

ASIABEST GROUP INTERNATIONAL INC.

8th Floor Chatham House Building Valero cor Rufino sts.
Salcedo Village, Makati City

NOTICE OF ANNUAL STOCKHOLDERS' MEETING

NOTICE IS HEREBY GIVEN that the Annual Meeting of Stockholders of ASIABEST GROUP INTERNATIONAL INC. will be held on 4 September 2019 at 10:00 a.m. at Grand Ballroom, Okada Manila, New Seaside Drive, Entertainment City Paranaque City 1701 Metro Manila with the following:


A G E N D A

1. Call to Order.
2. Secretary's Proof of Notice and Quorum.
3. Approval of the Minutes of the 2018 Annual Stockholders' Meeting.
4. Annual Report of the President.
5. Adoption of the Audited Financial Statements for the Year Ended 31 December 2018.
6. Election of Directors.
7. Ratification of all acts of the Board of Directors and Management for the period covered from the last Annual Stockholders Meeting of the Corporation held on 7 December 2018 to the date of the Annual Stockholders Meeting.
8. Delegation of authority to the Nomination and Compensation Committee to determine the remuneration of directors;
9. Appointment of the Company's External Auditor.
10. Other Matters:
 - 10.1. Amendment of the Articles of Incorporation in connection to Corporate Life
11. Adjournment.

Only stockholders of record at the close of business on 16 July 2019 are entitled to notice of, and to vote at, this meeting.

Makati City, 15 July 2019.

FOR THE BOARD OF DIRECTORS


Christine P. Base
Corporate Secretary

SECURITIES AND EXCHANGE COMMISSION

**SEC FORM 20-IS
INFORMATION STATEMENT OF
ASIABEST GROUP INTERNATIONAL INC.
Pursuant to Section 20 of the Securities Regulation Code**

1. Check the appropriate box:
[X] Preliminary Information Statement
[] Definitive Information Statement
2. Name of Registrant as specified in its charter: **ASIABEST GROUP INTERNATIONAL INC.**
3. Province, country or other jurisdiction of incorporation or organization: **MAKATI CITY, PHILIPPINES**
4. SEC Identification Number: **42543**
5. BIR Tax Identification Code: **000-196-724-000**
6. Address of principal office: **8th Floor Chatham House Building Valero cor Rufino sts. Salcedo Village Makati City 1227**
7. Registrant's telephone number, including area code: **c/o (632) 844-3819**
8. Date, time and place of the meeting of security holders:

Date – 4 September 2019

Time - 10:00 A.M.

Venue - Grand Ballroom, Okada Manila, New Seaside Drive, Entertainment City Paranaque City 1701 Metro Manila

9. Approximate date on which the Information Statement is first to be sent or given to security holders:

9 August 2019

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

Authorized Capital Stock **₱300,000,000.00**

Issued Shares **300,000,000**

Number of Shares Outstanding as of 30 June 2019 **300,000,000**

11. Are any or all of registrant's securities listed in a Stock Exchange?

Yes X No _____

As of 30 June 2019, there are 298,848,944 shares listed with the Philippine Stock Exchange.

INFORMATION REQUIRED IN THE INFORMATION STATEMENT

a. GENERAL INFORMATION

Item 1. Date, time and place of meeting of security holders

- | | |
|---|---|
| a. Date | 4 September 2019 |
| Time | 10:00 A.M. |
| Place | Grand Ballroom, Okada Manila, New Seaside Drive, Entertainment City Paranaque City 1701 Metro Manila |
|
Principal Office |
8th Floor Chatham House Building Valero cor Rufino sts. Salcedo Village, Makati City 1227 |
|
b. Approximate date when the Information Statement is first to be sent to security holders: |
9 August 2019 |

WE ARE NOT ASKING YOU FOR A PROXY AND YOU ARE REQUESTED NOT TO SEND US A PROXY

Item 2. Dissenter's Right of Appraisal

Under the Corporation Code of the Philippines, a stockholder of a corporation shall have the right to dissent and demand payment of the fair value of his shares in the following instances:

- (a) In case any amendment to the articles of incorporation has the effect of changing or restricting the rights of any stockholder or class of shares, or of authorizing preferences in any respect superior to those of outstanding shares of any class, or of extending or shortening the term of corporate existence;
- (b) In case of sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets as provided in the Code;
- (c) In case of merger or consolidation; and
- (d) In case of investments in another corporation, business or purpose.

A dissenting stockholder may demand payment of the fair value of his shares by voting against the proposed corporate action and making a written demand on the Company within thirty (30) days after the date on which the vote was taken; otherwise, the failure to make the demand within the said period shall be deemed a waiver of the appraisal right of the dissenting stockholder. Within ten (10) days after demanding payment of his shares, the dissenting stockholder shall submit to the Company the certificate(s) of stock representing his shares for notation thereon that the shares are dissenting shares; otherwise his failure to do so shall, at the option of the Company, terminate his appraisal rights.

