MARKETS AND SECURITIES REGULATION DEPARTMENT

IN THE MATTER OF:

VILLAR LAND HOLDINGS CORP.,
CYNTHIA J. JAVAREZ, ***President/Director***
MANUEL B. VILLAR, JR., ***Chairman***
MANUEL PAOLO A. VILLAR, ***Director***
CAMILLE A. VILLAR. ***Director***
MARK A. VILLAR, ***Director***
ANA MARIE V. PAGSIBIGAN, ***Independent Director***
GARTH F. CASTANEDA, ***Independent Director***
ESTRELLITA S. TAN, ***Chief Financial Officer, Chief Information Officer, Treasurer and Investor Relations Officer***
GEMMA M. SANTOS, ***Corporate Secretary***
MA. NALEN S.J. ROSERO, ***Assistant Corporate Secretary, and***
KATE D. CATOR, ***Compliance Officer***

Case No: MSRD-SRD-148-2025

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ORDER

This refers to the *letter* dated 01 August 2025, signed by Ms. Estrelita S. Tan, CFI/CIO/Treasurer/Investor Relations Officer of Villar Land Holdings Corp.[1] ("Company"), for and on behalf of the Company, its Board of Directors and Officers, in response to this Department's *Show Cause Order* which directed the Company, its Board of Directors and Officers to explain why its Registration Statement should not be suspended for failure to comply with the Commission's orders to file the required Annual and Quarterly reports, pursuant to Rules 17.1.1.1, 17.1.1.1.1, and 17.1.1.1.2 of the 2015 Implementing Rules and Regulations (2015 IRR) of the Securities Regulation Code (SRC), in relation to Section 54.1 of the SRC.

In responding to the Show Cause Letter, the Company averred, among others, that:

i. On 30 September 2024, the Company acquired approximately 366.34 hectares of land in the Villar City development ("Villar City Land") through the acquisition of substantially the entire issued and outstanding capital stock of Althorp Land Holdings, Inc. ("ALHI"), Chalgrove Properties, Inc. ("CPI"), and Los Valores Corporation ("LV"), at the aggregate purchase price of Php5,198.7 million;

ii. As part of the audit process for the fiscal year ended 31 December 2024, the Company procured the preparation of an appraisal report for the Villar City Land by E-Value Phils,

[1] Formerly Golden MV Holdings, Inc.

Inc., an SEC-accredited asset valuer.[2] Further, the Company changed its accounting policy on its investment properties to fair value accounting. The Appraisal reports were obtained to support the fair value measurement of investment properties in compliance with PFRS 13 (Fair Value Measurement);

iii. The Company notes that ALHI, CPI, and LV engaged a different external auditor. As the acquisition was completed towards the last quarter of the year 2024, the Company retained the current external auditor for the three (3) companies for the year 2024, believing that it is the more efficient and expedient arrangement;

iv. On 11 February 2025, the Valuation Reports were completed and accepted and relied upon by the external auditor in the 2024 Audited Financial Statements for each of ALHI, CPI, and LV. Based on the Valuation Reports, the assets of the three companies, which included the Villar City Land, were valued as follows:

Subsidiary	**Fair value**
ALHI	Php104,150,810,000
CPI	Php635,829,628,000
LV	Php599,663,212,000
Total	**Php1,339,643,650,000**

v. The financial statements of ALHI, CPI, and LV were consolidated by management in the Company's own consolidated financial statements for the year 2024;

vi. On 15 April 2025, the Company requested the extension of the deadline to submit its 2024 Annual Report to enable the Company and its external auditor, Punongbayan & Araullo ("P&A"), to have adequate additional time to review and finalize the Company's 2024 Financial Statements, which was required in light of the change in accounting policy;

vii. In the letters from the SEC dated 30 May 2025 and 13 June 2025, the Company was required to show cause why it should not be held liable for non-filing of the Q1 Quarterly Report and the 2024 Annual Report, respectively, and directed the Company to file the foregoing reports within 15 days from receipt of said letters;

viii. The Company explained that it is unable to comply with the SEC directives due to the delay in completion of the audit for the properties acquired by the Company in 2024 which include the approximately 366.34 hectares of land it acquired with the purchase of ALHI, CPI, and LV;

