

# SECURITIES AND EXCHANGE COMMISSION

## SEC FORM 17-C

### CURRENT REPORT UNDER SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17.2(c) THEREUNDER

1. Date of Report (Date of earliest event reported)

Apr 2, 2019

2. SEC Identification Number

13174

3. BIR Tax Identification No.

000-108-278-000

4. Exact name of issuer as specified in its charter

LEISURE & RESORTS WORLD CORPORATION

5. Province, country or other jurisdiction of incorporation

Makati City, Philippines

6. Industry Classification Code(SEC Use Only)

7. Address of principal office

26/F West Tower, PSE Center, Exchange Road, Ortigas Center, Pasig City

Postal Code

1605

8. Issuer's telephone number, including area code

(632) 634-5099

9. Former name or former address, if changed since last report

N/A

10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common	1,199,852,512
Preferred	1,650,000,000
Warrants	82,500,000

11. Indicate the item numbers reported herein

Item 9

*The Exchange does not warrant and holds no responsibility for the veracity of the facts and representations contained in all corporate disclosures, including financial reports. All data contained herein are prepared and submitted by the disclosing party to the Exchange, and are disseminated solely for purposes of information. Any questions on the data contained herein should be addressed directly to the Corporate Information Officer of the disclosing party.*

# Leisure & Resorts World Corporation

## LR

**PSE Disclosure Form LR-1 - Comprehensive Corporate Disclosure on Issuance of Shares  
(Private Placements, Share Swaps, Property-for-Share Swaps  
or Conversion of Liabilities/Debt into Equity)  
*Reference: Rule on Additional Listing of Securities***

### Subject of the Disclosure

Reply to the March 26, 2019 letter request of the Philippine Stock Exchange ("PSE") pertaining to the Comprehensive Corporate Disclosure on the Issuance of Shares.

### Background/Description of the Disclosure

This refers to your letter dated 26 March 2019 requesting for a comprehensive disclosure relating to the disclosure dated 26 March 2019 of LEISURE & RESORTS WORLD CORPORATION (LRWC) regarding the Board's approval of the issuance of One Billion Two Hundred Seventeen Million Six Hundred Forty Seven Thousand Four Hundred Eighty Eight (1,217,647,488) common shares from its unissued capital stock ("Subscribed Shares") at an issue price of Php3.60 per share via private placement, to be subscribed by the following:

Name of Subscriber/Investor	Number of Shares	Subscription Amount
Fortunegate Holdings Philippines, Inc.	230,000,000	P828,000,000.00
XII Capital Inc.	230,000,000	P828,000,000.00
Millennium Pan Asia Business Management Services Inc.	230,000,000	P828,000,000.00
Diamond Fortune Holdings Corporation	230,000,000	P828,000,000.00
Leisure Advantage, Inc.	176,647,488	P635,930,956.80
Euphonious Holdings, Inc.	121,000,000	P435,600,000.00
<b>TOTAL</b>	<b>1,217,647,488</b>	<b>P4,383,530,956.80</b>

On 2 April 2019, the Board of Directors approved and ratified the issuance and subscription to its unissued capital stock ("Subscribed Shares") at an issue price of Php3.60 per share to the following substituted subscribers:

Name of Existing Subscriber	Name of Substitute Subscriber	Number of Shares	Subscription Amount
Millennium Pan Asia Business Management Services Inc.			
Colonial Group Holdings Corporation		230,000,000	P828,000,000.00
Diamond Fortune Holdings, Inc.	Globalist Technology Company Limited	230,000,000	P828,000,000.00

Copies of the Subscriptions Agreements are attached herein.

### Date of Approval by Board of Directors

Mar 26, 2019

## Comprehensive Corporate Disclosure

### Description of the proposed transaction including the timetable for implementation, and related regulatory requirements

The transaction is a private placement of shares to be issued from the unissued portion of the capital stock of LRWC constituting the remaining unissued common shares. Such issuance was authorized by the Board of Directors of LRWC on 26 March 2019 and ratified on 2 April 2019. The issuance is undertaken pursuant to the stockholders' approval obtained during the LRWC Special Stockholders Meeting on 11 January 2019.

Payment of the Subscription Price to LRWC shall be fully paid by the subscribers within 30 days from signing of their respective Subscription Agreements:

Name of Subscriber/Investor Subscription Amount (Php)  
Fortunegate Holdings Philippines, Inc. 828,000,000.00  
XII Capital Inc. 828,000,000.00  
Colonial Group Holdings Corporation 828,000,000.00  
Globalist Technology Company Limited 828,000,000.00  
Leisure Advantage, Inc. 635,930,956.80  
Euphonious Holdings, Inc. 435,600,000.00

Upon full payment of the total subscription amount and after filing of the notice of exempt transaction with the Securities and Exchange Commission ("SEC"), the shares shall be deemed issued to the respective investors that have complied with the aforementioned condition.

