

COVER SHEET

SEC Registration Number

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Principal Office (No./Street/Barangay/City/Town/Province)

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Form Type

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Department Requiring the report

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Secondary License Type, if Applicable

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COMPANY INFORMATION

Company's Email Address

Company's Telephone Number/s

Mobile Number

No. of Stockholders

Annual Meeting
Month/Day

Fiscal Year
Month/Day

CONTACT PERSON INFORMATION

The contact person MUST be an Officer of the Corporation

Name of Contact Person

Email Address

Telephone Number/s

Mobile Number

Contact Person's Address

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-A, *AS AMENDED*

**ANNUAL REPORT PURSUANT TO SECTION 17
OF THE SECURITIES REGULATION CODE
AND SECTION 141 OF THE CORPORATION CODE**

GENERAL INSTRUCTIONS

(a) Use of SEC Form 17-A

This SEC Form 17-A shall be used for annual reports filed pursuant to Section 17 of the Securities Regulation Code (SRC) and paragraph (1)(A) of SRC Rule 17.1 thereunder. Annual reports shall be filed within one hundred five (105) calendar days after the end of the fiscal year covered by the report. Reports filed on this Form shall be deemed to satisfy Section 141 of the Corporation Code of the Philippines.

(b) Application of SRC Rules 72.1, 12.2 and 68, as amended: Requirements for Filing Forms

SRC Rule 72.1 contains general rules which are applicable to reports on forms to be filed with the Commission. SRC Rule 12.2 contains requirements concerning the incorporation of documents by reference. SRC Rule 68, as amended contains requirements for the content of financial statements to be filed with the Commission as part of this report. These Rules should be carefully read and observed in the preparation and filing of reports on this Form.

(c) Preparation of Report.

(1) This is not a blank form to be filled in. It is a guide to be used in preparing the report in accordance with SRC Rule 72.1. The Commission does not furnish blank copies of this Form to be filled in for filing.

(2) These general instructions are not to be filed with the report. The instructions to the various captions of the Form are also to be omitted from the report as filed. The report shall contain the numbers and captions of all applicable items, but the text of such items may be omitted, provided the answers thereto are prepared in the manner specified in SRC Rule 72.1. All items that are not required to be answered in a particular report may be omitted and no reference thereto need be made in the report. All instructions shall be omitted.

(d) Incorporation by Reference

In accordance with the provisions of SRC Rule 12.2, the information called for by Parts I and II of this Form may, at the issuer's option, be incorporated by reference from the issuer's annual report to securities holders provided the information called for in this report is included therein.

(e) Signature and Filing of Report

(1) Three (3) complete copies of the report, including any financial statements, exhibits or other papers or documents filed as a part thereof, shall be filed with the Commission. At least one complete copy of the report, including any financial statements, exhibits or other papers or documents filed as a part thereof, shall, if any class of the issuer's securities is listed in a Stock Exchange, simultaneously be filed with that Exchange.

(2) At least one complete copy of the report filed with the Commission and where applicable, one such copy filed with the Exchange, shall be manually signed on the issuer's behalf by its principal executive officer, its principal operating officer, its principal financial officer, its comptroller, its principal accounting officer, its corporate secretary or persons performing similar functions. Any person who occupies more than one of the specified positions shall indicate the capacity in which he signs the report. Copies not manually signed shall bear typed or printed signatures. See also paragraphs (2) and (3) of SRC Rule 72.1 concerning copies, binding, signatures, paper, printing, language and pagination. If the issuer is a foreign person, the report shall also be signed by its resident agent in the Philippines.

(3) Issuers are requested to indicate in a transmittal letter with SEC FORM 17-A whether the financial statements in the report reflect a change from the preceding year in any accounting principles or practices or in the methods of application of those principles or practices.

(f) Integrated Reports to Security Holders.

- (1) Annual reports to security holders may be combined with the required information of SEC Form 17-A and will be suitable for filing with the Commission if the following conditions are satisfied:
 - (A) The combined report contains full and complete answers to all items required by SEC Form 17-A. When responses to a certain item of required disclosure are separated within the combined report, an appropriate cross-reference should be made; and
 - (B) The cover page and the required signatures are included.
- (2) When the provisions of paragraph (f)(1) are taken advantage of, as appropriate, a cross reference sheet should be filed indicating the location of information required by the items of the Form.

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-A, *AS AMENDED*

ANNUAL REPORT PURSUANT TO SECTION 17
OF THE SECURITIES REGULATION CODE AND SECTION 141
OF THE CORPORATION CODE OF THE PHILIPPINES

1. For the fiscal year ended December 31, 2023
2. SEC Identification Number AS93000023 3. BIR Tax Identification No. 003-822-183-000
4. Exact name of issuer as specified in its charter **DISCOVERY WORLD CORPORATION**
Doing Business under the name/s and style/s of DISCOVERY BORACAY,
DISCOVERY SHORES, PLATTOS RESTO-BAR, SANDS LOUNGE,
INDIGO RESTO-BAR, SUNKEN POOL BAR, FORNO OSTERIA,
ESTATE XI, 360 ROOF LOUNGE
Metro Manila, Philippines
5. Province, Country or other jurisdiction of incorporation or organization
6. Industry Classification Code:
(SEC Use Only)
7. Station 1, Balabag, Malay, Aklan 5608
Address of principal office Postal Code
(+632) 8813-8857; (+632) 8812-5453
8. Issuer's telephone number, including area code
9. Not Applicable
Former name, former address, and former fiscal year, if changed since last report.
10. Securities registered pursuant to Sections 8 and 12 of the SRC:

<u>Title of Each Class</u>	<u>Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding</u>	
Common		854,000,000

11. Are any or all of these securities listed on a Stock Exchange. Yes ☒ No ☐

Name of Stock Exchange: Philippine Stock Exchange
Class of securities listed: Common stock

12. Check whether the issuer:

(a) has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17.1 thereunder or Section 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of The Corporation Code of the Philippines during the preceding twelve (12) months (or for such shorter period that the registrant was required to file such reports);

Yes ☒ No ☐

(b) has been subject to such filing requirements for the past ninety (90) days.

Yes ☒ No ☐

13. State the aggregate market value of the voting shares held by non-affiliates of the Registrant as of December 31, 2023: ₱183,536,882.82

PART I - BUSINESS AND GENERAL INFORMATION

Item 1. Business

DISCOVERY WORLD CORPORATION (DWC) was incorporated and registered with the SEC on January 5, 1993 as Southern Visayas Property Holdings, Inc.

On March 31, 2010, the SEC approved the change of the Company's name to "Southern Visayas Property Holdings, Inc. (doing business under the names and styles of Discovery Shores Boracay, Discovery Shores, Platitos Resto-Bar, Sands Lounge, Indigo Resto-Bar, Sunken Pool Bar)".

On March 21, 2013, the SEC approved the change of the Company's name to "Discovery World Corporation (doing business under the names and styles of Discovery Shores Boracay, Discovery Shores, Platitos Resto-Bar, Sands Lounge, Indigo Resto-Bar, Sunken Pool Bar, Forno Osteria, Estate XI and 360 Roof Lounge)".

On November 21, 2013, DWC was listed and traded on the Philippine Stock Exchange (PSE).

The Company's primary purpose is to develop, invest in, own, acquire, administer, construct and operate hotels, resorts, apartelles, condominiums, townhouses, buildings, other tourist-related structures, and their usual facilities, including but not limited to, the operation of transportation or shuttle services for tourists in all its various forms by means of automobiles, motor cars, buses, trucks, cruise lines, yachts, boats, luxury vessels, leisure and sports crafts, and other similar modes of transportation and conveyances of every kind and description as may be allowed by law.

On 23 August 2023, the SEC approved the inclusion of, "Terra Spa" as a tradename of the Company.

As of 2023, the Company derives its revenues from the operations of Discovery Shores Boracay, Club Paradise, Shoppes at Vanilla Beach, Discovery Fleet, and Discovery Hospitality.

- Discovery Shores Boracay and Club Paradise are in the resort business, thus both its revenues comprise renting out the suites/rooms to guests and food & beverage sales from the restaurants, bars, room service, and banquets.
- Discovery Fleet is into the cruise business that generates its revenue from the full diving and non-diving programs from its voyages in the Philippines' renowned dive sites. It also operates a dive shop called Club Paradise Divers in Club Paradise Palawan, Coron, Palawan.
- Shoppes at Vanilla Beach derives its income from leasing operations.
- Discovery Hospitality derives its income from providing management services to customers from the hospitality industry.

Discovery Shores Boracay (DSB), is a resort hotel located in Boat Station 1 of the island of Boracay, Aklan. The Company's commercial operations started only upon its acquisition by The Discovery Leisure Company, Inc. (TDLCI) which gave the Company a feasible business opportunity in the resort hotel business. This was the second project of TDLCI outside of Metro Manila and its first venture into the resort hotel business. In 2012, JTKC Equities, Inc. acquired a majority stake in the Company or 66.07% ownership, leaving TDLCI with 33.93% ownership. Both TDLCI and JEI are holding companies with investments in various companies in the real estate business, particularly in the leisure and hospitality sector. The registered office of TDLCI is located at Beckel Road, Brgy. Beckel, La Trinidad, Benguet. The registered office of JEI is located in Beckel Road, Brgy. Beckel, La Trinidad, Benguet.

The company also operates Club Paradise in Dimakya Island, Coron, Palawan, after its acquisition of 67% of **Euro-Pacific Resorts, Inc. (EPRI)** on September 27, 2013. In May 14, 2014, DWC subscribed to the remaining shares and effectively increased its ownership to 100%. EPRI, doing business under the names and

styles of “Club Paradise, Ocean Restaurant, Beach Street, Shack Bar, Dugong Bar and Glow Spa”, is a domestic corporation engaged to operate resorts and recreational centres. It was incorporated on May 3, 1989 and duly registered with SEC on June 23, 1993.

On September 30, 2014, DWC and TDLCI entered into a Deed of Assignment of Shares for the acquisition of the 100% ownership interest of TDLCI in ***Palawan Cove Corporation (PCC)***. The Company was incorporated and registered with the SEC on July 10, 2008. It is engaged in investing, purchasing, developing, leasing, selling, transferring or otherwise disposing of all properties of every kind, nature, and description and wherever situated, including, but not limited to real estate. This company is in its pre-development phase which entails permit acquisition, surveying, data gathering, engagement of consultants, and designs master planning of the area aimed to develop a beachfront resort hotel property in Boayan Island, San Vicente, Palawan.

During the same period, DWC and TDLCI entered into another Deed of Assignment of Shares for the acquisition of the 100% ownership interest of TDLCI in ***Discovery Fleet Corporation (DFC)***, a company incorporated and registered with the SEC on August 31, 2012. It is primarily engaged in the business of transportation service in all various forms and to carry on the business by means of yachts, boats, luxury vessels, leisure and sports crafts, and other similar modes of transportation and conveyances of every kind and description, the general business of transporting passengers, merchandise, freight, and cargoes, including but not limited to tourist transport and shuttle as well as other kinds of transport services or combinations thereof allowed by law. DFC operates 2 cruise vessels called Discovery Palawan and Discovery Adventure. (Note, however, that Discovery Adventure had a grounding accident in 2020 which rendered it non-operational. The Company has since filed for insurance claims on this and accepted the insurance offer in July 2021. Proceeds were subsequently paid in 2022.) This business has two (2) main seasons, namely the Tubbataha season from March to June and the leisure season from October to March. DFC also operates a dive shop called Club Paradise Divers in Club Paradise Palawan.

Cay Islands Corporation (CIC) was incorporated and registered with the SEC on October 29, 2008. The Company is engaged in investing, purchasing, developing, leasing, selling, transferring, or otherwise disposing of all properties of every kind, nature, and description and wherever situated, including, but not limited to real estate. The Company owns a 5-hectare property which it has dubbed as “Vanilla Beach” in El Nido, Palawan, where it presently operates a retail development called “Shoppes at Vanilla Beach.” Aside from this, the Company is slated to launch in 2025, within Vanilla Beach, a new hotel and hostel concept development called “Kip & Kin”.

Sonoran Corporation (SC) was incorporated and registered with the SEC on May 27, 2008, and is engaged in the investing, purchasing, developing, leasing, selling, transferring, or otherwise disposing of all properties of every kind, nature, and description and wherever situated, including, but not limited to real estate. This company is also in its pre-development phase covering 5.7 hectares of land in Marlboro Country, La Trinidad, Benguet.

Long Beach Property Holdings, Inc. (LBPHI) was incorporated and registered with the SEC on July 14, 2016, and is engaged in the investing, purchasing, developing, leasing, selling, transferring or otherwise disposing of all properties of every kind, nature and description and wherever situated, including, but not limited to real estate. This company is also in its pre-development phase covering 38,373 square meters of property in San Vicente, Palawan.

Lucky Cloud 9 Resort Inc. (LCRI) was incorporated and registered with the SEC on August 2, 2017, and is engaged in developing, investing, and acquiring real estate to construct and operate hotels, resorts, and other tourist-related structures, including the operation and maintenance of any and all services and amenities incident thereto. The company is currently in the pre-development phase covering its 26,127-sqm. property in General Luna, Siargao, Surigao Del Norte.

Balay Holdings Incorporated (BHI) was incorporated and registered with the SEC on September 11, 2017 and is engaged in investing, purchasing, developing, leasing, selling, transferring or otherwise disposing of all properties of every kind, nature and description and whatever situated, including, but not limited to real estate. The company presently owns a 112,750-sqm property in Brgy. Danat, El Nido, Palawan, a 4,994-sqm property in Brgy. Consuelo, Siargao, Surigao Del Norte, and a 6.8-hectare property in Little Baguio, New Agutaya, San Vicente, Palawan. Planned projects for these properties include staff housing developments for future tourism developments of the group in these locations.