ix. The Company believed that, given the completion of the audit for ALHI, CPI, and LV, including the performance of additional procedures such as procuring the Valuation Reports, P&A would be able to rely on and use the work of another auditor pursuant to PAS 600;

x. However, P&A did not accept the valuation of the Villar City Land per the 2024 Audited Financial Statements of ALHI, CPI, and LV. Instead, P&A required the Company to procure new appraisal reports for the assets of these companies, notwithstanding the fact that the auditors which prepared the financial statements for these companies already accepted and relied on the Valuation Reports for the audited financial statements of ALHI, CPI, and LV. Even with the appraisal reports prepared by E-Value Phils, Inc., P&A, required the engagement of another appraiser as consultant purportedly to assist in the testing of the

[2] Accreditation No. 34 issued on 21 February 2023 and valid until 21 February 2028.

reasonableness of the fair value of the subject properties and issue an expert opinion on the matter;

xi. On 30 June 2025, Crown Property Appraisal Corporation, Inc. ("CPAC") was engaged by P&A as independent expert to assist in the testing of the reasonableness of the fair value of the subject properties. CPAC had already completed their review and had provided their expert opinion to P&A. However, P&A is insisting anew that the Company procure new appraisal reports;

xii. The Company believed that the expert opinion would be completed in order for the 2024 AFS to be issued and enable the Company to submit the 2024 Annual Report and the Q1 Quarterly Report by 31 July 2025. While it appears that the engaged appraiser had already provided P&A an expert opinion, the audit procedures being performed by P&A have not been completed and, consequently, the 2024 AFS has not been issued;

xiii. In light of the protracted process that the Company was constrained to take in order to meet the requirements of its external auditor, and in order to ensure that the Company would be able to finalize and issue its 2024 AFS at the earliest possible time, the Company agreed with P&A that it will accept the most conservative valuation for the assets of each of ALHI, CPI, and LV which is to value them at cost basis, as follows:

Subsidiary	**Fair value**
ALHI	Php899,916,404.39
CPI	Php6,530,999,512.15
LV	Php1,202,498,837.54
Total	**Php8,633,414,754.08**

xiv. With the foregoing resolution, P&A will be able to complete the audit of the 2024 AFS in time for the Company to submit the same, as well as the 2024 Annual Report and Q1 Quarterly Report, by 31 August 2025; and

xv. Thus, the Company prayed for the Commission to (i) hold in abeyance the suspension of the Company's Registration Statement and the imposition of administrative sanctions and penalties; (ii) refrain from the imposition of any administrative sanctions and penalties on the Board of Directors, President, Chief Financial Officer, Chief Information Officer, Treasurer and Investor Relations Officer, Corporate Secretary, Assistant Corporate Secretary, and Compliance Officer; and (ii) grant the Company an extension of until 31 August 2025 to submit its 2024 AFS, 2024 Annual Report and Q1 Quarterly Report.

After due consideration of the foregoing, and the disclosures filed by the Company, this Department finds the Company's explanation **WITHOUT MERIT** for the reasons discussed below.

The timely submission of annual and quarterly reports is mandatory and non-negotiable under the SRC and its implementing rules and regulations. These reports are critical for regulatory oversight, market integrity, and protection of investor interests. It is worth stressing that the Company has been afforded a significant period, from 01 January 2025 to the original due date of 15 April 2025, the extended deadline of 30 April 2025 (as evidenced by the filing of SEC Form 17-L), and the additional extension granted by the Commission **until 30 June 2025**, to complete the preparation and submission of the 2024 AFS. Moreover, the 2015 IRR of the SRC does not provide for further extensions to comply with submission of reportorial requirements—underscoring the importance of strict adherence to filing deadlines to ensure transparency and protect the investing public. The Company's failure to meet these deadlines despite ample time and opportunities demonstrates a clear disregard for its regulatory obligations.

