

SEC Number 181069

File Number _____

**THE MANILA SOUTHWOODS GOLF
& COUNTRY CLUB, INC.**

(Company's Full Name)

**Southwoods Boulevard, Bo. Cabilang Baybay
Carmona, Cavite**

(Company's Address)

(046) 419-8190

(Telephone Number)

December 31

(Fiscal Year Ending)
(month & day)

SEC Form 17-A Annual Report

Form Type

Amendment Designation (If applicable)

December 31, 2023

Period Ended Date

(Secondary License Type and File Number)

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 181069 3. BIR Tax Identification No. 000-645-256
4. Exact name of registrant as specified in its charter
The Manila Southwoods Golf & Country Club, Inc.
5. Cavite, Philippines 6. (SEC Use Only)
Province, Country or other jurisdiction of Industry Classification Code
Incorporation or organization
7. Southwoods Boulevard, Bo. Cabilang Baybay, Carmona, Cavite 4116
Address of principal office Postal Code
8. (046) 419-8190
Registrant'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, or Sec.4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding	Amount of Debt Outstanding
Class A	1,800 shares	₱1,508,650,362
Class B	<u>1,200</u> shares	<u>1,005,100,242</u>
Total	<u>3,000</u> shares	₱ <u>2,513,750,604</u>

11. Are any or all of these securities listed on the Philippine Stock Exchange

Yes [] No [x]

If yes, state the name of such stock exchange and the classes of securities listed therein:

Not Applicable

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 [x] No []

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

Yes [x] No []

13. State the aggregate market value of the voting stock held by non-affiliates of the registrant. The aggregate market value shall be computed by reference to the price at which the stock was sold, or the average bid and asked prices of such stock, as of a specified date within 60 days prior to the date of filing. If a determination as to whether a particular person or entity is an affiliate cannot be made without involving unreasonable effort and expense, the aggregate market value of the common stock held by non-affiliates may be calculated on the basis of assumptions reasonable under the circumstances, provided the assumptions are set forth in this Form.

<u>No. of shares</u>	<u>Average Market Price per Share</u>	<u>Market Value</u>
2,875	₱6,700,000	₱19,262,500,000

THE MANILA SOUTHWOODS GOLF & COUNTRY CLUB, INC.
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PART I BUSINESS AND GENERAL INFORMATION

ITEM 1. Business

The Manila Southwoods Golf & Country Club, Inc. (the Club) was incorporated on September 5, 1990 and started full operations on January 2, 1995. Its securities were registered with the Securities and Exchange Commission for sale to the public on October 23, 1991.

The Club was organized and operates exclusively for the promotion of the social, recreational and athletic activities on a non-profit basis among its shareholders, the core of which will be the maintenance of a golf course, clubhouse and other similar facilities. No part of its income inures to the benefit of any officer, member or any private individual.

The Club has not been subject to any bankruptcy, receivership or similar proceedings. Neither has the Club been subject to any material reclassification, merger, consolidation, or purchase or sale of a significant amount of assets not in the ordinary course of business.

As a nonprofit entity, the Club generates revenues in the form of membership and other fees in order to meet the expenses for its general operations, maintenance and improvements of the premises and facilities. The major source of revenue from club operations and receipts from members and their corresponding contribution to total receipts are as follows: membership dues, 40%; green fees and tourist fees, 20%; and membership and transfer fees, 17%. Total receipts and income of the Club for 2023 registered an increase of ₱38.1 million or 14% mainly attributable to higher number of turnover of members that resulted to ₱4.6 million revenue increase paired with higher number of playing rights in 2023 and higher number of share transfers by ₱5.5 million and Php3.8 million, respectively. Revenue from Club operations likewise increase by ₱18 million attributable to golf rate increases and full operations of the Club this year. There is notable increase in green fee rates from ₱5,000 to ₱6,000 for weekend rate and ₱3,000 to ₱4,000 from weekday rate effective March 1, 2023. These increases were paired with increased number of guests and members using the club premises. The percentage of contribution of other receipts and revenues during the year is almost the same of the preceding year. Other services offered by the Club to the members and their guests are golf tournament management, banqueting functions and golf cart rentals.

The Club has no sales or revenues and net income contributed by foreign sales.

All Club products and services are delivered within the premises of the Club to visiting members and their guests. There are no elaborate distribution methods of products and services.

There is no publicly-announced new product or service of the Club.

The golf industry caters to upper and middle class individuals and families who have available disposable income to be able to own a proprietary share of stock or rent a share for playing rights. Located to the south of Metro Manila or the CALABARZON area, the Club is in direct competition with other golf courses such as The Orchard Golf & Country Club, Riviera Golf & Country Club, Eagle Ridge Golf & Country Club, Tagaytay Highlands, Tagaytay Midlands and Sherwood Hills Golf Club, all located within the province of Cavite. Further down south are Sta. Elena Golf & Country Club, The Country Club, Canlubang Golf Club and Ayala Greenfields, all in Laguna province and Mt. Malarayat Golf & Country Club in Lipa City, Batangas.

Principal methods of competition in the golf industry consist of quality of facilities, amenities and services, pricing and accessibility. The Club enjoys higher patronage as compared to its competitors due to its accessibility from major thoroughfares. It is the first golf course a golfer would reach south of Metro Manila via South Luzon Expressway. It is only about 10-minute drive from Alabang, Muntinlupa and 40 minutes from the Makati financial district. This fact, coupled with the quality of its 36-hole golf course and leisure facilities, which are being maintained all year round at the highest level, in turn gives more value for money. Further, the Club maintains superior member-guest relations and services as compared to its competitors. With these factors, the Club has always been considered as one of the leaders in the industry to which others measure and gauge their own performance.

The Club is not dependent on any particular supplier or group of suppliers for various supplies needed in the operation and maintenance of its facilities. Major parts of its requirements are readily available in the local market from various manufacturers and traders. Specialized requirements such as imported spare parts for turf equipment, irrigation and pump systems and a number of fertilizers and herbicides grades are available through local authorized distributors or directly from the foreign manufacturers. The Club has no existing major supply contracts.

The Club is not dependent upon a single customer or a few customers. It currently has 2,300+ active members, all can use the facilities and services of the Club together with their guests subject to existing house rules, regulations and procedures. In the normal Club operations, it is also open to member-sponsored golf tournaments and to a limited extent, and tourists program at premium rates. There is no customer that accounts for at least twenty percent (20%) of the Club's revenues and there are no existing major sales contracts.

In the normal course of business, there were transactions involving expense allocations for key management personnel and outstanding balances for the retirement benefits and contributions which were specifically discussed in the related party transactions and balances of this report. The Club is not dependent on any related party.

The Club has no patents, trademarks, copyrights, licenses, franchises, concessions, and royalty agreements to which its operations depend on or is expected to depend.

There is no need for any government approval of principal products or services being offered by the Club to its members and their guests.

The Club has successfully obtained its revised Environmental Compliance Certificate (ECC) from the Department of Environment and Natural Resources (DENR) and the LLDA Clearance from Laguna Lake Development Authority (LLDA) for golf operations during the year.

The Club has not spent on research and development activities during the three last years.

Since April 9, 1999, the Club has been fully certified by the Audubon Cooperative Sanctuary Program, a leading non-governmental, internationally-recognized environmental organization based in the United States. The objective of the program is to educate people to become environmental stewards and motivate them to take action and enhance their habitats and, conserve natural resources and improve the environment and the surrounding communities. The Club has the distinction of being the first golf club to receive this Audubon Certification in the Asia-Pacific region. The Club had since been recertified on a bi-annual basis and expects to be continuously recertified again in the succeeding years.

The Club obtained its Integrated Management System (IMS) certification in 2005 from TUV Philippines to become the first golf club in the Philippines that successfully established, implemented, and maintained the three governing IMS standards, namely, the ISO 9001, ISO 14001 and ISO 45001 for Golf Club Operations. The Club is the first of its kind to be certified individually on Quality Management System (ISO 9001), Environmental Management Systems (ISO 14001), and Occupational Health and Safety (ISO 45001). The certification is generally awarded to companies that continually improve the quality of their products and services while paying careful attention to the impact on the environment and the well-being of their members and employees. The IMS certification involves achieving all members' requirements, the health and safety of members and employees, as well as prevention of pollution in and around the club venue and golf course. The Club has successfully maintained its re-certification since 2005.

The Club was previously awarded as Philippine Best Golf Course (Masters Course) by World Golf Awards for six (6) times in seven (7) years. The Club was the venue of the prestigious Asian Tour, the Resorts World Manila Masters for five (5) consecutive years from 2013 to 2017 with prize money of US\$1 million, the highest prize money ever offered in the Philippines.

The Club has won several inter-club and national tournaments such as the Mens Regular Founders Division of PAL Interclub Tournament and Fil-AM Golf Tournaments. When the inter-club events had resumed last year after the COVID-19 pandemic, the Club was declared once again as Champion of the 72nd Fil-Am Golf Tournament (held from November 23 to December 11, 2022 in Baguio City) on the following categories: Champion-Fil Championship Division (Regular); Champion-Am Championship Division (Regular); and Champion-Fil Championship Division (Seniors).

As of December 31, 2023, the Club has 237 employees working full-time. This figure consisted of 198 employees involved in operations (i.e., golf operations, grounds maintenance, engineering, purchasing and materials management, security and housekeeping) and 39 employees involved in office/administrative functions (i.e., personnel, training, executive office and accounting). A total of 133 employees as of December 31, 2023 are covered by the existing CBA with an expiration date of December 31, 2025. The labor group and the Club management has established and maintained a good and harmonious working relationship ever since. The Club has never experienced any dispute, strike or disturbance from employees and the local union since its formation in 1998. Supplemental benefits given by the Club to its employees include salary adjustment, duty meal and allowances, partial cash conversion of unused sick leave benefit, provision of uniforms, loyalty awards, retirement benefits, bereavement financial assistance, birthday gift, emergency loans, life and medical insurance, among others.

The major risk involved in the operations of the Club is mainly the stoppage or hampering of operations which may be brought about by natural calamities, fire, and other causes such as COVID-19 pandemic. The Club is normally open 365 days a year especially on holidays where patronage or player traffic is high. In the industry itself, premium is given to all year-round playability and the clubs are always open. Several years back, the Club had suffered flooding incidents that resulted to series of repair works and temporary closure of the areas affected by floodwater and silts. The last flooding incident that had temporarily paralyzed portion of the facilities while undergoing clean-up and rehabilitation. The Club had been continuously doing the clean-up program of all river channels going through its property to minimize the risk of water overflowing during rainy months. In 2020 and 2021, the Club had to stop temporarily its operations in several occasions due to Taal Volcano eruption and the imposition of enhanced community quarantine (ECQ) by the national government to prevent the spread of corona virus disease (COVID-19) that hit world-wide on the early part of 2020. Club operations had returned to its normal operations since the first quarter of 2022 with high number of patronage.