Discovery Hospitality Corporation (DHC) was incorporated and registered with the SEC on December 27, 2018 and is engaged in the development and management of hotels and the facilities appurtenant thereto.

One Davao Townships Corporation (ODTC) was incorporated and registered with the SEC on October 13, 2021 with the purpose of investing and developing real estate. ODTC is strategically pursuing an 11-hectare modern community development in Davao City.

True Ally Ventures Ltd. (TAVL) was incorporated on November 12, 2021 in Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands. In December 2021, TAVL had become 70%-owned by Discovery World Corporation and 30%-owned by Sagesoft Solutions Inc., for the purpose of venturing into the cryptocurrency and non-fungible token space through blockchain gaming and other various related services contributing to building the open metaverse.

Viper Holdings Corporation (VHC) was incorporated on September 8, 2023 for the purpose of holding the group's future solar and other renewable energy assets.

Since its incorporation, DWC has not been the subject of any bankruptcy, receivership, or similar proceedings. For the last three (3) years prior to this Prospectus and to date, the Company has not undergone any material reclassification or purchase or sale of a significant amount of assets not classified as ordinary.

Products / Business Lines

Discovery Shores Boracay

The multi-awarded DSB offers 99 suites, consisting of the following:

- 11 Signature Suites
- 65 Junior Suites
- 6 One-Bedroom Suites
- 12 One-Bedroom Premiere Suites
- 3 Two-Bedroom Suites
- 2 Two-Bedroom Premiere Suites

88 of the suites are divided into seven (7) clusters, with each cluster built on a 3-storey structure. Meanwhile, the 11 Signature Suites occupy a separate building that was completed in October 2018. The resort presently has 2 additional One-Bedroom Suites in the final phase of construction.

The resort features six (6) food & beverage outlets, namely:

- Forno Osteria – serving authentic Sicilian flair, splendid meats cooked over Josper oven
- Indigo Restaurant – the award-winning restaurant serving coastal cuisine
- Sands Restaurant – offering sumptuous local cuisine and international cuisine
- Sandbar/Pool Bar – serving a wide range of alcoholic and non-alcoholic beverages

- 360 Roof Lounge – Rooftop bar offering 360-degree views of the island
- Bogart's Bar – Pool, lounge, and bar with delectable quick bites

Other hotel amenities include Terra Wellness Spa, an outdoor swimming pool for the kids and adults, outdoor Jacuzzi, The Sandbox Kids Room, fitness facility, a library, a clubhouse deck, a gift/souvenir corner and a wide beach area ideal for afternoon lounging or for viewing the magnificent Boracay sunset.

The five-star resort hotel is also an ideal destination for intimate weddings, other social gatherings and even business meetings as it offers two function rooms. The scenic Boracay sunset is a perfect background to end the day's events by the Club Deck.

DSB market is comprised of 69% local tourists and 31% foreign travelers (based on 2023 data vs. 67%-33% respectively, based on 2019 data), primarily coming from US, Taiwan, Australia, China, South Korea, Singapore, Thailand, Japan, and the UK.

Club Paradise Palawan

Club Paradise Palawan, a private island resort in Dimakya Island, offers 74 suites divided into four (4) room categories namely, Sunset Villas, Sunrise Villas, Garden View Rooms, and Oceanview Suites.

The island resort features an all-day dining outlet—Firefish Restaurant serving local and international coastal cuisine, and the Dugong Bar serves a wide selection of wine, cocktails, spirits, and non-alcoholic beverages, including refreshing shakes and healthy beverages made from fresh tropical fruits in season. Hotel amenities include Glow Spa, fitness facility, kids' room/tree house, entertainment room, gift/souvenir outlet, outdoor swimming pool for kids and adults, hiking trail, outdoor recreational area, dive center, and picnic area.

Snorkeling is a great addition to the private island's offering. Located within the UNSECO biosphere, Club Paradise Palawan's house reef is rich in marine life.

The private island resort is ideal for weddings, other social gatherings, and team buildings because of its expansive beach area. Aside from an outdoor event area, the resort has two function rooms perfect for business meetings and other important gatherings.

Club Paradise Palawan's market is comprised of 58% local tourists and 42% foreign travelers (based on 2023 data vs. 51%-49% respectively, based on 2019 data), primarily from US, China, Australia, the UK, France, Canada, Japan, Switzerland, Germany, and South Korea.

Shoppes at Vanilla Beach

In the 4th quarter of 2018, the company soft-opened the first phase of its El Nido development, a retail strip called "Shoppes at Vanilla Beach." Shoppes has around 5,000 sqm. of leasable space.

A living, expanding outdoor mall that caters to both locals and visitors alike, this flourishing new social center has been dubbed El Nido's "New Town." Its mix of restaurants and cafes, homegrown shops, and lifestyle boutiques, with open spaces for special activities, has created a local scene that welcomes tastemakers, travelers, and colorful local characters, to mix and mingle amid the breathtaking scenery.

Discovery Fleet Corporation

DFC offers 3 destinations: Tubbataha, Apo Reef-Coron, and Cebu-Malapascua-Visayas.

The Tubbataha (Palawan) route is intended for scuba safari expeditions to this UNESCO World Heritage site from late March to mid-June.

Apo Reef-Coron offers World War 2 shipwrecks as well as a chance to snorkel and dive in the world's 2nd largest contiguous coral reef on the planet.

The Cebu-Malapascua-Visayas route brings guests up close and personal with whale sharks, sardine schools, and thresher sharks, amidst rich colorful reefs.

The Tubbataha route is a "divers-only" trip, while the Cebu-Malapascua-Visayas and Apo Reef-Coron routes welcome both divers and non-divers alike.

DFC also operates a dive shop called "Club Paradise Divers" in Club Paradise Palawan, where it offers diving trips and diving courses to guests of the island resort.

Discovery Hospitality Corporation

DHC is the hospitality management arm of Discovery World Corporation. Services offered include property management, preopening budget & preparations, strategic management, digital marketing, security management, environmental health & safety management, among others.

Renowned as the beacon of Filipino hospitality and tourism, it takes pride in providing authentic connections built with the group's core value—Service That's All Heart. This ethos is what binds the group with its employees, guests, and the communities it serves. As the standard of warm service remains, its expansion has gone across the country's three most prominent island groups, turning prime locations into dream destinations.

One Davao Townships Corporation

ODTC is strategically pursuing an 11-ha. real estate development project called "Elize Point" in Matina, Davao City.

Marketing and Sales Channels

DWC offers its products mainly through direct bookings, travel agents, online travel agencies (OTAs), and corporate and frequent individual travelers ("FIT").

Competition

Discovery Shores Boracay

There are very few resort hotels in Boracay that offer premium all-suite accommodations and world-class amenities. The principal factors that affect the Company's business are service, location, room rate, the supply and demand for hotel rooms, and changes in travel patterns and preferences.

The Company has identified Shangri-La Boracay Resort & Spa, The Lind Boracay, and Crimson Boracay as its key competitors in the hotel and services industry in Boracay.

Shangri-La Boracay Resort & Spa

Shangri-La's Boracay Resort and Spa is located on a hillside overlooking the ocean at the northern tip of Boracay Island. It is the first international deluxe resort in Boracay and the only resort in Boracay with a private jetty.

The Lind Boracay

The Lind Boracay is a 5-star hotel situated in Boracay. Found on the coveted beachfront of the exclusive end of White Beach's Station 1, this property is a lifestyle hotel with a boutique aesthetic, designed with the contemporary and discerning traveler in mind.

Crimson Resort and Spa Boracay

Crimson Resort and Spa Boracay is located in the Boracay Island, 601 m from Willy's Rock and 1.7 mi from White Beach.

The following table presents comparable key information about the Company and its competitors.

TABLE 1: DISCOVERY SHORES BORACAY COMPETITION				
	DISCOVERY SHORES BORACAY	SHANGRI-LA'S BORACAY RESORT & SPA¹	THE LIND BORACAY²	CRIMSON RESORT AND SPA BORACAY³
Location	Station 1	Bgy. Yapak	Station 1	Station 0
No. of Rooms/Suites	99	219	119	192
No. of Restaurants/Bars	4	8	4	3
Rooms	Suites	Rooms, Suites, Villas	Suites	Rooms, Suites, Villas
Published Rates	₱17,000++– ₱62,000++	₱20,000 – ₱189,500	₱14,784 – ₱48,068	₱15,199 – ₱137,142

The Company believes that Discovery Shores Boracay can effectively compete with other resorts in its area of competition, and in Asia, not only because it provides luxurious guestrooms and excellent resort facilities that attract high-end leisure markets. It also delivers outstanding, consistent, and personalized service with unique “wow factors” and provides continuous enhancements and innovations to keep guests coming back. Furthermore, it offers world-class cuisine through its bar and restaurants. Lastly, it ensures that it provides sufficient investment in the property to retain and attract guests and industry partners.

Because of all these, Discovery Shores Boracay received several accreditations and various local and international accolades. Most recent awards include Condé Nast Johansen's Best Dining Experience – Winner in the Asia, Africa, Middle East & Oceania Category at the 2022 Awards for Excellence and Conde Nast Traveler's Top 25 Resorts in Asia at the 2021 Readers' Choice Awards. In 2020, Discovery Shores Boracay also bagged DestinAsian Magazine's Reader's Choice Top 10 Best Hotels and Resorts in the Philippines award, and in 2019, the Preferred Hotels & Resorts' IPrefer Member's Choice Awards. Other awards include Condé Nast Johansen Awards for Excellence Best for Families in Asia (2018), Country Winner: Luxury Wedding Destination and Luxury Family Resort (2017) World Luxury Hotel

¹ <http://www.shangri-la.com/boracay/boracayresort/reservations/>

² https://staahmax.staah.net/be/indexpackdetail?m_currency=PHP&display=firm&propertyId=MjEzNw%3D%3D&checkIn=24-05-2022&checkOut=27-05-2022&display=firm&promoCode=&submit=Search¤cy=PHP

³ <https://booking.crimsonhotel.com/ibe/search?hid=4145&lang=EN&cur=PHP#/q&quests=A,A&in=2022-5-24&out=2022-5-26&coupon=>

Awards, No. 1 Hotel Spa in Asia, Top Family Hotel in Asia, the No. 2 Top Resorts in Asia, and No. 5 Top Resorts in the World in 2012, elevating Discovery Shores Boracay as a world class destination hotel of international standard.

Club Paradise

For its size and price positioning, Club Paradise does not have a direct competition in Coron but its closest competitors are Two Seasons Coron Island Resort & Spa and El Nido Miniloc.

Two Seasons Coron Island Resort & Spa

Two Seasons Coron has been providing high-quality accommodations on Bulalacao Island's breathtaking Malaroyroy Peninsula. It is a turtle and giant clam sanctuary as well as the first eco-friendly luxury island resort in Coron.

El Nido Miniloc

El Nido Resorts' Eco-Discovery island resort, Miniloc, offers guests with a back-to-basics Filipino coastal village vibe with rustic or native design. In Miniloc, guests can swim with the 1.5-meter jack fish and get up close and personal with a variety of marine species just at its house reef. Miniloc Island is also a gateway to discover and explore the popular attractions around Bacuit Bay, such as the Big and Small Lagoons and Snake Island.

The following table presents comparable key information about the Company and its competitors.

TABLE 2: CLUB PARADISE COMPETITION			
	CLUB PARADISE	EL NIDO MINILOC⁴	TWO SEASONS⁵
Location	Dimakya Island, Coron	Miniloc Island, El Nido	Malaroyroy, Coron
No. of Rooms/Suites	62	50	42
Average Room Sizes	32.4 sqm.	32 sqm	43 Sqm.
No. of Restaurants/Bars	1 Restaurant / 2 Bars	1 Restaurant / 1 Bar	1 Restaurant / 1 Bar
Published Rates	₱16,700++ – ₱26,500++	₱ 31,667 - ₱35,667	₱27,000 – ₱38,000

Club Paradise currently enjoys “AA” resort accreditation rating from the DOT. It received the Kalakbay “Resort of the Year (AA category)” awards in 2001 and 2003 from the DOT. In 2023, the resort received two awards from the World Luxury Hotel Awards namely: Luxury Private Island Resort (Continent Winner) and Luxury Wedding Resort (Regional Winner). It also made it to the Top 100 Destination Sustainability Stories in 2020 up to 2023 and received the 2022 Green Destination Stories Award (the only Philippine property to make it in the list) from the Green Destinations Organization for the resort's efforts on taking incremental steps and making promising progress towards a more sustainable tourism industry. Other notable international awards include Global winner: Luxury Family Beach Resort at the 2019 World Luxury Hotel Awards, 2019 Best Destination Wedding Venue in Asia presented by Hitchbird.com, and Luxury Sea View Hotel of the Year from Luxury Travel Guide Awards 2018.

Shoppes at Vanilla Beach

⁴ <https://staahmax.staah.net/be/indexpackdetail?propertyId=NDI2MA==&groupId=NDIxMw==>

⁵ www.twoseasonsresorts.com

Shoppes is the only retail development within Vanilla Beach.

Nearby commercial developments include Pops District (10-15 minutes away) and Shops @ Lio Beach (20-25 minutes away).

Discovery Fleet Corporation

DFC has no identified significant competition in its present routes, although there are also several other liveboards plying the same routes.

For its dive shop, it has no other competition on Dimakya Island, although there are other dive shops operating in Coron, Palawan.

