

**COVER SHEET**

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*SEC Registration Number*

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	H	O	L	D	I	N	G	S	,		I	N	C	.											

(Company's Full Name)

2	N	D		F	L	O	O	R		S	E	N	S	E	S		S	P	A					
B	U	I	L	D	I	N	G	,		M	I	A		R	O	A	D		C	O	R	N	E	R
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(Business Address: No. Street City / Town / Province)

Janine G. Manzano
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Contact Person Company

(632) 218-0437
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Telephone Number

1	2
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Month

3	1
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Day

Fiscal Year

20-IS (Definitive)
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FORM TYPE

0	6
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Month

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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

Total Amount of Borrowings

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Total No. of stockholders

--

Domestic

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Foreign

To be accomplished by SEC Personnel concerned

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File Number

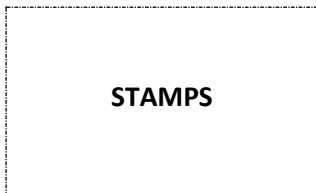
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**MILLENNIUM GLOBAL HOLDINGS, INC.**

**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 19, 2017** at **1:30 P.M.** at the **VIP Lounge, 2<sup>nd</sup> Flr, Midas Hotel and Casino, 2702 Roxas Boulevard, Pasay City.**

**AGENDA:**

1. Call to Order;
2. Certification of Notice and Quorum;
3. Approval of the Minutes of the Annual Stockholders' Meeting held on December 13, 2016;
4. Adoption of the Audited Financial Statements for the calendar year ended December 31, 2016 as contained in the Annual Report;
5. Management Report;
6. Issuance and Listing of 365,785,000 common shares of the Company at P0.20 per share, an amount twice the par value, subscribed to by the Company's Chairman/President and CEO, Yang Chi Jen (a.k.a. Michael Yang);
7. Waiver of Requirement to Conduct a Rights or Public Offering with respect to Agenda No. 6;
8. Increase of authorized capital stock up to P10 Billion;
9. Ratification of All Previous Acts and Proceedings of the Board of Directors and Officers;
10. Election of Directors;
11. Appointment of External Auditor;
12. Other Matters; and
13. Adjournment

Only stockholders of record at the close of business hours on **November 22, 2017** are entitled to notice of, and vote at this meeting. For convenience in registering your attendance, please bring your valid Identification Card and present the same at the registration desk.

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

**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

**2<sup>nd</sup> Floor Senses Spa Bldg., MIA Road corner Pildera St. Tambo, Paranaque City 1701**

Temporary address (pending completion of construction of new building to replace demolished building where above principal office was located): **Blk 1 Lot 1, Dahlia St. corner J.P. Rizal St., Sto. Nino, Paranaque City**

7. Registrant's telephone number, including area code **(632) 551-2575**

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

Date: **December 19, 2017**

Time: **1:30 P.M.**

Place: **VIP Lounge, 2<sup>nd</sup> Flr Midas Hotel and Casino, 2702 Roxas Boulevard, Pasay City**

9. Approximate date on which the Information Statement is first to be sent or given to security holders: **November 27, 2017**

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.**

**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 19, 2017**

Time: **1:30 P.M.**

Place: **VIP Lounge, 2<sup>nd</sup> Flr Midas Hotel and Casino, 2702 Roxas Boulevard, Pasay City**

The current temporary office address of the Company is **Blk 1 Lot 1, Dahlia St. corner J.P. Rizal St., Sto. Niño, Parañaque City.** The information statement is first to be sent or given to security holders approximately on November 27, 2017.

**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 Section 81 to 86 of the 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, 2017 are as follows:

Nationality	No. of Stockholders	No. of Shares	%
Filipino	726	1,913,430,382	76.54
Chinese	4	104,190	0.00
French	1	9,760	0.00
Indian	1	1,461,761	0.06
Malaysian	4	2,002	0.00
Taiwanese	3	6,001,000	0.24
British	2	24,500,001	0.98
American	4	6,107,671	0.24
<b>Total</b>	<b>746</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 fixed on November 22, 2017, at the close of business hours.

(c) During the election of directors, every stockholder entitled to vote shall have the right to vote in person or by proxy 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 Section 24 of the 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. There are no stated conditions precedents to the exercise of cumulative rights.