ITEM 2. Properties

The Golf Course, a project of Fil-Estate Golf and Development, Inc. (Developer) is a result of a Development Agreement between the developer and other realty and development companies which originally owned the land where the Golf Course Project is located. The Developer was originally a joint venture company between Fil-Estate Properties, Inc. and Dyna Land Development Corporation. Upon completion of the Club, Dyna Land sold its shares to FEGDI in whole.

The Club's Golf Course and Clubhouse Development Works is located at Carmona, Cavite with an aggregate land area of 136 hectares more or less. As of December 31, 2023, land titles covering about 123 hectares, out of the total land area actually covered by the Golf Course Project of approximately 136 hectares, have already been transferred and registered in the name of the Club on the basis of a "tax-free exchange" ruling covering the Golf Course Project that was secured from the Bureau of Internal Revenue ("BIR"). While the beneficial ownership of the remaining 13 hectares has been conveyed to the Club, the actual transfer and registration of the same in the name of the Club has not yet been completed as the Annex to the BIR tax-free ruling listing the specific title numbers of lots donated by certain landowner partners was lost when the Cavite Register of Deeds office was burned several years ago and needs to be reconstructed. Efforts are being made to expedite the transfer and registration of the said remaining lots in the Club's name on the basis of the said BIR tax-free exchange ruling. On January 26, 2005, the Club has obtained a revalidated Certificate Authorizing Registration (CAR) from BIR. The revalidated CAR is one of the major requirements of the Registry of Deeds in titling the land in the name of the Club. The Club's management and legal counsel believe that, based on current circumstances, there are no legal contingencies affecting the status and titling of 13 hectares nor are there any adverse claims by third parties to the aforesaid 13 hectares of land. The Club has two clubhouses, a maintenance facility, four tee houses, a driving range, two starter houses, a halfway house and several storm huts. The golf course and other properties are in good condition and undergo regular preventive maintenance and major renovation whenever the need arise.

A series of Compromise Agreements (for Block 74, Lots 1 & 3 and Block 66, Lot 2) were executed on August 18, 2004 between The Manila Southwoods Golf & Country Club, Inc. (the "Club") and National Transmission Commission ("Transco"), a government owned and controlled corporation. The Club, in consideration of just compensation (received in December 2005), agreed for the latter to expropriate a portion of a parcel of land, covered by Transfer Certificate of Title (TCT) No. T-93297 of the Registry of Deeds (the "affected property"), intended for the site of a new steel tower of the Dasmariñas – Biñan 230 kV Transmission Line Project (the "Project"), for the broader interest of public welfare. The Order of Expropriation was annotated at the back of TCT No. T-593297.

Further, the agreement provided that in the event Transco, or its successors-in-interest, retires the transmission line or alters the use or specific purpose for which the affected property was expropriated and condemned, the Club reserves the right to acquire the affected property at a price equivalent to the current Bureau of Internal Revenue's zonal valuation.

In addition, Right of Way Agreements (Block 74, Lot 2 and Block 66, Lot 3) were also executed on the same date. Transco, in order to meet the target completion date of the Project which was considered vital to the distribution of electricity of the Luzon Grid System, offered to pay the Club an easement fee for a right of way over that portion of the parcel of land. That in the event Transco, or its successors-in-interest, retires the transmission line or alters the use or specific purpose for which the affected property was expropriated and condemned, the Agreements will be rendered null and void and all the rights of possession and ownership over the affected property will be assumed by the Club.

There are no mortgages, lien, or encumbrance over the properties of the Club nor are there any limitations on ownership or usage over the same. The Club does not lease any major property essential to its operation.

The Club had been in operation for over 30 years now and its facilities and equipment require refurbishment or replacement due to wear and tear. In line with the Club's commitment to provide its members with first class facilities and the best playing conditions, the Club through its different Committees is identifying on a yearly basis the portion of the golf facilities including operating equipment that require rehabilitation or replacement for budget allocation and immediate implementation based on identified level of priorities. For the year 2023, the club spent over ₱122 million for various rehabilitation projects and equipment purchases such as replacement of air conditioning system of the main clubhouse, conversion of mulligan fine dining to sports bar, and rehabilitation of the men's locker room, rehabilitation of ladies' locker room, refurbishment of ball room and function rooms, and purchase of various turf maintenance equipment, among others. The Club will continue its special projects for 2024 including the rehabilitation of administration offices, main club lobby and verandah. The Club has available funds from its operations and can re-issue its club acquired delinquent shares if additional funds are necessary.

ITEM 3. Legal Proceedings

Although the Club is a respondent in several legal cases arising from the normal course of business, there are no material pending legal proceedings that would have material impact on the financial conditions or results of operations of the Club.

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

There were no matters submitted to a vote of security holders during the fourth quarter of the calendar year covered by this report.

PART II OPERATIONAL AND FINANCIAL INFORMATION

ITEM 5. Market Price of Registrant's Common Equity and Related Stockholder Matters

Market Information

As of January 2, 1995 all the 3,000 authorized no-par shares have been issued to the developer and its land owner partners in exchange for the two (2) 18-hole golf courses, buildings and facilities and the land where the Club now stands. The Club itself does not engage in any trading activities of its own shares except as provided for in its By-Laws with regards to the auctioning of shares of delinquent members to settle their outstanding liabilities to the Club. As of December 31, 2023, the Club has a total of one hundred eighteen (118) delinquent shares acquired at the public auctions. The acquisition cost of the share represents the outstanding receivable from the delinquent shareholder as of the date of auction plus costs incurred in the auction. There is no public trading market for the Club's shares. These are available only from the developer, its landowner partners and existing individual/corporate owners at a price agreed upon by both parties concerned, subject to the exercise of the Club of its right to first refusal over the shares.

Buyers of the Registrant's golf shares are expected to be from the upper and middle income class bracket, the Metropolitan Manila based golfers (and surrounding cities and municipalities) and present and future residents of the Manila Southwoods Residential Estates. The Registrant's golf shares are not traded in any Stock Exchange. The primary golf shares issued to the Developer and its landowner partners are sold to

individuals and corporations through the marketing arm of the Developer while secondary shares are usually traded through individual transactions and brokers of club shares. In 2023, there were 102 transfer fees earned by the Club for the transfer of share ownership.

SHARE PRICES (Millions)

		2023		2022		2021	
		High	Low	High	Low	High	Low
First Quarter	A	4.50	4.00	2.60	2.30	1.35	1.35
	B	5.00	4.50	3.20	2.50	1.50	1.50
Second Quarter	A	5.50	4.50	2.60	2.60	1.35	1.30
	B	5.60	5.00	3.30	2.90	1.70	1.60
Third Quarter	A	4.50	3.50	3.00	2.90	1.70	1.50
	B	5.00	4.00	3.50	3.40	1.80	1.70
Fourth Quarter	A	4.00	4.50	4.00	3.50	2.00	2.20
	B	5.00	5.00	4.20	3.70	2.20	1.80

Holders

Top 20 shareholders as of December 31, 2023 are as follows (for practical presentation, only those shareholders holding 3 shares and above were included in the list):

Class A:

Name	No. of Shares Held	% to Total
1. Southern Heights Land Development Corp.	55	3.18%
2. Grandview Properties and Ventures, Inc.	49	2.83%
3. La Paz Housing Dev. Corporation	42	2.43%
4. Fil-Estate Land, Inc.	31	1.79%
5. College Assurance Plan	21	1.21%
6. Carmona Realty & Development Corp.	16	0.92%
Greenfield Development Corp.	16	0.92%
Fareast Bank & Trust Co.	16	0.92%
7. Fil-Estate Management, Inc.	11	0.64%
8. Homerson Development Corporation	7	0.40%
9. Fil-Estate Golf Development, Inc.	6	0.35%
10. Chuateco Romeo Sy	4	0.23%
Buenafortuna, Inc.	4	0.23%
Ignacio Co	4	0.23%
Travellers Intl. Hotel Group, Inc.	4	0.23%
Carino, Noel	4	0.23%
Development Bank of the Phils.	4	0.23%
11. Mitsubishi Motors Phils. Corp.	3	0.17%
Advanced Medical System, Inc.	3	0.17%
Francisco Gonazalez	3	0.17%
Looyuko Alberto T.	3	0.17%

Petron Corp	3	0.17%
Summit Estate Realty and Dev. Corp.	3	0.17%
Castillo Erlinda Flor	3	0.17%
Integrated Microelectronics, Inc.	3	0.17%
Brent International School	3	0.17%
San Miguel Corporation	3	0.17%
Foscon Express Shipping Corp.	3	0.17%

Class B:

Name	No. of Shares Held	% to Total
1. Southern Heights Land Development Corporation	171	14.84%
2. Fil-Estate Golf & Development Inc.	149	12.93%
3. La Paz Housing & Development Corp.	85	7.38%
4. Grandview Properties and Ventures, Inc.	31	2.69%
5. Greenfield Development Corporation	21	1.82%
6. College Assurance Plan	20	1.74%
7. Southcoast Real Estate Development Corp.	18	1.56%
8. Carmona Realty & Development Corp.	11	0.95%
9. Po Chi Chang and Fu Shu Shi	4	0.35%
Wan-Chu Chen	4	0.35%
Mitsui & Co., Ltd.	4	0.35%
10. Tan Caysing/Czarnita	3	0.26%
Benito R. Araneta	3	0.26%
The Coca-Cola Export Corp.	3	0.26%
Mitsubishi Corporation	3	0.26%
Caltex Philippines, Inc.	3	0.26%

Founders' and Class "A" and Class "B" shares outstanding as of December 31, 2023 were 1,730 and 1,152 shares, respectively, based on the Club's stock and transfer books. Out of the 118 delinquent shares acquired by the Club, 44 shares were actually transferred in the name of the Club while the transfer of the remaining 71 shares are still being processed.

Dividends

Being a non-profit organization, there are no cash dividends declared or will be declared at any time in the future as provided in the Articles of Incorporation. Stockholders are entitled only to a pro rata share of the assets of the Corporation at the time of dissolution or liquidation.

Recent Sales of Unregistered Securities or Exempt Securities, Including Recent Issuance of Securities Constituting an Exempt Transaction

Within the past three (3) years there are no sales of unregistered or exempt securities, including recent issuance of securities constituting an exempt transaction under the Code including sales of reacquired securities, as well as new issues, securities issued in exchange for property, services, or other securities resulting from the modification of outstanding securities.

ITEM 6. (A) Management's Discussion and Analysis or Plan of Operation

Fiscal Year 2023 and 2022

Balance Sheet

Total assets of the club as of December 31, 2023 and 2022 is ₱5.90 billion and ₱5.81 billion, respectively, or increased by ₱93.4 million or 1.61%. Balance sheet accounts with significant movement from the previous year are as follows:

Cash and cash equivalent. Cash account decreased by ₱35.4 million or 25.8%, from ₱137.0 million to ₱101.6 million, attributable to the net effect of purchase of new short-term investments in the form of time deposits amounting to ₱66.42 million.

Receivables. Receivable decreased by ₱1.6 million or 3.2%, from ₱47.4 million to ₱45.8 million, due to the liquidation of various down payments to the suppliers and contractors in relation to the completed facility renovation projects.