If the proposed corporate action is implemented or effected, the Company shall pay to such stockholder, upon surrender of the certificate(s) of stocks representing his shares, the fair value thereof as of the day prior to the date on which the vote was taken, excluding any appreciation or depreciation in anticipation of such corporate action. If within the period of sixty (60) days from the date the corporate action was approved by

the stockholders, the withdrawing stockholder and the Company cannot agree on the fair value of the shares, it shall be determined and appraised by three (3) disinterested persons, one of whom shall be named by the stockholder, another by the Company, and the third, by the two (2) thus chosen. The findings of the majority of the appraisers shall be final, and their award shall be paid by the Company within thirty (30) days after the award is made, provided that the Company has unrestricted retained earnings in its books to cover such payment and that upon payment by the Company of the agreed or awarded price, the stockholder shall immediately transfer his shares to the Company.

Any other right or action arising from the exercise of a dissenting stockholder of his appraisal rights shall be governed by and in accordance with Title X of the Corporation Code of the Philippines.

There are no matters or proposed corporate actions to be taken up during the Annual Meeting which may give rise to a possible exercise by security holders of their appraisal rights under Title X of the Corporation Code of the Philippines.

Item 3. Interest of Certain Persons in or Opposition to Matters to be Acted Upon

a. Substantial interest of directors / officers of the Registrant in any matter to be acted upon other than election to office

Other than election to office, no director or executive officer, or associate of the foregoing persons, has any substantial interest in the matters to be acted upon by the stockholders at the Annual Meeting.

No director has informed the Company in writing of an intention to oppose any action to be taken by the Company at the meeting:

b. Control and Compensation Information

Item 4. Voting Securities and Principal Holders Thereof

a. Number of Shares Outstanding as of 5 October 2018:	300,000,000
Number of Votes Entitled:	one (1) vote per share

The total outstanding common shares of the Company is 300,000,000, consisting of 54,594,858 Filipino and 245,405,142 Non-Filipino stockholders as of 30 June 2019.

b. Stockholders Entitled to Vote

All stockholders of record as of 16 July 2019 are entitled to notice of and to vote at the Annual Stockholders' Meeting.

c. Manner of Voting

Article I, Sections 6 and 7 of the Amended By-Laws of the Company provide:

“Section 6. Voting. Except as otherwise provided by law, each stockholder of record shall be entitled at every meeting of stockholders to one vote for each common share of the capital stock standing in his name on the stock books of the Company on the day fixed as the record date for such meeting, which vote may be given personally or by proxy duly appointed in writing by such stockholder or by his duly authorized attorney.”

“Section 7 Proxies. Proxies on file with the Corporation and executed not more than five (5) years before the date of the shareholders’ meeting, shall be recognized and used unless specifically revoked or a new proxy is received by the Corporation. Proxies shall be filed with and received by the Corporate Secretary or the Transfer Agent not later than three (3) working days prior to the date of the stockholders’ meeting. In the election of directors, each stockholder entitled to vote may cumulate and distribute his votes in accordance with the provisions of the Corporation Code.”

d. Security Ownership of Certain Record and Beneficial Owners and Management

i. Security Ownership of Certain Record and Beneficial Owners (of more than 5%) as of 30 June 2019.

The table below outlines the persons, as of 30 June 2019, who are known to the Corporation to be directly or indirectly the record and / or beneficial owner of more than 5 % of any class of the Corporation’s voting securities:

Title of Class of Shares	Name, address of Record Owner and Relationship with Issuer	Name of Beneficial Owner and Relationship with Record Owner	Citizenship	No. of Shares Held	Percent
Common	Tiger Resorts Asia Limited Suite 509, Chater House, 8 Connaught Road Central, Hong Kong Major Shareholder	Tiger Resorts Asia Limited (Shares lodged with The First Resources Management & Securities Corp.) ¹	Non- Filipino	200,000,000	66.66%
Common	PCD Nominee Corporation 37/F Tower I, Enterprise Center, 6766 Ayala Ave., Makati City No relationship with the issuer	PCD Nominee Corporation ²	Filipino	51,533,614	17.178%
			Non-Filipino	45,312,501	15.10%