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, 2017 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> 37F Tower 1, Enterprise Bldg., 6766 Ayala Avenue, Makati City  Stockholder	Yang Chi Jen is the beneficial owner of 371,091,130 shares  None.	Filipino	1,293,502,534	51.74%
Common	<b>PCD Nominee Corp. (Foreign)</b> 37F Tower 1, Enterprise Bldg, 6766 Ayala Avenue, Makati City  Stockholder	Conqueror Space Ltd. is the beneficial owner of 489,744,458 shares  Yu Chi Hin has been designated as the duly authorized person to vote for the shares of Conqueror Space Ltd.  None.	Filipino	548,383,233	21.94%
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 beneficial owner and record 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 November 23, 2017:

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	35.05%
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	Jose Marie E. Fabella	10,000 shares (Direct)	Filipino	0.00%
Common	Aracelli G. Co	10,000 shares (Indirect)	Filipino	0.00%
Common	Amelia T. Tan Director	10,000 shares (Indirect)	Filipino	0.00%
Common	Ernesto S. Go Independent Director	1,000 shares (Direct)	Filipino	0.00%
Common	Maria Luis T. Wu 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, as of November 23, 2017, is 879,646,130 common shares, equivalent to 35.19% 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	Age	Citizenship	Position	Term of Office*
Yang Chi Jen (a.k.a Michael Yang)	48	Filipino	Chairman/ President & CEO/ Alternate Corporate Information Officer and Alternate Compliance Officer	December 13, 2016 – present
Hsin – Jan Wan	53	Taiwanese	Director/ Deputy Chairman	December 13, 2016 – present
Hsien – Tzu Yang	76	Taiwanese	Director	December 13, 2016 – present
Willy O. Dizon	61	Filipino	Director	December 13, 2016 –

				present
Maria Soledad C. Lim	57	Filipino	Director	December 13, 2016 – present
Nancy T. Golpeo	56	Filipino	Director	December 13, 2016 – present
Jose Marie E. Fabella	41	Filipino	Director	December 13, 2016 – present
Amelia T. Tan	52	Filipino	Director	December 13, 2016 – present
Aracelli G. Co	52	Filipino	Director	December 13, 2016 – present
Ernesto S. Go (Independent)	66	Filipino	Independent Director	December 13, 2016 – present
Maria Luisa T. Wu (Independent)	62	Filipino	Independent Director	December 13, 2016 – present
Lyra Gracia Y. Lipae-Fabella	41	Filipino	Corporate Secretary/ Corporate Information Officer and Alternate Compliance Officer	December 13, 2016 – present
Janine G. Manzano	24	Filipino	Compliance Officer and Alternate Corporate Information Officer	December 13, 2016 – present

\*Reckoned from date of last election

## **PROFILES**

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

Chairman, President & CEO, Alternate Corporate Information and Alternate Compliance Officer

Mr. Yang has 3 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 Lion Head Int'l Corporation, a company engaged in spa business. He was educated in Taiwan where he attended Kweishan Junior High School.

### **HSIN – JAN WAN**

Director, Deputy Chairman

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 three (3) 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 22 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.

**JOSE MARIE E. FABELLA**

Director

Atty. Fabella serves/has served as Director or Corporate Secretary to a number of publicly-listed and private companies. He is a partner at the Fabella and Fabella Law Office, specializing in the practice of Corporate and Securities Law. After being admitted to the Philippine Bar in 2005, he immersed himself in litigation work as an associate lawyer in several law offices. Thereafter, he served as Securities Counsel III at the Securities Registration Division in the Corporation Finance Department of the Philippine Securities and Exchange Commission until January 2010. Apart from conducting lectures to listed companies, Atty. Fabella is an MCLE lecturer on Securities Law and a Masters of Law (Commercial Law) Candidate at the San Beda College Graduate School of Law.

**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 up to present. She has been an Asst. Treasurer of the Philippine Plastic Industry Association and Treasurer of Northern Rizal Yorklin Alumni Assn. since 2013 up to present. 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**

Independent 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.

**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. Her work experience includes having been a Junior Auditor in a leading auditing firm, Associate in a law firm and Securities Counsel III at 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-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 in 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 13, 2016, 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 Corporation's Nomination Committee is composed of Ernesto S. Go (Chairman), Yang Chi Jen and Maria Luisa T. Wu.

The nominees for election to the Board of Directors on December 19, 2017 are as follows:

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

All the nominees are Filipino citizens, with the exception of Mr. Hsien-Tzu Yang and Mr. Hsin-Jan Wan who are Taiwanese.

