

**COVER SHEET**

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SEC Registration Number

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(Company's Full Name)

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(Business Address: No. Street City / Town / Province)

Janine G. Manzano									
Contact Person Company									

(632) 7218-0437									
Telephone Number									

1	2	3	1
Month	Day	Month	Day
Fiscal Year			

SEC FORM 20-IS (Definitive)
FORM TYPE

June	Last Friday
Month	Day
Annual Meeting	

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Secondary License Type, If Applicable

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Dept. Requiring this Doc.

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Amended Articles Number/ Section

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Total No. of stockholders

Total Amount of Borrowings	
Domestic	Foreign

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To be accomplished by SEC Personnel concerned

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File Number

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Document ID

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**SECURITIES AND EXCHANGE COMMISSION  
SEC FORM 20-IS**

**INFORMATION STATEMENT PURSUANT TO SECTION 20  
OF THE SECURITIES REGULATION CODE**

1. Check the appropriate box:

- Preliminary Information Statement  
 Definitive Information Statement

2. Name of Registrant as specified in its charter: **MILLENNIUM GLOBAL HOLDINGS, INC.**

3. Province, country or other jurisdiction of incorporation or organization  
**Metro Manila, Philippines**

4. SEC Identification Number **25160**

5. BIR Tax Identification Code **000-189-138-000**

6. Address of principal office Postal Code **1708**  
**Lot 9 Block 2 John Street, Multinational Village, Paranaque City**

7. Registrant's telephone number, including area code **(632) 8551-2575**

8. Date, time and place of the meeting of security holders

Date: **December 17, 2021**

Time: **2:00 p.m.**

Place: **via remote communication using Zoom to be presided in Metro Manila where the principal office of the Company is located**

9. Approximate date on which the Information Statement is first to be sent or given to security holders:  
**November 24, 2021**

10. Securities registered pursuant to Sections 8 and 12 of the Code or Sections 4 and 8 of the RSA  
(information on number of shares and amount of debt is applicable only to corporate registrants):

Title of Each Class	Number of shares of common stock outstanding or amount of debt outstanding
<b>Common</b>	<b>2,500,000,000</b>

12. Are any or all of registrant's securities listed in a Stock Exchange?  
**Yes.** The common stocks are listed in the **Philippine Stock Exchange, Inc.**

**MILLENNIUM GLOBAL HOLDINGS, INC.**  
**NOTICE OF THE ANNUAL MEETING OF STOCKHOLDERS**

Notice is hereby given that the Annual Stockholders' Meeting of **MILLENNIUM GLOBAL HOLDINGS, INC.** will be held on **December 17, 2021 at 2:00 P.M.** through remote communication using Zoom. It will be presided in Metro Manila where the principal office of the Company is located.

AGENDA:

1. Call to order;
2. Certification of notice and quorum;
3. Approval of the Minutes of the Annual Stockholders' Meeting held on December 18, 2020;
4. Management report;
5. Adoption of the Audited Financial Statements for the calendar year ended December 31, 2020 as contained in the Annual Report;
6. Ratification of all previous acts and proceedings of the Board of Directors, Officers and Management;
7. Election of directors;
8. Appointment of external auditor;
9. Other matters; and
10. Adjournment

Only stockholders of record at the close of business hours on **November 23, 2021** are entitled to notice of, and vote at this meeting.

In view of the COVID-19 pandemic, stockholders may only participate via remote communication.

**Please register not later than 5:00 p.m. of December 13, 2021. Deadline for casting of votes is 5:00 p.m. of December 15, 2021.**

For the detailed registration and voting procedures, please refer to the attached Guidelines and Procedures for Participating *via* Remote Communication.

For concerns, please reach us through *millenniumglobalholdings@gmail.com* .

**WE ARE NOT ASKING FOR A PROXY AND YOU ARE NOT REQUESTED TO SEND ONE.**

  
**LYRA GRACIA Y. LIPAE-FABELLA**  
Corporate Secretary

**GUIDELINES AND PROCEDURES FOR PARTICIPATING  
VIA REMOTE COMMUNICATION  
AT THE 2021 ANNUAL  
STOCKHOLDERS' MEETING  
OF  
MILLENNIUM GLOBAL HOLDINGS, INC.**

In view of the Corona Virus Disease 2019 (COVID-19) pandemic and as precautionary and safety measure, **MILLENNIUM GLOBAL HOLDINGS, INC.** (the "Company"/" Corporation") will be conducting its Annual Stockholder's Meeting ("ASM") on December 17, 2021 at 2:00 PM, by way of a virtual meeting through remote communication.

Only stockholders of record as of November 23, 2021 who have successfully registered for the meeting shall be able to participate and vote in the 2021 ASM.

**I. Registration and Participation/Attendance Procedure:**

1. Stockholders who intend to participate in the virtual ASM may register by accomplishing this [MG Registration Form](#) (please use Gmail) and attaching relevant documents/files for registration, such as:

*a. For individual stockholders holding stock certificates in their names:*

- i. Scanned copy of valid government-issued ID;
- ii. Recent photograph;
- iii. Proxy form, if any; and
- iv. Scanned copy of the representative's valid government-issued ID, as named in the proxy form, if any

*b. For corporate stockholders holding stock certificates in the name of the corporation:*

- i. Secretary's Certificate attesting to the authority of the representative to participate and/or vote in the 2021 ASM; and
- ii. Documents required under items 1.a (i), (ii), (iii) and (iv) for the authorized representative.

*c. For stockholders with joint accounts:*

- i. Scanned copy of authorization letter signed by other stockholders indicating the person among them authorized to participate and/or vote in the 2021 ASM; and
- ii. Documents required under items 1.a (i), (ii), (iii) and (iv) for the authorized stockholder;

*d. For stockholders under PCD Participant / Broker's Account or "Scripless Shares":*

- i. Certification from the stockbroker stating the full account name, reference number/account number and an express statement that he/she is a beneficial stockholder of the Company as of November 23, 2021; and
- ii. Documents required under items 1.a (i), (ii), (iii) and (iv).

2. Stockholders intending to participate by remote communication in the 2021 ASM are requested to **register not later than 5:00 pm of December 13, 2021**. Successfully registered stockholders can cast their votes *in absentia* through an online voting system and will be provided access to the live streaming of the meeting. **Deadline for casting of votes is 5:00 pm of December 15, 2021.**

3. Only those stockholders who have registered following the procedure above shall be included for purposes of determining the existence of a quorum.

4. For purposes of voting during the 2021 ASM, please see Part II below (Voting Procedure).

5. For the Question-and-Answer portion for the 2021 ASM, stockholders may send their questions related to the agenda at [millenniumglobalholdings@gmail.com](mailto:millenniumglobalholdings@gmail.com) indicating email subject as *Q&A\_ASMMG2021*. Due to limitations on technology and time, not all questions may be responded to during the 2021 ASM but the Company will endeavor to respond to all the questions through email.

6. In compliance with SEC requirements, the proceedings during the 2021 ASM will be recorded.

7. The SEC Form 20-IS, SEC Form 17-A, Interim Reports and other pertinent documents may be accessed through the PSE EDGE portal at [http://edge.pse.com.ph/under Millennium Global Holdings, Inc. company filings and the Company website](http://edge.pse.com.ph/under%20Millennium%20Global%20Holdings,%20Inc.%20company%20filings%20and%20the%20Company%20website).

8. The zoom link is as follows:

<https://us06web.zoom.us/j/83040203297?pwd=S3ptc1VLVhzeHFXYTU0MFBYZmxhQT09>

The password to the same shall be given only after valid registration using the registration form on page 4 hereof.

## **II. Voting Procedure:**

Stockholders may vote during the 2021 ASM either (1) by Proxy or (2) by voting *in absentia* through our online voting system.

### **1. Voting by Proxy:**

a. Stockholders may use the Proxy Form attached at the end of this report and accomplish and sign the same. The designated proxy or the Company's Chairman or Acting Chairman is authorized to cast the votes pursuant to your instructions in the Proxy Form.

b. Send a scanned copy of the signed Proxy Form and corresponding requirements, if applicable, as stated above on Part I 1.a, 1.b, 1.c or 1.d (Registration and Participation/Attendance Procedure) by email to [millenniumglobalholdings@gmail.com](mailto:millenniumglobalholdings@gmail.com).

c. The documents should be emailed to the above email address not later than 5:00 p.m. of December 15, 2021.

d. The original of the signed Proxy Form and relevant documents should subsequently reach the Company not later than 5:00 p.m. of December 16, 2021 by delivery to:

The Corporate Secretary  
MILLENNIUM GLOBAL HOLDINGS, INC.  
Lot 9, Block 2, John Street, Multinational Village, Paranaque City

### **2. Voting *in absentia* through the online voting system:**

a. Follow the Registration and Participation/Attendance Procedure set forth in Part I (Registration and Participation/Attendance Procedure) above.

b. After successful **registration not later than 5:00 p.m. of December 13, 2021**, the Company upon validation will send an email to the stockholder containing the link to the online voting system and the instructions for casting votes.

c. Registered stockholders shall have **until 5:00 PM of December 15, 2021 to cast their votes.**

d. All agenda items indicated in the Notice of Meeting will be included in the online voting system and the registered stockholder may vote as follows:

i. For items other than election of the Directors, the stockholder may vote:

“For”, “Against”, or “Abstain”. The vote shall be considered as cast for all the stockholder’s shares.

ii. For the election of Directors, the stockholder may either vote for all the nominees, not vote for any of the nominees, or vote for some of the nominees only, in such number of shares as the stockholder may see fit, provided that the total number of votes cast shall not exceed the number of shares owned, multiplied by the number of Directors to be elected.

e. Once voting is completed in the online voting system, the stockholder shall proceed to click on the “Submit” button which shall complete the process. Once submitted, the stockholder may no longer change the votes cast. The votes cast *in absentia* will have equal effect as votes cast by proxy.

For concerns, you may contact us through [millenniumglobalholdings@gmail.com](mailto:millenniumglobalholdings@gmail.com).

For your shareholdings, you may contact your respective stockbroker or our stock transfer agent, Stock Transfer Service, Inc., Unit 34-D Rufino Pacific Tower, 6784 Ayala Avenue, Makati City, 1226, Tel. No. (632) 8403-3798, (632) 8403-2410, (632) 8403-2412.

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

**INFORMATION STATEMENT**

**GENERAL INFORMATION**

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

The annual stockholders meeting of **MILLENNIUM GLOBAL HOLDINGS, INC.** (the “Company”) shall be held on:

Date: December 17, 2021

Time: 2:00 p.m.

Place: via remote communication using Zoom to be presided in Metro Manila where the principal office of the Company is located

The office address of the Company is Lot 9 Block 2 John Street, Multinational Village, Paranaque City. The information statement is first to be sent or given to security holders approximately on November 24, 2021.

**2. Dissenters' Right of Appraisal**

Stockholders who shall vote against the proposal to (1) any amendment to the Amended Articles of Incorporation which has the effect of changing or restricting the rights of any stockholder or class of shares or of authorizing preferences over the outstanding shares or of extending or shortening the term of corporate existence; (2) in case of any sale, lease, mortgage or disposition of all or substantially all the corporate property or assets; or (3) in case of merger or consolidation.

Stockholders who shall vote against the proposal to amend the Amended Articles of Incorporation of the Company shall be entitled to exercise their right of appraisal. With respect to any matter to be acted upon at the annual meeting which may give rise to the right of appraisal, in order that dissenting stockholders may exercise their appraisal right, such dissenting stockholders, within thirty (30) days after the date of the annual meeting at which meeting such stockholder voted against the corporate action shall make a written demand on the Company for the value of their shares. Failure to make the demand within such period shall be deemed a waiver of the appraisal right. The procedure to be followed in exercising the appraisal right shall be in accordance with the Revised Corporation Code.

**3. Interest of Certain Persons in Matters to be Acted Upon**

Except for the item on election of directors, no person who has been a director or officer of the Company at any time since the beginning of the last calendar year, or any nominee for election as director, or associate of any of the foregoing persons, has any interest in, direct or indirect, or opposition to matters to be acted upon in the meeting.

None of the incumbent directors 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</b>
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**4. Voting Securities and Principal Holders Thereof**

(a) The Company's total outstanding shares entitled to vote consist of **2,500,000,000** common shares, with each share entitled to one (1) vote. The nationalities of the stockholders and their respective stockholdings as of October 31, 2021 are as follows:

Nationality	No. of Stockholders	No. of Shares	%
American	4	6,107,671	00.24
British	2	24,500,001	00.98
Chinese	4	104,190	00.00
Filipino	731	2,076,023,990	83.04
Foreign-Others	3	387,261,146	15.49
Malaysian	4	2,002	00.00
Taiwanese	3	6,001,000	00.24
<b>Total</b>	<b>751</b>	<b>2,500,000,000</b>	<b>100.00</b>

(b) The record date for the determination of the stockholders entitled to vote at the meeting is November 23, 2021, at the close of business hours.

(c) During the election of directors, every stockholder entitled to vote shall have the right to vote the number of shares standing in his own name in the Stock and Transfer Book of the Company at the time of the election. Pursuant to the Revised Corporation Code, a stockholder may vote such number of shares registered in his name as of the record date for as many persons as there are directors to be elected or he may cumulate said shares and give one candidate 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 candidates as he shall see fit; Provided that, the total number of votes cast by him shall not exceed the number of shares owned by him as shown in the books of the Company multiplied by the whole number of directors to be elected.