¹ Kenji Sugiyama will vote for the shares held by Tiger Resort Asia Limited

² PCD Nominee Corporation is a wholly owned subsidiary of the Philippine Depository and Trust Corporation, Inc. (PDTC) is the registered owner of the shares in the books of the Registrant’s stock transfer agent. The beneficial owner of such shares entitled to vote the same are PDTC’s participants, who hold the shares either in their own behalf or on behalf of their clients

ii. **Security Ownership of Directors and Management as of 5 October 2018**

Title of Class	Name of Beneficial Owner	Amount and Nature of Beneficial Ownership	Citizenship	Percent of All Class
Common	Manuel M. Lazaro	100 (Direct)	Filipino	Nil
Common	Takashi Oya	100 (Direct)	Non-Filipino	Nil
Common	Kenji Sugiyama	100 (Direct)	Non-Filipino	Nil
Common	Hajime Tokuda	100 (Direct)	Non-Filipino	Nil
Common	Toji Takeuchi	100 (Direct)	Non-Filipino	Nil
Common	Masamitsu Fujime	100 (Direct)	Non-Filipino	Nil
Common	Wilfrido Sanchez	100 (Direct)	Filipino	Nil
Common	Alfredo Pascual	100 (Direct)	Filipino	Nil
Common	Takako Okada	100 (Direct)	Non-Filipino	Nil
	Christine P. Base	0	Filipino	NA
All Directors and Officers as a Group		900		Nil

iii. **Voting Trust Holders of 5% or More**

The Company knows of no person who holds more than 5% of a class under a voting trust or similar agreement.

iv. **Change in Control**

On 10 September 2018, a Share Purchase Agreement (the "SPA") was executed by and between certain ABG shareholders and Tiger Resort Asia Limited ("Tiger"). Subject to the fulfillment of Closing Conditions, the Selling Shareholders agreed to sell to Tiger and Tiger agreed to purchase Two Hundred Million (200,000,000) commons shares of ABG representing two thirds (2/3) of its outstanding capital stock on 12 November 2018 or at a date to be mutually agreed upon by the Parties. Tiger is currently the majority shareholder of Tiger Resort, Leisure and Entertainment, Inc., doing business under the name and style of Okada Manila. The shares were transferred/crossed on February 4, 2019

Item 5. Directors and Executive Officers

Article II, Section I of the Company's Amended By-Laws provides:

"Section 1. Number and Qualifications. The Board of Directors of the Company shall be nine (9) in number and they shall be stockholders in their own right, and elected in accordance with the Corporation Law at the annual meeting of the stockholders for at term of one (1) year until their successors are elected and qualified."

a. **Information required of Directors and Executive Officers**

- i. The following table sets forth certain information as to Directors and executive officers of the Company as of 15 October 2018 for the last five (5) years:

Name	Age	Nationality	Present Position
Manuel M. Lazaro	84	Filipino	Chairman

Takashi Oya	53	Non-Filipino	President and Director
Kenji Sugiyama	47	Non-Filipino	Director
Hajime Tokuda	60	Non-Filipino	Director
Toji Takeuchi	60	Non-Filipino	Director
Masamitsu Fujime	32	Non-Filipino	Director/Treasurer
Wilfrido Sanchez	80	Filipino	Independent Director
Alfredo Pascual	70	Filipino	Independent Director
Takako Okada	45	Non-Filipino	Director
Christine P. Base	49	Filipino	Corporate Secretary

Takashi Oya. Mr. Oya served as Senior Analyst in Kankatsu Securities Co. Ltd from 1988 to 1999. He was a Director of Deutche Securities Co. Ltd from 1999 to 2007. Mr. Oya was the President of Fields Corporation (TSE 1st) from 2007 to 2016. He served as the Vice Chairman of Fields Corporation from 2016 to 2017. He was the President of Fields Research Institute from 2017 to 2018. Mr. Oya is the President of Tiger Resort, Leisure and Entertainment, Inc. (Okada Manila).

Manuel M. Lazaro. Justice Lazaro graduated from Ateneo de Manila University with a degree of Bachelor of Laws. He is a consistent honor student throughout his academic life, and obtained fellowships in UK and USA. Justice Lazaro has vast experience in government service, having served as the Government Corporate Counsel (the general counsel of at least 70 government corporations) from 1976 to 1986; and Presidential Assistant for Legal Affairs (Counsel of the President of the Republic of the Philippines) from 1982 to 1986, to name a few. Justice Lazaro currently serves as director to various Philippine Corporations, like Philippine Airlines, Manila Hotel Corporation and Tiger Resort, Leisure and Entertainment, Inc.

Kenji Sugiyama. Mr. Sugiyama graduated from Nihon University Japan. Mr. Sugiyama served as Sales and Customer Service Manager in Zenkoku Security Guard Co. Ltd. from 1994 to 2007. He was the Loss Prevention Manager in The Ritz-Carlton, Tokyo from 2007 to 2011. He was the VIP Corp Sec of Universal Entertainment in 2011. Mr. Sugiyama currently holds the position of Chief Managing Director at Tiger Resort, Leisure and Entertainment, Inc.(Okada Manila).

Masamitsu Fujime. Mr. Fujime graduated from Chuo University Tokyo Japan with a degree of Accounting. Mr. Fujime served as the Regional Manager of Shinko Shoji Singapor Pte. Ltd.; Assistant Manager (Admin Operation) of Thai Escorp Limited; and Accountant at Shinsho Corporation. Mr. Fujime currently holds the position of VP - Accounting at Tiger Resort, Leisure and Entertainment, Inc. (Okada Manila).