Discovery Hospitality Corporation

With the extensive services of DHC, there is no direct competitor that offers the exact same suite services it offers. However, with regards to property and hospitality management, closest competitors are as follows:

Anya Hospitality

Anya Hospitality Corporation offers hospitality and property management, as well as consultancy. All of the properties in its portfolio are managed, but not owned. These include distinguished brands, including Anya Resort Tagaytay, Club Punta Fuego, Amara Residences, Crusoe Cabins, Terrazas de Punta Fuego, Aquaria Waterpark and Go Hotels (Airport Road, Timog, Ermita and North Edsa).

Ayala Hotels and Resorts

This brand of Ayala Corporation develops and manages innovative hotels and resorts throughout the Philippines. They pride their accommodations to range from world-class, luxury brands to modern, urban lifestyle hotels that cater to the needs of every type of traveler.

Suppliers

Discovery Shores Boracay

DSB sources most of its products and services inputs from suppliers located in the Boracay Island and from the mainland Aklan. These include food and beverages, outside services, supplies, and utilities.

Club Paradise Palawan

Club Paradise sources most of its products from mainland Coron and Metro Manila. These include food and beverages, outside services, supplies, and utilities.

Discovery Fleet Corporation

DFC sources its food and beverages from Metro Manila and the ports the vessels are based in, depending on the destination.

Shoppes at Vanilla Beach

Shoppes sources its materials and services, if any, from Metro Manila and El Nido.

Customers

Discovery Shores Boracay

The following table presents the breakdown of DSB's customers by nationality.

Table 3: Discovery Shores Boracay Customer Types by Country of Residence: 2018 to 2023						
	2018	2019	2020	2021	2022	2023
Philippines	47%	60%	80%	98.64%	94%	69%
Korea	7%	4%	1%	0%	0.18%	1%
China	25%	15%	3%	0.69%	0.36%	2%
USA	7%	5%	5%	0.10%	3%	9%
Australia	2%	2%	1%	0%	1%	2%
Others	12%	14%	10%	0.57%	1.46%	17%
Total	100%	100%	100%	100%	100%	100%

Club Paradise

The following table presents the breakdown of Club Paradise's customers by nationality.

Table 4: Club Paradise Palawan Customer Types by Country of Residence: 2018 to 2023						
	2018	2019	2020	2021	2022	2023
Philippines	52%	44%	58%	95.11%	81%	58%
Japan	3%	3%	1%	0.06%	0.22%	1%
US	9%	12%	9%	0.71%	5%	10%
UK	2%	2%	2%	0%	1%	2%
China	12%	13%	6%	1.57%	1%	2%
Others	22%	12%	24%	2.55%	11.78%	27%
Total	100%	100%	100%	100%	100%	100%

Discovery Fleet Corporation

The following table presents the breakdown of DFC's customers by nationality.

Table 5: DFC Customer Types by Nationality: 2018 to 2023				
	2018	2019	2022	2023
Chinese	30%	16%	3%	14%
Filipino	9%	11%	45%	10%
Danish	10%	1%	0%	0%
American	12%	16%	10%	8%
Others	39%	56%	42%	68%
Total	100%	100%	100%	100%

Shoppes at Vanilla Beach

Tenants at Shoppes at Vanilla Beach include restaurant brands, mom-and-pop outlets, lifestyle shops, and service providers. Customers at these outlets include local tourists and foreign travelers.

Discovery Hospitality Corporation

Presently, DHC has management contracts with affiliates Discovery Shores Boracay and Club Paradise Palawan. It also manages Discovery Primea Makati and Discovery Suites Ortigas. New managed properties have been added to Discovery Hospitality's portfolio via management contracts with third-party developers for Manami Resort (Sipalay, Negros Occidental) and Discovery Samal (Island Garden City of Samal, Davao Del Norte), both of which soft opened on March 18, 2023 and July 21, 2023 respectively.

Business Development

DWC actively carries out refurbishment works to keep the resorts and the boat modern and new to potentially attract visitors, promote repeat guests and increase their length of stay.

Resort promotions done include the following:

Tourism Trade Conventions and Exhibitions

DWC participates in tourism trade conventions and exhibitions in the Asia-Pacific region such as the Asian Int'l Luxury Travel Mart, and Asean Tourism Forum. In addition, DWC also actively participates in overseas road shows, consumer fairs, and product updates in key long-haul markets such as ITB in Berlin, LuxPerience in Australia, and World Travelmart thru and in cooperation with DOT.

Advertisements and Online Reservations

DWC makes placements in trade magazines that are circulated in the Asia-Pacific region as well as worldwide. It also has promotional materials intended for the guests of city hotels including Discovery Primea in Makati City and Discovery Suites in Ortigas, Pasig, both located in Luzon, Philippines.

The Company accepts online hotel reservations through its websites:

Discovery Shores Boracay – www.discoveryshoresboracay.com

Club Paradise Palawan – www.clubparadisepalawan.com

My Discovery Elite (for members) - www.mydiscovery.ph

Promotional tie-ups with Tourism-Related Companies

The resorts are marketed through collaborations with tourism-related companies. For example, certain packages with certain airlines include accommodations at Discovery Shores Boracay and Club Paradise Palawan with airline tickets. In addition, Discovery Shores Boracay and Club Paradise Palawan have tie-ups with local and foreign travel agencies offering customized travel packages at preferred rates. These likewise apply to managed properties of Discovery Hospitality Corporation.

Business Partners

The resorts have established a good working relationship with major local and overseas travel agents and On-line Travel Agents.

Item 2. Properties

Land

Discovery World Corporation

DWC has approximately 1-hectare contiguous lots where Discovery Shores Boracay stands on. It is a prime portion of Boracay Island's beachfront called Boat Station 1, with a frontage of more than 60 meters. Boracay Island is famous for its stunning white sand and leisure activities. It competes strongly as one of the most popular destinations and best beaches worldwide.

In 2018, Discovery Shores Boracay expanded its operations on a 1,453-sqm. lot within the property of the existing resort with a project called "Signature Suites." This project has a frontage along Boracay Highway. This lot is intended to complement the resort's existing accommodations and to create a new luxury experience for customers.

In 2023, the Company acquired an 879-sqm. property beside its existing resort which will be used for future expansion activities of the group.

DWC also has two other properties in Boracay—a 3,771 sqm. staffhouse lot in Yapak and a 1,479 sqm. property in Sambiray.

Euro-Pacific Resorts Inc.

EPRI's Club Paradise is built on a 17-hectare property located in Coron, Palawan that has 700 meters of white sand beach gently sloping into the renowned waters of Palawan. The company leases, through the Department of DENR, a 14-hectare portion of forest lands located in Dimakya Island by virtue of a Forest Land Use Agreement for Tourism Purposes (FLAgT). The existing FLAgT allows the Company to occupy, manage and develop the leased area for a period of 25 years, renewable for another 25 years.

Coron is known for its dive sites including a dozen of sunken Japanese warships off the island, its pristine beaches and other nature-oriented activities.

EPRI also has 4 other properties in Coron – a 636 sqm. lot in Brgy. Decalachao, a 13-hectare property (used for organic farming) in Brgy. Decalachao, 1.7-ha Malpagalen Island, and 14-ha Diatoy Island.

Cay Islands Corporation

Vanilla Beach prides itself on CIC's 50,384-sqm. beach front property located in Brgy. Corong Corong, Marimegmeg, El Nido, Palawan. El Nido is a major tourist destination in Palawan. It is known for its beaches, water sports (such as diving, snorkeling and kayaking), and its extraordinary natural splendor and ecosystem.

Palawan Cove Corporation

PCC's 56-ha. property is located in Boayan Island, the largest island in San Vicente, Palawan.

On February 27, 2012, then company entered into a Forest Land Use Agreement for Tourism Purposes (FLAgT) agreement with the Department of Environment and Natural Resources (DENR) covering 24 hectares beach front property located in Sitio Daplac, Barangay Poblacion, San Vicente, Palawan. The FLAgT allows the Company to occupy, manage and develop the leased area for a period of 25 years, renewable for another 25 years.

Sonoran Corporation

SC takes great value of its 57,677-sqm. property situated on a mountain top in La Trinidad, a first class and capital municipality of the province of Benguet that's dubbed as the "Strawberry Capital of the Philippines".

The area's elevated state also allows for a panoramic view of La Trinidad and the majestic Cordillera Mountains. Given its postcard-perfect appeal, Sonoran Corp. perceives the property as a suitable sanctuary for leisure tourists and corporate guests alike.

Sonoran is currently in its design and pre-development phase for Discovery Benguet, a 145-key luxury hotel as well as other possible real estate projects in the area.

Long Beach Property Holdings, Inc.

LBPHI owns a 38,373-sqm. property in Brgy. Inarayan, San Vicente, Palawan. This area is touted as the longest white beach in the Philippines spanning 14 kilometers of undeveloped shorelines.

Long Beach is currently in its design and pre-development phase for Kip & Kin San Vicente, a 42-hotel room and 136-hostel bed hybrid resort concept for both the luxury traveler and the younger, adventurous set.

Lucky Cloud 9 Resort, Inc.

LCRI owns a 26,127-sqm. property located at Brgy. Catangnan, General Luna, Siargao, Surigao del Norte. General Luna, the main street where the world-famous "Cloud 9" surfing spot is accessed from, is a melting pot of foreign-inspired and vernacular-designed lodging places that have somehow preserved the idyllic surfing town.

LCRI is currently in its design and pre-development phase for Kip & Kin Siargao, a 34-hotel room and 48-hostel bed resort that will serve both as a jumping point for all parts of the island for tourists as well as a home base for the weary surf traveler, a place where he or she can kick back after a day riding the swells of Siargao. The Company is also evaluating other possible real estate projects it may establish in the area.

Balay Holdings Inc.

BHI presently owns a 112,750-sqm property in Brgy. Danat, El Nido, Palawan, a 4,994-sqm property in Brgy. Consuelo, Siargao, Surigao Del Norte, and a 6.8-hectare property in Little Baguio, New Agutaya, San Vicente, Palawan.

Planned projects for these properties include staff housing developments for future tourism developments of the group in these locations.

Building

Discovery Shores Boracay

The buildings and improvements of DSB have an estimated gross floor area of 7,370.98 sqm., consisting of 88 guest rooms, a clubhouse, a multi-purpose building, swimming pool with jacuzzi, powerhouse, and other open spaces. The Signature Suites expansion, which boasts of a 4-storey building with 11 villa-type rooms, has an estimated gross floor area of 5,643.34 sqm.

In 2023, the Company acquired One Azul Boracay, an 11-room resort, located beside DSB. To date, the property is still undergoing permitting stages and is expected to begin operating sometime 2024.

Club Paradise

Club Paradise's property has a floor area of around 8,700 sqm. comprised of various cottages and other improvements.

Vanilla Beach

The 5-ha. Vanilla Beach property presently has two ongoing projects – “Shoppes” and “Kip & Kin.”

- Shoppes at Vanilla Beach is an operating retail development which has around 5,000 sqm. of leasable space, consisting of retail clusters and anchor stores.
- By 2024, the Company is expected to launch “Kip & Kin,” a 4-storey hotel development with a hostel component. The project will feature 117 hotel rooms and 84 bunk bed accommodations.

Palawan Cove Corporation, Sonoran Corporation, Long Beach Property Holdings, Inc. and Lucky Cloud 9 Resort Inc., Balay Holdings Inc., and One Davao Townships Corporation are currently in their pre-development phase which entails permit acquisition, surveying, data gathering, engagement of consultants, and design master planning.

Passenger Ships

Discovery Shores Boracay

The following passenger ships are registered with the MARINA under the name of the Company:

Name of Ship	Registration No.	Date and Place of Registration	Category of Operation	Place and Year Built
MB Discovery Shores 1	06-0000491	July 8, 2010 Iloilo	Bay and River	Calamba, Laguna 2007
MB Discovery Shores 2	06-0000493	November 9, 2018 Iloilo	Bay and River	Calamba, Laguna 2007
MB Discovery Shores NEPTUNE	00-0003136	Aug 4, 2016 Iloilo	Bay and River	Tanza, Cavite 2015
MB Discovery Shores POSEIDON	06-0003243	May 7, 2019 Iloilo	Bay and River	Pilillia Rizal 2017

Club Paradise

The following passenger ships are registered with the MARINA under the name of the Company:

Name of Ship	Registration No.	Date and Place of Registration	Category of Operation	Place and Year Built
M/BCA PARAISO 1	04-0003345	April 2014 / Batangas	Bay and River	Coron, Palawan / 2001
M/BCA PARAISO 2	04-0004470	October 22, 2015 / Batangas	Bay and River	Tanza, Cavite / 2015
M/BCA PARAISO 3	For Registration	For Registration	Bay and River	Tanza, Cavite 2020
DISCOVERY TRITON 1	For Registration	For Registration	Bay and River	Tanza, Cavite / 2016
DISCOVERY TRITON 2	For Registration	For Registration	Bay and River	Tanza, Cavite / 2016

Discovery Fleet Corp.

DFC operates one cruise vessel, namely Discovery Adventure.

The **M/Y “Discovery Palawan”** is a single-screw, pleasure boat passenger carrier of all steel welded construction with raked stem, transom stern, superstructure from forward to aft and machinery space located at aft of midship. M/Y “Discovery Palawan” made its maiden voyage in April 2013. The superstructure houses the wheelhouse and open passenger space at bridge deck, four (4) air-conditioned passenger accommodation, master cabin and open saloon space at upper deck, galley, main saloon, waterclosets, air con room, CO2 room, diving equipment room, crews’ cabins and steering room at main deck. Accommodation below main deck consisted on twenty (18) cabins, 16 cabins for vessel’s guest and two (2) cabins for crew.