***Cristina Hiltrude L. Aganon***, 51, Filipino, a Certified Public Accountant, is 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.

**1).Independent Directors.**

Ms. 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.

Ms. Wu is not related to Mr. Yang.

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

Ms. Aganon is not related to Ms. Tan.

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").

## 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. Atty. Jose Marie E. Fabella is the spouse of Atty. Lyra Gracia Y. Lipae-Fabella.

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

On March 22, 2017, the Company approved the following:

- Subscription by the Company's Chairman and President, Yang Chi Jen, to the remaining 365,785,000 unissued shares of the company at ₱0.20 per share amounting to a total of P73,157,000;
- Increase of the authorized capital stock of the Company from ₱250 Million to ₱750 Million whereby Yang Chi Jen shall subscribe to at least 25% of the increase in authorized capital stock of the Company at ₱0.20 per share. On August 17, 2017, the amount of the increase was later on amended to up to P10 Billion;
- Acquisition by the Company of 49% of Philippine 101 Hotel, Inc., a domestic corporation majority owned by Yang Chi Jen.

On June 29, 2017, the BOD of MG approved the subscription to additional 117,091,837 primary shares of MOSC, its subsidiary, at par value of P1.00 per share, to maintain the Company's 51% ownership in MOSC.

Further discussions on Related Party Transactions are provided under Note 23 of the 2016 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 as of December 31, 2016 (including the preceding three years):

	Year	Salary (In Philippine Pesos)	Bonus	Other Annual Compensation
Top five (5) most highly compensated executive officers	2014	5,800,000	0	<i>None</i>
	2015	5,000,000	0	<i>None</i>
	2016	5,000,000	0	<i>None</i>
	2017	Waived	0	<i>None</i>
All other officers and directors as a group	2014	7,200,000	0	<i>None</i>
	2015	7,600,000	0	<i>None</i>
	2016	7,600,000	0	<i>None</i>
	2017	Waived	0	<i>None</i>

### Four Most Highly Compensated Executive Officers Other Than the CEO

Year	Executive Officer*
2014	Amelia Tan Luzviminda Lachica Domingo Dino Ma. Loreto Saldajeno
2015	Luzviminda Lachica Amelia Tan Domingo Dino Ma. Loreto Saldajeno
2016	Luzviminda Lachica Amelia Tan Domingo Dino Ma. Loreto Saldajeno
2017	Luzviminda Lachica Amelia Tan Domingo Dino Ma. Loreto Saldajeno

*\*The President and CEO, Treasurer and Corporate Secretary are not receiving compensation from the Company for services rendered. Some receive compensation directly from the subsidiaries. Beginning 2017, directors and officers waived their per diems for each meeting of the Board of Directors of the Company.*

Since the date of their elections, the directors have served without compensation. The directors did not also receive any amount or form of compensation for committee participation or special assignments. Under

Section 7, Article III of the By-Laws of the Corporation, 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.

## **7. Independent Public Accountants**

The auditing firm of Valdes Abad and Company ("VAC") conducted the audit for the period ended December 31, 2015 and December 31, 2016.

BDO Alba Romeo & Co. conducted the audit as of and for the period ended December 31, 2014.

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, 2017, 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	BDO Alba Romeo & Co.	Valdes Abad & Company	Valdes Abad & Company
	(2014)	(2015)	(2016)
Audit and Audit-Related Fees	400,000.00	120,000.00	150,000.00
Other Engagement	-	-	-
OPE	60,000.00	18,000.00	22,500.00
<b>TOTAL</b>	<b>460,000.00</b>	<b>138,000.00</b>	<b>172,500.00</b>

The Company did not engage the services of the External Auditors 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 13, 2016 are the following:

- Chairman - Ernesto S. Go (Independent Director)
- Member - Aracelli G. Co (Independent Director)
- Member - Hsin Jan Wan

## 8. Compensation Plans

### Employee Stock Option Plan

The Corporation has not issued any employee stock option nor approved any stock option plan for employees for the past 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 November 24, 2017, 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 and are listed and 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 stockholders 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 dividends 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

On March 22, 2017, the Company approved the issuance and listing of 365,785,000 common shares of the Company at P0.20 per share, an amount twice the par value, subscribed to by the Company's Chairman/President and CEO, Yang Chi Jen (a.k.a. Michael Yang), amounting to a total of P73,157,000.