Upon issuance of the shares to the above subscribers, the documentary stamp tax shall be paid within the period provided for by law. As mentioned, LRWC shall be filing for an application for confirmation of exempt transaction with the SEC and thereafter shall cause the filing of an application for additional listing of subscribed shares with the PSE.

Aside from the disclosure requirements of the PSE and the SEC, there are no other regulatory requirements for the consummation of this transaction.

### Rationale for the transaction including the benefits which are expected to be accrued to the listed issuer as a result of the transaction

The proceeds from the subscription shall be used for the following purposes:

- i. 70%-80% of the proceeds will be used to refinance the company's existing obligations; and
- ii. 20%-30% will be used to support LRWC's expansion programs and working capital requirements.

### The aggregate value of the consideration, explaining how this is to be satisfied, including the terms of any agreements for payment on a deferred basis

Based on the stipulated subscription price of Php3.60 per share, LRWC shall raise the aggregate amount of Php4,383,530,956.80.

Payment of the Subscription Price to LRWC shall be fully paid in cash or cash equivalents by the Subscribers within 30 days from the execution of their respective Subscription Agreements.

### The basis upon which the consideration or the issue value was determined

The subscription price was based on a premium over the closing price of the shares of LRWC on 29 November 2018, as previously disclosed in LRWC's preliminary information statement dated 29 November 2018.

Detailed work program of the application of proceeds, the corresponding timetable of disbursements and status of each project included in the work program. For debt retirement application, state which projects were financed by debt being retired, the project cost, amount of project financed by debt and financing sources for the remaining cost of the project

The detailed work program and timetable of disbursements for the Project have yet to be finalized by LRWC. After discussion and consultation with the various Project participants, LRWC shall make the necessary disclosures for the information of the investing public.

**Identity and/or corporate background of the beneficial owners of the shares subscribed, including the following**

<b>Beneficial Owners/Subscribers</b>	<b>Nature of Business</b>	<b>Nature of any material relationship with the Issuer and the parties to the joint venture, their directors/officers or any of their affiliates</b>
Fortunegate Holdings Philippines, Inc.	Investment holding company	n/a
XII Capital Inc.	International business company	n/a
Colonial Group Holdings Corporation	Investment holding company	n/a
Globalist Technology Company Limited	Investment holding company	n/a
Leisure Advantage, Inc.	Amusement and recreation	n/a
Euphonious Holdings, Inc.	Investment holding company	n/a

**Organizational/Ownership Structure of Subscribers**

<b>Beneficial Owners/Subscribers</b>	<b>Controlling Shareholders of Subscribers</b>	<b>Number of Shares Held</b>	<b>%</b>
Fortunegate Holdings Philippines, Inc.	Tech Innovation Management Limited	30,175	94.92
XII Capital Inc.	Fang Kar Hing	1	0
Globalist Technology Company Limited	Ultra Prestige Investments Holdings Limited	100	100
Leisure Advantage, Inc.	Renato G. Nuñez	7,000	56
Euphonious Holdings, Inc.	Eujo Philippines, Incorporated	9,995	99.95
Colonial Group Holdings Corporation	Richard J. Austria	200,000	20
Colonial Group Holdings Corporation	Leopoldo Layague, Jr.	200,000	20
Colonial Group Holdings Corporation	Rhea D. Gonzalez	200,000	20
Colonial Group Holdings Corporation	Lim Wang Seng	200,000	20
Colonial Group Holdings Corporation	Chen Sook Foon	200,000	20

**For subscribers with no track record or with no operating history: the Subscriber must present a statement of active business pursuits and objectives which details the step undertaken and proposed to be undertaken by the Issuer in order to advance its business. Projected financial statements shall only be required should there be references made in the Statement to forecasts or targets**

N/A

**The interest which directors of the parties to the transaction have in the proposed transaction**

The directors of LRWC, Fortunegate Holdings Philippines Inc., XII Capital Inc., Colonial Group Holdings Corporation, Globalist Technology Company Limited, and Leisure Advantage, Inc. have no personal interest in the proposed transaction.

Mr. Eusebio H. Tanco is a Director and the President of Euphonious Holdings, Inc.. He is also a Director of LRWC.

Likewise, Paolo Martin O. Bautista, a Director of Euphonious Holdings, Inc. is also a Director of LRWC.

**Statement as to the steps to be taken, if any, to safeguard the interests of any independent shareholders**

LRWC sought the stockholders' approval during the Special Stockholders Meeting held on 11 January 2019 of the transaction. In particular, the stockholders approved the issuance of up to 1,300,147,488 common shares from the unissued capital stock (Newly Issued Shares) through a private placement at a price based on a premium over the closing price of the shares of the Company on 29 November 2018 and the Board of Directors was granted the authority to implement the private placement including but not limited to the determination of the issue price and the subscriber or subscribers to the shares to be issued.