Item 3. Legal Proceedings

Aldanco Discovery Resort, Inc.

In September 2013, a Petition for Cancellation of Corporate Name was filed by the Corporation against Aldanco Discovery Resort, Inc. (Aldanco). On 26 December 2019, the SEC granted the Corporation’s Petition for Cancellation of Corporate name against Aldanco and directed the latter to change its corporate name by deleting the word “Discovery” and to desist from further using the same as part of its corporate name.

Aldanco filed a Motion for Reconsideration of the 26 December 2019 Decision but it was denied in a 20 January 2020 Resolution. Aldanco filed a Memorandum of Appeal before the SEC *En Banc*, assailing the 26 December 2019 Decision and 20 January 2020 Resolution, which was received by the Corporation on 28 August 2020. The Corporation filed its Verified Comment/Opposition to the Memorandum of Appeal on 14 September 2020. On 27 October 2020, the Corporation received a Reply to its Comment/Opposition.

On 19 January 2021, the Memorandum of Appeal assailing the 26 December 2019 Decision and 20 January 2020 Resolution, was denied by the SEC *En Banc*. Aldanco subsequently filed a Motion for Reconsideration on 17 September 2021 before the SEC *En Banc* assailing its 19 January 2021 Decision. The Corporation filed its Verified Comment/Opposition to the Motion for Reconsideration on 15 October 2021. On 23 February 2023, the Corporation filed a Motion to Resolve Aldanco’s Motion for Reconsideration dated 17 September 2021. To date, the Corporation has not received any order or notice from the SEC *En Banc* on the Corporation’s Motion to Resolve or Aldanco’s Motion for Reconsideration.

Discovery Divers-Coron

In September 2013, a Petition for Cancellation of Corporate Name was filed by the Corporation against Discovery Divers-Coron. On 14 February 2020, the Office of the General Counsel of the SEC issued a Decision granting the Corporation’s Petition for Cancellation of Corporate name (the “OGC Decision”). The SEC ordered Discovery Divers-Coron to change or modify its corporate name by deleting the word “Discovery”, and to desist from further using the same as part of its corporate name so as to protect the Corporation’s registered trademarks.

The OGC Decision became final and executory on 16 May 2023 for failure of Discovery Divers-Coron to appeal the same within the reglementary period. Thus, the Corporation filed a Motion for Execution of Judgment on 11 July 2023, which was granted. Accordingly, a Writ of Execution was issued by the SEC OGC on 7 March 2024 ordering the SEC Designated Sheriff to, among others, execute the OGC Decision.

MAV Discovery Beach Resort Dev’t Corp.

In September 2013, a Petition for Cancellation of Corporate Name was filed by the Corporation against MAV Discovery Beach Resort Dev’t Corp.

On 5 April 2022, the Decision was promulgated by the SEC CRMD, wherein it found Discovery Hospitality Corporation's Petition meritorious, and directed MAV Discovery Beach Resort Dev't. Corp to change its corporate name to another distinguishable name without using the word "Discovery" or other names protected by law within thirty (30) days from receipt of the Order. As there was no Appeal or Motion for Reconsideration filed by the counterparty within the reglementary period, the Decision has become final and executory.

Item 4. Submission of Matters to a Vote of Security Holders

In a Board Meeting held on 21 September 2023, the Board approved the proposed amendments to the Articles of Incorporation of DWC, specifically on the addition of "One Azul" as one of the Corporation's tradenames under Article I and the power to invest in solar and other renewal energy businesses as a Secondary Purposes under Article II. This was submitted for approval of the Corporation's shareholders via written assent in lieu of a stockholders' meeting. Stockholders were given until 4 December 2023 to submit their written assent.

The shareholders approved the matters covered by the written assent form and the results of the voting on the matter are as follows:

AGENDA ITEM	VOTES IN FAVOR	VOTES AGAINST	ABSTAIN
Amendment of Articles of Incorporation	719,232,990	0	0

PART II - OPERATIONAL AND FINANCIAL INFORMATION

Item 5. Market for Issuer's Common Equity and Related Stockholder Matters

The company's common equity was listed and traded on the Philippine Stock Exchange on November 21, 2013. The trading prices at the PSE for the year 2023 are as follows:

Quarter	High	Low	Close
1Q 2023	1.74	1.25	1.44
2Q 2023	1.56	1.21	1.33
3Q 2023	1.40	1.06	1.29
4Q 2023	1.41	1.01	1.41

Holders of Common Equity

As of December 31, 2023, the company had 18 stockholders as per the Board Lot Report its stock and transfer agent, Stock Transfer Service, Inc. The list of shareholders reported by the Stock and Transfer Agent were as follows:

	Name of Stockholders	No. of Shares	Percentage
1	JTKC Equities, Inc.	302,599,998	35.43
2	The Discovery Leisure Co., Inc.	155,399,995	18.20
3	JT Perle Corporation	254,982,000	29.86
3	John Y. Tiu, Jr.	1,200,001	0.14
4	Jose C. Parreño, Jr.	50,000	0.01
5	Lamberto R. Villena	50,001	0.01
6	Romualdo C. Macasaet	10,001	Nil

7	A. Bayani K. Tan	50,001	0.01
8	Christopher John AD. Tiu	9,350,000	1.09
9	Elizabeth Ann C. Parpan	50,001	0.01
10	William L. Chua	50,000	0.01
12	Melissa Y. Yap	40,000	Nil
13	Others	130,168,002	15.24
14	TOTAL	854,000,000	

As of 31 December 2023, 43,108,702 common shares are held by non-Filipinos, placing the foreign ownership level of the corporation at 5.05%. This is significantly below the foreign ownership limit of 40%.

Recent Issuance of Securities Constituting an Exempt Transaction

For the year ended 31 December 2020, the Company issued Two Hundred Twenty-Eight Million shares (228,000,000) from its authorized unissued capital stock to JT Perle Corporation. The issuance of the first Thirty-Eight Million (38,000,000) was made on 15 April 2020, while the next One Hundred Ninety Million (190,000,000) shares were issued on 11 December 2020.

The SEC confirmed that the issuance of the Thirty-Eight Million (38,000,000) shares and the One Hundred Ninety Million (190,000,000) shares are exempt transactions under Section 10.1 (e) of the Securities Regulations Code, via letters dated 19 May 2021 and 2 June 2023, respectively.

Item 6. Management's Discussion and Analysis

The following tables present the summary of Consolidated Audited Financial Statements and Independent Auditor's Report for the years ended December 31, 2023, 2022 and 2021.

	2023	2022	2021
	(One year)	(One year)	(One year)
Consolidated Statement of Comprehensive Income	PHP	PHP	PHP
Revenue	911,147,988	774,579,030	270,108,592
Cost of sales and services	538,010,744	458,643,231	271,899,690
Gross Profit (Loss)	373,137,244	315,935,799	(1,791,098)
Operating Expenses	394,517,379	314,210,405	215,827,533
Other Income (Charges)	(25,147,874)	(133,847,133)	(31,561,227)
Income (Loss) Before Income Tax	(46,528,009)	(132,121,739)	(249,179,858)
Provision for (Benefit from) Income Tax	1,682,052	(57,862,440)	(85,738,241)
Net Income (Loss)	(48,210,061)	(74,259,299)	(163,441,617)
Other Comprehensive Income	3,693,681	214,077,319	4,332,215,663
Total Comprehensive Income (Loss)	(44,516,380)	139,818,020	4,168,774,046
Consolidated Statement of Financial Position			
Assets			
Cash	102,911,178	79,043,032	67,413,387
Accounts and other receivables	115,530,083	86,571,365	159,542,319
Due from related parties	3,839,756	12,607,514	9,715,890
Inventories	37,341,136	33,413,471	21,669,899
Input value-added tax (VAT)	138,790,536	128,000,428	132,652,200
Asset classified as held for sale	-	-	4,370,000
Other current assets	66,335,024	64,304,625	41,580,898
Total current assets	464,747,713	403,940,435	436,944,593
Property and equipment	9,746,536,250	9,391,706,054	9,058,260,981
Investment properties	1,158,378,341	951,496,686	925,454,358
Financial assets at fair value through other comprehensive income (FVOCI)	359,594,540	345,017,510	334,415,620
Goodwill	130,041,512	130,041,512	130,041,512
Net deferred tax assets	66,065,628	55,212,854	22,790,879
Other noncurrent assets	437,911,497	369,295,133	354,651,457
Total noncurrent assets	11,898,527,768	11,242,769,749	10,825,614,807
TOTAL ASSETS	12,363,275,481	11,646,710,184	11,262,559,400
Liabilities and Equity			
Accounts and other payables	712,059,600	640,318,582	621,053,841
Due to related parties	9,589,091	9,589,091	45,077,328
Current portion of:			
Loans payable	1,599,020,721	1,315,858,333	802,990,825
Lease liabilities	3,898,360	1,326,117	1,209,114
Total current liabilities	2,324,567,772	1,967,092,123	1,470,331,108
Noncurrent portion of:			
Loans payable	1,864,618,168	2,023,972,222	2,326,033,370
Due to related parties	1,079,893,978	549,345,675	527,031,121
Lease liabilities	29,932,875	12,463,071	13,789,188

Net retirement liability	42,109,028	28,670,587	32,189,146
Security deposits	5,757,880	5,530,629	6,589,544
Net deferred tax liabilities	1,423,322,086	1,422,038,303	1,388,816,369
Total noncurrent liabilities	4,445,626,515	4,042,020,487	4,294,448,738
Total Liabilities	6,770,194,287	6,009,112,610	5,764,779,846
Capital stock	854,000,000	854,000,000	854,000,000
Additional paid-in capital	505,538,678	505,538,678	505,538,678
Deficit	(350,383,414)	(301,378,567)	(227,023,654)
Other comprehensive income	4,581,235,530	4,577,541,849	4,363,464,530
Total equity attributable to shareholders of the Parent Company	5,590,390,794	5,635,701,960	5,495,979,554
Non-Controlling Interest	2,690,400	1,895,614	1,800,000
Total equity	5,593,081,194	5,637,597,574	5,497,779,554
TOTAL LIABILITIES AND EQUITY	12,363,275,485	11,646,710,184	11,262,559,400

Key Indicators	For the years ended December 31,		
	2023	2022	2021
Gross Profit Margin (%)	41%	41%	(1%)
Net Income (loss) Margin (%)	(5%)	(10%)	(61%)
Return on Assets (%)	(1%)	(1%)	(1%)
Return on Equity (%)	(1%)	(1%)	(3%)
Current Ratio (%)	20%	21%	30%
Total Liabilities to Equity (%)	121%	107%	105%
Earnings (Loss) Per Share (Basic) (Php 0.0000)	(P0.06)	(P0.09)	(P0.19)
Book Value per Share (Php 0.0000)	P6.54	P6.60	P6.44

Comprehensive Income for the year ended December 31, 2023 compared to Comprehensive Income for the year ended December 31, 2022.

Revenue

The contributors of the Group's revenues are as follows.

	2023		2022		Change	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
DWC	P471,693,579	52%	P419,007,956	54%	P52,685,623	13%
EPRI	335,050,551	37%	286,367,944	37%	48,682,607	17%
DHC	57,603,872	6%	32,063,865	4%	25,540,007	80%
DFC	30,603,850	3%	28,602,515	4%	2,001,335	7%
CIC	16,192,599	2%	6,094,539	1%	10,098,060	166%
TAVL	3,537	0%	2,442,211	0%	(2,438,674)	-100%
Total	P911,147,988	100%	P774,579,030	100%	P136,568,958	18%

2023 consolidated revenues increased by P136.6 million from P774.6 million in 2022 to P911.1 million in 2023. The growth was brought about by higher room and food & beverage revenues from the group's operating resorts in Boracay and Coron, contributing an increment of P100 million, whereas income derived from hospitality management contracts (excluding management contracts with affiliates) improved from P32 million in 2022 to P57.6 million in 2023, which reflects a continuous improvement in tourism prospects in the group's operating locations.

Cost of Sales and Services

The consolidated cost of sales and services went up by ₱79.4 million, or 17%, from ₱458.6 million in 2022. The increment is concurrent with the operational activities of the group. Gross profit margin was consistent with the prior year at 41%.

Operating Expenses

Movements in this account are as follows:

	2023	2022	Change	% Change
Administrative expenses	₱364,116,553	₱294,207,419	₱69,909,134	24%
Selling and marketing expenses	30,400,826	20,002,986	10,937,840	52%
Total	₱394,517,379	₱314,210,405	₱80,306,974	26%

Operating expenses, which include salaries and employee benefits, outside services, advertising and marketing, supplies, and other operating costs, increased by ₱80.3 million from ₱314.2 million in 2022. The increment is attributable to the significant change in revenue and higher day-to-day costs.

Consolidated Statements of Financial Position as of December 31, 2023 vs. Consolidated Statement of Financial Position as of December 31, 2022.

Cash and cash equivalents

Cash and cash equivalents are up by 30%, from ₱79 million in 2022 to ₱103 million in 2023. The movement is attributable to higher operating cash flows, loan proceeds from financing institutions, and additional advances made by the related parties to the group.

Trade and other receivables

Trade and other receivables increased by ₱29 million from ₱86.5 million in 2022 to ₱115.5 million in 2023. The increment was mainly from outstanding receivables from managed properties of Discovery Hospitality Corporation and from certain tenants of Shoppes at Vanilla Beach.