The total number of votes that may be cast by a stockholder of a Company is computed as follows: *no. of shares held on record as of record date x 11 directors*. Candidates receiving the highest number of votes will be declared elected.



(d) Security Ownership of Certain Record and Beneficial Owners and Management

1.) The persons known to the Company to be directly or indirectly the record or beneficial owner of more than 5% of the Company's voting securities as of October 31, 2021 are as follows:

Title of Class	Name, address of record owner and relationship with issuer	Name of Beneficial owner and relationship with record owner (Direct)	Citizenship	No. of Shares Held	Percentage
Common	<b>PCD Nominee Corp. (Filipino)</b> 29thFlr, BDO Equitable Tower, 8751 Paseo de Roxas, Makati City  Stockholder	Yang Chi Jen is the record/beneficial owner of 371,091,130 shares equivalent to 14.84% of the issued and outstanding shares	Filipino	1,455,813,142	58.23%
Common	<b>PCD Nominee Corp. (Foreign)</b> 29thFlr, BDO Equitable Tower, 8751 Paseo de Roxas, Makati City  Stockholder	Conqueror Space Ltd. is the record owner of 291,274,458 shares equivalent to 11.65% of the issued and outstanding shares. Yu Chi Hin represents Conqueror Space Ltd.	Filipino	385,789,625	15.43%
Common	<b>Yang Chi Jen</b> Blk 4 Lot 6 John St. Multinational Village, Parañaque City  Chairman/President and CEO	Yang Chi Jen is the record/beneficial owner	Filipino	505,000,000	20.20%

Apart from the above, there are no other stockholders who own more than 5% of the outstanding capital stock under the PCD Nominee Corp (Filipino) and PCD Nominee Corp (Foreign).

2. The following are the security ownership of the directors, nominees and corporate officers of the Company as of October 31, 2021

Title of Class	Name of Beneficial Owner; Relationship with Issuer	Amount and Nature of Beneficial Ownership (direct & indirect)	Citizenship	Percentage
Common	Yang Chi Jen Chairman/President and CEO	505,000,000 shares (direct); 371,091,130 (Indirect)	Filipino	35.04%
Common	Nancy T. Golpeo Director	1,000 shares (Direct)	Filipino	0.00%
Common	Hsien-Tzu Yang Director	1,000 shares (Direct)	Taiwanese	0.00%
Common	Hsin – Jan Wan	10,000 shares	Taiwanese	0.00%

		(Indirect)		
Common	Willy O. Dizon Director	3,501,000 shares (Direct)	Filipino	0.14%
Common	Maria Soledad C. Lim Director	1,000 shares (Direct)	Filipino	0.00%
Common	Ernesto S. Go Director	1,000 shares (Direct)	Filipino	0.00%
Common	Aracelli G. Co Director	10,000 shares (Indirect)	Filipino	0.00%
Common	Amelia T. Tan Director	10,000 shares (Indirect)	Filipino	0.00%
Common	Maria Luisa T. Wu Independent Director	10,000 shares (Direct)	Filipino	0.00%
Common	Cristina Hiltrude L. Aganon Independent Director	10,000 shares (Indirect)	Filipino	0.00%
Common	Lyra Gracia Y. Lipae-Fabella	None	Filipino	0.00%
Common	Janine G. Manzano	None	Filipino	0.00%

The total security ownership, direct and indirect, of the directors and corporate officers of the Company as a group, is 879,646,130 common shares, equivalent to 35.18% of the outstanding capital stock of the Company.

- 3.) There are no persons holding 5% or more of a class under a voting trust or similar arrangement.
- 4.) Changes in Control

There were no changes in control since the last annual stockholders' meeting to date.

## 5. Directors and Executive Officers

(a) The names of incumbent Directors and Key Corporate Officers, and their respective ages, citizenships, positions and terms of office are as follows:

### 1) Directors and Executive Officers:

Name/Nationality/Age	Present Position	Date First Elected	No. of Years Served as Director	Board and Committee Memberships and Attendance	Directorships in Other Listed Companies	CG Seminar Attended
Yang Chi Jen (a.k.a Michael Yang) Filipino, 52	Chairman/ President & CEO	October 22, 2012	9	(C) BOD-100% (C) NCE-100% (M) CG/Risk-100% (C) Ex-100%	None	11/19/2021 10/30/2020- Center for Global Best Practices
Hsin – Jan Wan Taiwanese, 57	Director	March 13, 2015	6	(M) BOD-0%	None	12/12/2019- Center for Global Best Practices
Hsien – Tzu Yang Taiwanese, 80	Director	November 22, 2012	9	(M) BOD-100%	None	11/19/2021 10/30/2020- Center for Global Best Practices
Willy o. Dizon Filipino, 65	Director	December 21, 2012	9	(M) BOD-100%	None	11/19/2021 10/30/2020-

						Center for Global Best Practices
Maria Soledad C. Lim Filipino, 61	Director	December 21, 2012	9	(M) BOD-100%	None	11/19/2021 10/30/2020- Center for Global Best Practices
Nancy T. Golpeo Filipino, 60	Director	January 14, 2013	9	(M) BOD-100%	None	11/19/2021 10/30/2020- Center for Global Best Practices
Ernesto S. Go Filipino, 70	Director	October 22, 2012	9	(M) NCE-100%	None	11/19/2021 10/30/2020- Center for Global Best Practices
Amelia T. Tan Filipino, 56	Director/ Treasurer	December 16, 2015	6	(M) NCE-100% (M) CG/Risk-100% (M) Ex-100%	None	11/19/2021 10/30/2020- Center for Global Best Practices
Aracelli G. Co Filipino, 56	Director	December 16, 2015	6	(M) A-100% (C) Ex-100%	None	11/19/2021 10/30/2020- Center for Global Best Practices
Maria Luisa T. Wu Filipino, 66	Independent Director	December 16, 2015	6	(M) A-100% (C) CG/Risk-100%	None	11/19/2021 12/12/2019- Center for Global Best Practices
Cristina Hiltrude L. Aganon Filipino, 55	Independent Director	December 19, 2017	4	(C) A-100%	None	11/19/2021 10/30/2020- Center for Global Best Practices
Lyra Gracia Y. Lipae-Fabella Filipino, 45	Corporate Secretary/ CIO and Alt CO	May 14, 2013	N/A	N/A	N/A	11/19/2021 10/30/2020- Center for Global Best Practices
Janine G. Manzano Filipino, 28	Compliance Officer and Alt CIO	December 16, 2015	N/A	N/A	N/A	11/19/2021 10/30/2020- Center for Global Best Practices

## **PROFILES**

### **YANG CHI JEN (a.k.a Michael Yang)**

Chairman, President & CEO

Mr. Yang has four (4) decades of extensive experience in the export/import business as he has been immersed in the day-to-day operations of various businesses owned by his family. Mr. Yang is the controlling shareholder of Millennium Ocean Star Corporation; ShieJie Corporation, a company engaged in the business of seafood processing, packing, and import/export trading; Jomark Food Corporation, a company engaged in fish and squid ball, kikiam, crab nuggets processing and serves as the local distributor of Millennium products; and

Philippine 101 Hotel, Inc., a company engaged in the hotel industry. He was educated in Taiwan where he attended Kweishan Junior High School.

**HSIN – JAN WAN**

Director

Mr. Wan has served as Finance Vice President of the Manhattan International Co., Ltd (Cambodia) from September 2013 until October 2014; Acting CFO & MBOS Director of Nippecraft Limited (Singapore) from November 2006 until July 2013; Finance & Administration Director of Jinxing Paper Industry Co. (China) from September 2005 – November 2006; Verification Deputy Manager of PT Pabrik Kertas Tjiwi Kimia Tbk (Indonesia ) from August 2000 - November 2004; Finance & Administration Manager of Contex Textile Co. (Philippines), Logimas Manufacturing Co. (Philippines) and Markwins Cosmetics Co. (China) from 1996- 2004. He received his BA (Accounting) degree from Chong Yuan Christian University (Taiwan) and MBA (Finance Major) degree from the George Washington University (USA).

**HSIEN-TZU YANG**

Director

Mr. Yang has had more than four (4) decades of experience in the areas of seafood processing, packing, canning, and manufacturing of marine products. For a number of years, he ran ShieJie Corporation, South Sea Marine Products, Tawi-Tawi King Fisher Incorporated and South Phil. Marine Products, Incorporated. He was educated in Taiwan where he attended Taichung Elementary School.

**WILLY O. DIZON**

Director

Mr. Dizon is the Chairman/President of Timbercity Jetty Gas Station and De Luxe Construction Supply Co., Inc. He is a seasoned businessman with more than thirty (30) years track experience in sales and marketing. He took up BS Chemical Engineering at Mapua Institute of Technology.

**MARIA SOLEDAD C. LIM**

Director

Ms. Lim is the Executive Vice President in Optimum Solutions, Inc. and Secretary of Fuji Zipper Manufacturing Inc., a family-owned business. She has extensive experience in marketing and finance. Ms. Lim is a graduate of the University of the East in Business Administration.

**NANCY T. GOLPEO**

Director

Ms. Golpeo is engaged in the real estate business and has been a licensed real estate appraiser since 2011. She has a Bachelor of Science degree in Commerce from the University of Santo Tomas.

**AMELIA T. TAN**

Director, Treasurer

Ms. Tan is the Treasurer of the Corporation and Chief Finance Officer and Corporate Secretary of Millennium Ocean Star Corporation. She has more than 19 years of combined banking experience in Bank of the Philippine Islands (1999-2004), Far East Bank (1987-1999) and Urban Bank (1985-1987). She obtained her degree in Bachelor of Science in Commerce major in Management Financial Institution from De La Salle University.

**ARACELLI G. CO**

Director

Ms. Co is the Manager of Aracelli Plastic Products. She is also a member of the faculty of Northern Rizal Yorklin School since 1984. She has been an Asst. Treasurer of the Philippine Plastic Industry Association and Treasurer of Northern Rizal Yorklin Alumni Assn. since 2013. She is a Certified Public Accountant. She obtained her degree in Bachelor of Science in Business Administration major in Accounting from the Philippine School of Business Administration.

**ERNESTO S. GO**

Director

Atty. Go is a Senior Partner at the Cerilles Navarro Nuval & Go Law Offices since 1978. He has an extensive background in Corporate and Litigation practice. He holds a Bachelor of Laws degree from the Ateneo De Manila University Law School and placed 20<sup>th</sup> in the 1975 Bar Examinations.

**MARIA LUISA T. WU**

Independent Director

Ms. Wu is a Financial Consultant for Planters and Green Revolutionist Association Inc.; President of Uniq Intertrade Corporation; and Proprietor of the Giant Builders and the Ad-Reds International Trading. She is also a member of the Filipino-Chinese Eastern Chamber of Commerce. She was previously connected with Giant Footwear (Shanghai, China) and Masterx Footwear (Mariveles, Bataan) as production manager. Ms. Wu took up Bachelor of Science in Commerce, Major in Accountancy, at the University of the East.

**CRISTINA HILTRUDE L. AGANON**

Independent Director

Ms. Aganon is a Certified Public Accountant. She serves as the Treasury Officer/Budget Officer/Accounting Officer of Private Infra Dev. Corp. since 2011. Previously, she has worked as Branch Manager for the Philippine National Bank from 2008 to 2010. Ms. Aganon obtained her degree in BS Commerce Major in Accounting from St. Mary's University in Nueva Vizcaya. She likewise earned 36 MBA units from the University of Santo Tomas.

**LYRA GRACIA Y. LIPAE-FABELLA**

Corporate Secretary, Corporate Information Officer and Alternate Compliance Officer

Atty. Lipae-Fabella is a Certified Public Accountant and member of the Integrated Bar of the Philippines. She serves/has served as Corporate Secretary to a number of publicly-listed and private companies. At present, she is the Managing Partner of the Fabella and Fabella Law Office. She previously worked as Junior Auditor in a leading auditing firm, Associate in a law firm and Securities Counsel III with the Securities and Exchange Commission. Atty. Lipae-Fabella graduated from San Beda College of Law and obtained her BS Business Administration and Accountancy degree from the University of the Philippines in Diliman.

**JANINE G. MANZANO**

Compliance Officer and Alternate Corporate Information Officer

Ms. Manzano is a licensed teacher who found joy working in the corporate field. Prior to immersing in the corporate practice, she taught at St. Benedict School of Novaliches. She obtained her degree in BS Secondary Education from Divine Word College of Vigan.

**Term of Office** – The directors are elected at each annual stockholders’ meeting by the stockholders entitled to vote. Each director holds office for a period of one year or until the next annual election and his successor is duly elected, unless he resigns, dies or is removed prior to such election.

Since the Company’s last annual meeting held on December 18, 2020, none of the directors elected therein by the stockholders has resigned or declined to stand for re-election to the board of directors because of a disagreement with the Company on any matter relating to the Company's operations, policies or practices, and the required disclosures relevant to the existence thereof.