Hajime Tokuda. Mr. Tokuda worked in Sumitomo Bank Limited from 1981 until 2006. He last served as Board Director of the bank when he left in 2006. Mr. Tokuda joined Universal Entertainment Corp. (UEC) in 2006. He is currently the Chief Operating Officer and a Board Director of UEC.

Wilfrido Sanchez. Atty. Sanchez graduated from Ateneo de Manila University with a degree of Bachelor of Laws in 1961. He pursued and finished his Master of Law at Yale Law School in 1963. Atty. Sanchez worked in SGV (once the largest accounting firm in Asia until its affiliation with Arthur Andersen and Ernst & Young) for almost thirty (30) years as tax consultant, then headed the SGV's tax practice, before his retirement. Atty. Sanchez is a Tax Counsel in Quiason Makalintal Barot Torres Ibarra Sison & Damaso Law Firm. He currently serves as director to various Philippine Corporations, namely LT Group, Inc., Asia Brewery, Inc., Tanduay Distillers, Inc., and Universal Robina Corp.

Takako Okada. Mrs. Okada served as Representative Director at Spring Coat Co., Ltd (currently, Okada Holdings GK) from 2000 to 2015. She currently holds the following positions: Board Director of Universal Entertainment Corporation, and Director of Tiger Resort Asia Limited. Mrs. Okada is a Board Member and Chief Relations Officer of Tiger Resort, Leisure and Entertainment, Inc.(Okada Manila).

Toji Takeuchi. Mr. Takeuchi graduated from Sophia University. Mr. Takeuchi was an Assistant Manager in Shinginko Tokyo, Limited from 2006 to 2008. He served as Financial Consultant at KPMG from 2008 to 2009. He is a Corporate Auditor and Executive Member of the Universal Entertainment Corp. Mr. Takeuchi currently holds the position of Board Member at Tiger Resort, Leisure and Entertainment, Inc. (Okada Manila).

Alfredo Pascual. Mr. Pascual finished MBA and BS Chemistry (cum laude) in the University of the Philippines. Mr. Pascual worked at the Asian Development Bank (ADB) for 19 years, in such positions as the Director for Private Sector Operations (capital markets and financial Institutions), Director for Infrastructure Finance, and Advisor for Public-Private Partnership (in Infrastructure Development). He likewise served as President & CEO of the University of the Philippines (UP) System and Co-Chair of the UP Board of Regents from 2011 to 2017. Mr. Pascual currently serves as an Independent Director on the Board of SM Investments Corporation (SMIC) and Megawide Construction Corporation (MCC).

Christine P. Base. Atty Christine is currently a Corporate and Tax Lawyer at Pacis and Reyes, Attorneys and the Managing Director of Legisforum, Inc. She concurrently serves as the Corporate Secretary of Anchor Land Holdings, Inc., Araneta Properties, Inc., SBS Philippines Corporation, Asiasec Equities, Inc., SL Agritech Corporation, and Ever-Gotesco Resources and Holdings, Inc.. She also acts as a Director and Corporate Secretary of Italphinas Development Corporation. Ms. Base also acts as a Director and/or Corporate Secretary of several other private corporations. She was an Auditor and then a Tax Lawyer of Sycip Gorres Velayo & Co. She is a graduate of Ateneo De Manila University School of Law with a degree of Juris Doctor. She passed the Bar Examination in 1997. Ms. Base is also a Certified Public Accountant. She graduated from De La Salle University with a degree in Bachelor of Science in Commerce major in Accounting.

b. Nominees for Directors and Independent Directors

The following have been nominated to the Board of Directors of the Company for the year 2019 to 2020:

Name	Nationality	Period Served
Manuel M. Lazaro	Filipino	Since 2019
Takashi Oya	Non-Filipino	Since 2019
Kenji Sugiyama	Non-Filipino	Since 2019
Hajime Tokuda	Non-Filipino	Since 2019
Toji Takeuchi	Non-Filipino	Since 2019
Masamitsu Fujime	Non-Filipino	Since 2019
Wilfrido Sanchez	Filipino	Since 2019
Alfredo Pascual	Filipino	Since 2019
Takako Okada	Non-Filipino	Since 2019

The aforementioned nominees have been recommended for nomination by the Nomination Committee. There are no directors who declined to stand for re-election to the Board of Directors for any reason whatsoever.

The above named nominees are expected to attend the scheduled Annual Stockholders' Meeting.

Nomination and Election of Independent Directors

The Nomination Committee is composed of:

Chairman

Justice Manuel M. Lazaro

Members

Wilfrido Sanchez

Takako Okada

Hajime Tokuda

Takashi Oya

Toji Takeuchi

The Nomination Committee accepted and pre-screened nominees for independent directors conformably with the criteria prescribed under existing SEC rules and the Company's Code of Corporate Governance.