Inventories

Inventories, which include food, beverages, and other general supplies, slightly increased by ₱3.9 million from ₱33.4 million in 2022. The movement was brought about by the higher operating activities of the group.

Input value-added tax (VAT)

The increase pertains to the purchases of goods and services by the group.

Property and Equipment

Before the change of accounting policy in 2021 from the cost model to the revaluation model, property and equipment, except for land and construction in progress, are stated at cost less accumulated depreciation and amortization, and impairment in value, if any.

The slight increase was from the acquisition of a land property and building in Boracay and from the procurement of services and equipment for the group's operations and ongoing expansion projects.

Investment Properties

Investment properties pertain to retail outlets located in Vanilla Beach, El Nido, Palawan held to earn rental income. In 2021, the group changed its accounting policy for investment properties from a cost model to a fair value model. The group's land and buildings under investment properties were appraised by an independent firm of appraisers.

In 2023, an increase of ₱206.9 million was due to the recognition of fair value gains on the land and the building of ₱215.96 million and ₱9.08 million, respectively.

Financial Assets at FVOCI

The account consists of investments in various preferred shares and publicly listed shares.

The movement pertains to fair value changes of ₱10.6 million in the group's preferred share investment in Sterling Bank of Asia and from a ₱4.0 million subscription of preferred shares in Kandor Hospitality Corporation.

Other Noncurrent Assets

Movement in the account pertains to advances made for the group's ongoing construction projects, deposits for a property acquisition in Matina, Davao City, and other deposits from tenants, as well as cash placed in an escrow account in compliance with the group's development project in Davao City.

Trade and Other Payables

The increase in trade and other payables is due to the difference in the timing of payments to contractors and suppliers, and increase in accruals in 2023.

Loans payable

This account consists of:

	2023	2022
Short-term borrowings	₱1,599,020,721	₱1,315,858,333
Long-term loans payable	1,864,618,168	2,023,972,222
	₱3,463,638,889	₱3,339,830,555

The increment of ₱123.8 million is the net amount of the Group's loan availments and repayments amounting to ₱372.4 million and ₱248.6 million, respectively.

Lease Liabilities

The movement in lease liabilities is attributable to the agreement entered into by the group with a third party for the construction of a wastewater treatment plant in Coron, Palawan. The plant is to be leased for four (4) years, with the option to acquire it at an agreed price.

Retirement Liabilities

The increase of ₱13.4 million pertains to a movement in the present value of the retirement obligation over the fair value of plan assets.

Security Deposit

This pertains to net refundable deposits from receipts from new tenants and returns to vacating tenants of CIC's retail outlets in El Nido. Security deposits are refundable at the end of the lease term.

Other equity reserves

The change in other equity reserves pertains to the recognition of a of a fair value gain relating to the group's financial assets at FVOCI of P10.6 million and a remeasurement loss on retirement liability of P6.9 million.

Comprehensive Income for the year ended December 31, 2022 compared to Comprehensive Income for the year ended December 31, 2021.

Revenue

The contributors of the Group's revenues are as follows.

	2022		2021		Change	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
DWC	₱419,007,956	54%	₱165,012,014	61%	₱253,995,942	153%
EPRI	286,367,944	37%	60,720,015	22%	225,647,929	371%
DHC	32,063,865	4%	25,708,513	10%	6,355,352	24%
DFC	28,602,515	4%	3,153,454	1%	25,449,061	807%
CIC	6,094,539	1%	15,514,596	6%	(9,420,057)	(-60%)
TAVL	2,442,211	0%	-	0%	2,442,211	100%
Total	₱774,579,030	100%	₱270,108,592	100%	₱504,470,438	186%

Consolidated revenues increased by P504.5 million or 186% from P270.10 million in 2021. The improved revenue level was a result of the continued recovery of the tourism industry in 2022. Revenues from resort operations of Discovery Shores Boracay and Club Paradise Palawan increased by P479.6 million from 2021 to 2022, as tourist, predominantly domestic, have come back to resume travel activities. Hospitality management revenues under Discovery Hospitality Corporation also saw a rise in revenues by P6.4 million. Meanwhile, subsidiary Discovery Fleet, which has cruise trips and dive shop operations, also saw revenue increase by P 25.4 million.

Only Cay Islands Corp, which operates the company's retail leasing business Shoppes at Vanilla Beach in El Nido, Palawan, saw a decrease in revenues, primarily due to waivers and discounts that were extended to various tenants to ease their pandemic recovery.

No management fees from affiliates were recognized in its consolidated financial statements as a result of compliance with accounting practices on the elimination of intercompany transactions with affiliates.

Cost of Sales and Services

Movements in this account are as follows:

	2022	2021	Change	% Change
Cost of sales and services	₱370,396,637	₱224,362,612	₱146,034,025	65%
Cost of food, beverages and others	88,246,594	47,537,078	40,709,516	86%
Total	₱458,643,231	₱271,899,690	₱186,743,541	69%

The cost of sales and services in 2022 amounted to P458.6 million. The increase of 69% from last year of P 271.9 million is mainly attributable to the increase in operational activity of the Group.

Operating Expenses

Movements in this account are as follows:

	2022	2021	Change	% Change
Administrative expenses	₱294,207,419	₱201,387,590	₱92,819,829	46%
Selling and marketing expenses	20,002,986	14,439,943	5,563,043	39%
Total	₱314,210,405	₱215,827,533	₱98,382,872	46%

Operating expenses which include salaries and employee benefits, outside services, advertising and marketing, supplies, and other operating costs, increased by ₱98 million from ₱215.8 million in 2021. The increment is attributable to the significant change in revenue and higher day-to-day costs.

Consolidated Statements of Financial Position as of December 31, 2022 vs. Consolidated Statement of Financial Position as of December 31, 2021.

Cash and cash equivalents

Cash and cash equivalents of the Group are up by 17% from ₱67.4 million in 2021 to ₱79 million in 2022. The movement is attributable to improved revenue levels, the receipt of an insurance claim, collections of trade receivables and proceeds from the disposal of the held asset.

Trade and other receivables

The reduction in trade receivables from ₱159.5 million in 2021 to ₱86.6 million in 2022 was mainly due to receipts of insurance claims of ₱88 million and collections from customers.

Inventories

Inventories which include food, beverages, and other general supplies are up by ₱11.7 million from ₱21.7 million in 2021. The movement is brought about by the high demand for food and room accommodation.

Input value-added tax (VAT)

The decrease pertains to the utilization of input tax over output VAT.

Property and Equipment

Before the change of accounting policy in 2021 from the cost model to the revaluation model, property and equipment, except for land and construction in progress, are stated at cost less accumulated depreciation and amortization, and impairment in value, if any.

In 2022, a significant increase in the Group's property and equipment was from the recognition of land revaluation increment amounting to ₱258.3 million and from the procurement of services and equipment for operations and ongoing projects of ₱183 million.

Investment Properties

Investment properties pertain to retail outlets located in Vanilla Beach, El Nido, Palawan held to earn rental income. In 2021, the Group changed its accounting policy for investment properties from cost model to fair

value model. The Group's land and buildings under investment properties were appraised by an independent firm of appraisers.

In 2022, an increase of ₱26 million was due to the recognition of fair value gain on the land and building of ₱5.8 million and ₱20.2 million, respectively.

Financial Assets at FVOCI

The account consists of investment in preferred shares in Sterling Bank of Asia and in publicly listed shares of Lepanto Consolidated Mining.

The movement on this account pertains to the fair value changes of ₱10.6 million in 2022.

Other Noncurrent Assets

Movement in the account pertains to advances made for the Group's ongoing construction projects, deposits for land acquisition, and receipts from utility and other deposits from tenants.

Trade and Other Payables

The increase in trade and other payables is due to the difference in the timing of payments to the contractors and suppliers, and increase in accruals in 2022.

Loans payable

This account consists of:

	2022	2021
Short-term borrowings	₱1,315,858,333	₱802,990,825
Long-term loans payable	2,023,972,222	2,326,033,370
	₱3,339,830,555	₱3,129,024,195

The change in total loans payable may be attributed to funding the property acquisitions, payment to contractors for the ongoing projects, and working capital requirements.

Lease Liabilities

The slight reduction in total lease liabilities pertains to certain payments of lease liabilities paid in 2022.

Retirement Benefits

The decrease is primarily attributable to the recognition of remeasurement gain in 2022 of ₱8.4 million due to the changes in assumptions, net of the recognition of retirement expense in 2022 of ₱9.1 million.

Security Deposit

This pertains to net refundable deposits from receipts from new tenants and returns to vacating tenants of CIC's retail outlets. Security deposits are refundable at the end of the lease term.

Other equity reserves

The increase in other equity reserves pertains to the recognition of revaluation increment on land under property and equipment, fair value gain relating to the Group's financial assets at FVOCI and remeasurement gains on retirement liability as discussed on the related notes above.

Comprehensive Income for the year ended December 31, 2021 compared to Comprehensive Income for the year ended December 31, 2020.

Revenue

The contributors of the Group's revenues are as follows.

	2021		2020		Change	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
DWC	₱165,012,014	61%	₱ 130,117,348	50%	₱34,894,666	27%
EPRI	60,720,015	22%	68,510,268	26%	(7,790,253)	-11%
CIC	15,514,596	6%	30,692,164	12%	(15,177,568)	-49%
DHC	25,708,513	10%	17,903,173	7%	7,805,340	44%
DFC	3,153,454	1%	12,476,502	5%	(9,323,048)	-75%
Total	₱270,108,592	100%	₱259,699,455	100%	₱10,409,137	4%

Consolidated revenues slightly increased by 4% or P259.7 million in 2020 to P270.1 million in 2021. The increase was mainly driven by the gradual resumption of tourism in the country during the year 2021, following the travel restrictions brought about by the COVID-19 pandemic in the year 2020. Restrictions on traveling to Boracay had started to ease, thereby improving occupancy rates for the Company's resort.

Room revenues increased by 4% from P164.1 million in 2020 to P170.1 million in 2021, while revenues from food, beverages, and others also increased by 19% from P43.3 million in 2020 to P51.7 million in 2021 following the increase in resort occupancy and foot traffic.

Cost of Sales and Services

Movements in this account are as follows:

	2021	2020	Change	% Change
Cost of sales and services	₱224,362,612	₱235,404,426	(₱11,041,814)	-5%
Cost of food, beverages and others	47,537,078	46,590,436	946,642	2%
Total	₱271,899,690	₱281,994,862	(₱10,095,172)	-4%

Cost of sales and services and cost of food, beverages, and others slightly decreased in total by 4% from P281.9 million in 2020 to P271.9 million in 2021, as a result of cost optimization measures implemented by the Company during the year.

Out of the total Cost of Sales and Services of 271.9 million in 2021, 45% were depreciation expenses.

Operating Expenses

Movements in this account are as follows:

	2021	2020	Change	% Change
Administrative expenses	₱201,387,590	₱233,830,036	(₱32,442,446)	-14%
Selling and marketing expenses	14,439,943	14,545,939	(105,996)	-1%
Total	₱215,827,533	₱248,375,975	(₱32,548,442)	-13%

Operating Expenses --- which include salaries and employee benefits, advertising and marketing, maintenance, supplies, depreciation, and other operating expenses --- decreased by 13% or P32.5 million from P248.3 million in 2020 to P215.8 million in 2021 as a result of the Group's continuous implementation of cost management measures in line with the pandemic situation.

No management fee was recognized in its consolidated financial statements as a result of compliance with accounting practices on the elimination of intercompany transactions with affiliates.

Consolidated Statements of Financial Position as of December 31, 2021 vs. Consolidated Statement of Financial Position as of December 31, 2020.

Cash and cash equivalents

Cash and cash equivalents are down by 41% from P114.4 million in 2020 to P67.4 million in 2021. The decrease was mainly due to the financing of working capital requirements of the Group, payments to contractors and suppliers for resort operations, and construction works done during the year.

Trade and other receivables

Net movement in trade and other receivables was mainly attributable to the recognition of receivable from the insurance claim of Discovery Fleet Corporation (a 100%-subsidiary of Discovery World Corporation) for the grounding accident met by its vessel Discovery Adventure in 4Q2020. The Company accepted the offer of the insurance provider amounting to USD 1.75 Million in July 2021, but the insurance proceeds had remained as a receivable as of December 2021.

Due from (to) related parties

Movement in the account was mainly due to the receipt/collection of advances from related parties in 2021.

Input value-added tax (VAT)

The increase is due to accumulation of Input VAT due to additional costs spent for the construction, development and renovation of the Group's various projects.

Property and Equipment

Property and equipment, except for land and construction in progress, are stated at cost less accumulated depreciation and amortization, and impairment in value, if any.

Significant increase in property and equipment in 2021 is mainly attributable to the change in the accounting policy of land from cost model to revaluation model. Accordingly, land is carried at revalued amounts which represent fair values at the date of the revaluation, less any subsequent accumulated impairment loss. Prior to 2021, land was subsequently measured at cost less any impairment loss.

Land measured using the revaluation model amounted to P6,328.0 million in 2021 as compared to land measured at cost in 2020 of P661.3 million. The increase in land pertains to the revaluation increase of P5,618.0 million and acquisitions of P48.8 million in 2021.

Additions to the costs of construction in progress pertain to the following on-going developments and construction activities as of December 31, 2021:

Company	Developments
Discovery World Corporation	2 One-Bed Room Suites (Discovery Shores Boracay)
Cay Islands Corporation	Kip & Kin @ Vanilla Beach
Euro-Pacific Resorts, Inc.	Oceanview Suites (2 Buildings), Desalination Plant, Fire Suppression Line, Water Distribution Line, Other Site Development Works

Moreover, in 2021, the Group reclassified the remaining carrying amount of Discovery Adventure from Property and Equipment to “Asset Classified as Held for Sale” amounting to P4.4 million, which is equivalent to the fair value less cost to sell as determined by an independent appraiser.