The Nomination, Compensation and Election Committee is composed of three (3) members of the Board of Directors. The members of the Committee are as follows:

1. Yang Chi Jen - Chairman
2. Amelia T. Tan – Member
3. Ernesto S. Go – Member

The nominees for election to the Board of Directors on December 17, 2021 are as follows:

Yang Chi Jen (a.k.a. Michael Yang)  
Hsien-Tzu Yang  
Willy O. Dizon  
Maria Soledad C. Lim  
Nancy T. Golpeo  
Ernesto S. Go  
Amelia T. Tan  
Aracelli G. Co  
Yeh Hsiu-Yin  
Maria Luisa T. Wu (independent)  
Cristina Hiltrude L. Aganon (independent)

**Yeh Hsiu-Yin**, Chinese, of legal age, had decades of experience in the areas of seafood processing and packing. She used to manage Shie Jie Corporation where she now sits as Director. She also started FM Foodmark Enterprises as a single proprietorship until it is now known as Jomark Food Corporation where she likewise sits as Director. She also owned Shop Mark Supermarket in Zamboanga City until its closure in 2008 due to the volatility of the peace and order situation at the time. She is also Director of Millennium Ocean Star Corporation. She was educated in Taiwan where she attended First Lady High School.

All the nominees are Filipino citizens, with the exception of Mr. Hsien-Tzu Yang who is Taiwanese and Yeh Hsiu-Yin who is Chinese.

#### 1) **Independent Directors**

Maria Luisa T. Wu is an incumbent independent director of the Company. She was nominated by Mr. Yang Chi Jen for reelection as independent director.

Cristina Hiltrude L. Aganon is an incumbent independent director of the Company. She was nominated by Ms. Amelia T. Tan for reelection as independent director.

Ms. Wu and Ms. Aganon are not related to Mr. Yang and Ms. Tan, respectively.

The nominated independent directors have certified that they possess all the qualifications and none of the disqualifications provided for in the Securities Regulation Code ("SRC").

The Company undertakes to submit the Certification on the Qualification and Disqualification of Independent Directors within thirty (30) days from their election.

#### 2). Significant Executive Officers/Employees.

The Company considers its officers and the entire workforce as persons holding significant positions since everyone is expected to work together to achieve the goals of the Company. The Company recognizes that the collective efforts of all its officers and employees are instrumental to the overall success of the business.

#### 3) Family Relationship

Yang Chi Jen (a.k.a. Michael Yang) is the son of Hsien-Tzu Yang and Yeh Hsiu-Yin.

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

#### 4) Involvement in Certain Legal Proceedings

The Company is not aware of any material legal proceedings of the nature required to be disclosed under Part I, paragraph (C) of "Annex C, as amended" of the SRC Rule 12 with respect to the Company and/or its subsidiaries.

The Company is not aware of (1) any bankruptcy petition filed by or against any business of which any of the directors and executive officers was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time; (2) any conviction of any of the directors and executive officers by final judgment; (3) any of the directors and executive officers 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 (4) any of the nominees for directors 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, occurring during the past five (5) years up to the latest date that are material to an evaluation of the ability or integrity of any nominee for election as director, underwriter or control person of the Registrant.

#### 5) Certain Relationships and Related Transactions

Pursuant to the approval of the stockholders on December 18, 2020, the members of the Board of Directors of the Company approved on March 18, 2021 the initial increase of the authorized capital stock of the Corporation from P250 Million to P750 Million, divided into 5,000,000,000 common shares at par value of P0.10/share. The shares shall be subscribed at P0.20/share by Yang Chi Jin (a.k.a. Michael Yang), the Company's Chairman/President and CEO and controlling shareholder of subsidiary, MOSC. The proceeds of the transaction shall be invested in MOSC for the purpose of supporting its operations and expanding its production lines for fish and meat canning, meat and

seafoods processing, and sauces. The increase in authorized capital stock is subject to the approval of the SEC and the issuance of the subject shares shall only be effective upon said approval.

Further discussions on Related Party Transactions are provided under Note 32 of the 2020 Consolidated Financial Statements.

**6. Compensation of Directors and Executive Officers**

The following Table is a summary of all plan and non-plan compensation awarded to, earned by, paid to, or estimated to be paid to, directly or indirectly, the Chief Executive Officer (“CEO”), the four (4) most highly compensated executive officers other than the CEO who served as executive officers, and all officers and directors as a Group:

	Year	Salary (In Philippine Pesos)	Bonus	Other Annual Compensation
Top five (5) most highly compensated executive officers	2019	4,488,974.40	0	None
	2020	3,835,200.00	0	None
	*2021	4,632,000.00	0	None
All officers and directors as a group	2019	4,572,000.00	0	None
	2020	3,956,700.00	0	None
	*2021	4,753,500.00	0	None

\*estimate

Four Most Highly Compensated Executive Officers Other than the CEO:

Year	Executive
2019*	Amelia Tan Domingo Dino Emerald Uy Jocelyn Reliquias
2020*	Amelia Tan Domingo Dino Emerald Uy Jocelyn Reliquias
2021*	Amelia Tan Domingo Dino Emerald Uy Jocelyn Reliquias

\*The executives receive compensation from the respective subsidiary/ies they handle.

Under Section 7, Article III of the By-Laws of the Company, the compensation of directors, which shall not be more than ten percent (10%) of the net income before income tax of the corporation during the preceding year, shall be determined and apportioned among the directors in such manner as the Board may deem proper, subject to the approval of the stockholders representing at least a majority of the outstanding capital stock at a regular or special meeting. As of this date, no standard or other arrangements have been made in respect of director’s compensation.



Since the date of their elections, except for reasonable per diems/allowances, the directors have served without compensation. The directors did not also receive any amount or form of compensation for committee participation or special assignments. As of this date, no arrangements have been made in respect of director's compensation.

### **Summary of Compensation Table**

#### Compensation of the Members of the Board of Directors

The members of the Board of Directors receive minimal per diem for the regular and special board meetings and committee meetings.

In 2020, a total of P2.9 million was paid to all directors, inclusive of the monthly compensation as officers.

<b>Name</b>	<b>Present Position</b>	<b>Amount</b>
Yang Chi Jen (a.k.a Michael Yang)	Chairman/ President and CEO	1,560,000
Hsin – Jan Wan	Director	0
Hsien – Tzu Yang	Director	15,000
Willy o. Dizon	Director	15,000
Maria Soledad C. Lim	Director	15,000
Nancy T. Golpeo	Director	15,000
Ernesto S. Go	Director	15,000
Amelia T. Tan	Director/ Treasurer	1,300,000
Aracelli G. Co	Director	15,000
Maria Luisa T. Wu	Independent Director	15,000
Cristina Hiltrude L. Aganon	Independent Director	15,000

### ***Compensation of Directors and Officers***

#### Standard Arrangements

There are no special compensatory arrangements between the Company and its directors and officers.

There are no special arrangements as to the employment contact of any executive officer such that said officer will be compensated upon his resignation, retirement or other termination from the Company or its subsidiaries, or as may result from a change in control except as provided by law.

#### Employment Contracts and Termination of Employment and Change-in-Control Arrangement

There are no special arrangements on the employment contract of any executive officer. The said officer will be compensated upon his resignation, retirement or other termination from the Company or its subsidiaries, or as may result from a change-in-control in accordance with the provisions of the law.

## 7. Independent Public Accountants

The auditing firm of Valdes Abad and Company (“VAC”) conducted the audit for the period ended December 31, 2018, 2019 and 2020.

Representatives from VAC are expected to be present during the upcoming annual stockholder’s meeting. They will have the opportunity to make a statement if they desire to do so. They are also expected to be available so as to respond to appropriate questions.

For the audit as of and for the period ended December 31, 2020, the Audit Committee has recommended for reappointment the auditing firm of VAC. VAC, formerly known as Carlos J. Valdes & Associates, one of the oldest accounting firms in the Philippines today, was founded in 1951 by Carlos J. Valdes, a certified public accountant, lawyer, civic leader, educator, businessman and former Philippine Ambassador to Japan and other countries.

VAC was a member firm of Touche Ross in the 1970’s; Coopers & Lybrand International in the 1980’s up to 1996 and a correspondent firm of RSM International from 1997 up to 2007. This long history of international membership was recognition of its professional standing and track record of world-class service to clients over the years. It is a member firm of GMN International, the association of legally independent firms worldwide.

The Company has been in compliance with the requirement under SRC Rule 68, paragraph (3)(b)(iv) for the rotation of the signing partner every five years.

The Company has not had any disagreement on accounting and financial disclosures with its independent auditors. They have neither shareholdings in the Company nor any right, whether legally enforceable or not, to nominate persons or to subscribe to securities issued by the Company.

The independent auditors do not have and will not receive any direct or indirect interest in the Company or in any of its securities (including options, warrants or rights thereto) pursuant to or in connection with the Common Shares.

The foregoing is in accordance with the Code of Ethics for Professional Accountants in the Philippines set by the Board of Accountancy and approved by the Professional Regulation Commission.

Apart from the foregoing audit-related services, our independent auditors have not rendered tax, accounting, compliance, advice, planning and other tax services for the Company within the last two calendar years.

### *External Audit Fees*

The Company paid the following external audit fees for the past three years:

Audit Fees	2018	2019	2020
Audit and Audit-related fees	175,000.00	200,000.00	200,000.00
OPE	26,250.00	30,250.00	30,000.00
Other engagement	0	0	0
Total	210,250.00	230,250.00	230,000.00

The Company did not engage the services of the External Auditors for the said period and has not paid any other fees, except as stated above.

*Audit Committee's approval policies and procedures for the above services*

Under the Company's Amended By-Laws and Corporate Governance Manual, the Audit Committee approves the annual audit of financial statements, the policies, services and procedures, while the other services are endorsed by the Chief Finance Officer (CFO) (or person performing said function) to the President & CEO and the Deputy Chairman. The Committee checks all financial reports against its compliance with both the internal financial management handbook and pertinent accounting standards, including regulatory requirements. It performs oversight financial management functions specifically in the areas of managing credit, market, liquidity, operation, legal and other risks of the Corporation, and crisis management.

The members of the Audit Committee appointed by the Board of Directors during its organizational meeting on December 18, 2020 are the following:

Chairman - Cristina Hiltrude L. Aganon (Independent Director)

Member - Maria Luisa T. Wu (Independent Director)

Member - Aracelli G. Co

## **8. Compensation Plans**

### **Employee Stock Option Plan**

The Corporation has not issued any employee stock option nor approved any stock option plan for employees during the last five (5) years.

## **ISSUANCE AND EXCHANGE OF SECURITIES**

### **9. Authorization or Issuance of Securities Other than for Exchange**

(a) Title and amount of securities issued/ to be issued

As of October 31, 2021, the Company has a total of 2,500,000,000 issued and outstanding common shares with par value of P0.10 per common share.

(b). Description of securities

The shares of stock of the Corporation consist solely of common shares. The Company has listed shares traded in the Philippine Stock Exchange.

### ***Voting Rights***

At each meeting of the shareholders, every stockholder shall be entitled to one vote each share of stock standing in his name in the books of the Corporation at the same time of closing the transfer books of such meeting on a particular question or matter involved.

## ***Dividends***

There is no impediment for the Corporation to declare dividends in the future provided that there is an unrestricted retained earnings and only up to the extent of said retained earnings. A cash dividend declaration requires the approval of the Board and no stockholder's approval is necessary. A stock dividend declaration requires the approval of the Board and of the shareholders representing at least 2/3 of the outstanding capital stock. Holders of outstanding shares on a dividend record date for such shares shall be entitled to the full dividends declared without regard to any subsequent transfer of shares, other than statutory limitations, there are no restrictions that limit the Corporation from paying on common equity.

## ***Pre-emptive Rights***

Shares from the unissued portion of the authorized capital stock are not subject to pre-emptive rights of stockholders and may therefore be issued in such quantities, at such time, and other terms as the Board of Directors of the Corporation shall determine.

There is nothing in the Article of Incorporation and/or By-Laws of the Corporation that would limit, delay or prevent a change in control of the Corporation.

### (c). Description of transaction in which the securities are to be issued

There were no issuances of securities in 2019, 2020 and 2021.

Notably, pursuant to the approval of the stockholders on December 18, 2020, the members of the Board of Directors of the Company approved on March 18, 2021 the initial increase of the authorized capital stock of the Corporation from P250 Million to P750 Million, divided into 5,000,000,000 common shares at par value of P0.10/share. The shares shall be subscribed at P0.20/share by Yang Chi Jin (a.k.a. Michael Yang), the Company's Chairman/President and CEO and controlling shareholder of subsidiary, MOSC. The proceeds of the transaction shall be invested in MOSC for the purpose of supporting its operations and expanding its production lines for fish and meat canning, meat and seafoods processing, and sauces. The increase in authorized capital stock is subject to the approval of the SEC and the issuance of the subject shares shall only be effective upon said approval.

### (d) Reason for the issuance

The planned increase in authorized capital stock of the Company is aimed to further raise additional funds for future investments/acquisitions and fund business operations.

## **10. Modification or Exchange of Securities**

No action is to be taken with respect to the modification of any class of securities of the registrant, or the issuance of authorization for issuance of one class of securities of the registrant in exchange for outstanding securities of another class.

## 11. Financial and Other Information

### a) Information

#### (1) Audited Financial Statements and Interim Report

The SEC Form 17-A with accompanying 2020 Audited Financial Statements (prepared in accordance with SRC Rule 68, as amended, and Rule 68.1.) and the Third Quarter Report as of September 30, 2021 are attached herewith.

Below is the table of the Financial Highlights and Key Performance Indicators as of indicated dates.