Inventories. Increased by ₱1.4 million or 5.5%, from ₱25.9 million to ₱27.3 million, attributable to the additional golf merchandise for sale at the pro shop.

Investments. Increased by ₱66.4 million or 442.6%, from ₱15.0 million to ₱81.4 million, attributable to purchase of new short-term investments in the form of time deposits, reclassification of long-term investments to current assets, and termination of treasury bills from Union Bank during the year.

Prepayments and other current assets. Increased by ₱1.3 million or 11.8%, from ₱11.4 million to ₱12.7 million, attributed to the additional insurance premiums due to increased value of property, and increase in prepaid taxes.

Property and equipment. Increased by ₱83.8 million or 37.0%, from ₱226.6 million to ₱310.4 million, attributable to the renovation projects such as conversion of mulligan fine dining to sports bar, renovation of men's and ladies' lockers, renovation of ball room and function rooms, purchase of new air conditioning system, and acquisition of various turf maintenance equipment.

Investment, noncurrent. Decreased by ₱15.0 million or 100% due to reclassification of investment with BDO to current account.

Retirement benefit assets. Decreased by ₱0.6 million or 100%, from ₱0.60 million to nil, due to increase in retirement benefit obligation as a result of lower discount rate.

Other noncurrent assets. Decreased by ₱7.0 million or 28.6%, from ₱24.6 million to ₱17.6 million, due to the collection of installment receivables from members and amortization of prepaid dues and VAT during the year.

Accounts payable and other current assets. Increased by ₱40.6 million or 47.7%, from ₱84.9 million to ₱125.5 million, due to accrual of trade payables to third party representing partially completed facility renovation projects and capital expenditures and advance payment by the members.

Unearned receipts. Increased by ₱14.2 million or 16.0%, from ₱88.6 million to ₱102.7 million, representing advance payment of monthly dues and additional membership fees collected by the Club which are being amortized over an average length of membership of four (4) years, in compliance to PFRS#15.

Lease liabilities. Increased by ₱10.8 million or 75.6%, from ₱14.3 million to ₱25.1 million, due to the acquisition of new fleet of turf maintenance equipment and new generator set for the main clubhouse.

Retirement benefit obligation. Booked a total amount of ₱10.2 million in 2023 as compared to nil in 2022 attributable to the increase in retirement benefit obligation as a result of lower discount.

Excess of proceeds over cost from re-issuance of shares of delinquent shareholders. Increased by ₱34.4 million or 38.0%, from ₱90.5 million to ₱124.9 million, due to the re-issuance of four (4) class “A” and four (4) class “B” shares during the year at higher selling prices.

Result of Operations

The Club registered an excess of receipts over costs and expenses (before depreciation and income tax) this year amounting to ₱38.5 million as compared to ₱21.4 million last year or increased by ₱17.1 million or 80.4% attributable to higher receipts and income during the year.

Revenues from club operations and receipts from members. Total revenues and receipts for the year is ₱309.5 million as compared to ₱271.4 million of the previous year, or increased by ₱38.1 million or 14.0%. Receipts and revenue items with increase or decrease by 5% and above are as follows:

Membership fees – increased by ₱4.6 million or 19.1%, from of ₱23.8 million to ₱28.4 million, due to high turnover of members and the membership fee rate increase from ₱200 thousand to ₱250 thousand starting March 1, 2022.

Transfer fees – increased by ₱3.8 million or 17.5%, from of ₱21.7 million to ₱25.5 million, due to the increase in turnover of shareholders and transfer fee rate increase from ₱200 thousand to ₱250 thousand starting March 1, 2022.

Annual playing rights fees – increased by ₱5.5 million or 47.8%, from of ₱11.5 million to ₱17.0 million, due to the increase in number of playing rights holders and the two-time increase of annual assignment fee rate from ₱100 thousand to ₱150 thousand effective March 1, 2022, and from ₱150 thousand to ₱200 thousand effective December 1, 2023.

Green fees and tourist fees - increased by ₱15.5 million or 32.9%, from of ₱47.2 million to ₱62.7 million, due to the increase in green fee rate from ₱5,000 to ₱6,000 for weekend and ₱3,000 to ₱4,000 for weekdays effective March 1, 2023. Another increase of ₱500 of the green fee rate was imposed effective November 1, 2023.

Locker, golf cart and equipment rental fees – increased by ₱1.4 million or 5.2%, from of ₱26.8 million to ₱28.2 million, attributed to the golf cart rental for the tournaments at premium rental fee.

Sale of golf merchandise – decreased by ₱0.7 million or 5.1%, from of ₱13.8 million to ₱13.1 million, attributable to the change of giveaways for 2023 Southwoods Invitational Tournament from pro shop gift certificate to golf bag, hence, pro shop sales were reduced.

Tournament fees – increased by ₱1.6 million or 51.3% as greater number of members sponsored tournaments were held in 2023 compared to 2022.

Others – increased by ₱184 thousand or 9.3 % attributed to the disposal of old rental golf carts during the year.

Interest income - increased by ₱1.4 million or 42.0 % attributed to higher interest rates by the Club on investments in the form of short-term placements and treasury bond.

Costs and Expenses. Operating costs and expenses of the Club increased by ₱21.0 million or 8.4%, from ₱250.0 million to ₱271.0 million. Expense items with significant movements are the following:

Salaries and wages - increased by ₱2.1 million or 3.4%, from ₱63.4 million to ₱65.6 million, attributable to the new minimum wage order and salary adjustment during the year as provided for in the CBA.

Repairs and maintenance – decreased by ₱6.7 million or 16%, from ₱42.1 million last year to ₱35.4 million this year, attributed to extra expenditures in 2022 for the golf cart battery replacement using lithium instead of ordinary lead batteries with a longer life usage. Renovations works at the main clubhouse also contributed to the decrease in the repairs and maintenance cost during the year.

Security and janitorial – increased by ₱6.0 million or 37.3%, from ₱16.1 million to ₱22.1 million, due to the reinstated janitorial services and the effect of new minimum wage order imposed by the government.

Light and water – increased by ₱2.3 million or 12.7%, from ₱18.4 million to ₱20.8 million, attributed to inflation rate and full operations of the Club.

Other employee benefits – increased by ₱2.4 million or 15.7%, from ₱15.3 million to ₱17.7 million, due to the payroll increase brought by the new minimum wage order and salary adjustments, and increase on the employees welfare.

Input VAT expense – increased by ₱3.7 million or 30.0% brought by various renovations works and capital expenditures during the year.

Taxes and licenses - increased by ₱7.3 million or 324% attributed to the one-time payment of LLDA regulatory fee in relation to the issuance of LLDA Clearance and Discharge Permit for club operations.

Fuel and oil – decreased by ₱1.0 million or 10.5% attributable to higher fuel consumption in 2022 due to the extended use of generator set while the main power line at the main clubhouse was down and under repair for more than one month.

Cost of sales of inventories – decreased by ₱1.0 million or 10.8% brought by lower sales of golf merchandise at the pro shop during the year.

Real property taxes – decreased by ₱2.7 million or 29.7% attributed to foregone real property discount in 2022 while the Club was negotiating with the provincial government for a lower and reasonable land valuation. Land valuation was successfully reduced from Php6,000 to Php1,800 per square meter.

Retirement benefit expense – increased by ₱3.0 million or 115%, from ₱2.6 million to ₱5.6 million, based on latest actuarial valuation conducted by an independent contractor, and the impact of benefit increment given to the former G of the Club.

Contract services – increased by ₱0.7 million or 57.0%, from ₱1.3 million to ₱2.0 million, attributed to the laundry services and courier services as the Club is back to its full normal operations.

Communication – increased by ₱0.5 million or 22.7% due to additional internet subscription from Globe as a back-up internet service provider of the Club.

Others – increased by ₱3.7 million or 24.8%, from ₱15.9 million to ₱20.0 million, due to the resumption of various club events and rental expense for standby generator set while the new generator set is being procured and installed.

Fiscal Year 2022 and 2021

Balance Sheet

Total assets of the club as of December 31, 2022 and 2021 is ₱5.81 billion and ₱5.75 billion, respectively, or increased by ₱60.8 million or 1.06%. Balance sheet accounts with significant movements from the previous year are as follows:

Cash and cash equivalent. Cash account increased by ₱10.2 million or 8.0%, from ₱126.8 million to ₱137.0 million, due to investments in treasury bills and bonds, collection of unearned receipts, and proceeds from the re-issuance of club acquired delinquent shares during the year.

Receivables. Receivable increased by ₱17.6 million or 59.2%, from ₱29.8 million to ₱47.4 million, due to increase in fees during the year, and advance payment to suppliers and contractors in relation to rehabilitation projects in the Club and capital expenditures.

Inventories. Increased by ₱9.5 million or 57.9%, from ₱16.4 million to ₱25.9 million, which is attributed to the increased par stocking of consumable supplies for facility maintenance and increase of golf merchandise for sale at the Pro Shop.

Investments. A new account with an aggregate amount of ₱30.0 million investments on treasury bills and bonds during the year.

Prepayments and other current assets. Increased by ₱7.6 million or 198.4%, from ₱3.8 million to ₱11.4 million, attributed to advance payment of real property taxes for the covering year 2023 based on the adjusted land valuation imposed by the local government of Cavite.

Property and equipment. Decreased by ₱8.8 million or 3.7%, from ₱235.4 million to ₱226.6 million, mainly due to the depreciation expense for the year.

Retirement benefit assets. Increased by ₱0.2 million or 53.2%, from ₱396 thousand to ₱608 thousand, due to additional payment of retirement contribution during the year.

Other noncurrent assets. Decreased by ₱6.4 million or 20.7%, from ₱31.0 million to ₱24.6 million, due to collection of installment receivables and amortization of prepaid dues during the year.

Accounts payable and other current assets. Increased by ₱18.7 million or 28.3%, from ₱66.2 million to ₱84.9 million, due to purchases from suppliers, advance payment of dues by the members, and accruals of partially completed renovation projects.

Unearned receipts. Increased by ₱20.2 million or 29.5%, from ₱68.4 million to ₱88.6 million, representing the advance payment of monthly dues, and additional membership fees collected by the Club which are being amortized over an average length of membership of four (4) years, in compliance to PFRS#15.

Lease liabilities. Increased by ₱5.0 million or 54.6%, from ₱9.3 million to ₱14.3 million, due to the new acquisitions of operating equipment through finance lease during the year.

Excess of proceeds over cost from re-issuance of shares of delinquent shareholders. Increased by ₱34.7 million or 62.0%, from ₱55.8 million to ₱90.5 million, due to the re-issuance of various class “A” and class “B” shares during the year.

Result of Operations

The Club registered an excess of receipts over costs and expenses (before depreciation and income tax) this year amounting to ₱21.4 million as compared to ₱24.2 million last year or decreased by ₱2.8 million or 11.7% as there were more renovation projects carried out during the year.

