholders must likewise submit copy of their valid government-issued identification cards.]