Investment Properties

Investment Property pertains to properties held by the Group either to earn rental income or for capital appreciation or both, but not for sale in the ordinary course of business or for administrative purposes. For the Group, this refers to certain parcels of land and certain buildings in its Vanilla Beach, El Nido, Palawan property where its retail complex “Shoppes at Vanilla Beach” operates a leasing business.

In 2021, the Group changed its accounting policy for investment properties from cost model to fair value model. The Group’s land and buildings under investment properties were appraised by an independent firm of appraisers. As a result of the change, investment properties were restated in 2020 to retrospectively effect the change in accounting policy. See below for the summary of the impact of restatement:

	2020
Investment property as previously reported	₱379,337,741
Net impact of retrospective application	538,006,966
Investment property as restated	₱917,344,707

Net increase in investment properties in 2021 of P8.1 million pertains to the net effect of the reclassification of construction in progress from property and equipment amounting to P19.8 million and fair value loss of P11.7 million.

Financial Assets at FVOCI

The account consists of investment in preferred shares in Sterling Bank of Asia and in publicly listed shares of Lepanto Consolidated Mining.

The movement on this account pertains to the unrealized gain relating to the fair value changes of PhP 10.7 million in 2021.

Other Noncurrent Assets

The decrease in the account pertains to the application of advances made to the Group’s contractors against the progress billings in 2021. Certain advances to contractors were reclassified to construction in progress.

Trade and Other Payables

The increase in trade and other payables is due to the difference in the timing of payments to the contractors and suppliers, and increase in accruals in 2021.

Loans payable

This account consists of:

	2021	2020
Short-term borrowings	₱749,900,000	₱1,794,200,000
Long-term loans payable	2,379,124,195	1,579,507,111
	₱3,129,024,195	₱3,373,707,111

The Group had obtained loans for working capital and for capital expenditures of various projects during the year and during the previous years. The reduction in total loans payable may be attributed to loan payments done during the year.

In 2021, a significant portion of the Company's short-term borrowings were converted to long-term loans payable.

Lease Liabilities

The slight reduction in lease liabilities pertains to certain payments of lease liabilities paid in 2021.

Retirement Benefits

Decrease is mainly attributable to the recognition of remeasurement gain in 2021 amounting to P15.3 million due to the changes in assumptions, net of the recognition of retirement expense in 2021 of P9.7 million.

Security Deposit

This pertains to net refundable deposits from receipts from new tenants and returns to vacating tenants of CIC's retail outlets. Security deposits are refundable at the end of the lease term.

Other equity reserves

The increase in other equity reserves pertains to the recognition of revaluation increment on land under property and equipment, fair value gain relating to the Group's financial assets at FVOCI and remeasurement gains on retirement liability as discussed on the related notes above.

Comprehensive Income for the year ended December 31, 2020 compared to Comprehensive Income for the year ended December 31, 2019 (As restated)

Revenue

The contributors of the Group's revenues are as follows.

	2020		2019		Change	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
DWC	₱ 130,117,348	50%	₱526,738,451	55%	(₱396,620,103)	-75%
EPRI	68,510,268	26%	257,436,193	27%	(188,925,925)	-73%
CIC	30,692,164	12%	28,021,047	3%	2,671,117	10%
DHC	17,903,173	7%	43,275,566	5%	(25,372,393)	-59%
DFC	12,476,502	5%	103,166,916	11%	(90,690,414)	-88%
Total	₱259,699,455	100%	₱958,627,173	100%	₱397,096,135	-73%

Consolidated revenues fell by 73% from P958.6 million in 2019 to P259.6 million in 2020. The significant decline was primarily due to travel restrictions brought about by the COVID-19 pandemic.

Room revenues declined by 77% from P696 million in 2019 to only P164.1 million in 2020, while revenues from food, beverages, and others were down by 73% from P158.7 million in 2019 to only P43.2 million in 2020.

Cost of sales and services

Movements in this account are as follows:

	2020	2019	Change	% Change
Cost of sales and services*	₱235,404,426	₱410,429,822	(₱175,025,396)	-43%
Cost of food, beverages and others	46,590,436	139,262,590	(92,672,154)	-67%
Total	₱281,994,862	₱549,692,412	(₱267,697,550)	-49%

*The restatement pertains to the derecognition of depreciation expense on investment properties due to the change in accounting policy. Under the fair value model, no depreciation is recognized and only the change in fair values is taken up year on year.

The cost of sales and services decreased by 49% from P549.7 million in 2019 to P282.0 million in 2020. The significant movement was due to a lower sales volume.

From the reported total cost of sales and services of P288.9 million, 43% are depreciation expenses.

Operating Expenses

Movements in this account are as follows:

	2020	2019	Change	% Change
Administrative expenses	₱233,830,036	₱317,192,593	(₱83,362,557)	-27%
Selling and marketing expenses	14,545,939	35,446,243	(20,900,304)	-59%
Total	₱248,275,975	₱352,638,836	(₱104,262,861)	-30%

Operating Expenses --- which include salaries and employee benefits, advertising and marketing, maintenance, supplies, depreciation, and other operating expenses --- decreased by 30% or P104.2 million from P352.6 million to P248.2 million as the Group implemented cost management measures in line with the pandemic situation.

No management fee was recognized in its consolidated financial statements as a result of compliance with accounting practices on the elimination of intercompany transactions with affiliates. It may be noted that management contracts between resorts Discovery Shores Boracay and Club Paradise Palawan with The Discovery Leisure Company Inc. (TDLCI) were terminated in March 2019. Both resorts subsequently signed management contracts with the affiliate Discovery Hospitality Corporation (DHC) in April 2019.

Item 7. Financial Statements

The Consolidated Financial Statements of the Company are filed as part of this report.

Item 8. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

There were no disagreements with the Company's external auditors, Reyes Tacandong & Co. (RT & Co.) on any matter accounting and financial statement disclosures.

For the audit of financial statements of DWC and all its subsidiaries, the aggregate fees for the audit services of RT & Co. for 2023 and 2022 inclusive of vat amounted to ₱1,904,000 and ₱1,467,000, respectively.

It is the policy of the Company that services to be rendered by independent auditors, as well as the corresponding fees thereof, must be first reviewed by the Audit Committee (members of the said committee composed of Ms. Elizabeth Ann C. Parpan (Chairman), Mr. William L. Chua, Ms. Melissa Y. Yap and Mr. Romualdo C. Macasaet prior to said report being endorsed to the Board of Directors for approval.

PART III - CONTROL AND COMPENSATION INFORMATION

Item 9. Directors and Executive Officers of the Issuer

The Company's 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 (1) year, subject to re-election. A director who was elected to fill any vacancy holds office only for the unexpired term of his/her predecessor.

Board of Directors

NAME	AGE	NATIONALITY	PRESENT POSITION	PERIOD OF SERVICE IN THE COMPANY
John Y. Tiu, Jr.	47	Filipino	Chairman and Chief Executive Officer	Since 25 July 2003
Jose C. Parreño, Jr.	59	Filipino	Director and President	Since 9 November 2018
Romualdo C. Macasaet	88	Filipino	Director	Since 1 March 2013
A. Bayani K. Tan	68	Filipino	Director	Since 25 July 2003
Lamberto R. Villena	77	Filipino	Director	Since 1 March 2013
William L. Chua	72	Filipino	Independent Director	Since 3 April 2018
Elizabeth Ann C. Parpan	53	Filipino	Independent Director	Since 1 March 2013
Melissa Y. Yap	39	Filipino	Independent Director	Since 1 December 2022
Christopher John A.D. Tiu	38	Filipino	Director and Assistant Treasurer	Since 9 November 2018

The following are the incumbent members of the Board of Directors of the Company:

John Y. Tiu, Jr., Chairman of the Board and Chief Executive Officer

Mr. John Y. Tiu, Jr. is concurrently the Chairman of Discovery World Corporation and its subsidiaries, Euro-Pacific Resorts, Inc., Palawan Cove Corporation, Cay Islands Corporation, Sonoran Corporation, Long Beach Property Holdings, Inc., Balay Holdings, Inc., Lucky Cloud 9 Resort, Inc., Discovery Hospitality Corporation, One Davao Townships Corporation, Viper Holdings Corp., and a Director of True Ally Ventures Limited.

He is the Chairman and President of Tera Investments, Inc., JT Perle Corporation, One Cerrada Corporation, One Urdaneta Corporation, Ninety Nine Urdaneta Holdings Corp, One Luscara Corporation and One Legaspi Corporation. He is also the Director and President of JTKC Equities, Inc., The Discovery Leisure Co Inc., and Discovery Country Suites, Inc.

He is a member of the Board of Directors of Sterling Bank of Asia, Inc. (A Savings Bank), Oakridge Properties, Inc., Sagesoft Solutions, Inc., Evergreen Manufacturing Corporation and Lunch Bucks Gourmet, Inc. He is a Director and Executive Vice President of Aldex Realty Corporation. He is a Director and First Vice President of JTKC Leisure Holdings Corporation (formerly JTKC Realty Corporation). He is a Director and Treasurer of Star Equities, Inc. and JTKC Land, Inc.

He previously held positions as Director and Treasurer of Touch Solutions, Inc. (2001-2013), Director and President of Fidelity Securities, Inc. (2000-2017), Director of Enderun Colleges (2005-2017), Director of I-Remit. Inc. (from 2002 to 2021)

He holds a Bachelor of Science degree in Electrical Engineering Minor in Mathematics from the University of Washington in Seattle, Washington, USA.

He holds a Bachelor of Science degree in Electrical Engineering Minor in Mathematics from the University of Washington in Seattle, Washington, USA.

Jose C. Parreño, Jr. Director and President

Mr. Jun Parreño is concurrently the President of Discovery World Corporation and its subsidiaries, Euro-Pacific Resorts, Inc., Palawan Cove Corporation, Cay Islands Corporation, Sonoran Corporation, Long Beach Property Holdings, Inc., Balay Holdings, Inc., Lucky Cloud 9 Resort, Inc., One Davao Townships Corporation, Viper Holdings Corp., and a Director of True Ally Ventures Limited. He is the President and Chief Operating Officer (COO) of its hotel management outfit, Discovery Hospitality Corporation and the Chairman of Discovery Fleet Corporation.

With over 20 years of experience in the management and operation of premier hotels, serviced residences, and award-winning resorts, and having worked with hotel chains such as Mandarin Oriental Manila and Pan Pacific Hotel, Jun's "glo-cal" familiarity and perspective have been instrumental in putting the home-grown Filipino brand of Discovery in the global hospitality map.

He continues to lead the trailblazing expansion of Discovery World Corporation, developing hotel and resort brands that resonate to its loyal base, as well as to the new breed of global travelers.

Jun is a graduate of the University of the Philippines, where he earned his Bachelor's Degree major in Economics. He has taken a general manager course in the Cornell-Nanyang Institute of Hospitality Management and in the Asian Institute of Management.

Romualdo C. Macasaet, Director

Mr. Romualdo C. Macasaet is concurrently a Director of Discovery World Corporation. He was the Managing Director of JTKC Land, Inc. (2000-2021), the President of Discovery Primea Condominium Corporation (2013-2021), and the Comptroller of BCD Pinpoint Direct Marketing, Inc. (1996-2000).

He served as Treasurer of Discovery World Corporation from 2007 to 2017 and as its Chief Financial Officer from 2007 to 2013. He was also a Consultant of Sarangani Securities (1995-1996). Prior to his shift into farming in the year 1995, he was previously Assistant General Manager/ Comptroller of People's Independent Media, Inc. (Malaya) (1991-1995), Assistant to Treasurer and Credit Collection Manager of Philippine Journalists, Inc. (1987-1991, Agribusiness entrepreneur in 1984 to 1987, General Manager/ Director of Dearfield Products Inc. (1978-1984), Stockbroker of Diamond Securities Corporation (1973-1978), Assistant Vice President and Comptroller of San Antonio Development Corp. and its affiliates (1970-1973), Vice President for Finance of Francisco de Asis and Co., Inc. (1969-1970), Assistant Accountant of Private Development Corp. of the Philippines (1966-1969), Assistant Manager for Loans, Senior Credit Investigator & Appraiser of Bank of Asia (1963-1966), and Assistant Collection Manager of Industrial Finance Corp (1962-1963).

Mr. Macasaet holds a Bachelor of Science degree in Commerce from the De La Salle College and a Bachelor of Science degree in Architecture from the University of Santo Tomas. He is a Registered Architect and is a Certified Public Accountant.

A. Bayani K. Tan, Director

Mr. A. Bayani K. Tan, 68, Filipino, is a Director of the Corporation (since March 2013). He holds various positions in the following private companies: Director of Sterling Bank of Asia Inc (A Savings Bank) (since December 2006), Tagaytay Highlands International Golf Club, Inc. (since November 1993), a reporting

company under the Revised Securities Code, Managing Director of Shamrock Development Corporation (since May 1988), Chairman of Destiny LendFund, Inc. (since June 2020), Director of BluePanel Equities and Resources, Inc. (since April 2019), Pascual Laboratories, Inc. (since March 2014), and Pure Energy Holdings Corporation (since October 2016). Mr. Tan also holds various positions in the following non-stock non-profit Corporations: Chairman of Anhawan Foundation, Inc. (since February 2023) and Chairman of Guimaras Forest Foundation, Inc. (since August 2021), Vice-Chairman of St. Scholastica's College Manila (since October 2021), Chairman and President of the SCTan Foundation, Inc. (established in 1985), President of Catarman Chamber Integrated School Foundation, Inc. (since August 2012), Trustee and Treasurer of Rebisco Foundation, Inc. (since April 2013), Trustee and Corporate Secretary of St. Scholastica's Hospital, Inc. (since February 2011) and Trustee of WeSolve Foundation, Inc. (since May 2021). He is a member and Corporate Secretary of the Philippine Jesuit Aid Association, Inc. (since August 2011). He is the Founding and Senior Partner of the law offices of Tan Venturanza Valdez (established in 1988).