Revenues from club operations and receipts from members. Total revenues and receipts for the year is ₱271.4 million as compared to ₱221.4 million of the previous year, or increased by ₱50.0 million or 22.5%. Revenue items with increase or decrease by 5% and above are as follows:

Membership fees – increased by ₱2.6 million or 14.4%, from of ₱21.2 million to ₱23.8 million, due to the increase of club fees during the year.

Transfer fees – increased by ₱4.7 million or 27.6%, from of ₱17.0 million to ₱21.7 million, due to the increase of club fees and more members have sold their shares during the year.

Annual playing rights fees – increased by ₱2.3 million or 25.6%, from of ₱9.2 million to ₱11.5 million, due to the increase of club fees during the year.

Green fees and tourist fees - increased by ₱17.4 million or 58.4%, from of ₱29.8 million to ₱47.2 million, due to the increase of club fees and higher number of guests that patronized the club’s facilities during the year.

Locker, golf cart and equipment rental fees – increased by ₱11.0 million or 70.2%, from of ₱15.8 million to ₱26.8 million, because of higher patronage/number of players during the year.

Sale of golf merchandise – increased by ₱8.7 million or 170.0%, from of ₱5.1 million to ₱13.8 million, as more players have patronized the facilities during the year and the utilization of various golf merchandise as raffle prizes for club events/tournaments.

Tournament fees – registered a total revenue of ₱3.2 million as compared to nil in 2021 brought by the resumption of tournaments after the COVID-19 pandemic.

Others – increased by ₱0.7 million or 50%, from of ₱1.3 million to ₱1.9 million, attributed to the disposal of scrap materials and the sale of drinking water.

Costs and Expenses. Operating costs and expenses of the Club likewise increased by ₱52.7 million or 26.7%, from ₱197.3 million to ₱250.0 million. Expense items with significant movements are the following:

Salaries and wages - increased by ₱11.2 million or 21.5%, from ₱52.2 million to ₱63.4 million, due to full deployment of the club's manpower, implementation of the new minimum wage order, salary adjustment as provided for by the CBA, and the salary adjustments for the department managers and supervisors.

Repairs and maintenance – increased by ₱3.4 million or 8.7%, from ₱38.8 million last year to ₱42.2 million this year, as there were more repairs and renovation projects completed during the year.

Materials and supplies – increased by ₱3.1 million or 17.2%, from ₱18.2 million to ₱21.3 million, brought by higher consumption of operating supplies due to improved club operations and the impact of inflation rate.

Light and water – increased by ₱3.8 million or 26.3%, from ₱14.6 million to ₱18.4 million, as the club has returned its normal operations after the COVID-19 pandemic.

Security and janitorial – increased by ₱1.3 million or 8.5%, from ₱14.8 million to ₱16.1 million, due to the effect of new minimum wage order imposed by the government.

Other employee benefits – increased by ₱1.3 million or 9.4%, from ₱14.0 million to ₱15.3 million, due to payroll increase brought by the new minimum wage increase and salary adjustments.

Input VAT expense – increased by ₱5.4 million or 78.9% brought by the increase in operating expenses during the year.

Fuel and oil – increased by ₱3.6 million or 53.7% due to higher consumption of fuel brought by the normal club operations and the impact of inflation rate.

Cost of sales of inventories – increased by ₱6.4 million or 224.9% brought by higher sales of golf merchandise during the year.

Real property taxes – increased by ₱3.6 million or 67.3% due to higher land valuation imposed by the government and the penalty charges for the delayed payment of taxes.

Taxes and licenses - increased by ₱0.3 million or 18.0% due to higher business tax assessment brought by higher club revenues.

Meetings and conferences – increased by ₱0.7 million or 47.3%, from ₱1.5 million to ₱2.2 million, due to the increased frequency of membership interviews and number of new members' cocktails during the year.

Professional fees – increased by ₱0.6 million or 22.7%, from ₱2.8 million to ₱3.4 million, which is mainly attributed to the timing of submission of billing statements by the Club's legal counsel.

Contract services – increased by ₱0.3 million or 32.7%, from ₱1.0 million to ₱1.3 million, due to the impact of new minimum wage order by the government.

Others – increased by ₱7.2 million or 82.0%, from ₱8.7 million to ₱15.9 million, due to resumption of various club events such as Southwoods Pro-Am, SW Founders Circle tournament, and allocations for SW Invitational and Chairman’s Charity Cup.

Liquidity

The Club has a current ratio of 1.35:1.00 as of December 31, 2023 as compared to 1.66:1.00 as of December 31, 2022. With the Club’s positive working capital, the management is confident that it has sufficient resources to sustain its day-to-day operation and pay-off financial obligations as they mature. The Club has available shares acquired from the delinquent shareholders over the years which can be re-issued anytime when there is a need to raise additional funds for its operation. During the year, the Club sold four (4) Class “A” shares at an average price of ₱4.38 million per share and four (4) Class “B” shares at an average price of ₱5.75 million, for a combined total amount of ₱40.5 million. As of December 31, 2023, the Club has a total of 118 delinquent shares acquired through auctions. Further, the Club may also to impose special assessment to its general membership or increase the monthly dues when the need arises.

The Club is a respondent in other cases arising from the normal course of business. Any potential liability is likely to have a repayment period of more than a year and would probably be classified to noncurrent liabilities thereby the Club’s current ratio will not be materially affected.

Except for the contingent liability discussed above, there are no known trends or any known demands, commitments, events or uncertainties that will result in or that are reasonably likely to result in the Club’s liquidity increasing or decreasing in any material way.

Top Five (5) Key Performance Indicators

The Club identifies its top five (5) key performance indicators as follows:

1. Net working capital (current assets less current liabilities)
2. Current ratio (current assets over current liabilities)
3. Base equity (members’ equity over total liabilities)
4. Collection from membership dues and consumables
5. Earnings before depreciation (EBD)

Net working capital and current ratio measures the liquidity or short-term debt paying ability of the Club. Having a positive net working capital and current ratio of at least 1:1 is a fair indication of liquidity. The positive net working capital and 1.35:1.00 current ratio as of December 31, 2023 was discussed under the liquidity section above.

Base equity measures the dependence of the Club on its shareholders or creditors in meeting its financial obligations. A base equity of at least 25% is a good indication of a healthy capitalization. As of December 31, 2023, the Club has a base equity of 358% as compared to 379% in 2022. The decrease was due to the increase in current liabilities brought by the on-going rehabilitation and special projects in the Club.

The benchmark average monthly collection from membership dues and consumables of about ₱9.8 million for 2023 and 2022 is based on the monthly dues of ₱4,000 for about 2,300+ members and unused consumables of ₱500 about 1,000+ members. An additional average monthly collection of about ₱5.9 million was also realized in 2023 from the membership fees of the new members, transfer fees and annual assignment fees. The average monthly collection of membership dues, unused consumables, and

other related joining fees is a good indication of the Club's ability to sustain its fixed revenue and collection target.

Having a positive EBD determines that the Club can sustain viable and normal operation being a non-profit organization. Club operations registered positive EBD of ₱38.5 million and ₱21.4 million for 2023 and 2022, respectively.

Others

Except for the items discussed under liquidity caption above, there are no other events that will trigger direct or contingent financial obligation that is material to the Club, including any default or acceleration of an obligation.

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

The Club is continually doing the renovation projects and improvement programs for its facilities to maintain its premier service to its members. Various projects that were completed in 2023 are the conversion of mulligan fine dining to mulligan sports bar, renovation of men's and ladies' locker rooms, replacement of air conditioning system at the main clubhouse, renovation of ballroom and function rooms. The club had also purchased additional rental golf carts for its operation as well as turf maintenance equipment. The next projects of the Club include renovation of the administration offices, rehabilitation of the verandah, and extension of the mulligan sports bar.

There are no known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales or revenues or income from continuing operations.

The club does not have any significant elements of income or loss that did not arise from continuing operations during the year.

There are no seasonal aspects that had a material effect on the financial condition and results of operation of the club.

Causes for material (5%) changes from period to period aside from those already discussed in the comparative analysis of full fiscal years above are as follow:

Balance Sheets

Receivables:

- **Receivable from members** – increased by ₱6.2 million or 36.1% attributed to the increase in golf rates and higher patronage by the increased number of active members.
- **Advances to suppliers and contractors** - decreased by ₱4.4 million or 28.7% brought by the liquidation of various down payments pertaining to the completed renovation projects.
- **Current portion of installment receivables** - decreased by ₱4.3 million or 45.8% attributed to paid amortizations during the year. The club did not sell golf shares on installment during the year.
- **Advances to officers and employees** - increased by ₱0.3 million or 8.7% due to avilment of company loans by the employees as provided for in the CBA.
- **Other receivables** – increased by ₱0.5 million or 27.5% attributed to advances to various suppliers and contractors subject to the offsetting arrangement.

Materials and supplies:

- **Fertilizers, herbicides and chemicals** - decreased by ₱1.3 million or 22.8% mainly attributed to the timing of consumption and stock replenishment.
- **Spare parts** - increased by ₱2.3 million or 38.8% due to the par stocking of various parts for the rental golf carts turf maintenance equipment.
- **Supplies** – decreased by ₱1.3 million or 22.8% attributed to the utilization of irrigation supplies and other operating supplies.
- **Fuel and oil** – increased by ₱136 thousand or 19.0% mainly due to the timing of stock replenishment.
- **Inventories for sale** – increased by ₱1.6 million or 31.8% attributed to the additional items for sale in the store to cater the tournament gift certificates.

Investments – increased by ₱51.4 million or 171.6% due to additional short-term investments in the form of time deposits and reclassification of treasury bonds from noncurrent account.

Prepayments and other current assets:

- **Prepayments** - increased by ₱0.5 million or 6.5% attributed to increase in insurance premium due to increased value of club properties.
- **Prepaid income tax** – increased by ₱0.5 million or 23.6% arising from the non-taxability of various club receipts in relation to the SC ruling on RMC 35-2012.

Other non-current assets:

- **Prepaid dues** - decreased by ₱1.2 million or 6.7% representing the amortization of ₱100 thousand per month for the perpetual use of the sports club facilities by the club members.
- **Installment receivable, net of current portion** – decreased by ₱5.1 million or 92.0% due to the installment payments received by the Club during the year and reclassification of portion of receivables to current account.
- **Prepaid VAT** – decreased by ₱0.8 million or 100.0% attributed to the amortization of input VAT on various capital expenditures from previous years.

Payables:

- **Trade payables to third parties** – increased by ₱23.0 million or 53.7% due to accruals of repair works and other late or unbilled charges by the suppliers and contractors.
- **Deferred liabilities** – increased by ₱5.6 million or 42.2% representing advance payment of membership fees and annual assignment fees pending completion of membership processes.
- **Deposit from members** - increased by ₱1.8 million or 16.7% attributed to the collection of golfers' insurance fund, additional assignment fee deposits from playing rights holders, and tournament deposit.
- **Renovation costs** – accrual of partially completed renovation cost amounting to ₱10.8 million as of end of the year.
- **Statutory liabilities** - decreased by ₱0.7 million or 8.9% attributed to the collection of newly created golf fund account.
- **Withholding taxes** - decreased by ₱89 thousand or 10% mainly attributed the application of tax refund from the employees' payroll.
- **Other accrued expense** - decreased by ₱2.4 million or 49% attributed to the settlement of various billing statement from the suppliers and contractors.
- **Tournament fund** - increased by ₱0.5 million or 24.4% attributed to the additional collection of sinking funds during the year.
- **Other payables** – increased by ₱0.3 million or 19.4% due to net proceeds from club events during the year.