Per the Company's Amended By-Laws, "the Corporation shall conform with the requirement to have such number of Independent Directors as may be required by law, possessed with such qualifications as may be prescribed by law. An "Independent Director" is a person who, apart from his fees and shareholdings, which shareholdings do not exceed two percent (2%) of the shares of the Corporation and/or its related companies or any of its substantial shareholders, is independent of management and free from any business or other relationship which could, or could reasonably be perceived to, materially interfere with his exercise of independent judgment in carrying out his responsibilities as a director of the Corporation x x x." (*Article II Section 1-B of Amended By-laws*).

The following are the details of the nominations for Independent Director received and approved by the Nominations Committee:

Nominees for Independent Director	Person Submitting the Nomination	Relation of Nominee to the Nominator
Wilfrido Sanchez	Kenji Sugiyama	None
Alfredo Pascual	Kenji Sugiyama	None

Messr Kenji Sugiyama submitted their credentials to support their qualifications for the positions of Independent Directors. The Company has adopted the SRC Rule 38 (Requirements on Nomination and Election of Independent Directors) and compliance therewith has been made. The Company always undertakes to abide by the existing SRC Rule 38 on the required number of independent directors subject to any revision that may be prescribed by the SEC.

All nominees were pre-screened and included in the final list of candidates for election to the Board of Directors. All nominees were found to possess all the qualifications and none of the disqualifications for election to the positions of regular and independent directors.

c. Significant Employees

There are no individuals who are not executive officers who are expected by the Company to make a significant contribution to the Company's business. Neither is the business of the Company highly dependent on the services of certain key personnel.

d. Family Relationships

There are no family relationships up to the fourth civil degree either by consanguinity or affinity existing among the Company's Directors, executive officers or persons nominated or chosen by the Company to become directors or executive officers.

e. Involvement in Certain Legal Proceedings

Based on the records of the Corporation, none of the Directors during the past five years have been involved in any insolvency or bankruptcy proceeding nor has any of them been convicted by final judgment in a criminal proceeding. Furthermore, based also on records of the Corporation, none of the directors has been subject to any order permanently enjoining, barring, suspending or limiting their involvement in any type of business, securities, commodities or banking activities, nor have they been found by any court in a civil action to have violated any securities or commodities law or regulation.

To the best of the Company's knowledge, there is no event listed below that occurred during the last five years up to the latest date that are material to an evaluation of the ability or integrity of any director or nominee for election as director, executive officer or control person of the Company:

- (a) Bankruptcy petition filed by or against any business of which a director or executive officer of the Company was a general partner or executive officer either at the time of bankruptcy or within two (2) years prior to that time;
- (b) Conviction by final judgment in a 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 bargaining activities; and ;
- (d) Being found by a domestic or foreign court of competent jurisdiction (in a civil action), the Securities and Exchange 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.

f. Relationships and Related Transactions

Related party relationship exists when one party has the ability to control, directly, or indirectly through one or more intermediaries, the other party or exercise significant influence over the other party in making financial and operating decisions. Such relationship also exists between and/or among entities, which are under common control with the reporting enterprises and its key management personnel, directors, or its shareholders. In considering

each related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

The details of related party transactions are as follows:

- a. In September 2011, the SEC approved the issuance of the Certificate of Incorporation of Alta Minera Inc., Breccia Resources Inc. and Millionaires Offices and Properties Inc. as mining and real estate corporation, respectively, where ABG owns 100% of their outstanding capital stock. There is no unpaid subscription payable as of 31 December 2018 and 2017

During the normal course of business, ABG had transactions with its subsidiaries, consisting of cash advances extended for working capital purposes. The cash advances were unsecured, non-interest bearing and payable on demand. All the advances were paid by the subsidiaries before the sale on 18 May 2017.

- b. Advances to Dizon Copper-Silver Mines, Inc. an affiliate under common control, were unsecured, non-interest bearing and collectible on demand were collected in 2017.
- c. Advances to stockholders were unsecured, non-interest bearing and collectible on demand cash advances. These were collected in 2017.
- d. On 5 March 2012, the Company gave its conformity to the execution of a General Contractor Agreement between Geogen and NiHAO under which NiHAO shall bear the management fees pursuant to the Management Agreement with Option to Buy. Mining operations started in 2012.

On 7 April 2015, the agreement was cancelled.