More importantly, the Department was in receipt of SEC Form 17-C ("Current Report") dated 28 March 2025, caused by the Company (then "Golden MV Holdings"), as issuer, to be signed by its duly authorized representative, Ms. Estrelita S. Tan. This Current Report stated that **at the meeting of the Board of Directors of the Company (then "Golden MV Holdings, Inc.") on even date, the Board approved and authorized the release of Financial Statements for the year ended 31 December 2024**. The same Report further stated, among others, that:

i. "The Company recorded an increase in fair value gains on its investment properties amounting to Php1.33 trillion for 2024, primarily due to value appreciation of investment properties"; and

ii. "Total assets were recorded at Php1.37 trillion as of 31 December 2024 from Php28.64 billion as of 31 December 2023 primarily due to the fair value gains of investment properties. In September 2024, the Company has acquired Althorp Land Holdings, Inc., Chalgrove Properties, Inc., and Los Valores Corporation which collectively owns 366 hectares of prime land within Villar City, a 3,500-hectare development South of Manila. These properties were recorded in the books as investment properties and accounted for using the fair value method."

Suffice it to state that while the 28 March 2025 disclosure reported **the Board's approval and authorization to release the 2024 Financial Statements**, and despite the extensions, the Company failed and continues to fail in submitting the said Financial Statements, as well as the required Annual and Quarterly Reports.

The issues raised concerning the external audit process and valuation disputes were foreseeable and should have been anticipated and addressed ahead of the filing deadline. When the Company undertook the significant transactions like the acquisition of prime land through the purchase of subsidiaries and change in accounting policies, which would involve complex matters such as the determination of fair value, the management should have already touched base in earnest with its external auditors.

It is the Company's fundamental responsibility to initiate timely communication and coordination with its external auditors to plan the upcoming statutory audit. This could have avoided the differences or issues regarding valuation, appraisal reports, and audit procedures well before the statutory deadlines. Prompt dialogue with the external auditor is crucial to identify and address potential issues early, thereby preventing last-minute complications or protracted delays.

With the belated discussions and coordination with the external auditor, the Company jeopardized its ability to comply with its obligations under the law and to the investing public. This delay could have been avoided through earlier engagement with auditors, and more efficient management of the valuation issues. The Department views these circumstances as indicative of the Company, its Board of Directors, and officers' failure to exercise due diligence and reasonable care in fulfilling their reporting responsibilities. Such delay undermines the regulatory framework intended to ensure transparency, accountability, and investor protection.

The SRC declares it a state policy to "establish a socially conscious, free market that regulates itself, encourage the widest participation of ownership in enterprises, enhance the democratization of wealth, promote the development of the capital market, protect investors, ensure full and fair disclosure about securities, and minimize if not totally eliminate insider trading and other fraudulent or manipulative devices and practices which create distortions in the free market."[3] To this end, the Commission has been granted ample powers to regulate, investigate or supervise the activities of persons to ensure compliance, impose sanctions for

[3] Section 2, RA No. 8799.

violations of related laws and regulations, and exercise such other powers that may be necessary or incidental to carry out the objectives and purposes of the SRC. [4]

Moreover, Section 51 of the SRC provides for the liability of aiders and abettors for violations of the Code. Section 51.3 of the SRC particularly states the liability of any director or officer of any issuer required to file any document, report or other information under the SRC for hindering, delaying or obstructing, without just cause, the making or filing of any such document, report or information. Similarly, Section 51.4 of the SRC makes it unlawful for any person to aid, abet, counsel, command, induce or procure any violation of the Code or any rule, regulation or order of the Commission.

It appearing that the members of the Board and the officers of the Company have full knowledge of the approval and authority to release the Financial Statements for the year ended 31 December 2024, and the continued delay in submitting the same, as well as the Annual Report and Q1 Quarterly Report, to the Commission, as shown by the submissions before the Department, we find sufficient bases to exact liability for the same violations.

Meanwhile, Section 54.1 of the SRC provides for the imposition of administrative sanctions, after due notice and hearing, for violations of the Code or of the orders of the Commission, among others, and authorizes the imposition of suspension or revocation of any registration for the offering of securities or a fine of not less than Ten Thousand Pesos (Php10,000.00) nor more than One Million Pesos (Php1,000,000.00) plus not more than Two Thousand Pesos (Php2,000.00) for each day of continuing violation.