Interim Financial Statements

Current assets of the Club increased by ₱4.7 million or 1.7% in the first quarter of 2024, from ₱268.6 million as of December 31, 2023 to ₱273.3 million as of March 31, 2024. The positive variance is attributable to the positive results of club operations and collection of unearned receipts during the quarter.

Non-current assets likewise increased by ₱6.8 million or 0.12% on top of the depreciation expense due to recognition of completed renovation projects during the period such as main ballroom and function rooms, mulligan sports bar, purchase of new furniture and fixtures, and purchase of various turf maintenance equipment.

Total Assets of the Club as of March 31, 2024 and December 31, 2023 is ₱5.91 billion and ₱5.90 billion, respectively.

Current liabilities of the Club decreased by ₱4.1 million or 12.1%, from ₱197.2 million to ₱193.0 million, attributable to the payment of trade payables in relation to the renovation projects and the amortization of finance leases during the period.

Non-current liabilities as at March 31, 2024 and December 31, 2023 is ₱1.0 billion consisting of deferred tax liabilities on appraisal increment of land, unearned receipts and finance lease obligations of the Club.

The Club registered an excess of receipts over costs and expenses after depreciation expense amounted to ₱13.3 million for the first quarter of 2024 or ₱3.0 million or 30.3% higher than 2023. Receipts and expenses with significant movements are discussed in the succeeding paragraphs.

Club revenues and receipts for the first quarter of 2024 is ₱93.4.3 million as compared to ₱83.4 million of the previous year or increased by ₱10 million or 12.0% with the following highlights:

Green fees and tourist fees – higher by ₱3.5 million or 19.5% from last year attributable to the two-time increase in green fee rates that took effect on March 1, 2023 and November 1, 2023. The aggregate green fee rate increase is ₱1,500 per round of golf, from ₱3,000 to ₱4,500 on weekdays and from ₱5,000 to ₱6,500 on weekends and holidays.

Membership fees – increased by ₱0.8 million or 7.5% as there were four (4) additional new and returnee members who joined the Club during the period.

Transfer fees – increased by ₱1.2 million or 17.2% equivalent to additional 5 new shareholders who bought golf shares during the quarter.

Annual playing rights fee - increased by ₱0.9 million or 27.3% attributable to the increase in annual assignment fee from Php150,000 to P200,000 effective December 1, 2023.

Locker, golf cart and equipment rental - increased by ₱0.6 million or 7.9% attributed to more rental carts for tournaments at premium rate and reinstatement of locker rental use for the members after the renovation of the locker room.

Sale of golf merchandise – increased by ₱2.7 million or 85.6% attributed to the use of Pro shop gift certificates as giveaways for this year's Southwoods Invitational. Large number of Chairman's Charity Cup gift certificates issued to participants last December 2023 were also used during the quarter, hence, improving further the pro shop sales.

Tournament fee – increased by ₱0.3 million of 18.3% attributed to higher number of tournaments this year than previous year and the impact of higher tournament rate.

Others – decreased by ₱0.2 million of 26.2% attributed to the timing of disposal of scrap materials to the interested buyers.

Costs and expenses of the club for the first quarter of 2024 increased by ₱4.2 million or 6.7%, from ₱63.1 million to ₱67.4 million this year with the following highlights:

Salaries and wages – increased by ₱1.3 million or 7.9%, from ₱15.8 million last year to ₱17.1 million, due to the impact of new minimum wage order, adjustments as provided for in the CBA, and salary adjustment for supervisors and department heads including the appointment of new club officer.

Repairs and maintenance – decreased by ₱1.1 million or 12.1%, from ₱8.8 million last year to ₱7.7 million, attributed to lower consumption of irrigation supplies and rental golf cart spare parts during the period.

Security and janitorial – increased by ₱1.0 million or 20.0%, from ₱5.3 million last year to ₱6.4 million this year, due to full deployment janitorial services and the effect of new minimum wage order.

Light and Water – increased by ₱1.0 million or 17.0% due to full operations of the club and the impact of power rate adjustment.

Other employee benefits – increased by ₱0.4 million or 9.9%, from ₱3.8 million last year to ₱4.4 million this year, attributed to the adjusted employee welfare contribution as mandated by the government, impact of the new minimum wage order and CBA adjustments, and increased health insurance premium for the employees.

Input VAT expense - decreased by ₱0.9 million or 23.0% which is mainly attributed to the timing of expense recognition for various capital expenditures and special projects.

Cost of sales of inventories – increased by ₱2.4 million or 134% mainly attributed to the increased pro shop sales for the first quarter of 2024.

Professional fees - increased by ₱0.40 million or 37.2% attributed to the timing of payment of legal services to the club including other being sought for club operations.

Retirement benefit expense - increased by ₱0.3 million or 25.4% as a result of the last actuarial valuation services rendered by an independent contractor.

Communications - increased by ₱64 thousand or 10% due to the additional subscription with Globe as a back internet service to the Club.

Taxes and licenses - increased by ₱0.2 million or 25.7% due to higher business tax assessment based on the sales of the Club.

Meetings and conferences - decreased by ₱0.2 million or 32.4% as a result of cost-cutting on food expenses introduced by the Membership Committee in the conduct of membership interviews.

Interest expense - increased by ₱278 thousand or 85.2% attributed to the new finance leases availed by the Club in relation to the purchase of various operating and maintenance equipment.

Other expenses – increased by ₱0.7 million or 17% due to timing of expense recognition of inter-club tournaments being participated by the Club annually.

The Club identifies five (5) key performance indicators as follows: 1.) net working capital; 2.) current ratio; 3.) base equity; 4.) collection from membership dues and consumables; and 5.) earnings before depreciation (EBD).

Net working capital (current assets less current liabilities) and current ratio (current assets over current liabilities) measures the liquidity or short-term debt paying ability of the Club. Having a positive working capital and a current ratio of at least 1:1 is a fair indication of liquidity. While base equity (member's equity over total liabilities) of at least 25% measures the level of dependence of the Club from its stockholders or creditors in meeting its financial obligation. A positive EBD determines that the Club can sustain its normal operation being a non-profit organization.

The Club has a net working capital of ₱80.2 million as of March 31, 2024 as compared to a net working capital of ₱71.4 million as of December 31, 2023. The increase of the Club's net working capital in a period of three (3) months is a significant indication that the Club has the ability to raise sufficient funds for its day-to-day operations and pay-off financial obligations as they mature. The potential liability is also likely to have a repayment period of more than a year and would probably be reclassified to noncurrent liabilities thereby improving further the Club's current ratio. The Club has also available shares acquired from its delinquent shareholders that can be sold anytime at the prevailing market prices when the need arises. The current ratio of the Club increased to ₱1.42 current asset for each peso of current liabilities as of March 31, 2024 as compared to ₱ 1.36 as of December 31, 2023. The Club has a base equity of 360% and 358% as of March 31, 2024 and December 31, 2023, respectively. The benchmark average monthly collection from membership dues and consumables of about ₱9 million monthly is based on the monthly dues of ₱4,000 and ₱500 monthly consumables. The average monthly collection is a good indication of the Club's ability to sustain its fixed revenue and collection targets. EBDA registered at ₱26.1 million and ₱20.3 million for the quarters ending March 31, 2024 and 2023.

There are no known trends, demands, commitments, events or uncertainties that will have a material impact on the Club's liquidity that could affect the business establishments nationwide.

There are no events that will trigger direct or contingent financial obligation that is material to the company, including default or acceleration of an obligation.

There are no material off-balance sheet transactions, arrangements, obligation (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons created during the reporting period.

There are no material commitments for capital expenditures, the general purpose of such commitments, and the expected sources of funds for such expenditures.

There are no known trends, events or uncertainties expected to have a material impact on sales, revenues and income from continuing operations.

There were no significant elements of income or loss that did not arise from the Club's continuing operations.

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

(B) Information on Independent Accountant

External Audit Fees and Services

(a) Audit and Audit-Related Fees

The aggregate fees for each of the last two fiscal years' financial audit rendered by the external auditors, Isla Lipana & Co. amounted to ₱344,300 for 2023 and ₱330,200 for 2022, including out-of-pocket expenses and the VAT. The signing auditor of the Club's Audited Financial Statements (AFS) for the year ended December 31, 2023 is Mr. Pocholo C. Domondon, Partner in Charge of Isla Lipana & Co.

(b) Tax Fees

There was no tax compliance review conducted for the covering years 2023 and 2022.

(c) All Other Fees

The external auditors normally assist the Club in the canvassing of ballots in the annual election of its Board of Directors in an annual stockholders meeting. But since there were no annual stockholders' meetings carried out for the past several years due to lack of quorum, there were no other fees incurred by the Club with its external auditors.

(d) The audit committee's approval on policies and procedures for the above services

The above engagements of Isla Lipana & Co. as recommended by the management were deliberated upon and approved by the Audit Committee and the Board.

ITEM 7. Financial Statements

The financial statements and schedules listed in the accompanying Index to Financial Statements and Supplementary Schedules (page 36) are filed as part of this Form 17-A (pages 37-48).

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

There are no changes in and disagreements with Accountants on accounting and Financial Disclosure.

PART III CONTROL AND COMPENSATION INFORMATION

ITEM 9. Directors and Executive Officers of the Issuer

Directors and Executive Officers

<u>Name</u>	<u>Position</u>	<u>Age</u>	<u>Citizenship</u>
Robert John L. Sobrepeña	Chairman of the Board	69	Filipino
Ferdinand T. Santos	President	73	Filipino
Rafael Perez de Tagle, Jr.	Treasurer	69	Filipino
Edward E. Dy	Director	75	Filipino
Alfredo Mendoza	Director	74	Filipino
Alberto Q. Avanceña	Director	71	Filipino
Rhais M. Gamboa	Director	73	Filipino
Renato Lirio	Director	85	Filipino

Daniel C. Samaniego	Director	65	Filipino
Francisco C. Gonzalez	Director	80	Filipino
Federico P. Campos III	Director	69	Filipino
Jayson Q. Yu	Officer-in-Charge GM	54	Filipino
Jerome U. Delariarte	Asst. General Manager	45	Filipino
Armando D. Sierra	Comptroller	60	Filipino
John R. Cope	Director of Grounds	59	American
Atty. Delfin P. Angcao	Corporate Secretary	66	Filipino
Atty. Alvin O. Geli	Asst. Corporate Secretary	53	Filipino

The following are the independent directors of the Club:

1. Alfredo Mendoza
2. Daniel C. Samaniego

Robert John L. Sobrepeña

Mr. Robert John L. Sobrepeña conceptualized the Manila Southwoods project and has been the Chairman of the Board since 1992. He is also a founding Member of the Club. His current term of office as a Director is for one (1) year or until his successor is elected during the annual shareholders meeting. He is also the Chairman of the Grounds Committee of the Club. He has been in the real estate business and a founder of the Fil-Estate Group of Companies. He is also the Chairman of the Metro Rail Transit Group, Camp John Hay Development Corporation, Camp John Hay Golf Club, Fil-Estate Ecocentrum Corporation, and Co-Chairman of Global-Estate Resort, Inc.