As of 31 December 2017, the receivable amounting to ₱3.04 million as termination fee of the Agreement was paid by NiHAO. There is no receivable balance as of 31 December 2018

Transaction with Key Management Personnel

The group avails of services rendered by lawyers who were also key management personnel of the Group primarily consisting of legal and back office work. The related professional fees amounted to ₱0.4 million, ₱0.3 million and ₱0.8 million in 2018, 2017 and 2016, respectively.

g. Ownership Structure

Please find below the top 20 stockholders of the Company, including beneficial ownership with the PCD Nominee Corporation, as of 31 March 2019:

STOCKHOLDERS' NAME	NO. OF COMMON SHARES HELD	PERCENTAGE
PCD Nominee Corporation – Non-Filipino	245,312,501	81.771%
PCD Nominee Corporation – Filipino	51,579,314	17.193%
Trans-Philippines Investment Corporation	2,063,124	0.688%
Rizal Commercial Banking Corp. T/A No. 75234-7	175,600	0.059%
Asiatrust Bank - Trust Banking Sector	128,325	0.043%
Pedro SM Sison	75,000	0.025%
Joseph Kaufman and Mildred Kaufman	45,000	0.015%
Victor G. Sy	39,500	0.013%

Garvi Development Corporation	33,500	0.011%
Dolores Paterno VDA De Tuason	25,000	0.008%
Tommy Cuazon	20,000	0.007%
The Philippine American Investments Corp.	19,960	0.007%
Maria Lourdes Tuason	18,319	0.006%
S. J. Roxas & Co. Inc.	17,500	0.006%
Geronimo M. Pedro	15,000	0.005%
Mario U. Tadique	15,000	0.005%
Standard Insurance Co., Inc.	14,000	0.005%
Jose Lee	13,000	0.004%
Abacus Securities Corporation	11,000	0.004%
Aloysius T. Lipio	10,900	0.004%

h. Resignation of Directors

No director has resigned or declined to stand for re-election to the Board of Directors since the last annual meeting of the security holders due to any disagreement with the Company relative to the Company's operations, policies and practices.

Item 6. Compensation of Directors and Executive Officers

The following summarizes the compensation packages of the Directors and Executive Officers of the Registrant during the last three (3) fiscal years.³

<i>Name</i>	<i>Position</i>	<i>Year</i>	<i>Salary</i>	<i>Bonus</i>	<i>Per Diem</i>
Edgardo G. Alimagno	Chairman / President	2018	-	-	15,789
		2017	-	-	16,667
David M. Dela Cruz	CFO / Treasurer	2018	-	-	5,263
		2017	-	-	5,556
Rachelle Guinto-Lambuson	Corporate Secretary / CIO	2018	-	-	10,526
		2017	-	-	11,111
All other officers and directors as a group unnamed		2018	-	-	57,895
		2017	-	-	111,111
		2016	-	-	158,333
		2015	-	-	33,333

For 2018, the Directors get a per diem of ₱5,000.00 to ₱ 10,000.00 for attendance in a Regular or Special Board Meeting. The 2018 figures above are estimated.

There are no other arrangements, including consulting contracts, pursuant to which any director of the Company was compensated, or is to be compensated, directly or indirectly, for any service provided as a director.

No action is to be taken with regard to any bonus, profit sharing, pension, retirement plan or the granting or extension of any option or warrant to directors and executive officers.

The Company has no officers categorized as highly paid executives.

³ As of 30 September 2018.

a. Employment Contracts and Termination of Employment and Change-in-Control Arrangements

Pursuant to the Company's By-Laws, each Director has a term of office of one year from date of election or until his successor shall have been named, qualified and elected.

At present, there is no employment contract between the Company and a named executive officer as the Company has no employees.

Also, there is no compensatory plan or arrangement, including payments to be received from the Company, with respect to any such officer, if such plan or arrangement results or will result from the resignation or retirement or any other termination of such officer's employment with the Company or its subsidiary or from a change-in-control of the Company or a change in such officer's responsibilities following a change-in-control and the amount, including all periodic payments or installments, which exceed ₱2,500,000.00.

b. Warrants and Options

There are no officers of the Company who are holding any warrants or options.

Item 7. Independent Public Accountants

For the year ended 31 December 2018, the external auditor of the Company was the accounting firm of SGV and Co. headed by Mr. Alexis Benjamin C. Zaragoza III.

Pursuant to the General Requirements of SRC Rule 68, Par. 3 (Qualifications and Reports of Independent Auditors), the Company has engaged SGV & Co. CPAs headed by Mr. Alexis Benjamin C. Zaragoza III as external auditor of the Company for the year 2018. For 2016 and 2015, SGV and Co was the Company's external auditors. For 2016, the handling partner was Ms. Eleanore A. Layug while Mr. Jaime F. del Rosario was the handling partner for 2015. Mangay-ayam, Lim & Co. CPAs headed by Mr. Rodrigo M. Mangay-ayam handled 2017,

The Company is compliant with SRC Rules 68, (3) (b) (iv) (ix) on rotation of external auditors.

For 2019, Management recommends KPMG as the Company's External Auditor, subject to a reasonable engagement for the services and the corresponding appointment of the partner-in-charge.