In light of the Company's repeated failure to file the required reports by the statutory deadline and comply with the lawful orders of the Commission, without just cause, and despite disclosing to the public that the pertinent financial statements, which bear the increased valuation of the company's assets, have been approved by the Board and authorized for release, the Department finds compelling reasons to consider suspension of the Company's registration statement under the circumstances. Publicly-listed companies are subject to rigid requirements as regards public disclosures, and every effort should be made to ensure that disclosures are made in a timely manner—all for the protection of the investing public and the integrity of the market.

Nonetheless, seeing that this might unintentionally harm stockholders, especially those bona fide retail shareholders, the Department finds it more sound to impose against the Company, and each of its directors and officers: (i) the maximum monetary penalty of One Million Pesos (Php1,000,000.00); and (ii) Two Thousand Pesos (Php2,000.00) for each day of continuing violation reckoned from 01 July 2025 until submission of the Annual Report and Q1 Quarterly Report.

Accordingly, **the request for extension to submit the required reports until 31 August 2025 is denied**.

Finally, there is reason to believe that Section 26.3 of the SRC has been violated by the Company, its Board of Directors and Officers for engaging in an act or practice that operates or would operate as a fraud or deceit upon any person, given the following:

i. The SEC Form 17-C ("Current Report") dated 28 March 2025, disclosed that the Company's Board of Directors, at a meeting held on the same date of the report, **approved and authorized the release of Financial Statements for the year ended 31 December 2024**. The same Current Report stated an increase in fair value gains on its investment properties amounting to Php1.33 trillion for 2024, primarily due to value appreciation of

[4] Section 5, RA No. 8799.

investment properties; and total assets were recorded at Php1.37 trillion as of 31 December 2024 from Php28.64 billion as of 31 December 2023, primarily due to the fair value gains of investment properties;

ii. However, the Company, in the following instances, among others, admitted that the **audit of its 2024 Financial Statements is still ongoing—**

   a. That the Company, on 15 April 2025, requested the extension of the deadline to submit its 2024 Annual Report to enable the Company and its external auditor, P&A, to have adequate additional time to review and finalize the Company's 2024 AFS, which was required in light of the Change in Accounting Policy;

   b. That in the Company's responses to our letters dated 30 May 2025 and 13 June 2025, the Company explained that it is unable to comply with the SEC directives due to the delay in completion of the audit for the properties acquired by the Company in 2024; and

   c. That on June 30, 2025, Crown Property Appraisal Corporation, Inc. was engaged by P&A as independent expert to assist in the testing of the reasonableness of the fair value of the subject properties.

It is apparent that the 28 March 2025 Current Report sought to publicly make known, substantial fair value gains and increase in total assets of the Company due to value appreciation of certain properties. However, the same gains and increase in assets were later reported by the Company as still pending finalization, verification, audit, and/or testing for reasonableness by its external auditor. This act or scheme could very well mislead the investing public, those transacting with the Company, or the market in general. Moreso, given the nature of a 17-C/Current Report filing as a **full, fair and accurate public disclosure of material facts which would reasonably be expected to affect investors' decisions** in relation to the subject securities.[5]

The effect of such disclosure to the investing public can be clearly seen in the **volume turnover of the Company's shares** (then under Golden MV Holdings, Inc.) **in the market as, during the period of 25 March 2025 to 31 March 2025, the average volume turnover was at PhP2,112,808.00**, while it was only PhP218,382.50 for the period 03 March 2025 to 24 March 2025, and PhP240,160.00 for the period 02 April 2025 to 10 April 2025 (01 April 2025 being an Eidl Fitr holiday).

In the same manner, the same circumstances present a violation of Section 54.1 of the SRC, for making untrue statements on a material fact, to wit:

> "SECTION 54. Administrative Sanctions. — 54.1. If, after due notice and hearing, the Commission finds that: xxx (c) **Any registrant** or other person has, in a registration statement or in **other reports**, applications, accounts, records or documents **required by law or rules to be filed with the Commission, made any untrue statement of a material fact**, **or omitted to state any material fact required to be stated therein or necessary to make the statements therein not misleading**; or, in the case of an underwriter, has failed to conduct an inquiry with reasonable diligence to insure that a registration statement is accurate and complete in all material respects; xxx."

[5] Rule 17.1.1.1.3(a), 2015 SRC IRR.