Ferdinand T. Santos

Atty. Ferdinand T. Santos, the President, has been a Director since his appointment in October 2015. He is also a founding member and was formerly the President of the Club until his re-appointment as President on November 22, 2023. His current term of office as a director is for one (1) year or until his successor is elected during the annual shareholders meeting. He is also the Chairman of the Club's Legal Committee. He is currently the President of Fil-Estate Management, Inc., Fil-Estate Development, Inc., Fairways & Bluewater Resort Golf & Country Club, Inc., Forest Hills Golf & Country Club, Inc., Fil-Estate Urban & Development, Inc., MRT Development Corporation, St. Benedict Realty & Development, Inc., Royal Jade Memorial, Inc. and Mt. Zion Memorial, Inc. He obtained his Bachelor of Arts degree, Cum Laude from Arellano University in 1970. He took his Bachelor of Laws in San Beda Collage graduating Magna Cum Laude and the class Valedictorian. He was admitted to the Philippine Bar in 1974 and coming in 2nd in rank.

Rafael Perez de Tagle, Jr.

Mr. Rafael Perez de Tagle, the Treasurer and Finance Committee Chairman, has been a Director since 1999. His current term of office as a director is for one (1) year or until his successor is elected during the annual shareholders meeting. He is Vice Chairman of Metro Solar Power Solutions, Inc. and also a Director of Camp John Hay Development Corp., Metro Rail Transit Corp. and MRT Development Corp. He is also a Director and Finance Committee Chairman of Camp John Hay Golf Club. He has been in the real estate business for over 30 years. He is a graduate of De La Salle University with a degree of Bachelor of Arts major in Economics.

Edward E. Dy

Mr. Edward E. Dy has been a Director since 1992. He is also a founding member of the Club. His current term of office as a director is for one (1) year or until his successor is elected during the annual shareholders meeting. He is also the President of Grandview Properties & Ventures, Inc. and a director and Treasurer of DBH Development Corporation. He has been in the real estate business for over 30 years.

Alfredo Mendoza

Mr. Alfredo Mendoza, the Chairman of House Committee, has been a Director of the Club from 1999 until 2003. He was also then the Chairman of the Sports and Games Committee. He was elected again as Director in July 2006. His current term of office as a director is for one (1) year or until his successor is elected during the annual stockholders' meeting. He is the Managing Director of Cargo Airfreight Forwarders, Inc. and the President of Syclo Air Systems Technology. He is also currently the Chairman of House Committee of the Club.

Alberto Q. Avancena

Mr. Alberto Q. Avancena is the President and Chief Operating Officer (COO) of Club Leisure Management Corporation, an organization with expertise in the planning, development, and operations of leisure-related establishments, i.e., hotels, condotels, resorts, golf clubs, sports clubs, and other leisure facilities. He previously served as General Manager of Manila Southwoods Golf & Country Club for a total of thirteen years from 1994 to 2006 and 2009. When not involved in actual club operations, he has always served as consultant as he still does presently. He was also consultant for the Forest Hills and Sherwood Hills Golf Clubs in their respective developmental, pre-opening, and opening phases. He worked with the Hyatt International chain of hotels for more than ten (10) years, assigned to Hyatt Terraces Baguio and Hyatt Regency Manila and assigned to do specific duties in other Hyatt hotels in the Asia Pacific Region. He was the opening manager of the Montemar Beach Club in Bagac, Bataan during its developmental, pre-opening, and opening phases. He studied Hotel and Restaurant Management in Tegernsee, Germany at the Hotelberuffachschule D. Speiser and in San Diego, California at the United States International University (USIU).

Rhais M. Gamboa

Mr. Rhais M. Gamboa, has been a Director since his appointment in October 2015. His current term of office as a director is for one (1) year or until his successor is elected during the annual shareholders meeting. He is also the Chairman of Health Committee of the Club. He is currently the President and a member of the Board of Directors of Medical Center Manila. He also sits in the Board of four (4) other private tertiary hospitals. He was formerly an Undersecretary in the Department of Health and Vice-Chairman of the Philippine Medical Care Commission (now Philippine Health Insurance Corporation). He obtained his B.S. Management Engineering degree from Ateneo de Manila University.

Renato E. Lirio

Mr. Renato E. Lirio has been a Director since 1992. He is also a founding member of the Club. His current term of office as a director is for one (1) year or until his successor is elected during the annual shareholders meeting. He was formerly the Senior Vice-president and General Manager of Greenfield Development Corporation. He has been in the real estate business for more than 30 years.

Daniel C. Samaniego

Dr. Daniel C. Samaniego has been a Director since his appointment in March 2012. He is an Independent Director of the Club and his current term of office as a director is for one (1) year or until his successor is elected during the annual shareholders meeting. Dr. Samaniego has been a Director of the Club from 2005 until 2006 and was also appointed as the Chairman of the Sports and Games Committee of the Club. He was reelected as Director in 2007 and also appointed as Chairman of Compensation and Remuneration Committee of the Club. He graduated from the University of the Philippines with a degree of Doctor of Dental Medicine in 1982 and got his postgraduate training (1994-1996) in Implant Dentistry in New York University. Since 1996, he has been practicing his profession in Surgical and Prosthetic Implant Dentistry.

Francisco C. Gonzalez

Engr. Francisco C. Gonzalez has been a Director since January 1998. He is currently the Membership Committee Chairman of the Club. His current term of office as a director is for one (1) year or until his successor is elected during the annual shareholders meeting. He is the President of Romago Incorporated, Asia Pacific Golf Corporation, Fabriduct & Metal Systems Inc., Electro Mechanical Products International and G&P of Manila, Inc. He has been in the construction and engineering business for over 30 years. He is also a director and Membership Committee Chairman of Camp John Hay Golf Club and Forest Hills Golf Club.

Federico P. Campos III

Mr. Federico P. Campos III was appointed by the Board of Directors on October 26, 2016 as replacement of resigned Director Federico O. Campos. He is the President of Macaria Development Corp. and Macaria Properties, Inc., companies that he founded. Apart from these companies, he also founded Plaza Pacita, Inc., a company primarily engaged in commercial leases, and Sunkist'd Resort and Leisure Group, Inc., the owning company of Virgin Beach Resort in Laiya, San Juan, Batangas. He previously served as director of the Club from 2003 to 2008, and Chairman of the Sports and Games Committee, and member of the House Committee. He is a graduate of Lindenwood Colleges, St. Charles, Missouri with a degree of Bachelor of Business Administration.

Jayson Q. Yu

Mr. Jayson Q. Yu was appointed as Officer-in-Charge of the Club on July 1, 2023 after the retirement of the previous General Manager, Mr. Mark O. Watson, effective June 30, 2023. He was also a former Officer-in-Charge of the Club from May 2011 to 2014 as replacement of Mr. Tim Allen. Prior thereto, Mr. Yu has also served as Officer-in-Charge of Sherwood Hills Golf Club in Trece Martires City, Cavite. Mr. Yu is a Certified Public Accountant by profession and he is 54 years old.

Jerome U. Delariarte

Mr. Jerome U. Delariarte has been in the golf industry for over 14 years and has worked with Camp John Hay Golf Club in Baguio City as Golf Director from August 8, 2012 to June 30, 2014 after which he transferred to the Manila Southwoods Golf and Country Club and was appointed as the Club's Golf Director effective July 2, 2014. He was promoted to the position of Assistant General Manager on July 1, 2023 together with the appointment of Mr. Jayson Yu as Officer-in-Charge of the Club. He has been an amateur player in various teams starting 2000 to 2003. He has also joined various professional tournaments like Asian Tour from 2005 to 2010, Philippine Golf Tour from 2008-2012 and The Razon Invitational Champion in 2005. Mr. Delariarte attended the University of Tennessee at Chattanooga, USA for one and a half years

starting August 2008 before deciding to focus on amateur and professional golf as a career and returned to the Philippines.

Armando D. Sierra

Mr. Armando D. Sierra became the Comptroller in March 2006. He is a Certified Public Accountant by profession. He has worked with the Club as Assistant Comptroller from 1995 to 2004 before he accepted the position of Chief Accountant in Ken Aqua Hotel & Resort in Saipan, USA. Among other companies that he has worked in the past are Zachry Saudi Arabian Contracting Co. Ltd. in Jeddah, KSA, as Chief Accountant, Philippine Health-Care Providers, Inc. (Maxicare) as Asst. Chief Accountant, and Ocean Terminal Services, Inc. as Internal Audit Head. He obtained his degree in Bachelor of Science in Commerce Major in Accounting at the Polytechnic University of the Philippines.

John R. Cope

Mr. John Cope has over 30 years of experience in the golf course industry. He was appointed as the Club's Director of Grounds effective January 1, 2014. Prior to this, he has worked with Jack Nicklaus Design for over 21 years as a Senior Designer. During that period he has been assigned in various parts of the world and has designed 37 golf courses. Mr. Cope finished his B. S. in Landscape Horticulture in Colorado State University in 1986. He has been a member of the American Society of Golf Course Architects since 2007 and Golf Course Superintendents of America since 1980. He is currently running his own company, the Cope Design Limited, with offices in Manila and Hongkong.

Atty. Delfin P. Angcao

Atty. Delfin P. Angcao, is a Senior Partner at Castillo Laman Tan Pantaleon & San Jose Law Offices, and has been the Asst. Corporate Secretary of the Club from October 15, 2003 until he was appointed as the Corporate Secretary of the Club in 2014 upon the resignation of Atty. Paulino Petralba.

Atty. Alvin O. Geli

Atty. Alvin O. Geli is also a Senior Partner at Castillo Laman Tan Pantaleon & San Jose Law Offices. He earned his law degree in the University of the Philippines, College of Law and later on admitted to the Philippine Bar in 1995. He has been the Assistant Corporate Secretary of the Club since September 24, 2014.

There are no family relationships among the officers.

There is no person, other than the executive officers and directors, who is expected to make a significant contribution to the business.