**Any conditions precedent to closing of the transaction**

The Corporation and the Subscribers agree that the issuance of the Shares, with all the rights arising therefrom, shall occur only upon full payment of the Subscription Price

**Change(s) in the composition of the Board of Directors and Management**

At this point, there shall be no changes in the composition of the Board of Directors and the Management of LRWC.

**Effects on the following****Ownership structure**

Principal Shareholders	Before		After	
	Number of shares	%	Number of shares	%
PCD Nominee Corp (FIL)	702,638,919	58.56	702,638,919	29.06
Fortunegate Holdings Philippines, Inc.	0	0	230,000,000	9.51
XII Capital Inc.	0	0	230,000,000	9.51
Colonial Group Holdings, Inc.	0	0	230,000,000	9.51
Globalist Technology Company Limited	0	0	230,000,000	9.51
Leisure Advantage, Inc.	0	0	176,647,488	7.31
Euphonious Holdings, Inc.	0	0	121,000,000	5.01
Alfredo Abelardo B. Benitez	134,841,249	11.24	134,841,249	5.58
Grandshares Inc.	120,000,000	10	120,000,000	4.96
Zoraymee Holdings, Inc.	111,267,658	9.27	111,267,658	4.6
PCD Nominee Corp (NON-FIL)	53,424,096	4.45	53,424,096	2.21
Dominique L. Benitez	31,680,000	2.64	31,680,000	1.31
AB Leisure Exponent, Inc.	21,567,000	1.8	21,567,000	0.89
Others	24,433,590	2.04	24,433,590	1.01

**Capital structure****Issued Shares**

Type of Security /Stock Symbol	Before	After
Common/LR	1,199,852,512	2,417,500,000
Preferred/LRP	1,650,000,000	1,650,000,000
Warrants/LRW	82,500,000	82,500,000

**Outstanding Shares**

Type of Security /Stock Symbol	Before	After
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Common/LR	1,199,852,512	2,417,500,000
Preferred/LRP	1,650,000,000	1,650,000,000
Warrants/LRW	82,500,000	82,500,000

#### Treasury Shares

Type of Security /Stock Symbol	Before	After
n/a	0	0

#### Listed Shares

Type of Security /Stock Symbol	Before	After
Common/LR	1,199,852,512	2,417,500,000
Preferred/LRP	1,650,000,000	1,650,000,000
Warrants/LRW	82,500,000	82,500,000

<b>Effect(s) on the public float, if any</b>	Reduction from 64.46% to 31.99%
<b>Effect(s) on foreign ownership level, if any</b>	Increase from 4.64% to 30.8%

#### Other Relevant Information

Attached are copies of the following:

1. Subscription Agreements of six (6) subscribers
2. 2015, 2016, and 2017 Audited Financial Statements of Leisure Advantage, Inc.
3. 2015, 2016 and 2017 Audited Financial Statements Fortunegate Holdings Philippines, Inc.
4. 2016, 2017, and 2018 Annual Returns of XII Capital Inc.

Fortunegate Holdings Philippines Inc.

Fortunegate Holdings Philippines, Inc. (formerly: Fortunegate Holiday Philippines, Inc.) was registered with the SEC on 4 March 2010 under SEC Registration no. CS201002976. On July 26, 2018, the SEC issued a Certificate of Filing of Amended Articles of Incorporation approving change of Corporate name from Fortunegate Holiday Philippines, Inc. to Fortunegate Holdings Philippines, Inc.

XII Capital Inc.

XII Capital Inc. is an international business company incorporated in the Republic of Seychelles on 27 May 2015 with Company No. 167087. Audited Financial Statements are not required to be filed in Seychelles at this time.

Globalist Technology Company Limited.

Globalist Technology Company Limited is a private company incorporated in Hong Kong on April 24, 2014 with Company Number 2090160. We are in the process of securing annual return declarations.

Colonial Group Holdings Corporation.

Colonial Group Holdings Corporation was registered with the SEC only on 12 March 2019 under SEC Registration No. CS201903960. Thus, the Company has no audited financial statements (AFS) to date.

Euphonious Holdings, Inc.

Euphonious Holdings, Inc. was registered with the SEC only on 24 August 2018 under SEC Registration No. CS201818465. Thus, the Company has no audited financial statements (AFS) to date.

**Filed on behalf by:**

<b>Name</b>	Ma. Ruiza Hernane
<b>Designation</b>	AVP - Legal Division Head/Acting Corporate Secretary and Compliance Officer