Mr. Tan holds a Master of Laws degree from New York University (Class of 1988) and earned his Bachelor of Laws degree from the University of the Philippines (Class of 1980) where he was a member of the Order of the Purple Feather (the U.P. College of Law Honor Society). Mr. Tan placed 6th in the Philippine bar examinations in 1981. He has a Bachelor of Arts major in Political Science degree from the San Beda College (Class of 1976) from where he graduated Class Valedictorian and was awarded the medal for Academic Excellence.

Lamberto R. Villena, Director

Atty. Lamberto R. Villena is concurrently a Director of Discovery World Corporation and Director of Sterling Bank of Asia, Inc. (A Savings Bank) (December 2006 to present). He was previously the Sterling Bank's President, Chief Executive Officer, and Director (December 2006 to June 2015), a consultant to JTKC Equities, Inc. (August to December 2006), Executive Vice President and Head of the Commercial Banking Group (July 2004 to July 2005), Senior Vice President and Head of Corporate Banking Segment (October 1993 to July 2004), First Vice President and Head of Consumer Banking Group (November 1992 to October 1993), and Head of Treasury of Rizal Commercial Banking Corporation (March 1988 to October 1992).

He was also previously a director of Vitarich Philippines (2000 to 2002), Philippine Electric Corporation (1986 to 1988, 1994 to 1996), and Philippine Pacific Capital Corporation (now RCBC Capital, 1986 to 1988).

Atty. Villena holds a Bachelor of Laws Degree from the University of the Philippines and is a member of the Integrated Bar of the Philippines. He also holds a Master's Degree in Business Administration from the same university and a Bachelor of Arts, major in Philosophy, and Master of Arts, major in Educational Administration (candidate) from the Ateneo de Manila University.

Christopher John A.D. Tiu, Director and Assistant Treasurer

Mr. Christopher John A.D. Tiu is concurrently a Director and Assistant Treasurer of Discovery World Corporation and its subsidiaries, Euro-Pacific Resorts, Inc., Palawan Cove Corporation, Cay Islands Corporation, Sonoran Corporation, Long Beach Property Holdings, Inc., Balay Holdings, Inc., Lucky Cloud 9 Resort, Inc., and One Davao Townships Corporation; the President and Director of Blue Energy Holdings and Management Corp., BEHMC Lower Labayat Hydropower Corp., BEHMC Upper Tignoan Hydropower Corp.; President and Director of Katharo Water Solutions, Inc.; AVP for Business Development for JTKC Equities Inc.; Director of The Designer Boulanger Philippines Corp., VLink Interactive, Happy Lemon Philippines, Inc., Keorim, Inc. and QBF Asia Pacific, Inc.; Chairman of the Board and President of Discovery Primea Condominium Corporation.

He was a Barangay Kagawad and SK Chairman in Barangay Urdaneta, Makati City (2001 to 2018), Former Professional Athlete (Rain or Shine in the PBA, 2012 to 2018), and Team Captain of the Philippine National Basketball Team (Gilas Pilipinas, 2008 to 2012, 2018). He was also a Director for Volunteers Program of the PHISGOC (Philippines SEA games Organizing Committee, 2019). Currently, he is a TV Host for GMA7 (i-Bilib) and President and Founder of Charis Leadership, Research and Scholarship Foundation.

He holds Bachelor of Science degree in Management Engineering, minor in Chinese studies from the Ateneo de Manila University.

William Chua, Director

Mr. William L. Chua is concurrently a Director of Discovery World Corporation and Sterling Bank of Asia, Inc. (A Savings Bank).

He is currently the Chairman of the Board and CEO/President of Wordtext Systems, Inc., WS Pacific Publications, Inc., WSI Philippines, Inc., and LSI Leading Technologies, Inc., and the Vice Chairman and President of Aikontech Corporation.

He is a member of the Board of Directors of the following companies: Nexus Technologies, Inc., Jupiter Systems, Inc., Information Technology Security Distribution, Inc., and Extra Low Voltage Distribution, Inc. He is also a Founding Trustee of the Adolfo S. Suzara Foundation, Inc. and a Director of the Greenhills East Village Association, Inc. (a homeowner association).

Mr. Chua holds a Master's Degree in Business Administration from Santa Clara University and a Bachelor of Science Degree in Industrial Engineering from California State University in San Jose, CA.

Elizabeth Ann C. Parpan, Independent Director

Ms. Elizabeth Ann Chan-Parpan is an Independent Director of Discovery World Corporation. She is likewise the Treasurer of BISCOP, Inc., New Leaf Multimedia Outsourcing, Inc., and Legaspi Towers 200 Condominium, Inc. She is Corporate Secretary of A. Chan Sugar Corporation. In addition, she also acts as a Director and Corporate Secretary in Morning Glow Development Corp. and JEMFA Resources, Inc. and Chan Toei Properties, Inc. She is a Director of Panay Eye Center, Inc., Therapeu-Tech, Inc., and Legaspi Towers 200 Condominium, Inc. She is a member of the Board of Trustees of Brent Schools, Inc. Brent International School Manila, Inc., Brent International School Baguio, Inc., and Museo Pambata Foundation, Inc.

She was previously the Corporate Secretary (2011 to 2012), Director (2010 to 2012), and Assistant Manager (2008 to 2012) of Central Azucarera de Bais, Inc. and Executive Vice President of Hotel Enterprises of the Philippines, Inc. (1995 to 2009).

She was the valedictorian of the Hospitality Administration Program of the Centre International De Glion en Gruyere (Glion Hotel School) in 1994. She holds a Bachelor of Science degree in Management Honors, cum laude, from the Ateneo De Manila University.

Melissa Yeung Yap, Independent Director

Ms. Melissa Yeung-Yap is an Independent Director of Discovery World Corporation. She is also the Chief Executive Officer of Greenstone Pharmaceutical, Inc. (Katinko) and is likewise a Social Entrepreneur. Her other board memberships include Peace and Equity Holdings, Inc., St. Jude College, and Republican College. She is a visual artist and is an Executive Council Member of the National Commission for Culture and the Arts–National Commission on Art Galleries (NCCA-NCAG).

Ms. Yap holds a Bachelor's Degree in Development Studies from the Ateneo de Manila University where she is likewise a part-time professor for the Development Studies Program. She obtained her Master's Degree in Entrepreneurship from the Asian Institute of Management in 2015 and graduated from the Owner/President Management Program at Harvard Business School in 2023.

Principal Officers

Principal Officers of the Corporation are those expressly stated in the Corporation's By-Laws, Manual on Corporate Governance, and those whose rank is, at least, that of an Assistant Vice-President. As of the date of this report, the following are the principal officers of the Company:

Principal Officers				
NAME	AGE	NATIONALITY	PRESENT POSITION	YEAR POSITION WAS ASSUMED
John Y. Tiu, Jr.	47	Filipino	Chairman and CEO	2018
Jose C. Parreño, Jr.	59	Filipino	President	2018
Leslie T. Yapkianwee	45	Filipino	Treasurer	2018
Christopher John A.D. Tiu	38	Filipino	Assistant Treasurer	2021
Mary Jean D. Codiñera	61	Filipino	Vice President – Investor Relations Officer	2012
Anna Francesca C. Respicio	38	Filipino	Corporate Secretary	2017
Roberto Rolando L. Geotina	35	Filipino	Assistant Corporate Secretary	2023
Rupert Terence C. Sykat	50	Filipino	Vice President - Project Development	2013
Charlie G. Ledesma	34	Filipino	Assistant Vice President – Finance & Compliance Officer	2018
Erlito Z. Parangue	29	Filipino	Risk & Audit Officer	2022

To describe the business experience of the Company's officers for the past 10 years, we have outlined hereunder their professional and business affiliations, as follows:

Leslie Ann T. Yapkianwee, Treasurer

Ms. Leslie Ann T. Yapkianwee is concurrently the Treasurer of Discovery World Corporation and its subsidiaries, Euro-Pacific Resorts, Inc., Palawan Cove Corporation, Cay Islands Corporation, Sonoran Corporation, Long Beach Property Holdings, Inc., Balay Holdings, Inc., Lucky Cloud 9 Resort, Inc., One Davao Townships Corporation, and Viper Holdings Corp. She is also the Business Development Manager of JTKC Land, Inc. (since 2007); Vice President of One Legaspi Corporation and One Luscara Corporation; and Treasurer of The Discovery Leisure Company, Inc. She served as President of Discovery Fleet Corporation from 2018 to 2019. Before joining the group, she was with Citibank from 2003 to 2005 and then briefly with ING Bank in 2006.

She graduated from De La Salle University in 2001 with a double major in Bachelor of Arts in Psychology and a Bachelor of Science in Accountancy. She also took up a Mandarin course at the Shanghai Jiao Tong University in 2005.

Mary Jean D. Codiñera Vice President & Investor Relations Officer

Ms. Mary Jean D. Codiñera is concurrently the Vice President-Investor Relations Officer of Discovery World Corporation and a Director of Euro-Pacific Resorts, Inc., Palawan Cove Corporation, Cay Islands

Corporation, Sonoran Corporation, Long Beach Property Holdings, Inc., Balay Holdings, Inc., Lucky Cloud 9 Resort, Inc., One Davao Townships Corporation, and Viper Holdings Corp. She is also the Vice President for Sales and Marketing of JTKC Land, Inc. She was previously the Vice President for Sales and Marketing for Tofino Corporation (2010 to 2011), Membership Head of Filinvest Alabang, Inc. (2009 to 2010), Sales Manager of Filinvest Land, Inc. (2006 to 2007), and President of the Corporate Circuit, Inc. (2001 to 2006). She is a graduate of the Assumption College, San Lorenzo and is a Certified Public Accountant.

Rupert Terrence C. Sykat, Vice President – Project Development

Mr. Rupert Sykat is concurrently the Vice President for Project Development for Discovery World Corporation and JTKC Land Inc. He was a Project Architect of Greenfield Development Corporation (2007 to 2010) and a Design Architect of W.V. Coscolluela and Associates (1997 to 2006). He holds a Bachelor of Science degree in Architecture from the University of Santo Tomas and is a Registered Architect.

Anna Francesca C. Respicio, Corporate Secretary

Ms. Anna Francesca C. Respicio is the incumbent Corporate Secretary of the Corporation and its subsidiaries. She is also one of the Directors of First Abacus Financial Holdings Corporation. She is likewise Corporate Secretary of the following listed companies, I-Remit, Inc., Jollville Holdings Corporation, as well as the following registered corporations: Sterling Bank of Asia, Inc. (A Savings Bank), Tagaytay Highlands International Golf Club, Inc., Tagaytay Midlands Golf Club, Inc., The Country Club At Tagaytay Highlands, Inc., and The Spa and Lodge at Tagaytay Highlands, Inc.

She obtained her Bachelor of Arts degree (Major in Philosophy) in 2007 and her Juris Doctor degree in 2011 from Ateneo de Manila University. She is currently a Partner at Tan Venturanza Valdez. She was admitted to the Philippine bar in April 2012.

Roberto Rolando L. Geotina, Assistant Corporate Secretary

Mr. Roberto Rolando L. Geotina is the Assistant Corporate Secretary of the Company and its subsidiaries. He is also the Assistant Corporate Secretary for the following companies: Kandor Hospitality Corporation, The Discovery Leisure Company, Inc., Club Asia, Inc., Hotelsystems Asia, Inc., Tera Investments, Inc. JT Perle Corporation, One Cerrada Corporation, One Urdaneta Corporation, One Legaspi Corporation, One Luscar Corporation, One Belmont Corporation, Ninety Nine Urdaneta Holdings Corporation, Glyphstudios, Inc., FHE Properties, Inc., Utracon Philippines, Inc., Utracon Structural Systems, Inc., Palm Concepcion Power Corporation, Meridian Securities, Inc.

He obtained his Bachelor of Arts in Humanities (with a specialization in Management) from the University of Asia and the Pacific in 2011 and his Juris Doctor degree from the University of the Philippines College of Law in 2020. He was admitted to the Bar in May 2022 and is currently a Junior Associate at Tan Venturanza Valdez.

Charlie G. Ledesma, Finance Manager and Compliance Officer

Mr. Charlie G. Ledesma is concurrently the Assistant Vice President - Finance and Compliance Officer of Discovery World Corporation. He is also the Treasurer of Discovery Fleet Corporation. He was previously a Commercial Banking Relationship Manager for Metropolitan Bank and Trust Company (2017 to 2018) and for Bank of the Philippine Islands (2013 to 2015). He also served as Business Development Manager for True Money Philippines Inc. (2016 to 2017). He holds a degree of Bachelor of Science degree (major in Management, minor in Finance), cum laude, from the Ateneo de Manila University.