There are no other events or legal proceedings occurring in the last past five years that are material to an evaluation of the ability or integrity of any director to become a director or executive officer of the Club. None of the Club's directors and executive officers, has in the past five years, been subject of:

- a. Any bankruptcy petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time;

- b. Any conviction by final judgement, 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;
- c. 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
- d. Being found by a domestic or foreign court of competent jurisdiction (in a civil action), the Commission 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

<u>Name and Position</u>	<u>Year</u>	<u>Salary</u>	<u>Bonus</u>	<u>Other Accumulated Compensation</u>
Ferdinand T. Santos – President (a)	2024	None	None	₱88,000
	2023	None	None	7,333
Edward E. Dy – President (a)	2023	None	None	80,667
	2022	None	None	88,000
Jayson Q. Yu – Officer-in-Charge (b)	2024	₱1,300,000	None	600,000
	2023	650,000	None	300,000
Mark O. Watson – General Mgr. & COO (b)	2023	1,425,823	None	None
	2022	3,019,549	None	None
Jerome U. Delariarte – Asst. General Manager©	2024	2,509,351	None	300,000
	2023	1,859,351	None	300,000
	2022	1,108,861	None	300,000
Armando D. Sierra – Comptroller	2024	2,467,351	None	None
	2023	2,326,634	None	None
	2022	2,153,338	None	None
John R. Cope – Director of Grounds	2024	4,748,991	None	None
	2023	4,536,576	None	None
	2022	4,322,897	None	None
All Officers and Directors as Group Unnamed	2024	₱11,025,693	None	₱988,000
	2023	₱10,798,384	None	₱688,000
	2022	₱10,604,645	None	₱388,000

Notes:

- a). Atty. Ferdinand T. Santos was appointed as the new President of the Club on November 22, 2023 as replacement of Mr. Edward E. Dy.
- b). Mr. Jayson Q. Yu was appointed as the Officer-in-Charge of the Club effective July 1, 2023 following the retirement of Mr. Mark O. Watson on June 30, 2023.
- c). Mr. Jerome U. Delariarte was promoted from Golf Director to Asst. General Manager effective July 1, 2023.

All Club directors are not receiving any salary for their services to the Club. Their compensation is in the form of exemption from payment of monthly dues of ₱4,000.0 and locker rental, a monthly consumable of ₱3,333.00 for charges within the Club if they attend the monthly Board of Directors’ meeting, 40 rounds of free green fee per year, and reserved parking.

There are no standard arrangements pursuant to which directors are compensated or are to be compensated, or is to be compensated for any services provided as director including committee participation or special assignments for the last completed year and the ensuing year.

There are neither other arrangements nor consulting contracts pursuant to which any director of the Club is compensated or is to be compensated directly or indirectly during the Club's completed fiscal year and the ensuing year for any service provided as a director.

There are no employment contracts between the Club and a named executive officer except for the standard arrangement for an employer-employee relationship. There are no compensatory plans or arrangements, including payments to be received from the Club, with respect to a named executive officer which resulted or will result from the resignation, retirement, or any other termination of such executive officer's employment with the Club or from a change-in-control of the Club or a change in the named officer's responsibilities.

There are no outstanding warrants or options held by any of the Club's executive officers. Consequently, there were neither adjustments nor amendments to any exercise price of stock warrants or options previously awarded to any officers or directors of the Club.

ITEM 11. Security Ownership of Certain Beneficial Owners and Management

(a) Security Ownership of Certain Beneficial Owners

As of December 31, 2023, the Club knows of no one who beneficially owns in excess of 5% of each class of The Manila Southwoods Golf & Country Club, Inc.'s outstanding shares of stock except as set forth below:

Title of class	Name and address of owner	Number and nature of ownership	Percent of class
Class A & B	Southern Heights Land Development Corp. 750 Shaw Boulevard Mandaluyong City	226	7.84%
	Fil-Estate Golf & Development, Inc Renaissance Towers Meralco Avenue, Ortigas Center Pasig City	155	5.38%

Note: Fil-Estate Golf and Development, Inc. (FEGDI) is a wholly-owned subsidiary of Global-Estate Resorts, Inc. (GERI, formerly Fil-Estate Land, Inc.). The shares of stock of GERI are registered under the Revised Securities Act and listed with the Philippine Stock Exchange. Its top stockholders are Alliance Global Group, Inc. and Fil-Estate Management, Inc. (FEMI). For the scheduled annual stockholders' meeting on November 22, 2023, there was no authorized person assigned to vote for the shares of FEGDI. As to Southern Heights Land Development Corporation, the person who had the right to vote its shares was Mr. Renato Lirio and/or Mr. Rhais Gamboa.

(b) Security Ownership of Management

Title of class	Name of beneficial owner	Amount and nature of beneficial ownership	Percent of Class
Class A	Robert John L. Sobrepeña	1 nominal	0.06%

Class A	Renato E. Lirio	2 nominal	0.12%
Class A	Rafael Perez de Tagle, Jr.	1 nominal	0.06%
Class A	Edward E. Dy	1 nominal	0.06%
Class A	Rhais M. Gamboa	1 nominal	0.06%
Class B	Federico P. Campos III	1 nominal	0.09%
Class A	Ferdinand T. Santos	1 nominal	0.06%
Class A & B	Francisco C. Gonzalez	3 & 1 nominal	0.17% & 0.09%
Class A	Alfredo M. Mendoza	1 nominal	0.06%
Class A	Daniel C. Samaniego	1 nominal	0.06%

ITEM 12. Certain Relationships and Related Transactions

In the normal course of business, the Club transacts with companies which are considered related parties. The transactions and outstanding balances with related parties as at years ended December 31 are as follows:

Related party	2023		2022		Terms and conditions
	Transactions	Outstanding Payable	Transactions	Outstanding Payable	
Key management personnel Salaries and wages	22,211,143	-	20,388,916		Payable in cash every month based on contract.
Retirement benefits	1,980,394	24,198,139	1,241,989	18,739,797	Refer to Note 17.
Retirement plan Contributions	5,077,534	-	3,000,000	-	Refer to Note 17

PART IV - CORPORATE GOVERNANCE

ITEM 13. Corporate Governance

- (a) At present, the Club utilizes the Self Rating System on Corporate Governance being implemented by the SEC through its SEC Memorandum Circular No. 5, Series of 2003 to assess compliance with leading practices on good corporate governance. The Compliance Officer meets with the directors and top-level management from time to time evaluates compliance with the Manual on Corporate Governance.
- (b) The Club is in full compliance with its Manual on Corporate Governance. The Compliance Officer is present at all the regular meetings of the Board of Directors and closely coordinates with the Chairman of the Board to ensure full compliance with the adopted leading practices on good corporate governance. In addition, the Club encourages its directors and the top-level management to attend seminars on good corporate governance.
- (c) There are no deviations to date from the Club's Manual of Corporate Governance.
- (d) The Board has no immediate plans to adopt new policies to improve corporate governance.

PART V – EXHIBITS AND SCHEDULES

ITEM 14. Exhibits and schedules

(a) Exhibits

The exhibits required in this report are either not applicable to the Club or require no answer.

b) Reports on SEC Form 17-C

Date of Report

Nature of Report

Sept. 1, 2023

The SEC was advised that during the meeting of the Board of Directors of The Manila Southwoods Golf & Country Club, Inc. (the “Club”) held on August 30, 2023, the Board approved the holding of the Club’s annual stockholders’ meeting on November 22, 2023 to be conducted via remote communication and *in absentia* for purposes of the 2022 ASM. The record date is set on September 30, 2023. The appropriate notices to the Club’s stockholders/members will be sent in accordance with the Club by-laws and existing rules.

The following were appointed as members of the Nomination and Election Committee pursuant to the Club’s by-laws:

1. Renato Tobias (Chairman)
2. Gene D. Lim
3. Ranie Carlos
4. Marcelo C. De Guzman
5. Efren P. Sarmiento

Nov. 24, 2023

The SEC was advised that the 2023 annual stockholders’ meeting of The Manila Southwoods Golf & Country Club, Inc. (the “Club”) that was scheduled to be held on November 22, 2023 failed to proceed for the transaction of business, including that for the election of directors due to the lack of quorum. The present directors, as well as the other officers and corporate governance committee members of the Club, remain the same.

At the organizational meeting of the Board of Directors held immediately after the annual stockholders’ meeting, the following officers and committee members were elected:

Robert John L. Sobrepena	Chairman
Renato E. Lirio	Vice Chairman
Ferdinand T. Santos	President
Rafael Perez de Tagle, Jr.	Treasurer
Delfin P. Angcao	Corporate Secretary
Alvin O. Geli	Asst. Corporate Secretary

Executive Committee:

Robert John L. Sobrepena	Chairman
Federico P. Campos III	Member
Francisco C. Gonzalez	Member
Rafael Perez de Tagle, Jr.	Member
Ferdinand T. Santos	Member
Alfredo M. Mendoza	Member
Renato Lirio	Member

Audit Committee:

Alfredo M. Mendoza	Chairman (Independent Director)
Renato E. Lirio	Member
Federico P. Campos III	Member
Jose R. Cedo	Member
Alberto Q. Avancena	Member
Daniel Samaniego	Member (Independent Director)
Jayson Yu	Member

Compensation & Remuneration Committee:

Daniel Samaniego	Chairman
Francisco C. Gonzalez	Member
Renato E. Lirio	Member
Alberto Q. Avancena	Member
Rafael Perez de Tagle, Jr.	Member
Alfredo M. Mendoza	Member

Nomination & Election Committee:

Renato Tobias	Chairman
Gene Lim	Vice Chairman
Ranie Carlos	Secretary
Marcelo de Guzman	Member
Efren Sarmiento	Member

The Club will inform the SEC of the next annual stockholders' meeting after the same is set by the board of directors of the Club.

July 12, 2023

The SEC was advised that during the Board meeting on July 7, 2023, the members of the Board noted and approved the following matters:

- (1) The retirement of Mr. Mark O. Watson as the Club's General Manager effective immediately;
- (2) The appointment of Mr. Jayson Q. Yu as the Officer-in-Charge ("OIC") effective immediately and until such time that the General Manager is duly appointed; and
- (3) The appointment of Mr. Jerome U. Delariarte as the Assistant General Manager effective immediately.

The respective personal profiles of Mr. Yu and Mr. Delariarte were provided to the SEC for perusal.

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 G.M.A. CAVITE on 11 APR 2024, 2024.


THE MANILA SOUTHWOODS GOLF & COUNTRY CLUB, INC.