<b>Financial Highlights and Key Performance Indicators</b>				
<b>Consolidated Statements of Financial Position</b>	<b>As of December 31</b>		<b>Increase (Decrease)</b>	
	<b>2020</b>	<b>2019</b>	<b>Amount</b>	<b>%</b>
Total Assets	1,704,964,435	1,895,615,743	(190,651,308)	(10.06%)
Current Assets	1,320,856,964	1,498,157,266	(177,300,302)	(11.83%)
Property and Equipment	329,116,418	336,990,097	(7,873,679)	(2.34%)
Total Liabilities	1,311,542,159	1,491,727,039	(180,184,880)	(12.08%)
Current Liabilities	1,213,583,054	1,394,150,779	(180,567,725)	(12.95%)
Interest-bearing Loans	991,339,433	1,173,746,959	(182,407,526)	(15.54%)
Equity (capital deficiency)	393,422,276	403,888,704	(10,466,428)	(2.59%)
<b>Consolidated Statements of Comprehensive Income</b>	<b>For the 12 Months Ended</b>		<b>Increase (Decrease)</b>	
	<b>2020</b>	<b>2019</b>	<b>Amount</b>	<b>%</b>
Revenues	814,372,690	1,098,210,712	(283,838,022)	(25.85%)
Gross Profit	51,795,500	102,376,532	(50,581,032)	(49.41%)
General and administrative expenses	35,642,240	53,981,398	(18,339,158)	(33.97%)
Earnings Before Interest, Taxes, Depreciation & Amortization	87,386,380	113,744,798	(26,358,418)	(23.17%)
Profit / (Loss) before tax	(8,396,258)	(7,849,565)	(546,693)	(6.96%)
Profit / (Loss) after tax	(7,860,907)	(8,053,675)	192,768	2.39%
Total Comprehensive Income (Loss)	(7,860,907)	(8,053,675)	192,768	2.39%
<b>Consolidated Cash Flows</b>	<b>For the 12 Months Ended</b>		<b>Increase (Decrease)</b>	
	<b>2020</b>	<b>2019</b>	<b>Amount</b>	<b>%</b>
Net Cash from operating activities	229,558,140	223,976,859	5,581,281	2.49%
Net Cash from investing activities				
Proceeds from disposal	-	-		
Acquisition of property & equipment	(65,264,589)	(47,268,620)	(17,995,969)	(38.07%)
Addition to investment in associate	-	-		
Net Cash from Financing Activities	(145,839,624)	(188,473,413)	42,633,789	22.62%

Key Performance Indicators	For the 12 Months Ended	
	2020	2019
	Current Ratio	1.09
Quick Ratio	0.59	0.65
Solvency Ratio	1.30	1.27
Debt Ratio	0.77	0.79
Debt to Equity	3.33	3.69
Interest Coverage	0.63	0.85
Asset to Equity Ratio	4.33	4.69
Gross Profit Margin	0.06	0.09
Net Profit Margin	(0.009653)	(0.007333)
Return on Assets	(0.004611)	(0.004249)
Return on Equity	(0.019981)	(0.019940)
Price/Earnings Ratio	(82.10)	(45.85)
Book Value per Share	0.16	0.16
	<b>As of Dec. 31</b>	<b>As of Dec. 31</b>
	<b>2020</b>	<b>2019</b>
Outstanding Shares	2,500,000,000	2,500,000,000
Ave. Exchange Rates (\$ to Peso)	48.03	50.74
<i>Please refer to Financial Statement Notes</i>		

Financial Highlights and Key Performance Indicators				
Consolidated Statements of Financial Position	As of December 31		Increase (Decrease)	
	2019	2018	Amount	%
Total Assets	1,895,615,743	1,956,404,742	(60,788,999)	(3.11%)
Current Assets	1,498,157,266	1,530,806,697	(32,649,431)	(2.13%)
Property and Equipment	336,990,097	359,226,597	(22,236,500)	(6.19%)
Total Liabilities	1,491,727,039	1,539,527,225	(47,800,186)	(3.10%)
Current Liabilities	1,394,150,779	1,445,015,472	(50,864,693)	(3.52%)
Interest-bearing Loans	1,173,746,959	1,113,083,982	60,662,977	5.45%
Equity (capital deficiency)	403,888,704	416,877,517	(12,988,813)	(3.12%)
Consolidated Statements of Comprehensive Income	For the 12 Months Ended		Increase (Decrease)	
	2019	2018	Amount	%
Revenues	1,098,210,712	1,547,645,874	(449,435,162)	(29.04%)
Gross Profit	102,376,532	113,611,684	(11,235,152)	(9.89%)
General and administrative expenses	53,981,398	71,469,413	(17,488,015)	(24.47%)
Earnings Before Interest, Taxes, Depreciation & Amortization	113,744,798	98,027,646	15,717,152	16.03%
Profit / (Loss) before tax	(7,849,565)	870,406	(8,719,971)	(1001.83%)
Profit / (Loss) after tax	(8,053,675)	(558,192)	(7,495,483)	1342.81%

Total Comprehensive Income (Loss)	(8,053,675)	(558,192)	(7,495,483)	1342.81%
<b>Consolidated Cash Flows</b>	<b>For the 12 Months Ended</b>		<b>Increase (Decrease)</b>	
	<b>2019</b>	<b>2018</b>	<b>Amount</b>	<b>%</b>
Net Cash from operating activities	223,976,859	(112,877,199)	336,854,058	(298.43%)
Net Cash from investing activities				
Proceeds from disposal	-	10,898,479	(10,898,479)	(100%)
Acquisition of property & equipment	(47,268,620)	(570,738)	(46,697,882)	8182.02%
Addition to investment in associate	-	(35,120,653)	-	(100%)
Net Cash from Financing Activities	(188,473,413)	125,828,895	(314,302,308)	(249.79%)
	<b>For the 12 Months Ended</b>			
<b>Key Performance Indicators</b>	<b>2019</b>	<b>2018</b>		
Current Ratio	1.07	1.06		
Quick Ratio	0.65	0.54		
Solvency Ratio	1.27	1.27		
Debt to Equity	3.69	3.69		
Interest Coverage	0.85	1.02		
Asset to Equity Ratio	4.69	4.69		
Gross Profit Margin	0.09	0.07		
Net Profit Margin	(0.007333)	(0.000361)		
Return on Assets	(0.004249)	(0.000285)		
Return on Equity	(0.019940)	(0.001339)		
Price/Earnings Ratio	(45.85)	(194.87)		
Book Value per Share	0.16	0.17		
	<b>As of Dec. 31</b>	<b>As of Dec. 31</b>		
	<b>2019</b>	<b>2018</b>		
Outstanding Shares	2,500,000,000	2,500,000,000		
Ave. Exchange Rates (\$ to Peso)	50.74	52.72		
<i>Please refer to Financial Statement Notes</i>				

### **Ratios**

- *Current Ratio is computed by dividing Current Assets by Current Liabilities.*
- *Quick Ratio is computed by dividing Current Assets less Inventory and Prepayments by Current Liabilities.*
- *Solvency Ratio is computed by dividing Total Assets by Total Liabilities.*
- *Debt Ratio is computed by dividing Total Debts by Total Assets.*
- *Debt to Equity Ratio is computed by dividing Total Debts by Total Equity.*
- *Net Profit Margin Ratio is computed by dividing Net Profit (Loss) by Total Revenue.*
- *Gross Margin is computed by dividing Gross Profit by Total Revenue.*
- *Interest Coverage Ratio is computed by dividing EBIT by Interest Charges.*
- *Return on Assets Ratio is computed by dividing Net Profit (Loss) by Total Assets.*
- *Return on Equity Ratio is computed by dividing Net Profit (Loss) by Total Equity.*
- *Price/Earnings Ratio is computed by dividing Price per Share by Earnings per Share.*

## Discussion on Financial Results

### 2020 vs. 2019

#### **Assets**

Total assets decreased by Php190.6 Million from Php1.89 Billion as of December 31, 2019 to Php1.70Billion as of December 31, 2020. Comprising mainly of decrease in trade receivables of Php146 Million, decrease in inventories of Php20 Million and decrease in due from related parties ofPhp57.7 Million.

#### **Liabilities**

The decrease in total liabilities by Php180 Million from Php1.491 Billion as of December 31, 2019 to Php1.311 Billion in December 31, 2020 was due to the decrease in borrowings by Php186.8 Million.

#### **Equity**

The total equity decreased by Php10.4 Million from Php403.8 Million as of December 31, 2019 to Php393.4 Million as of December 31, 2020.

#### **Revenues**

Total revenues decreased by Php283.8 Million from Php1.098 Billion as of December 31, 2019 to Php814.3Million as of December 31, 2020.

Finance cost of Php22.6 Million as of December 31, 2020 represents interest expense on borrowings of Php15Million and finance lease of Php7.6 Million.

*Additional details on balance sheet accounts may be found in the accompanying Notes to Financial Statements.*

#### **Expenses**

Comparing the twelve (12) months ended December 31, 2020 against twelve (12) months ended December 31, 2019, the top expenses in Peso terms are as follows:

- **Cost of Sales**  
Total cost of sales for Php762.5 Million in 2020 represents cost of 94% of gross sales ofPhp814 Million.
- **Salaries and Benefits**  
Total salaries for 2020 amounted to Php7.5 Million which represents 21% of general andadministrative expenses.
- **Taxes and licenses** for the year 2020 amounted to Php4.7 Million. This accounts for about 13% of the group's total operating expenses.
- **Transportation and travel** for the year 2020 amounted to Php.5 Million. This accounts for about 2% of groups' total operating expenses. For the year 2019 it amounted to Php2.3 Million.



## **2019 vs. 2018**

### **Assets**

Total assets decreased by Php60.8 Million from Php1.96 Billion as of December 31, 2018 to Php1.89 Billion as of December 31, 2019. Comprising mainly of decrease in trade receivables of Php23.6 Million, decrease in inventories of Php176 Million and decrease in property, plant and equipment of Php22.2 Million.

### **Liabilities**

The decrease in total liabilities by Php47 Million from Php1.539 Billion as of December 31, 2018 to Php1.491 Billion in December 31, 2019 was due to the decrease in trade and other payable by Php69 Million.

### **Equity**

The total equity increased by Php13 Million from Php417 Million as of December 31, 2018 to Php404 Million as of December 31, 2019.

### **Revenues**

Total revenues increased by Php449 Million from Php1.548 Billion as of December 31, 2018 to Php1.098 Billion as of December 31, 2019.

Finance cost of Php52 Million as of December 31, 2019 represents interest expense on borrowings of Php44.9 Million and finance lease of Php7.2 Million.

*Additional details on balance sheet accounts may be found in the accompanying Notes to Financial Statements.*

### **Expenses**

Comparing the twelve (12) months ended December 31, 2019 against twelve (12) months ended December 31, 2018, the top expenses in Peso terms are as follows:

- **Cost of Sales**

Total cost of sales for Php995.8 Million in 2019 represents cost of 91% of gross sales of Php1.093 Billion.

- **Salaries and Benefits**

Total salaries for 2019 amounted to Php17.4 Million which represents 32% of general and administrative expenses.

- **Taxes and licenses** for the year 2019 amounted to Php5.6 Million. This accounts for about 10% of the group's total operating expenses.

- **Transportation and travel** for the year 2019 amounted to Php2.2 Million. This accounts for about 4% of groups' total operating expenses. For the year 2018 it amounted to Php3.9 Million.