Representatives of the principal accountants for the current year and for the most recently completed fiscal year:

- (i) are expected to be present at the stockholders' meeting;
- (ii) will have the opportunity to make a statement if they desire to do so; and
- (iii) are expected to be available to respond to appropriate questions.

a. Changes in and Disagreements with Accountants on Accounting and Financial Disclosures

The Company has engaged the services of SGV and Co. headed by Mr. Alexis Benjamin C. Zaragoza III for the year ended 31 December 2018. There has been no

event where the auditors and the Company had any disagreement with regard to any matter relating to accounting principles or practices, financial statement disclosure or accounting procedure.

For 2019, Management recommends KPMG as the Company's External Auditor, subject to a reasonable engagement for the services and the corresponding appointment of the partner-in-charge.

b. Audit and Audit-Related Fees

The Company's audit fees for the last five (5) years are as follows:

Year	Audit Fee
2018	442,000.00
2017	280,000.00
2016	290,000.00
2015	265,000.00
2014	265,000.00

There have been no other assurance and related services performed by the external auditors as of 31 December 2018. For 2016, the Company engaged the services of SGV and Co. to prepare a special audit report to support the company's application for increase in authorized capital stock for a fee of ₱34,000.00.

c. Tax Fees

There have been no professional services rendered by the external auditors for tax accounting, compliance, advice, planning and any other form of tax services for the years ended 31 December 2018, 2017 and 2016.

d. All Other Fees

Aside from the above, there have been no other services rendered by the external auditor for the last three fiscal years.

The Board of Directors approved the audit of the Company's financial statements as of and for the year ended 31 December 2018.

e. Audit Committee

The Audit Committee of the Company is composed of the following:

Member	Position
Wilfrido Sanchez	Chairman
.Alfredo Pascual	Member
Toji Takeuchi	Member
Masamitsu Fujime	Member

As provided under the Audit Committee Charter, the Audit Committee was created to provide for the composition, powers and duties thereof. Among others, the Audit Committee is tasked to:

- Assist the Board of Directors in performing oversight responsibility for the financial reporting processes.

- Supervise management activities and responsibilities in maintaining a sound system of internal control.
- Monitor and evaluate the adequacy and effectiveness of the corporation's internal control system.
- Coordinate, monitor and facilitate compliance with laws, rules and regulations in financial reporting.
- Review reports and financial statements before their submission to the Board of Directors.

The Audit Committee is responsible for the preparation, review and approval and issuance of the Company's financial statements and reports. Among others, the Audit Committee shall:

- a. Review and approve audit scope and frequency and the annual internal audit plan.
- b. Provide oversight over the senior management's activities in managing credit, market liquidity, operational. Legal and other risks of the Company. The function shall include receiving from senior management periodic information on risk exposures and risk management activities.
- c. Review the quarterly, half year and annual financial statements before submission to the Board, focusing particularly on any change/s in accounting policies and practices.
- d. Determine and evaluate significant adjustment resulting from audit and going concern assumptions
- e. Ensure compliance with accounting standards and compliance with tax, legal, and stock exchange requirements.
- f. Be responsible for coordinating, monitoring and facilitating compliance with existing laws, rules and regulations. It may also constitute a Compliance Unit for this purpose.
- g. Assist the Board in the performance of its oversight responsibility for the financial reporting process, system of internal control, audit process, and monitoring of compliance with applicable laws, rules and regulations.
- h. Review and discuss with management and external auditor the quarterly, half-year and annual financial statements before their submission to the Board, with particular focus on the following:
 - Any change/s in accounting policies and practices;
 - Major judgmental areas;
 - Significant adjustments resulting from the audit;
 - Going concern assumptions;
 - Compliance with accounting standards;
 - Compliance with tax, legal and regulatory requirements;
- i. Review other relevant reports or financial information submitted by the company to any governmental body or the public or financial report and relevant reports rendered by the external auditor.
- j. Elevate to international standards the accounting and auditing processes, practices and methodologies of the Corporation.

- k. Check all financial reports against its compliance with pertinent accounting standards, including laws and regulatory requirements and review the management representation letter to the external auditor.

The Audit Committee shall have overall responsibility over the external audit of the Company from the selection process to the approval for issuance of financial statements for the statutory periods. Among others, the Audit Committee shall be responsible for the following:

- a. Recommend to the board of directors the selection of the external auditors among qualified and reputable audit firms, considering independence, effectiveness and professionalism.
- b. Review the external auditors' proposed audit scope and approach, including coordination of audit effort with internal audit.
- c. Discuss with the external auditor before the audit commences the nature and scope of the audit and ensure coordination where more than one audit firm is involved.
- d. Review the performance of the external auditors, and exercise final approval on the appointment or discharge of the auditors. In performing this review, the committee will:
 - 1) At least annually, obtain and review a report by the independent auditor describing: the firm's internal quality-control procedures; any material issues raised by the most recent internal quality-control review, or per review of the firm, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the firm, and any steps taken to deal with any such issues; and (to assess the auditor's independence) all relationships between the independent auditor and the company;
 - 2) Review and evaluate the lead partner of the independent auditor;
 - 3) Present its conclusions with respect to the external auditor to the Board.
- e. Ensure the rotation of the lead audit partner every five years and other audit partners, and consider whether there should be regular rotation of the audit firm itself.
- f. Periodically consult with the external auditors out of the presence of management about internal controls and fullness and accuracy of the company's financial statements.
- g. On a regular basis, meet separately with the external auditors to discuss any matters that the committee or auditors believe should be discussed privately.
- h. Receive and review reports of external auditors and regulatory agencies, where applicable and ensure that management is taking appropriate corrective actions, in timely manner in addressing control and compliance functions with regulatory agencies.
- i. Pre-approve the engagement of the external auditor or other independent accountant to conduct any non-audit services to be performed during the year.
- j. Evaluate and determine non-audit work by external auditor and keep under review the non-audit fees paid to external auditor both in relation to their

significance to the auditor and in relation to the Company's total expenditure on consultancy. The non-audit work should be disclosed in the Annual Report

Compensation Plans

There are no compensatory plans or arrangements granted to, or outstanding stock warrants or options held by, directors or corporate/ executive officers of the Company.

There will be no cash or non-cash compensation plans, or adjustments or amendments in stock warrants or options that will be taken up during the special stockholders' meeting.

c. ISSUANCE AND EXCHANGE OF SECURITIES

Item 8. Authorization or Issuance of Securities Other than for Exchange

There are no matters to be taken up for the authorization or issuance of securities other than for exchange.

Item 9. Modification or Exchange of Securities

There are no matters to be proposed to Shareholders under Modification or Exchange of Securities.

Item 10. Financial and Other Information

1. The audited financial statements as of 31 December 2018, Annual Report for 2018 and interim financial statements for the first quarter of 2019 are hereto attached as Annexes "B", "C" and "D", respectively.
2. Management's Discussion and Analysis, market Price of Shares and Dividends and other data related to the Company's financial information are discussed in a separate section.
3. The Company's Plan of Operation is discussed in a separate section.
4. There are no changes in and disagreements with accountants on accounting and financial disclosure; and
5. Representatives of the principal accountants for the current year and for the most recently completed fiscal year:
 - (i) are expected to be present at the security holders' meeting;
 - (ii) will have the opportunity to make a statement if they desire to do so; and
 - (iii) are expected to be available to respond to appropriate questions.

Item 11. Mergers, Consolidations, Acquisitions and Similar Matters

There are no matters or actions to be taken up in the meeting with respect to merger, consolidation, acquisition by, sale or liquidation of the Company.

Item 12. Acquisition or Disposition of Property

There are no matters to be taken up proposing the acquisition or disposition of property.

Item 13. Restatement of Accounts

There are no matters or actions to be taken up in the meeting with respect to the restatement of any asset, capital or surplus account of the Company.

d. OTHER MATTERS

Item 14. Action with Respect to Reports

Stockholders' approval and / or ratification is sought with respect to the actions of the Board of Directors and Management from 7 December 2018 up to the date of the holding of the Annual Meeting of Shareholders. These include, but not limited to, opening and maintaining deposit accounts and/or trust accounts with various banking institutions, appointment of Directors and Officers, approval of annual and quarterly reports, postponement and setting of annual shareholders' meeting, and amendment of the Articles of Incorporation relative to the Company's corporate life.

Item 15. Matters not required to be Submitted

All matters or actions to be submitted in the meeting will require the vote of security holders.

Item 16. Other Proposed Actions

There are no other proposed actions other than those discussed in the preceding sections.

Item 17. Voting Procedures

In all items for which stockholders' approval is sought as described in this Information Statement, each share of stock entitles its registered holder to one (1) vote.

All other matters subject to vote, except in cases where the law provides otherwise, shall be decided by the majority vote of stockholders present in person or by his proxy, if there be such proxy, and entitled to vote thereat, provided that a quorum is present.

In case of election of directors, each common stockholder may vote such number of shares for as many person as there are directors to be elected or he may cumulate said shares and give one nominee as many votes as the number of directors to be elected multiplied by the number of his shares shall equal, or he may distribute them on the same principle among as many nominees as he shall see fit, provided that the whole number of votes cast by him shall not exceed the number of shares owned by him multiplied by the total number of directors to be elected.

Method by which votes will be counted

There is no manner of voting prescribed in the By-Laws of the Company. Hence, voting may be done by *viva voce*, raising of hands or by balloting.

The Company's Stock Transfer Agent, BDO Unibank will validate the ballots when voting is done by secret ballot. Likewise, BDO Unibank will count the number of hands raised when voting by show of hands is done.

PART III.

SIGNATURE PAGE

After reasonable inquiry and to the best of our knowledge and belief, we certify that the information set forth in this report is true, complete and correct.

This report is signed this 15th day of July 2019 in Makati City.

BY:



Christine P. Base
Corporate Secretary