In keeping with the State policy enshrined in RA No. 11765 or the "Financial Products and Services Consumer Protection Act" (FCPA), to ensure that appropriate mechanisms are in place to protect the interest of the consumers of financial products and services under the conditions of transparency, fair and sound market conduct, among others,[6] the Department likewise finds reason to believe that Section 8(c) of the FCPA has been violated by the Company, as a financial service provider,[7] and its Board of Directors and Officers when they caused the 28 March 2025 Current Report filing.

Section 8(c) of the FCPA requires financial service providers to ensure that they adopt disclosure principles in their communications with financial consumers, including the use of clear language to ensure that all information concerning their products or services are understood by the target clients. This shall also include **updated and accurate disclosure of information**, and should be made in a consistent manner to facilitate a comparison between similar financial products or services across the industry.

Significantly, the Company, as a financial service provider, is responsible for the acts or omissions of its directors, officers or agents in marketing and transacting with financial consumers.[8]

In addition, given the nature, effects, and seriousness of the same act of the Board and officers of the Company—that of causing the release of a public disclosure that is apparently false, inaccurate or misleading—there is reason to find them administratively liable for gross negligence or bad faith in directing the affairs of the Company pursuant to Section 158, in relation to Section 30 of RA No. 11232 or the "Revised Corporation Code" (RCC).

WHEREFORE, in view of the foregoing, **VILLAR LAND HOLDINGS CORP.** and its Directors/Officers, namely: **CYNTHIA J. JAVAREZ,** ***President/Director,*** **MANUEL B. VILLAR, JR.,** ***Chairman, MANUEL PAOLO A. VILLAR, Director,*** **CAMILLE A. VILLAR.** ***Director, MARK A. VILLAR, Director,*** **ANA MARIE V. PAGSIBIGAN,** ***Independent Director,*** **GARTH F. CASTANEDA,** ***Independent Director,*** **ESTRELLITA S. TAN,** ***Chief Financial Officer, Chief Information Officer, Treasurer and Investor Relations Officer,*** **GEMMA M. SANTOS,** ***Corporate Secretary,*** **MA. NALEN S.J. ROSERO,** ***Assistant Corporate Secretary*** and **KATE D. CATOR,** ***Compliance Officer,*** are hereby:

1. **ASSESSED** and **ORDERED** to pay--

    a. An administrative fine amounting to **ONE MILLION PESOS (Php 1,000,000.00) <u>each</u> or an aggregate penalty of TWELVE MILLION PESOS (Php 12,000,000.00)**, in lieu of suspension of the company's Registration Statement and Permit to Offer and Sell Securities;

    b. An administrative fine of **TWO THOUSAND PESOS (Php2,000.00) <u>each</u> for every day of delay reckoned from 01 July 2025 until submission of the Annual Report and Q1 Quarterly Report;**

2. **DIRECTED TO SHOW CAUSE**, within Ten (10) days from receipt of this Order, why they should not be held liable administratively liable for:

    a. Violations of Sections 26.3 and 54.1(c) of the SRC;

[6] Section 2, RA No. 11765.
[7] Section 3 of RA No. 11765 provides that a "financial service provider refers to a person, natural or juridical, which provides financial products or services that are under the jurisdiction of the SEC, Bangko Sentral ng Pilipinas, Insurance Commission or the Cooperative Development Authority; while Rule 5, Section 1 of the SEC FCPA IRR provides that "financial service provider" includes, among others, issuers of securities.
[8] Section 13, RA No. 11765.

b. Violation of Section 8(c) of the FCPA;

c. Violation of Section 30, in relation to Section 158, of the RCC as to the Directors and Officers of the Company.

Failure to file a written explanation within the prescribed period shall be construed as a waiver of the right to be heard, and allow the Department to rule on the matter based on available records.

The request for extension of time to file reports until 31 August 2025 is hereby **DENIED**.

This Order is without prejudice to the prerogative of the Commission to act further against the Company and any person(s) to enforce other provisions of the SRC and its IRR, and other pertinent laws, rules, and regulations, including the filing of the appropriate civil actions and criminal charges.

SO ORDERED.

18 August 2025, Makati City.

OLIVER O. LEONARDO
Director