INTERIM

**MILLENNIUM GLOBAL HOLDINGS, INC.  
AND ITS SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
September 30, 2021 (Unaudited) AND DECEMBER 31, 2020 AND 2019 (Audited)**

(In Philippine Peso) AS AT	30 Sep-21 (Unaudited)	31 Dec-20 (Audited)	31 Dec-19 (Audited)
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash	52,609,352	145,297,802	126,843,875
Trade and other receivables, net	802,427,586	442,295,928	588,607,353
Inventories	621,603,433	487,745,362	507,756,362
Other current assets	110,700,471	115,366,650	87,086,183
Due from related parties	185,581,525	130,151,222	187,863,493
<b>Total Current Assets</b>	<b>1,772,922,367</b>	<b>1,320,856,964</b>	<b>1,498,157,266</b>
<b>Noncurrent Assets</b>			
Property, plant and equipment, net	294,624,226	329,116,418	336,990,098
Investment in associate	24,280,930	24,280,930	28,102,734
Deferred tax assets	2,803,696	15,808,385	17,463,907
Financial asset at FVOCI	50,000	50,000	50,000
Goodwill	14,521,202	14,521,202	14,521,202
Other noncurrent assets	97,274,721	330,536	330,536
<b>Total Noncurrent Assets</b>	<b>433,554,775</b>	<b>384,107,471</b>	<b>397,458,477</b>
<b>TOTAL ASSETS</b>	<b>2,206,477,142</b>	<b>1,704,964,435</b>	<b>1,895,615,743</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Current Liabilities</b>			
Trade and other payables	130,350,616	97,520,573	98,131,684
Due to a related party	156,897,279	138,168,506	136,668,506
Lease liability, current portion	31,931,837	75,058,755	69,724,825
Borrowings	1,161,987,865	902,835,220	1,089,625,764
<b>Total Current Liabilities</b>	<b>1,481,167,597</b>	<b>1,213,583,054</b>	<b>1,394,150,779</b>
<b>Noncurrent Liabilities</b>			
Lease liability, net of current portion	225,520	10,218,541	10,308,042
Borrowings, net of current portion	41,332	3,226,917	4,088,328
Retirement benefits obligations	47,197,036	46,876,712	45,542,955
Deposit for future share subscription	287,636,935	37,636,935	37,636,935
<b>Total Noncurrent Liabilities</b>	<b>335,100,823</b>	<b>97,959,105</b>	<b>97,576,260</b>
<b>TOTAL LIABILITIES</b>	<b>1,816,268,420</b>	<b>1,311,542,159</b>	<b>1,491,727,039</b>

<b>Equity (capital deficiency)</b>			
<b>Attributable to equity holders of the parent</b>			
Share capital	250,000,000	250,000,000	250,000,000
Share premium	36,578,500	36,578,500	36,578,500
Remeasurement of retirement benefits obligation	(7,455,587)	(7,455,587)	(7,455,587)
AFS reserve	(300,000)	(300,000)	(300,000)
Deficit	(127,010,699)	(124,804,064)	(116,806,569)
<b>Total</b>	<b>151,812,214</b>	<b>154,018,849</b>	<b>162,016,344</b>
<b>Equity attributable to non-controlling interests</b>	<b>238,396,508</b>	<b>239,403,427</b>	<b>241,872,360</b>
<b>TOTAL EQUITY</b>	<b>390,208,722</b>	<b>393,422,276</b>	<b>403,888,704</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>2,206,477,142</b>	<b>1,704,964,435</b>	<b>1,895,615,743</b>

### Financial Highlights and Key Performance Indicators

#### Consolidated Balance Sheet

	As at		Increase (Decrease)	
	September 30 2021	December 31 2020	Amount	%
Total Assets	₱ 2,206,477,142	₱ 1,704,964,435	₱ 501,512,707	29.41%
Current Assets	1,772,922,367	1,320,856,964	452,065,403	34.23%
Property and Equipment	294,624,226	329,116,418	(34,492,192)	(10.48%)
Total Liabilities	1,816,268,420	1,311,542,159	504,726,261	38.48%
Current Liabilities	1,481,167,597	1,213,583,054	267,584,543	22.05%
Interest-bearing Loans	1,162,029,197	906,062,137	255,967,060	28.25%
Equity	390,208,722	393,422,276	(3,213,554)	(0.82%)

#### Consolidated Statements of Comprehensive Income

	For the 9 months ended		Increase (Decrease)	
	September 30 2021	September 30 2020	Amount	%
Revenues (gross)	₱ 554,528,086	₱ 482,004,562	₱ 72,523,524	15.05%
Gross Profit	105,188,124	60,211,557	44,976,567	74.70%
General & administrative expenses	(92,974,719)	79,880,093	(172,854,812)	(216.39%)
Earnings Before Interest, Taxes, Dep'n. & Amort.	27,706,649	4,720,463	22,986,186	486.95%
Profit / (Loss) before tax	(2,597,777)	(2,294,778)	(302,999)	13.20%
Profit / (Loss) after tax	(3,213,554)	(2,571,897)	(641,657)	24.95%
Total Comprehensive Income (loss)	(3,213,554)	(2,571,897)	(641,657)	24.95%

Consolidated Cash Flows	For the 9 months ended		Increase (Decrease)	
	September 30		Amount	%
	2021	2020		
Net Cash from Operating Activities	₱ (493,368,900)	₱ 17,693,986	₱ (511,062,886)	(2888.34%)
Net Cash from Investing Activities	(36,431,355)	14,546,899	(50,978,254)	(350.44%)
Net Cash from Financing Activities	437,111,805	(112,811,156)	549,922,961	(487.47%)

Key Performance Indicators	For the 9 months ended	As at
	September 30	December 31
	2021	2020
Current Ratio	1.20	1.09
Quick Ratio	0.70	0.59
Solvency Ratio	1.21	1.30
Debt Ratio	0.82	0.77
Debt-to-Equity Ratio	4.65	3.33
Interest coverage ratio		0.63
Asset to Equity Ratio	5.65	4.33
Gross Profit Margin		0.06
Net Profit Margin	(0.005795)	(0.009653)
Return on Assets	(0.001456)	(0.004611)
Return on Equity	(0.008235)	(0.019981)
Price/Earnings Ratio	(147.81)	(82.10)
Book value per share	0.16	0.16
	2021	2020
Issued & Outstanding Shares	2,500,000,000	2,500,000,000
Ave. Exchange Rates (\$ to Peso)	48.5	51.04

Please refer to Financial Statement Notes

### **Ratios**

- *Current Ratio is computed by dividing Current Assets by Current Liabilities.*
- *Quick Ratio is computed by dividing Current Assets less Inventory and Prepayments by Current Liabilities.*
- *Solvency Ratio is computed by dividing Total Assets by Total Liabilities.*
- *Debt Ratio is computed by dividing Total Debts by Total Assets.*
- *Debt to Equity Ratio is computed by dividing Total Debts by Total Equity.*
- *Net Profit Margin Ratio is computed by dividing Net Profit (Loss) by Total Revenue.*
- *Gross Margin is computed by dividing Gross Profit by Total Revenue.*
- *Interest Coverage Ratio is computed by dividing EBIT by Interest Charges.*
- *Return on Assets Ratio is computed by dividing Net Profit (Loss) by Total Assets.*
- *Return on Equity Ratio is computed by dividing Net Profit (Loss) by Total Equity.*
- *Price/Earnings Ratio is computed by dividing Price per Share by Earnings per Share.*

As of September 30, 2021, the financial results reflect the consolidated financial statements of the Company and its subsidiaries, MOSC and C3.

## Discussion on Financial Results

### Assets

Cash as of September 30, 2021 is Php52.6 Million as compared to Php145.3 Million on December 31, 2020.

Accounts receivables as of September 30, 2021 amounting to Php802.4 Million represents trade and other receivables of MOSC and nil for the Company. Accounts receivable increased by ₱360 Million as compared to ₱442 Million as of December 31, 2020.

### Liabilities

Liabilities as of September 30, 2021 amount to ₱1.816 Billion as compared to ₱1.311 Billion as of December 31, 2020. The increase of ₱504.7 Million is mainly due to increase in borrowings and lease payable.

### Equity

Decrease in equity of ₱3,213,554 as of September 30, 2021 pertains to the increase in the deficit.

Additional details on balance sheet accounts may be found in the accompanying Notes to Financial Statements.

### Revenues

Revenue generated for the period ended September 30, 2021 is ₱554.5 Million. The revenues are attributable to MOSC's import/export and processing of marine goods and other related products.

Other Income (charges) as of September 30, 2021 is ₱19.6 Million. The revenues are attributable to Rental income and Miscellaneous income for storage.

### Expenses

Comparing the nine (9) months ended September 30, 2021 against nine (9) months ended September 30, 2020, the top expenses in Peso terms are as follows:

- **Cost of Sales**

Total cost of sales for Php449 Million in 2021 represents cost of 81% of gross sales of Php554.5 Million.

- **Salaries and Benefits**

The Company as of September 30, 2021 has made no hiring. As of September 30, 2021, total salaries decreased by ₱.8 Million, from ₱12.6 Million as of September 30, 2020 to 11.8 Million as of September 30, 2021. Salaries represent MOSC and C3 manpower cost and employees' benefits. This accounts for 15% of total operating expenses as of September 30, 2021.

- **Interest expense** as of September 30, 2021 amounted to Php34.4 Million. This accounts for about 44% of the group's total operating expenses.
- **Utilities expense** as of September 30, 2021 amounted to Php18.4 Million. This accounts for about 24% of groups' total operating expenses. For the year 2020 it amounted to Php12.8 Million.
- **Shipping and handling cost** as of September 30, 2021 amounted to Php16.9 Million. This accounts for about 22% of groups' total operating expenses. For the year 2020 it amounted to Php11.5 Million.

Additional details on the Statement of Comprehensive Income accounts may be found in the accompanying Notes to Financial Statements.

## Liquidity and Capital Resources

The following table shows the consolidated cash flows as of September 30, 2021 and 2020:

Consolidated Cash Flows	For the 9 months ended September 30		Increase (Decrease)	
	2021	2020	Amount	%
Net Cash from Operating Activities	₱ (493,368,900)	₱ 17,693,986	₱ (511,062,886)	(2888.34%)
Net Cash from Investing Activities	(36,431,355)	14,546,899	(50,978,254)	(350.44%)
Net Cash from Financing Activities	437,111,805	(112,811,156)	549,922,961	(487.47%)

### Operating Activities

Net cash used for operating activities of Php493 Million as of September 30, 2021 are mainly from MOSC operations as of September 30, 2021.

### Investing Activities

Net cash used for investing activities of ₱36 Million as of September 30, 2021 was mainly from the acquisition of property and equipment of MOSC.

### Financing Activities

Net cash from for financing activities of ₱437 Million as of September 30, 2021 represents ₱255 Million of proceeds from borrowings and ₱34 Million finance cost and ₱250 Million deposits for future stock subscription.

### Seasonal aspects that had a material effect on the financial condition or results of operations

The Company's operations have since resumed and become regular after some temporary disruptions as a result of the community quarantines which the government imposed beginning March 17, 2020. Due to the COVID-19 pandemic, C3 regular operations were temporarily halted to save on costs and production was temporarily absorbed by MOSC. This irregularity may continue in the coming months until such time that it is deemed appropriate to resume C3 regular operations.

While the irregularity of operations due to COVID-19 pandemic is currently considered to be temporary, management anticipates that any significant or prolonged suspension of businesses and/or restrictions on the movement of workers will negatively impact the Group's financial condition and operations – specifically in its production and distribution channels.

**MILLENNIUM GLOBAL HOLDINGS, INC.**
**AND ITS SUBSIDIARIES**
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)**
**FOR THE 9 MONTHS PERIOD ENDED SEPTEMBER 30, 2021, 2020 AND 2019 (Unaudited)**

	9 mos. 30-Sept-21 (Unaudited)	9 mos. 30-Sept-20 (Unaudited)	9 mos. 30-Sept-19 (Unaudited)
<b>(In Philippine Peso)</b>			
<b>REVENUES</b>			
Gross sales	554,528,086	482,004,562	770,275,980
	554,528,086	482,004,562	770,275,980
<b>Less: COST OF SALES</b>	449,339,962	421,793,005	724,784,418
<b>GROSS PROFIT</b>	<b>105,188,124</b>	<b>60,211,557</b>	<b>45,491,562</b>
<b>OPERATING EXPENSES</b>			
Taxes and licenses	5,225,537	1,590,648	2,266,223
Salaries and other employment benefits	11,758,624	12,639,255	10,022,474
Transportation & Travel	296,952	421,145	940,018
Representation expense	840,832	208,317	383,481
Communication, light& water expense	18,430,167	12,846,163	12,197,710
Commission	1,138,666	986,221	1,889,930
Brokerage fees	1,317,643	202,709	113,241
Rental expenses	3,152,056	3,072,044	2,407,742
Repair and maintenance	2,481,720	2,509,115	2,075,669
Management & Professional fees	1,249,862	1,084,498	1,385,013
Retirement benefits	624,037	532,439	176,110
Security and janitorial services	1,277,393	1,350,434	1,084,054
Supplies & other Office expense	2,918,367	987,023	1,315,682
Insurance	330,385	218,387	434,987
Membership dues	254,500	272,264	250,000
Warehousing services	339,078	1,564,374	1,883,591
Shipping and handling cost	16,919,681	11,518,954	12,090,214
Information technology services	271,619	187,451	201,016
Documentary stamps	2,369,985	509,907	464,207
Fuel and lubricants	1,127,678	632,598	861,323
Donations and contributions	40,800	24,899	130,550
Trainings and seminars	-	10,874	81,840
Litigation	-	-	7,000
Product testing and analysis fee	292,077	121,429	393,154
Sanitation	388,771	386,482	561,467
Advertising and promotions	25,000	-	50,000
Fines, penalties & other charges	37,462	648,811	264,621
Reprocessing	79,692	85,568	81,165
Miscellaneous	4,292,891	879,085	404,122
<b>Total Operating Expenses</b>	<b>77,481,475</b>	<b>55,491,094</b>	<b>54,416,604</b>
<b>EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization)</b>	<b>27,706,649</b>	<b>4,720,463</b>	<b>(8,925,042)</b>
Total Depreciation and Amortization	15,493,244	24,388,999	26,088,144
<b>Other Income/Expenses</b>			
Bank charges	(374,495)	(275,808)	(409,774)
Foreign exchange (gain) or loss	639,980	170,550	716,794

Rental income	4,949,426	8,439,492	10,873,111
Gain on finance lease-sale and leaseback	2,515,926	2,710,772	5,226,869
Gain on sale of fixed asset	-	-	-
Provision on losses / actual losses	-	-	-
Miscellaneous income(loss)	11,902,293	28,340,996	37,007,099
<b>Other income (loss), net</b>	<b>19,633,130</b>	<b>39,386,002</b>	<b>53,414,099</b>
<b>Profit (loss) from operations</b>	<b>31,846,535</b>	<b>19,717,466</b>	<b>18,400,913</b>
Finance Income	19,777	33,333	193,917
Finance costs	(34,464,089)	(22,045,577)	(18,412,035)
<b>Profit (Loss) before income tax</b>	<b>(2,597,777)</b>	<b>(2,294,778)</b>	<b>182,795</b>
Provision for Income Tax	615,777	277,119	288,572
<b>Profit (Loss) after income tax</b>	<b>(3,213,554)</b>	<b>(2,571,897)</b>	<b>(105,777)</b>
<b>Share in net losses (income of consolidated subsidiaries in excess of investments</b>	-	-	-
<b>TOTAL COMPREHENSIVE INCOME (LOSS)</b>	<b>(3,213,554)</b>	<b>(2,571,897)</b>	<b>(105,777)</b>