Also approved on the same day is the increase of the authorized capital stock of the Company from ₱250 Million to ₱750 Million whereby Yang Chi Jen shall subscribe to at least 25% of the increase in authorized capital stock of the Company at ₱0.20 per share. On August 17, 2017, the amount of the increase in authorized capital stock was amended to up to P10 Billion.

(d) Reason for the issuance

The purpose of the issuance of the 365,785,000 shares is to augment the funding requirements of the Company for investments/acquisitions and fund business operations.

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 2016 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, 2017 are attached herewith.

Below is the table of the Financial Highlights and Key Performance Indicators as of December 31, 2016, December 31, 2015 and December 31, 2014:

<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>2016</b>	<b>2015</b>	<b>Amount</b>	<b>%</b>
Total Assets	1,681,246,710	1,437,938,151	3,996,351	16.92%
Current Assets	1,213,926,400	974,614,193	239,312,208	24.55%
Property and Equipment	436,317,861	433,230,901	3,086,960	0.71%
Total Liabilities	1,454,678,029	1,213,765,008	240,913,021	19.85%
Current Liabilities	1,384,624,363	1,142,159,777	242,464,586	21.23%
Interest-bearing Loans	758,816,609	613,830,158	144,986,451	23.62%
Equity (capital deficiency)	226,568,681	224,173,143	2,395,538	1.07%
<b>Consolidated Statements of Comprehensive Income</b>	<b>For the 12 Months Ended</b>		<b>Increase (Decrease)</b>	
	<b>2016</b>	<b>2015</b>	<b>Amount</b>	<b>%</b>
Revenues	1,620,122,333	1,564,127,905	55,994,428	3.58%
Gross Profit	128,097,891	121,047,427	7,050,464	5.82%
General and administrative expenses	92,306,953	84,013,645	8,293,308	9.87%
Earnings Before Interest, Taxes, Depreciation & Amortization	85,466,588	81,826,723	3,639,865	4.45%
Profit / (Loss) before tax	4,151,877	303,480	3,848,397	1268.09%
Profit / (Loss) after tax	2,395,535	(380,166)	2,775,701	730.13%
Total Comprehensive Income (Loss)	2,395,535	(2,870,613)	5,266,148	183.45%

Consolidated Cash Flows	For the 12 Months Ended		Increase (Decrease)	
	2016	2015	Amount	%
Net Cash from operating activities	(199,075,386)	203,224,942	(402,300,329)	(197.96%)
Net Cash from investing activities	(42,420,571)	(9,468,248)	(32,952,323)	(348.03%)
Proceeds from disposal	-	11,387,532	(11,387,532)	(100%)
Acquisition of property & equipment	(42,420,571)	(20,855,780)	(21,564,791)	(103.40%)
Business combination	-	-	-	-
Net Cash from Financing Activities	222,575,514	(163,999,951)	386,575,465	235.72%

Key Performance Indicators	For the 12 Months Ended	
	2016	2015
Current Ratio	0.88	0.85
Quick Ratio	0.41	0.42
Solvency Ratio	1.16	1.18
Debt Ratio	0.87	0.84
Debt to Equity	6.42	5.41
Interest Coverage	1.10	1.00
Asset to Equity Ratio	7.42	6.41
Gross Profit Margin	0.0791	0.08
Net Profit Margin	0.0015	(0.0002)
Return on Assets	0.0014	(0.0003)
Return on Equity	(0.0106)	(0.0027)
Price/Earnings Ratio	222.82	(1,573)
Book Value per Share	0.10616	0.10504

	As of Dec. 31	As of Dec. 31
	2016	2015
Outstanding Shares	2,134,215,000	2,134,215,000
Number of Employees	226	226
Ave. Exchange Rates (\$ to Peso)	49.77	45.51

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.*

## Discussion on Financial Results

### Assets

Total assets increased by P243 Million from P1.437 Billion as of December 31, 2015 to P1.681 Billion as of December 31, 2016. Comprising mainly of an increase in trade and other receivables of P109 Million; inventories by P131 Million and prepayments and other current assets of P17 Million; and decrease in cash by P19 Million.

### Liabilities

The increase in total liabilities by P241 Million from P1.214 Billion in December 31, 2015 to P1.455 Billion in December 31, 2016 was due to an increase in due to related party by P125 Million, increase in borrowings, current portion by P138 Million, and decrease in trade and other payable by P24 Million and decrease in obligation under finance lease, non-current by P12 Million.