Issuer

By:


Ferdinand T. Santos
President


Jayson Q. Yu
OIC-General Manager & COO


Rafael R. Perez de Tagle Jr.
Treasurer


Armando D. Sierra
Comptroller


John Michael M. Gordon
Principal Accounting Officer


Atty. Delfin P. Angcao
Corporate Secretary

SUBSCRIBED AND SWORN to before me this 11 APR 2024 day of _____, 2024, affiants exhibiting to me their Passport No./PRC No./Driver's License No., as follows:

Name	Passport/PRC ID/Senior Citizen ID	Date of Issue/Expiry Date and Place Issued
Ferdinand T. Santos	DL N17-74-009255	Sept. 15, 2033
Jayson Q. Yu	DL J06-89-002715	Aug. 23, 2028
Rafael R. Perez de Tagle, Jr	Passport # P4819318B	Feb. 13, 2030 – Manila
Armando D. Sierra	DL D04-98-120945	Aug. 03, 2033
John Michael M. Gordon	PRC # 0128400	Jan. 04, 2024 – Manila
Atty. Delfin Angcao	Sr.Citizen Card#44196	Feb. 15, 2018 – San Pedro, Laguna

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BOOK NO. 7001
SERIES OF 7001

ATTY. CECAR ANTHONY S. SOLIS
NOTARY PUBLIC UNTIL DECEMBER 31, 2024
PTP # 8258217 CAVITE 1/02/20
LBP LIFE MEMBER ROLL # 011212
MOLE COMP # 00120081 PASIG CITY
VALID UNTIL APRIL 14, 2025
BRGY. PCP. 2, GEN. MARIANO A. VAREZ, CAVITE
ROLL # 55302

**THE MANILA SOUTHWOODS GOLF
& COUNTRY CLUB, INC.**

SUPPLEMENTARY SCHEDULES
TO THE FINANCIAL STATEMENTS
REQUIRED BY THE SECURITIES AND EXCHANGE COMMISSION
FOR THE YEAR ENDED DECEMBER 31, 2023
AND AUDITORS' REPORT

Philippine Pesos

**THE MANILA SOUTHWOODS GOLF & COUNTRY CLUB, INC.
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SEC FORM 17-A**

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THE MANILA SOUTHWOODS
GOLF AND COUNTRY CLUB

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The Management of **THE MANILA SOUTHWOODS GOLF & COUNTRY CLUB, INC.**, ("the Company") is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein for the years ended **December 31, 2023 and 2022**, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.


The Board of Directors is responsible in overseeing the Company's financial reporting process.

The Board of Directors reviews and approves the financial statements including the schedules attached therein, and submits the same to the Stockholders.

Isla Lipana & Co., the independent auditor, appointed by the Stockholders, has audited the financial statements of the Company in accordance with Philippine Standards on Auditing, and in its report to the Stockholders, has expressed its opinion on the fairness of presentation upon completion of such audit.


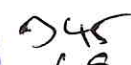



ROBERT JOHN L. SOBREPENA
Chairman of the Board of Directors


FERDINAND T. SANTOS
President


RAFAEL PEREZ DE TAGLE, JR.
Treasurer


February 28, 2024

GMA. CAVITE


DOC. NO. 
PAGE NO. 
BOOK NO. 
SERIES OF 2024

Southwoods Blvd., Carmona, Cavite, Philippines 4116
Trunkline No. (046) 419-8190 / (02) 779-5590

12 APR 2024
I, _____, NOTARY PUBLIC, DO HEREBY CERTIFY THAT THE ABOVE SIGNED AND SWORN TO BY THE PRESIDENT AND CHAIRMAN OF THE BOARD OF DIRECTORS OF THE COMPANY, WHO EXHIBITED TO ME HIS/HER COMPETENT IDENTIFY NO. _____, RESIDED AT/ON _____;


ATTY. CESAR ANTHONY S. SOLIS
NOTARY PUBLIC
PTR NO. 000017 CAVITE 01/02/24
BPI LIFE MEMBER ROLL NO. 011212
MCLE COMP. NO. 0012 775 PASIG CITY
GRGY. POB. 2, GEN. MARIANO ALVAREZ, CAVITE
ROLL NO. 55902



**Statement Required by Rule 68
Securities Regulation Code (SRC)**

To the Board of Directors and Members of
The Manila Southwoods Golf & Country Club, Inc.
(A non-profit organization)
Southwoods Boulevard, Bo. Cabilang Baybay
Carmona, Cavite

We have audited the financial statements of The Manila Southwoods Golf & Country Club, Inc. (the "Club") as at and for the year ended December 31, 2023 on which we have rendered the attached report dated February 28, 2024.

In compliance with SRC Rule 68 and based on the certification received from the Club's corporate secretary, the Club has three (3) shareholders owning one hundred (100) or more shares each as at December 31, 2023.

Isla Lipana & Co.

A handwritten signature in black ink, appearing to read "Pochoy C. Domondon", is written over the printed name.

Pochoy C. Domondon
Partner

CPA Cert. No. 108839

P.T.R. No. 0011401; issued on January 12, 2024 at Makati City

T.I.N. 213-227-235

BIR A.N. 08-000745-128-2021; issued on December 9, 2021; effective until December 8, 2024

BOA/PRC Reg. No. 0142, effective until November 14, 2025

Makati City
February 28, 2024

Isla Lipana & Co., 29th Floor, AIA Tower, 8767 Paseo de Roxas, 1226 Makati City, Philippines
T: +63 (2) 8845 2728, www.pwc.com/ph



**Statement Required by Rule 68
Securities Regulation Code (SRC)**

To the Board of Directors and Members of
The Manila Southwoods Golf & Country Club, Inc.
(A non-profit organization)
Southwoods Boulevard, Bo. Cabilang Baybay
Carmona, Cavite

We have audited the financial statements of The Manila Southwoods Golf & Country Club, Inc. as at and for the year ended December 31, 2023, on which we have rendered the attached report dated February 28, 2024. The supplementary information shown in Schedules A, B, C, D, E, F, and G, as additional components required by SRC Rule 68, are presented for purposes of filing with the Securities and Exchange Commission and are not required parts of the basic financial statements. Such supplementary information are the responsibility of management and have been subjected to the auditing procedures applied in the audit of the basic financial statements. In our opinion, the supplementary information have been prepared in accordance with SRC Rule 68.

Isla Lipana & Co.

A handwritten signature in black ink, appearing to read "Pocholo C. Domondon", is written over the printed name.

Pocholo C. Domondon
Partner

CPA Cert. No. 108839

P.T.R. No. 0011401; issued on January 12, 2024 at Makati City

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The Manila Southwoods Golf & Country Club, Inc.
(A non-profit organization)

Schedule A - Financial Assets
As at December 31, 2023
(All amounts in Philippine Peso)

Name of issuing entity and description of each issue	Number of shares or principal amount of bonds and notes	Amount shown in the Consolidated Statement of Financial Position	Value based on market quotations at statement date***	Income received and accrued****
Financial assets at amortized cost				
Cash and cash equivalents	-	101,597,273	101,597,273	1,721,927
Receivables, net, including non-current portion of installment receivables	-	31,337,260	31,337,260	1,727,665
Investments	-	81,386,232	81,386,232	1,169,403
	-	214,320,765	214,320,765	4,618,995

The Manila Southwoods Golf & Country Club, Inc.
(A non-profit organization)

Schedule B - Amounts Receivable from Directors, Officers, Employees,
Related Parties, and Principal Stockholders (Other than related parties)
As at December 31, 2023
(All amounts in Philippine Peso)

Name and designation of debtor	Beginning balance	Additions	Deductions		Current	Non- current	Ending balance
			Amount collected	Amount written-off			
Delfin P. Angcao, Corporate Secretary	29,876	45,380	36,000	-	3,508	35,748	39,256
Robert John L. Sobrepena, Chairman	50,056	125,709	133,861	-	41,904	-	41,904
Daniel C. Samaniego, Director	776	125,026	106,699	-	19,103	-	19,103
Rafael Perez de Tagle Jr., Treasurer	14,204	114,434	122,449	-	6,189	-	6,189
Enrique A. Sobrepena, Director*	4,460	-	-	4,460	-	-	-
John R. Cope, Employee	59,718	452,061	405,000	-	42,992	63,787	107,779
	159,090	862,610	804,009	4,460	113,696	99,535	213,231

The Manila Southwoods Golf & Country Club, Inc.
(A non-profit organization)

Schedule C - Amounts Receivable from Related Parties
which are eliminated during the consolidation of financial statements
As at December 31, 2023
(All amounts in Philippine Peso)

Name and designation of debtor	Beginning balance	Additions	Deductions		Current	Non- current	Ending balance
			Amount collected	Amount written-off			
Not applicable							

The Manila Southwoods Golf & Country Club, Inc.
(A non-profit organization)

Schedule D - Long-Term Debt
As at December 31, 2023
(All amounts in Philippine Peso)

Title of issue and type of obligation	Amount authorized by indenture	Amount shown under caption "Current portion of long-term debt" in related balance sheet	Amount shown under caption "Long-term debt" in related balance sheet"
Obligation under finance lease	25,113,754	12,676,461	12,437,293

The Manila Southwoods Golf & Country Club, Inc.
(A non-profit organization)

Schedule E - Indebtedness to Related Parties
As at December 31, 2023
(All amounts in Philippine Peso)

Name of affiliate	Beginning balance	Ending balance
Not applicable		

The Manila Southwoods Golf & Country Club, Inc.
(A non-profit organization)

Schedule F - Guarantees of Securities of Other Issuers
As at December 31, 2023
(All amounts in Philippine Peso)

Name of issuing entity of securities guaranteed by the company for which statement is filed	Title of issue of each class of securities guaranteed	Total amount guaranteed and outstanding	Amount owned by the company for which statement is filed	Nature of guarantee
Not applicable				

The Manila Southwoods Golf & Country Club, Inc.
(A non-profit organization)

Schedule G - Share Capital
As at December 31, 2023
(All amounts in Philippine Peso)

Title of issue	Number of shares authorized	Number of shares issued and outstanding	Number of shares reserved for options, warrants, conversions and other rights	Number of shares held by		
				Affiliates	Directors, officers, and employees	Others
Class "A" common shares	1,800	1,730	-	-	12	1,718
Class "B" common shares	1,200	1,152	-	-	2	1,150
	3,000	2,882	-		14	2,868

The Manila Southwoods Golf & Country Club, Inc.
(A non-profit organization)
Schedule of Financial Soundness Indicators
As at December 31, 2023 and 2022
(With comparative figures as at December 31, 2021)

Ratio	Formula	2023	2022	2021
A. Current and liquidity ratios				
Current ratio	Total current assets Divided by: Total current liabilities <hr/> Current ratio	1.36:1.00	1.66:1.00	1.52:1.00
Acid test ratio	Total current assets Less: Other current assets Quick assets Divided by: Total current liabilities <hr/> Acid test ratio	1.29:1.00	1.58:1.00	1.48:1.00
B. Solvency ratio				
	Total net income after tax Add: Depreciation and amortization <hr/> Divided by: Total liabilities <hr/> Solvency ratio	0.03:1.00	0.02:1.00	0.02:1.00
C. Debt-to-equity ratio				
	Total liabilities Divided by: Total equity <hr/> Debt-to-equity ratio	0.28:1.00	0.26:1.00	0.26:1.00
D. Asset-to-equity ratio				
	Total assets Divided by: Total equity <hr/> Asset-to-equity ratio	1.28:1.00	1.26:1.00	1.25:1.00
E. Debt ratio				
	Total liabilities Divided by: Total assets <hr/> Debt ratio	0.22:1.00	0.21:1.00	0.20:1.00
F. Profitability ratios				
Return on assets (%)	Net income Divided by: Total assets <hr/> Return on assets (%)	-0.13%	-0.34%	-0.30%
Return on equity (%)	Net income Divided by: Total equity <hr/> Return on equity (%)	-0.16%	-0.43%	-0.37%
Net profit margin (%)	Net income Divided by: Total revenues <hr/> Net profit margin (%)	-2.43%	-7.28%	-7.68%