Erlito Z. Parangue, Audit Officer

Mr. Erlito Z. Parangue is concurrently the Risk & Audit Officer of Discovery World Corporation. He worked at Ever Gotesco Malls as an Audit Officer from 2017 to 2020 then briefly with Lifestrong Marketing Inc. as an Internal Auditor before joining the Company. He graduated from City of Malabon University in 2017 with a Bachelor of Science degree in Management Accounting. He also holds Bachelor of Science degree in Accountancy from St. Vincent de Ferrer College of Camarin (2018).

Significant Employees

No single person is expected to contribute more significantly than others do to the business since the Company considers the collective efforts of all its employees as instrumental to the overall success of the Company's performance. Other than standard employment contracts, there are no arrangements with non-executive employees that will assure the continued stay of these employees with the Company.

Family Relationships

Mr. John Y. Tiu, Jr. is the uncle of and Ms. Leslie Ann T. Yapkianwee and Mr. Christopher John A.D. Tiu. Mr. Christopher John A.D. Tiu and Ms. Leslie Ann T. Yapkianwee are cousins.

There are no other family relationships known to the Company other than the ones disclosed.

Involvement in Legal Proceedings

There has been no occurrence during the past five (5) years up to the date of this Prospectus of any of the following events that are material to an evaluation of the ability or integrity of any director, any nominee for election as director, executive officer, underwriter, or controlling person of the Company:

- any bankruptcy petition filed by or against any business of which such person was a general partner or executive officer, either at the time of the bankruptcy or within two (2) years prior to that time;
- any conviction by final judgment, including the nature of the offense, in a criminal proceeding, domestic or foreign, or being subject to a pending criminal proceeding, domestic or foreign, excluding traffic violations and other minor offenses;
- being subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities, commodities or banking activities; and
- being found by a domestic or foreign court of competent jurisdiction (in a civil action), the SEC or comparable foreign body, or a domestic or foreign exchange or other organized trading market or self-regulatory organization, to have violated a securities or commodities law or regulation, and the judgment has not been reversed, suspended or vacated.

Item 10. Executive Compensation

The following summarizes the executive compensation received by the President and the top four (4) most highly compensated officers of the Company for the calendar years 2023 and 2022, as the estimated aggregate compensation for the calendar year 2024.

Name and Principal Position	Year	Salary	Bonus	Other Annual Compensation
John Y. Tiu, Jr. – Chairman and CEO				
Jose C. Parreno, Jr. - President				
Erwin Peter Z. Lopez - Director for Operations				
Charlie G. Ledesma – AVP Finance Manager / Compliance Officer				
Total compensated officers named above	2024 (est)	₱11,458,416	₱1,452,550	₱6,791,984
	2023	₱10,416,742	₱1,320,500	₱6,174,531
	2022	₱9,566,612	₱1,131,142	₱5,819,170
Aggregate compensation paid to all officers and directors as a group unnamed	2024 (est)	₱31,705,116	₱1,452,550	₱20,520,662
	2023	₱28,822,833	₱1,320,500	₱18,655,147
	2022	₱21,510,666	₱2,177,341	₱12,984,708

Compensation of Directors

Under the By-Laws of the Company, by resolution of the Board, each Director or Committee member shall receive a reasonable per diem allowance for his attendance at each meeting of the Board and Committees. The current *per diem* allowance that each Director receives for attending a Board meeting is ₱20,000, while members of the Executive, Audit, Board Risk Oversight, and Corporate Governance Committees receive a *per diem* of ₱10,000.

As compensation, the Board shall receive and allocate an amount of not more than ten percent (10.00%) of the net income before income tax of the Company during the preceding year. Such compensation shall be determined and apportioned among the directors in such manner as the Board may deem proper, subject to the approval of stockholders representing at least a majority of the outstanding capital stock at a regular or special meeting of the stockholders.

Warrants and Options Outstanding

There are no outstanding warrants or options held by directors and officers nor are there any adjustments in the exercise price of said warrants or options.

Item 11. Security Ownership of Certain Beneficial Owners and Management

The following persons or group are known to the Company as directly or indirectly the record or beneficial owners of more than five percent (5%) of the Company's voting securities as of 31 December 2023.

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 HELD	PERCENT OF CLASS
Common	JTKC Equities, Inc. Beckel Road, Brgy. Beckel, La Trinidad, Benguet Shareholder	Same as record owner	Filipino	302,599,998	35.43%
Common	The Discovery Leisure Company, Inc. Beckel Road, Brgy. Beckel, La Trinidad, Benguet Shareholder	Same as record owner	Filipino	155,399,995	18.2%
Common	JT Perle Corporation Beckel Road, Brgy. Beckel, La Trinidad, Benguet Shareholder	Same as record owner	Filipino	254,982,000	29.86

Security Ownership of Directors and Management

The following are the number of shares owned of record by the directors and executive officers of the Company and the percentage of shareholdings of each of them as of 31 December 2022:

NAME OF DIRECTOR	NUMBER OF DIRECT SHARES	NUMBER OF INDIRECT SHARES / THROUGH (NAME OF RECORD OWNER)	% OF CAPITAL STOCK
John Y. Tiu, Jr.	1,200,001	Direct	0.14
Jose C. Parreño, Jr.	50,000	Direct	0.01
Christopher John AD. Tiu	9,350,000	Direct	1.09
Romualdo C. Macasaet	10,001	Direct	-nil-
A. Bayani K. Tan	50,001	Direct	0.01
Lamberto R. Villena	50,001	Direct	0.01
Elizabeth Ann C. Parpan	50,001	Direct	0.01
William L. Chua	50,000	Direct	0.01
Melissa Y. Yap	40,000	Direct	-nil-
TOTAL			1.28%

Item 12. Certain Relationships and Related Transactions

No director or executive officer or any member of their immediate family has, during the last two (2) years, had a direct, or indirect, material interest in a transaction or proposed transaction to which the Company was a party.

PART IV – CORPORATE GOVERNANCE

Item 13. Corporate Governance

The company remains focused on ensuring the adoption systems and practices of good corporate governance in enhancing value for its shareholders.

In compliance with the initiative of the Securities and Exchange Commission (“SEC”), the Corporation submitted its Corporate Governance Manual (the “Manual”) to the SEC. This manual institutionalizes the principles of good corporate governance in the entire Company. The Company believes that corporate governance, the framework of rules, systems, and processes governing the performance of the Board of Directors and Management of their respective duties and responsibilities, and from which the organization’s values and ethics emerge, is of the utmost importance to the Company’s shareholders and other stakeholders, which include, among others, clients, employees, suppliers, financiers, government and community in which it operates. The Company undertakes every effort possible to create awareness throughout the entire organization.

Even prior to the submission of its Manual, however, the Company already created various Board-level committees. These committees were comprised of:

1. Executive Committee – to oversee the management of the Company and is responsible for the Company’s goal, finances and policies;
2. Audit Committee – to review financial and accounting matters;
3. Nomination Committee – for the selection and evaluation of qualification of directors and officers. This committee was merged with the Corporate Governance Committee in April 2017.
4. Compensation and Remuneration Committee – to look into an appropriate remuneration system.
5. Risk Oversight Committee – to review the policies and procedures relating to the identification, analysis, management, monitoring, and reporting of the financial and non-financial risks;

A Compliance Officer was also appointed. The Company submits its Corporate Governance Self-Rating reports to the SEC and PSE as proof of its compliance with the leading practices and principles on good corporate governance.

The Board establishes the major goals, policies, and objectives of the Company, as well as the means to monitor and evaluate the performance of Management. The Board also ensures that adequate internal control mechanisms are implemented and properly complied in all levels.

On 20 January 2023, in recognition of its good corporate governance practices, the Company was awarded a Golden Arrow Award by the Institute of Corporate Directors.

The Company is not aware of any non-compliance with its Manual of Corporate Governance, by any of its directors, officers, or employees.

Board Attendance

Regular meetings of the Board are scheduled at the beginning of the year and are held at least three (3) times annually. Special meetings may also be called by the Chairman, the President, or Corporate Secretary. A director's absence or non-participation in more than 50% of all meetings in a year is a ground for temporary disqualification in the succeeding election. During 2023, each of the Company's Directors have complied with the requirements. The attendance of the Board for 2023 is as follows:

Director	Feb 23	Jun 22	Sep 21	Dec 7	%
1. John Y. Tiu, Jr.	✓	✓	✓	✓	100
2. Jose C. Parreno, Jr.	✓	✓	✓	✓	100
3. A. Bayani K. Tan	✓	✓	✓	✓	100
4. Romualdo C. Macasaet	✓	✓	✓	✓	100
5. Lamberto R. Villena	✓	✓	✓	✓	100
6. Christopher John AD Tiu.	✓	✓	✓	×	75
7. Elizabeth Ann C. Parpan	✓	✓	✓	✓	100
8. William L. Chua	✓	✓	✓	✓	100
9. Melissa Y. Yap	✓	✓	✓	✓	1000

PART V - EXHIBITS AND SCHEDULES

Item 14. Exhibits and Reports on SEC Form 17-C

(a) Exhibits

Please refer to the attached audited consolidated financial statements of the Company as at and for the year ended December 31, 2022, which have been prepared in accordance with Philippine Financial Reporting Standards, as audited by Reyes Tacandong and Co.

(b) Reports on SEC Form 17-C

DOCUMENT	DATE FILED	ITEM NO.	MATTER
SEC Form, 17-C dated 20 April 2023	20 April 2023	Item 4	Term extension of Independent Director
SEC Form, 17-C dated 18 May 2023	18 May 2023	Item 9	Incorporation of new subsidiary
SEC Form, 17-C dated 22 June 2023	22 June 2023	Item 9	Results of the Annual Stockholders' Meeting and Organizational Meeting of the Board of Directors
SEC Form, 17-C dated 22 June 2023	26 June 2023	Item 9	Amended Results of the Annual Stockholders' Meeting and Organizational Meeting of the Board of Directors
SEC Form, 17-C dated 14 July 2023	14 July 2023	Item 4	Resignation of Officer
SEC Form, 17-C dated 18 May 2023	20 July 2023	Item 9	Amended incorporation of new subsidiary
SEC Form, 17-C dated 29 August 2023	29 August 2023	Item 9	Results of Amendment of Articles of Incorporation
SEC Form, 17-C dated 21 September 2023	21 September 2023	Item 9	Amendments to Articles of Incorporation
SEC Form 17-C dated	12 October 2023	Item 9	Amended amendments to Articles

12 October 2023			of Incorporation
SEC Form 17-C dated 5 December 2023	5 December 2023	Item 9	Results of Written Assent
SEC Form 17-C dated 7 December 2023	7 December 2023	Item 9	Additional subscriptions to subsidiaries

SIGNATURES

Pursuant to the requirements of Section 17 of the Code and Section 141 of the Corporation Code, this report is signed on behalf of the issuer by the undersigned, thereunto duly authorized, in the City of Makati City on _____, 2024.

By:

John Y. Tiu, Jr.
Chairman of the Board &
Chief Executive Officer

Jose C. Parreno, Jr.
President

Irene J. Buban
Comptroller

Leslie Ann T. Yapkianwee
Treasurer

MAR 25 2024

SUBSCRIBED AND SWORN to before me this _____ day of _____ 2024 affiant(s) exhibiting to me his/their Competent Evidence of Identity, as follows:

Name	ID No.	Date of Issue	Place of Issue
John Y. Tiu, Jr.	Passport P7928115B	10.20.2021	DFA Manila
Jose C. Parreno, Jr.	Passport P5834170B	11.23.2020	DFA NCR East
Leslie Ann T. Yapkianwee	Driver's License No. N03-02-000049	09.17.2021	LTO Manila
Irene J. Buban	Passport P5956474A	02.08.2018	DFA Manila

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PAGE NO. 69
BOOK NO. CLW11
SERIES OF 204

ATTY. GARY CAMITAN AURE
NOTARY PUBLIC, CITY OF MANILA
Notary Public
ROLL NO. 8077-1501-03-1000-1000-02/02/2019 PASIG CITY
PTR NO. 1527787-0170-70 MANILA
COMMISSION NO. 2023-016-01/01/2023 UNTIL DEC 31, 2024-MANILA
MCLE NO. VII-0001848-10/20/2019 VALID UNTIL APRIL 14, 2025, P.C.
OFFICE: BURGUNDY TRANSPACIFIC PLACE TAYT AVE. MALATE, MANILA

SIGNATURES

Pursuant to the requirements of Section 17 of the Code and Section 141 of the Corporation Code, this report is signed on behalf of the issuer by the undersigned, thereunto duly authorized, in PASIG CITY on MAR 20 2024, 2024.

By:

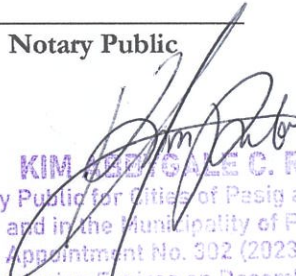


Anna Francesca C. Respicio
Corporate Secretary

SUBSCRIBED AND SWORN to before me this MAR 20 2024 day of 2024, 2024 affiant(s) exhibiting to me his/their Competent Evidence of Identity, as follows:

Name	ID No.	Date of Issue	Place of Issue
Anna Francesca C. Respicio	Passport P8460959B	12.15.2021	DFA NCR East

Notary Public


KIM MEDIGALE C. RIDO
Notary Public for Cities of Pasig and San Juan
and in the Municipality of Pateros
Appointment No. 302 (2023-2024)
Commission Expires on December 31, 2024
2704 East Tower, Teklite Towers, Exchange Road
Ortigas Center, 1605 Pasig City
PTR No. 1504081/01.02.24/Pasig
IBP No. 362665/12.31.23/RSM
Roll of Attorneys No. 87163
Admitted to the Bar: 05.02.23

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Series of 2024