

RELATED PARTY TRANSACTIONS FOR 2015

The Company, in the normal course of business, has transactions with related parties. The more significant of these transactions include:

Agreements:

- In 2014, the Company entered into contracts with DISC Contractors, Builders, and General Services, Inc. (DCBGSI), a wholly-owned subsidiary, for contractual labors such as janitors and service drivers which were extended until September 30, 2015. The amount billed by DCBGSI for the period ended September 30, 2015 totaled P1.543 million.

On October 1, 2015, the functions of the DCBGSI were then transferred to the Company pursuant to the Company's proposal which was approved by the Governance Commission for Government-Owned and Controlled Corporation (GCG).

- The Company, lawful owner and possessor of a real property situated at the Financial Center Area (as lessor), entered into a Contract of Lease with AHEAD-Operations and Nutritional Enterprises, Inc. (as lessee), incorporators and stockholders of which are executives and officers of the Company. The parties mutually agreed to and accepted the terms and conditions specifically provided for in the Contracts of Lease.

	Particulars	Date of Contract	Lease Period	Area in Sq.M.	Rate/ Sq.M.	Monthly Rental
1	Contract of Lease	01/2014	06/01/14 to 05/31/15	300	100	30,000
2	Contract of Lease	05/2014	05/01/14 to 04/30/15	170	112	19,040
				470		49,040

For the year ended December 31, 2015, the Company billed the lessee the amount of P.635 million which amount was fully collected as of reporting date.

AHEAD-Operations and Nutritional Enterprises, Inc.'s Contract of Lease was not renewed after its expiration in April 2015.