**MILLENNIUM GLOBAL HOLDINGS, INC.**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)**  
**FOR THE 3 MONTHS PERIOD ENDED SEPTEMBER 30, 2021, 2019 AND 2018 (Unaudited)**

<b>(In Philippine Peso)</b>	<b>3 mos.</b> <b>July-Sept, 2021</b> <b>(Unaudited)</b>	<b>3 mos.</b> <b>July-Sept, 2020</b> <b>(Unaudited)</b>	<b>3 mos.</b> <b>July-Sept, 2019</b> <b>(Unaudited)</b>
<b>REVENUES</b>			
Gross sales	130,969,701	114,132,047	220,532,665
	130,969,701	114,132,047	220,532,665
<b>Less: COST OF SALES</b>	<b>95,164,247</b>	<b>108,259,361</b>	<b>223,237,548</b>
<b>GROSS PROFIT</b>	<b>35,805,454</b>	<b>5,872,686</b>	<b>(2,704,883)</b>
<b>OPERATING EXPENSES</b>			
Taxes and licenses	2,303,160	118,360	361,343
Salaries and other employees' benefits	2,640,731	2,762,177	2,953,414
Transportation and Travel	102,994	37,214	277,527
Representation expenses	610,921	26,836	145,861
Communication, light& water expense	5,795,507	2,744,438	3,492,625
Commission	351,961	290,763	908,924
Brokerage fee	934,521	0	33,738
Rental expenses	398,326	735,889	676,488
Repair and maintenance	1,270,991	141,159	248,158
Management & Professional fees	438,110	482,148	376,814
Retirement benefits	213,904	129,900	9,899
Security and janitorial services	445,568	327,294	283,028
Supplies & other Office expense	2,137,389	582,796	561,136
Insurance	164,365	47,838	215,345
Membership dues	-	-	-
Warehousing services	-	321,163	586,237
Shipping and handling cost	5,613,382	2,476,080	4,291,413
Information technology services	111,039	42,853	66,848
Documentary stamps	1,731,331	51,184	54,835
Fuel and lubricants	385,236	200,417	353,195
Donations and contributions	4,000	6,094	14,500
Training and seminar	-	10,874	81,840
Litigation	-	-	7,000
Product testing and analysis	80,959	9,865	162,902
Sanitation	132,388	55,881	236,409
Advertising and promotion	24,000	-	50,000
Fines, penalties & other charges	25,966	40,964	142,096
Reprocessing	13,000	42,853	40,471
Miscellaneous	3,635,882	15,161	178,029
<b>Total Operating Expenses</b>	<b>29,565,631</b>	<b>11,700,201</b>	<b>16,810,075</b>
<b>EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization)</b>	<b>6,239,823</b>	<b>(5,827,515)</b>	<b>(19,514,958)</b>
Total Depreciation and amortization	5,095,034	5,594,357	6,288,756
<b>Other Income/Expenses</b>			
Bank charges	(142,332)	(66,391)	(184,112)
Foreign exchange (gain) or loss	193,889	(164,730)	77,828
Rental income	1,194,708	2,886,419	5,284,901
Gain on finance lease-sale and leaseback	926,123	1,921,643	2,947,919

Loss on sale of Fixed asset	-	-	-
Provision on losses / actual losses	-	-	-
Miscellaneous income (loss)	6,036,642	15,574,189	22,870,440
<b>Other income (loss), net</b>	<b>8,209,030</b>	<b>20,151,130</b>	<b>30,996,976</b>
<b>Profit (loss) from operations</b>	<b>9,353,819</b>	<b>8,729,258</b>	<b>5,193,262</b>
Finance Income	8,038	16,761	93,512
Finance costs	(9,295,062)	(7,563,878)	(6,677,562)
<b>Profit (Loss) before income tax</b>	<b>66,795</b>	<b>1,182,141</b>	<b>(1,390,788)</b>
Provision for Income Tax	125,973	100,069	288,572
<b>Profit (Loss) after income tax</b>	<b>(59,178)</b>	<b>1,082,072</b>	<b>(1,679,360)</b>
<b>Share in net losses (income of consolidated subsidiaries in excess of investments)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL COMPREHENSIVE INCOME (LOSS)</b>	<b>(59,178)</b>	<b>1,082,072</b>	<b>(1,679,360)</b>

**MILLENNIUM GLOBAL HOLDINGS, INC.**

**AND ITS SUBSIDIARIES**

**SCHEDULE OF FINANCIAL SOUNDNESS AND INDICATORS**

**FOR THE PERIOD ENDED SEPTEMBER 30, 2021 (Unaudited) and DECEMBER 31, 2020 and 2019 (Audited)**

(In Philippine Peso)	September 30, 2021 (Unaudited)	Dec. 31, 2020 (Audited)	Dec. 31, 2019 (Audited)
<b>Current/Liquidity ratio</b>			
Current assets	1,772,922,367	1,320,856,964	1,498,157,266
Current liabilities	1,481,167,597	1,213,583,054	1,394,150,779
Current Ratio	1.197	1.088	1.075
<b>Quick ratio</b>			
Current assets-Inventory-prepayments	1,040,618,463	717,744,952	903,314,721
Current liabilities	1,481,167,597	1,213,583,054	1,394,150,779
Quick Ratio	0.703	0.591	0.648
<b>Solvency ratio</b>			
Total Assets	2,206,477,142	1,704,964,435	1,895,615,743
Total Liabilities	1,816,268,420	1,311,542,159	1,491,727,039
Solvency Ratio	1.215	1.300	1.271
<b>Debt ratio</b>			
Total Debts	1,816,268,420	1,311,542,159	1,491,727,039
Total Assets	2,206,477,142	1,704,964,435	1,895,615,743
Debt Ratio	0.823	0.769	0.787
<b>Debt to Equity Ratio</b>			
Debt	1,816,268,420	1,311,542,159	1,491,727,039
Equity	390,208,722	393,422,276	403,888,704
Debt/Equity Ratio	4.655	3.334	3.693

**Assets to Equity ratio**

Assets	2,206,477,142	1,704,964,435	1,895,615,743
Equity	390,208,722	393,422,276	403,888,704
Assets to Equity Ratio	5.655	4.334	4.693

**Net Profit margin ratio**

Net Income (loss)-continuing operation	(3,213,554)	(7,860,907)	(8,053,675)
Revenue	554,528,086	814,372,690	1,098,210,712
Net Profit Margin Ratio	(0.005795)	(0.00965)	(0.0073)

**Gross margin ratio**

Gross profit	105,188,124	51,795,500	102,376,532
Revenue	554,528,086	814,372,690	1,098,210,712
Gross Margin Ratio	0.190	0.064	0.0932

**Interest coverage**

EBIT (Earnings before Interest income (charges) and taxes)	12,213,405	15,221,827	44,026,206
Interest Charges	(34,464,089)	(22,644,369)	52,080,650
Interest coverage Ratio	(0.35438)	(0.67221)	0.845

**Return on Assets**

Profit (loss)	(3,213,554)	(7,860,907)	(8,053,675)
Total Assets	2,206,477,142	1,704,964,435	1,895,615,743
Return on Assets Ratio	(0.001456)	(0.00461)	(0.0042)

**Return on Equity**

Profit (loss)	(3,213,554)	(7,860,907)	(8,053,675)
Equity	390,208,722	393,422,276	403,888,704
Return on Equity Ratio	(0.008235)	(0.01998)	(0.020)

**Price/Earnings Ratio**

Price per share	0.1900	0.219	0.153
Per common share	(0.0013)	(0.0027)	(0.003337)
Price/Earnings Ratio	(147.81)	(81.11)	(45.85)

**(2) Plan of Operations for the next twelve months*****Cash Requirements***

The Company foresees that its businesses are sustainable by the cash that it will generate operationally. At the same time, the Company shall continue to devise ways to provide for an efficient and cost-effective working environment so as to maximize profitability. Aside from the discussions under Item Eight (8) of this Information Statement, the Company does not foresee any other trends, demands, commitments, events or uncertainties that will materially affect, whether positively or negatively, its liquidity in the next twelve months. The Company does not expect to be in default

or breach on any loan, indebtedness, or financing arrangements that have been previously incurred, as it does not expect to experience any event that will trigger any direct or indirect financial obligation that is material to the company and that will result in any default or acceleration of any of its financial obligations.

#### *Product Research and Development*

The Company being a holding company has no product research and development happening at its level. The subsidiaries on the other hand, are in constant pursuit of ways on how to best meet the growing needs and demands of the clientele.

*Expected purchase or sale of plant and significant equipment and significant changes in the number of employees.*

There are no known definite plans of purchase or sale of plant and equipment and significant changes in the number of employees of the Company.

#### (3) Market information and security holders

As of October 31, 2021, the Company has 751 shareholders.

The common shares of the Company are being traded at the Philippine Stock Exchange, Inc. with the closing trading price of P0.162 per share as of November 23, 2021.

The following are the quarterly high and low prices of the Company's shares traded at the Philippine Stock Exchange, Inc. for the last eight (8) quarters:

Stock	Quarter	High	Low
MG	3Q 2019	0.211	0.182
MG	4Q 2019	0.201	0.153
MG	1Q 2020	0.182	0.102
MG	2Q 2020	0.156	0.112
MG	3Q 2020	0.169	0.121
MG	1Q 2021	0.670	0.217
MG	2Q 2021	0.380	0.232
MG	3Q 2021	0.300	0.181

#### (4) Top Twenty (20) Shareholders

The Top 20 shareholders of the Corporation as of October 31, 2021 are as follows:

Rank	Name	Class of Securities	No. of Shares	Percentage
1	PCD NOMINEE CORPORATION (Filipino)	Common	1,455,813,142	58.23%
2	YANG, CHI JEN YEH	Common	505,000,000	20.20%
3	PCD NOMINEE CORPORATION (Foreign)	Common	385,789,625	15.43%
4	ELITE HOLDINGS, INC.	Common	55,052,300	02.20%
5	IPVG EMPLOYEES, INC.	Common	38,000,000	01.52%
6	STONE, ROGER G.	Common	18,500,001	00.74%
7	MIRANDA, OLEEN	Common	6,000,000	00.24%
8	CUNNINGHAM, PAUL JOSEPH	Common	6,000,000	00.24%

9	GONZALEZ, JAIME ENRIQUE Y.	Common	5,141,530	00.21%
10	LI, CHIH-HUI	Common	5,000,000	00.20%
11	WILLY ONG DIZON OR NENE C. DIZON	Common	3,500,000	00.14%
12	TRANSNATIONAL DIVERSIFIED CORP.	Common	2,507,639	00.10%
13	CATANI, ARNOLD	Common	2,076,802	00.08%
14	E-STORE EXCHANGE.COM, INC.	Common	1,763,080	00.07%
15	POLISHETTY, SRINIVAS	Common	1,461,761	00.06%
16	LI, CHIH HUI	Common	1,000,000	00.04%
17	REDIX INC.	Common	856,889	00.03%
18	DIAZ, EDNA B.	Common	270,000	00.01%
19	TABLIGAN, VICTOR	Common	190,140	00.01%
20	HOJAS, RUBIN M.	Common	189,790	00.01%
<b>TOTAL SHARES (TOP 20)</b>			<b>2,494,112,699</b>	<b>99.76%</b>
<b>TOTAL SHARES (REST OF STOCKHOLDERS)</b>		Common	<b>5,887,301</b>	<b>0.24%</b>
<b>TOTAL ISSUED AND OUTSTANDING SHARES</b>			<b>2,500,000,000</b>	<b>100.00%</b>

*\*Data on the Top 20 Shareholders and Total Number of Shareholders provided by the Transfer Agent, Stock Transfer Service, Inc. (STSI).*

#### (5) Dividends

There has been no dividend declaration in the last three (3) years. This is due to the absence of unrestricted retained earnings. Other than this, there are no other restrictions that may limit the payment of dividends on common shares.

#### (6) Recent Sales of Unregistered or Exempt Securities Including Recent Issuance of Securities Constituting Exempt Transaction

There were no sales of unregistered or exempt securities including issuance of securities constituting exempt transaction in 2019, 2020 and 2021.

Notably, pursuant to the approval of the stockholders on December 18, 2020, the members of the Board of Directors of the Company approved on March 18, 2021 the initial increase of the authorized capital stock of the Corporation from P250 Million to P750 Million, divided into 5,000,000,000 common shares at par value of P0.10/share. The shares shall be subscribed at P0.20/share by Yang Chi Jin (a.k.a. Michael Yang), the Company's Chairman/President and CEO and controlling shareholder of subsidiary, MOSC. The proceeds of the transaction shall be invested in MOSC for the purpose of supporting its operations and expanding its production lines for fish and meat canning, meat and seafoods processing, and sauces. The increase in authorized capital stock is subject to the approval of the SEC and the issuance of the subject shares shall only be effective upon said approval.

i. Known trend, event or uncertainty that has or is reasonably likely to have a negative impact on the Company's short-term or long-term liquidity.

The Company's operations have since resumed and become regular after some temporary disruptions as a result of the community quarantines which the government imposed beginning March 17, 2020. Due to the COVID-19 pandemic, C3 regular operations were temporarily halted to save on costs and production was temporarily absorbed by MOSC. This irregularity may continue in the coming months until such time that it is deemed appropriate to resume C3 regular operations.

While the irregularity of operations due to COVID-19 pandemic is currently considered to be temporary, management anticipates that any significant or prolonged suspension of businesses and/or restrictions on the movement of workers will negatively impact the Group's financial condition and operations – specifically in its production and distribution channels.

ii. The liquidity of the Company is generated from the Company's financial resources. The Company believes that it has reasonably sufficient resources to finance its working capital requirements for the next twelve (12) months and has ready access to sources of credit from both trade suppliers and financial institutions.

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

iv. There are no material commitments for capital expenditure during the period.

v. Known trend, event of uncertainty that has or that is reasonably expected to have a negative impact on the commercial operations.

The Company's operations have since resumed and become regular after some temporary disruptions as a result of the community quarantines which the government imposed beginning March 17, 2020. Due to the COVID-19 pandemic, C3 regular operations were temporarily halted to save on costs and production was temporarily absorbed by MOSC. This irregularity may continue in the coming months until such time that it is deemed appropriate to resume C3 regular operations.

While the irregularity of operations due to COVID-19 pandemic is currently considered to be temporary, management anticipates that any significant or prolonged suspension of businesses and/or restrictions on the movement of workers will negatively impact the Group's financial condition and operations – specifically in its production and distribution channels.

vi. Significant elements of loss that are expected to arise from the Company and its subsidiary's continuing operations.

The Company's operations have since resumed and become regular after some temporary disruptions as a result of the community quarantines which the government imposed beginning March 17, 2020. Due to the COVID-19 pandemic, C3 regular operations were temporarily halted to save on costs and production was temporarily absorbed by MOSC. This irregularity may continue in the coming months until such time that it is deemed appropriate to resume C3 regular operations.

While the irregularity of operations due to COVID-19 pandemic is currently considered to be temporary, management anticipates that any significant or prolonged suspension of businesses and/or restrictions on the movement of workers will negatively impact the Group's financial condition and operations – specifically in its production and distribution channels.

vii. Known cause for any material change from the Company's inception in one or more of the line items of the Company's financial statements.

The Company's operations have since resumed and become regular after some temporary disruptions as a result of the community quarantines which the government imposed beginning March 17, 2020. Due to the COVID-19 pandemic, C3 regular operations were temporarily halted to save on costs and

production was temporarily absorbed by MOSC. This irregularity may continue in the coming months until such time that it is deemed appropriate to resume C3 regular operations.

While the irregularity of operations due to COVID-19 pandemic is currently considered to be temporary, management anticipates that any significant or prolonged suspension of businesses and/or restrictions on the movement of workers will negatively impact the Group's financial condition and operations – specifically in its production and distribution channels.

viii. Unexpected seasonal aspects that had a material impact effect on the financial condition or results of operations.

The Company's operations have since resumed and become regular after some temporary disruptions as a result of the community quarantines which the government imposed beginning March 17, 2020. Due to the COVID-19 pandemic, C3 regular operations were temporarily halted to save on costs and production was temporarily absorbed by MOSC. This irregularity may continue in the coming months until such time that it is deemed appropriate to resume C3 regular operations.

While the irregularity of operations due to COVID-19 pandemic is currently considered to be temporary, management anticipates that any significant or prolonged suspension of businesses and/or restrictions on the movement of workers will negatively impact the Group's financial condition and operations – specifically in its production and distribution channels.

#### (8) Discussion on Compliance with Leading Practice on Corporate Governance

The Board of directors and shareholders, management and employees of the Company believe that corporate governance is a necessary component to achieve strategic business management. Going beyond compliance to laws and the implementation of rules and regulations, the Company's governance cultivates a corporate culture of integrity and empowering leadership, and significantly contributes to long-term growth and enhanced shareholder value.

The Company is committed to adhering to the highest level of sound corporate governance practices in setting values that serve as its foundation in guiding both employees and stockholders alike. With a dedicated team of professionals who share such passion, its business practices and work ethics put in place a philosophy of corporate transparency and public accountability.

In Compliance with SEC Memorandum Circular No. 24, series of 2019, the Company revised its Manual of Corporate Governance adopting all the mandatory provisions of the Revised Code of Corporate Governance. There has been no material deviation from the Corporation's Revised Manual of Corporate Governance.

Furthermore, in compliance with directives of the SEC and the PSE, the Corporation has submitted its Integrated Annual Corporate Governance Report for 2020.

## **12. Mergers, Consolidations, Acquisitions and Similar Matters**

On December 20, 2013, the stockholders approved the investment in and/or acquisition of various businesses and operating companies and delegated authority to the Board to approve the investment transactions and acquisitions and determine the terms and conditions thereof, and to approve and determine the manner of raising funds to finance the investments and acquisitions.

### **13. Acquisition or disposition of Property**

On July 1, 2011, the stockholders have approved the delegation of authority to the Board to determine the terms and conditions of the sale, disposition or transfer of all or substantially all the property and assets, as well as liabilities, of the Company.

### **14. Restatement of Accounts**

The Company's accounting policies adopted are consistent with those of the previous calendar year.

<b>OTHER MATTERS</b>
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### **15. Action with Respect to Reports**

The following reports will be submitted for approval by the stockholders of the Company:

1. The Minutes of the Annual Stockholders' Meeting held on December 18, 2020.
  2. Annual Report and the Audited Financial Statements for the year ended December 31, 2020.
- Approval of the Annual Report and the Audited Financial Statements for the year ended December 31, 2020 constitutes ratification by the stockholders of the Company's performance for 2020.

#### **Disclosure Requirements Pursuant to Section 49 of the Revised Corporation Code of the Philippines:**

1. Description of the voting and voting tabulation procedures used in the previous meeting

The Company's voting and voting tabulation procedures during the previous meeting is similar to the one being implemented during this meeting. The stockholders register personally or through the link given in the Definitive Information Statement. Voting is done by proxy or in absentia through the online voting system. Please see page 4 hereof discussing the Guidelines and Procedures for Participating *Via Remote Communication*.

In the election of directors, stockholders may vote only for those directors nominated for the class of shares owned by them, either in person or by proxy. Any stockholder may cumulate his shares since cumulative voting is authorized under the Revised Corporation Code of the Philippines and will be used in the election of directors at the meeting. On this basis, each holder of the Company shares may vote the number of shares registered in his name for each of the eight (8) directors to be elected by said classes of stock, or he may multiply the number of shares registered in his name by eight (8) and cast the total of such votes for one (1) director or he may distribute his votes calculated as above described among some or all of the eight (8) directors to be elected by the said classes of stockholders, as he elects. The proxies shall use their discretion in cumulating votes.

2. Description of the opportunity given to stockholders or members to ask questions and a record of the questions asked and answers given

The stockholders are given the opportunity to ask questions and/or comments by sending the same to an email address designated by the Company. This instruction is incorporated in the Definitive Information Statement. These questions are raised during the Open Forum during the virtual meeting. For the last year's Annual Stockholders' Meeting, apart from the curious question of how the Company has been coping given the COVID-19 pandemic, no other questions were raised. The Management



assured the stockholders that while there may be temporary interruptions and changes in terms of protocols and similar measures, the Company has been trying its best to carry out its operations smoothly.

### 3. The matters discussed and resolutions reached

On December 18, 2020, the Management reported the highlights of the previous year's operations, Audited Financial Statements ending December 31, 2019 and the acts of the Board and Management during the previous year to date. The impact of COVID-19 and the plans of the Corporation to mitigate its effects were also discussed. The Minutes of the previous annual stockholders' meeting on December 12, 2019 were made available to the stockholders together with the Definitive Information Statement and Annual Report which contained the Audited Financial Statements ending December 31, 2019.

During the meeting, the following were elected directors for the ensuing year:

- Mr. Yang Chi Jen (a.k.a. Michael Yang)
- Atty. Ernesto S. Go
- Ms. Amelia T. Tan
- Ms. Aracelli G. Co
- Mr. Hsin – Jan Wan
- Mr. Hsien-Tzu Yang
- Mr. Willy O. Dizon
- Ms. Maria Soledad C. Lim
- Ms. Nancy T. Golpeo
- Ms. Maria Luisa T. Wu (independent)
- Ms. Cristina Hiltrude L. Aganon (independent)

Also, the following matters were approved and/or ratified by the stockholders:

- Minutes of the previous Annual Stockholders' Meeting held on December 12, 2019;
- Audited Financial Statements for the calendar year ended December 31, 2019, as contained in the Annual Report;
- All prior acts and proceedings of the Board of Directors, Corporate Officers and Management;
- Appointment of Valdes Abad & Company as External Auditor for the calendar year 2020;
- Increase of authorized capital stock up to an amount to be determined by the Board, not exceeding P10 Billion, and subscription to at least 25% thereof by the Company's Chairman/President and CEO, Yang Chi Jen, at ₱0.20 per share; and
- Change of principal office to Lot 9 Block 2 John Street, Multinational Village, Paranaque City.

### 4. Voting results for each agenda item

The stockholders' attendance of 1,712,922,741 common shares representing 68.52% of the total issued and outstanding shares of 2,500,000,000 was obtained, unanimously voting in favor of all the resolutions.

The following directors obtained 1,712,922,741 votes each:

- Mr. Yang Chi Jen (a.k.a. Michael Yang)
- Atty. Ernesto S. Go
- Ms. Amelia T. Tan
- Ms. Aracelli G. Co
- Mr. Hsin – Jan Wan
- Mr. Hsien-Tzu Yang
- Mr. Willy O. Dizon

- Ms. Maria Soledad C. Lim
- Ms. Nancy T. Golpeo
- Ms. Maria Luisa T. Wu (independent)
- Ms. Cristina Hiltrude L. Aganon (independent)

The following matters also garnered the following votes:

- Minutes of the previous Annual Stockholders' Meeting held on December 12, 2019-- 1,712,922,741 common shares in favor; 0 against; 0 abstain ;
- Audited Financial Statements for the calendar year ended December 31, 2019, as contained in the Annual Report--1,712,922,741 common shares in favor; 0 against; 0 abstain;
- All prior acts and proceedings of the Board of Directors, Corporate Officers and Management--1,712,922,741 common shares in favor; 0 against; 0 abstain;
- Appointment of Valdes Abad & Company as External Auditor for the calendar year 2020--1,712,922,741 common shares in favor; 0 against; 0 abstain;
- Increase of authorized capital stock up to an amount to be determined by the Board, not exceeding P10 Billion, and subscription to at least 25% thereof by the Company's Chairman/President and CEO, Yang Chi Jen, at ₱0.20 per share--1,712,922,741 common shares in favor; 0 against; 0 abstain; and
- Change of principal office to Lot 9 Block 2 John Street, Multinational Village, Paranaque City--1,712,922,741 common shares in favor; 0 against; 0 abstain

5. The following are the directors, officers and stockholders who were present, in proxy or in person/ in absentia:

Yang Chi Jen Yeh  
 Hsien – Tzu Yang  
 Willy O. Dizon  
 Maria Soledad C. Lim  
 Nancy T. Golpeo  
 Ernesto S. Go  
 Amelia T. Tan  
 Aracelli G. Co  
 Maria Luisa T. Wu  
 Cristina Hiltrude L. Aganon  
 Lyra Gracia L. Fabella  
 Janine G. Manzano  
 Willy Dizon or Nene Dizon  
 Elite Holdings, Inc.  
 Roger G. Stone  
 Oleen Miranda  
 Paul Joseph Cunningham  
 AT De Castro Securities Corp.  
 Conqueror Space Limited  
 JAKA Securities Corp.  
 Genesis Hafalla

6. List of material information on the current stockholders and their voting rights

The stockholders as of record date November 23, 2021 are entitled to vote in the 2021 Annual Stockholders' Meeting.

Please see pages 44-46 for additional information.

7. Appraisal and performance reports for the board and the criteria and procedure for assessment

The Company developed an effective evaluation system and process to measure the effectiveness of the members of the Board of Directors as well as determine the compliance of the Board with the Company's Revised Manual of Corporate Governance. The Manual is available on the PSE and Company website.

The Board conducts self-assessment of its performance including the performance of the Chairman individual members and committees. Copy of self-assessment report is an integral part of Annual Corporate Governance Report which can be accessed through the PSE or Company website.

8. Director disclosures on self-dealings and related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence which include affiliates.

On the directors' self-dealings, the Company adopts the SEC and PSE rule requiring directors and officers to report their dealings in Company shares within five (5) trading days from the date of Company share-related transactions. The Company discloses to the SEC and PSE the ownership, acquisition or disposal of the Company's shares of stock by directors and officers. The Company also requires the directors and officers to refrain from buying and selling the Company's shares of stock for two (2) full trading days within which material non-public information is obtained.

Further, the Company has not been a party in any transactions or proposed transactions in which a director or executive officer of the Company, any nominee for election as director had a material interest adverse to the Company or any of its subsidiaries.

Please see details of transactions with related parties on page 16 of this report and Note 32 on Related Party Transactions of the Audited Financial Statements.

**16. Matters Not Required to be Submitted.**

Apart from the foregoing, there are no other matters required to be submitted, whether required to be approved by the shareholders or otherwise.

**17. Amendment of Charter, By-laws or Other Documents**

There are no matters to be presented involving the amendment of the Articles of Incorporation or By-laws, or related documents.

On December 18, 2020, the stockholders of the Company approved the change of the principal office of the Company to Lot 9 Block 2 John Street, Multinational Village, Paranaque City and the increase of authorized capital stock up to an amount to be determined by the Board, not exceeding P10 Billion. These amendments are subject to the approval of the Securities and Exchange Commission.

## 18. Other Proposed Action

All matters approved and acted upon by the Board of Directors and Officers after the Annual Stockholders' Meeting on December 18, 2020 are to be ratified by the stockholders during the upcoming Annual Stockholders' Meeting. The matters approved and acted upon by the Board of Directors of the Company are as follows:

Date	Matters Approved/ Reported
December 18, 2020	Results of 2020 Annual Stockholders' Meeting and Organizational Meeting
March 18, 2021	Approval by the Board of Directors of the initial increase of the authorized capital stock of the Corporation from P250 Million to P750 Million, divided into 5,000,000,000 common shares with par value of P0.10/share at P0.20/share, pursuant to the approval of the stockholders last December 18, 2020. The shares shall be subscribed to by Yang Chi Jin (a.k.a. Michael Yang), the Company's Chairman/President and CEO and controlling shareholder of subsidiary, MOSC. The proceeds of the transaction shall be invested in MOSC for the purpose of supporting its operations and expanding its production lines for fish and meat canning, meat and seafoods processing, and sauces. The increase in authorized capital stock is subject to the approval of the SEC and the issuance of the subject shares shall only be effective upon said approval.
May 14, 2021	Postponement of the ASM of the Company which pursuant to its By- Laws should be held on the last Friday of June of every year. This, amid COVID-19 pandemic and community quarantine status of Metro Manila.
April 15, 2021	Approval of the Separate Audited Financial Statements
April 29, 2021	Approval of the 2020 Consolidated Audited Financial Statements
October 29, 2021	Holding of the Company's ASM on December 17, 2021 at 2:00 p.m. via remote communication. The record date is set on November 23, 2021.

## 19. Voting Procedures

Please refer to Page 4 of this SEC Form 20-IS for the Guidelines and Procedures for Participating *via* Remote Communication at the 2021 Annual Stockholders' Meeting.

Except in cases where a higher vote is required under the Revised Corporation Code, the approval of any corporate action shall require the majority vote of all stockholders present in the meeting if constituting a quorum.

In general, all corporate powers are exercised by the board of directors and stockholders' approval is usually not required. However, the Revised Corporation Code requires (and the by-laws of the corporation may require) stockholders' approval for certain corporate acts. Listed below are the corporate acts that require stockholders' approval:

- (a) Amendment of articles of incorporation – vote of at least 2/3 of outstanding capital stock;
- (b) Election of directors – vote of stockholders representing at least a majority of the outstanding capital stock;

- (c) Removal of directors – vote of stockholders holding or representing 2/3 of the outstanding capital stock;
- (d) Ratifying a contract of a director/officer with the corporation – vote of stockholders representing at least 2/3 of the outstanding capital stock;
- (e) Extending or shortening the corporate term – vote of stockholders representing at least 2/3 of the outstanding capital stock;
- (f) Increase or decrease of the capital stock – vote of stockholders representing at least 2/3 of the outstanding capital stock;
- (g) Incurring, creating or increasing bonded indebtedness – vote of stockholders representing at least 2/3 of the outstanding capital stock;
- (h) Sale, lease, exchange, mortgage, pledge of all or substantially all the corporate assets – vote of stockholders representing at least 2/3 of the outstanding capital stock;
- (i) Investment of corporate funds in another corporation or for any purpose other than the primary purpose for which the corporation was organized – vote of stockholders representing at least 2/3 of the outstanding capital stock;
- (j) Issuance of stock dividends – vote of stockholders representing at least 2/3 of the outstanding capital stock;
- (k) Execution of management contracts – vote of stockholders representing at least a majority of the Outstanding capital stock;
- (l) Adoption of by-laws – vote of stockholders representing at least a majority of the outstanding capital stock;
- (m) Amendment or repeal of by-laws – vote of stockholders representing at least a majority of the Outstanding capital stock;
- (n) Delegation to board of the power to amend or repeal the by-laws or adopt new by-laws – vote of stockholders representing at least 2/3 of the outstanding capital stock;
- (o) Revocation of the power given to the board to amend or repeal the by-laws or to adopt new by-laws – vote of stockholders representing at least a majority of the outstanding capital stock;
- (p) Fixing issue price of no-par value shares – a majority of the quorum of the board of directors if authorized by the articles of incorporation, or in the absence of such authority, by a majority of the outstanding capital stock;
- (q) Approval or amendment of a plan of merger or consolidation – vote of stockholders representing at least 2/3 of the outstanding capital stock;
- (r) Dissolution of a corporation – vote of stockholders representing at least 2/3 of the outstanding capital stock;

During meetings, only stockholders who hold voting shares may vote. Thus, holders of non-voting shares generally cannot vote. However, the Revised Corporation Code allows holders of non-voting shares to vote on the following matters:

- (a) Amendment of the articles of incorporation;
- (b) Adoption and amendment of by-laws;
- (c) Sale, lease, exchange, mortgage, pledge or other disposition of all or substantially all of the corporate property;
- (d) Incurring, creating or increasing bonded indebtedness;
- (e) Increase or decrease of capital stock;
- (f) Merger or consolidation of the corporation with another corporation or other corporations;
- (g) Investment of corporate funds in another corporation or business in accordance with the Revised Corporation Code; and

(h) Dissolution of the corporation.

A stockholder may vote: (1) directly; or (2) indirectly through a representative. This representative may be a proxy, a trustee under a voting trust agreement, or an executor or other legal representative appointed by the court. With respect to shares of stock that have been pledged, the pledgor still has the right to attend and vote at stockholders' meetings unless the pledgee is expressly given such right in writing which is recorded on the appropriate books by the pledgor. In case of shares of stock owned jointly by 2 or more persons, in order to vote the same, the consent of all the co-owners is necessary, unless there is a written proxy signed by all co-owners authorizing one or some of them or any other person to vote such share. Where the shares are owned in an "and/or" capacity, any one of the joint owners can vote said shares or appoint a proxy to vote the shares.

All stockholders of record at the close of business hours on the stated record date shall be entitled to cumulative voting rights with respect to the election of directors. A stockholder may vote such number of shares for as many persons as there are directors to be elected or he may cumulate said shares and give one candidate as many votes as the number of directors to be elected multiplied by the of his shares shall equal, or he may distribute them on the same principle among as many candidates as he shall see fit: Provided, that the total number of votes cast by him shall not exceed the number of shares owned by him as shown in the books of the corporation as of the record date multiplied by the whole number of directors to be elected.

The following rules are adopted in the nomination and election of independent directors:

- a. The nomination of Committee shall have at least three (3) members, one of whom is the independent director.
- b. Nomination of Independent director/s shall be conducted by the committee prior to a stockholder's meeting. All recommendation shall be signed by the nominating stockholders together with the acceptance and the conformity of the would-be-nominees.
- c. The Committee shall pre-screen policies the qualifications and prepares a final list of candidates and put in place screening policies and parameters to enable it to effectively review the qualifications of the nominees for independent director/s.
- d. After the nomination, the committee shall prepare a final list of candidates which shall contain all the information about the nominees for independent directors, required under SRC Rule 12, which list shall be made available to the Commission and to all stockholders through the filing and distribution of the Information Statement, in accordance with SRC Rule 20, or in such other reports the Company is required to submit to the Commission. The name of the person or group of persons who recommend the nomination of the independent directors shall be identified in such report including any relationship with the nominee.

-END-

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**UNDERTAKING TO PROVIDE FINANCIAL REPORTS**

The Company attached herewith a copy of the latest Audited Financial Statements (SEC Form 17-A) and the Interim Report (SEC Form 17-Q), forming an integral part of the Definitive Information Statement.

The Company shall provide without charge a printed copy of the latest SEC Form 17-A and/or the SEC Form 17-Q upon written request of the shareholder addressed to:

The Corporate Secretary  
MILLENNIUM GLOBAL HOLDINGS, INC.  
c/o Lot 9, Block 2, John Street, Multinational Village,  
Paranaque City  
Tel. #: (02) 8551-2575  
*millenniumglobalholdings@gmail.com*

Please note that soft copies of the above reports are available on the PSE EDGE portal at [http://edge.pse.com.ph/under Millennium Global Holdings, Inc. company filings and the Company website](http://edge.pse.com.ph/under%20Millennium%20Global%20Holdings,%20Inc.%20company%20filings%20and%20the%20Company%20website).

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**SIGNATURE PAGE**

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete and correct. This report is signed in Paranaque City on

NOV 22 2021

MILLENNIUM GLOBAL HOLDINGS, INC.

  
YANG CHI JEN  
President and CEO

PROXY

**MILLENNIUM GLOBAL HOLDINGS, INC.**  
**Annual Meeting of the Stockholders**  
**December 17, 2021**

THE CORPORATION IS NOT SOLICITING YOUR PROXY. However, if you would not be able to attend the annual meeting but would like to be represented thereat, please accomplish this form and email to *millenniumglobalholdings@gmail.com* **on or before 5:00 p.m. of December 15, 2021**. Please submit the original thereof to the Company **not later than 5:00 p.m. of December 16, 2021** ( c/o The Corporate Secretary, Lot 9, Block 2, John Street, Multinational Village, Paranaque City) Tel. #: (632) 8551-2575.

I, the undersigned stockholder of **MILLENNIUM GLOBAL HOLDINGS, INC.**, do hereby appoint, name and constitute:

\_\_\_\_\_

or, in his/her absence, the Chairman of the Corporation or, in his/her absence, Acting Chairman of the Annual Meeting of the Stockholders as my attorney and proxy, to represent me at the Annual Meeting of the Stockholders of the Corporation scheduled on **December 17, 2021 at 2:00 P.M. via remote communication**, and any postponements or adjournment(s) thereof, and to vote for me as indicated below, or, if no such indication is given, as my proxy thinks fit, as fully and to all intents and purposes as I might or could if present, hereby ratifying and confirming any and all action taken on matters which may properly come before such meeting or adjournment(s) thereof.

	<b>RESOLUTION</b>	<b>FOR</b>	<b>AGAINST</b>	<b>ABSTAIN</b>
1	Approval of the Minutes of the Annual Stockholders' Meeting held on December 18, 2020			
2	Approval/ratification of the Audited Financial Statements for the calendar year ended December 31, 2020, as contained in the Annual Report			
3	Ratification of all previous acts and proceedings of the Board of Directors, Officers and Management			
4	Election of members of the Board of Directors  (Note: If you desire to vote by cumulative voting, please also indicate opposite the name of the nominee director/s that you are voting FOR the number of votes that you want to give such nominee director/s, provided that the total number of votes cast shall not exceed the number of shares owned multiplied by the number of directors to be elected).			



	Yang Chi Jen (a.k.a. Michael Yang)			
	Hsien-Tzu Yang			
	Willy O. Dizon			
	Maria Soledad C. Lim			
	Nancy T. Golpeo			
	Ernesto S. Go			
	Amelia T. Tan			
	Aracelli G. Co			
	Yeh Hsiu-Yin			
	Maria Luisa T. Wu (independent)			
	Cristina Hiltrude L. Aganon (independent)			
5	Appointment of Valdes Abad and Company as external auditor for calendar year 2021			

IN CASE A PROXY FORM IS SIGNED AND RETURNED IN BLANK. If no instructions are indicated on a returned and duly signed proxy, the shares represented by the proxy will be voted:

- FOR the approval of the Minutes of the Annual Stockholders' Meeting held on December 18, 2020;
- FOR the approval/ratification of the Audited Financial Statements for the calendar year ended December 31, 2020, as contained in the Annual Report;
- FOR the ratification of all previous acts and proceedings of the Board of Directors, Officers and Management
- FOR the election of the following directors:
  - Yang Chi Jen (a.k.a. Michael Yang)
  - Hsien-Tzu Yang
  - Willy O. Dizon
  - Maria Soledad C. Lim
  - Nancy T. Golpeo
  - Ernesto S. Go
  - Amelia T. Tan
  - Aracelli G. Co
  - Yeh Hsiu Yin
  - Maria Luisa T. Wu (independent)
  - Cristina Hiltrude L. Aganon (independent)
- FOR the approval of the appointment of Valdes Abad and Company as external auditor for calendar year 2021;
- and
- TO authorize the Proxy to vote according to the Proxy's discretion on any matter that may be discussed under "Other Matters".

A Proxy Form that is returned without a signature shall not be valid.

Signed this \_\_\_\_\_ at \_\_\_\_\_.

\_\_\_\_\_  
Printed Name of Stockholder

\_\_\_\_\_  
Signature of Stockholder or Authorized Signatory

**[N.B. Corporate stockholders must attach board resolution designating the authorized signatory. Representatives and stockholders must likewise submit copy of their valid government-issued identification cards.]**