### Equity

The total equity has minimal increase by P2.4 Million from P224 Million as of December 31, 2015 to P226 Million as of December 31, 2016.

### Revenues

Total revenues increased by P56 Million from P1.56 Billion as of December 31, 2015 to P1.62 Billion as of December 31, 2016.

Finance cost of P42 Million as of December 31, 2016 represents interest expense on loans for P36 Million, on leases for P3.3 Million and retirement benefits for P3 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, 2016 against twelve (12) months ended December 30, 2015, the top expenses in Peso terms are as follows:

- **Cost of Sales**

Total cost of sales for P 1.492 Billion in 2016 represents cost of 92% of gross sales of P1.62 Billion.

- **Salaries and Benefits**

Total salaries for 2016 amounted to P14.4 Million which represents 16% of general and administrative expenses.

Below is the headcount summary for year ended December 2016 and proceeding four (4) quarters:

Headcount Summary	Dec-15	Mar-16	Jun-16	Sep-16	Dec-16
MGHI	-	-	-	-	-
MOSC					
Managerial	9	9	9	9	9
Rank and File	217	217	217	217	217
Consultants	-	-	-	-	-

C3					
MOSC					
Managerial	1	1	1	1	1
Rand and File	23	23	23	23	23
Consultants					
<b>Total</b>	<b>250</b>	<b>250</b>	<b>226</b>	<b>250</b>	<b>250</b>

- **Taxes and licenses** for the year 2016 amounted to P13 Million. This accounts for about 11% of the group's total operating expenses.
- **Transportation and travel** for the year 2016 amounted to P7.2 Million. This accounts for about 8% of groups' total operating expenses. For the year 2015 it amounted to P6.6 Million.

### Liquidity and Capital Resources

The following table shows our consolidated cash flows as of December 31, 2016 and 2015:

Consolidated Cash Flows	For the 12 Months Ended		Increase (Decrease)	
	2016	2015	Amount	%
Net Cash used in operating activities	(199,075,386)	203,224,942	(402,300,329)	(198%)
Net Cash from investing activities	(42,420,571)	(9,468,248)	(32,952,323)	348%
Proceeds from disposal	-	11,387,532	(11,387,532)	(100%)
Acquisition of property & equipment	(42,420,571)	(20,855,780)	(21,564,791)	103%
Net Cash from Financing Activities	222,575,514	(163,999,951)	386,575,465	(236%)

Cash as of December 31, 2016 is P121 Million as compared to P139 Million on December 31, 2015. Cash was reduced by P24 Million for payment of trade and other payables and P39 Million due to payment of finance costs.

#### **Operating Activities**

Total cash used for operations in 2016 increased by P402 Million from P203 Million in 2015 to (P199 Million) in 2016. The increase was mainly due to cash used in the operation of the company's subsidiary MOSC.

#### **Investing Activities**

Total net cash outflows from investing activities in 2016 of P42 Million were from acquisition of additional PPE. There was no disposal of PPE for the year 2016.

#### **Financing Activities**

On June 27, 2013, the Board approved and determined, pursuant to the authority granted by the stockholders on May 22, 2012, that the initial increase in the authorized capital stock of the Company shall be made initially up to P2.5 Billion. On the same date, the Board also approved the subscription to 25% of the P500 Million increase in authorized capital stock of the Company equivalent to P125 Million Shares at par value of P1.00/share for a total of P125 Million by the Company's Chairman/President and CEO, Yang Chi Jen. Initially,



Net Cash from Financing Activities	(163,999,951)	167,265,759	(331,265,710)	(198)
	<b>For the 12 Months Ended</b>			
<b>Key Performance Indicators</b>	<b>2015</b>	<b>2014</b>		
Current Ratio	0.85	0.83		
Book Value per Share	0.105038	0.086830		
Debt to Equity	10.07	6.690		
Gross Margin	7.74%	8.23%		
EBITDA Margin	4.05%	4.09%		
Profit Margin	-0.02%	-0.40%		
Earnings (loss) Per Share	(0.00041)	(0.003708)		
	<b>As of Dec. 31</b>	<b>As of Dec. 31</b>		
	<b>2015</b>	<b>2014</b>		
Outstanding Shares	2,134,215,000	2,134,215,000		
Number of Employees	226	226		
Ave. Exchange Rates (\$ to Peso)	45.51	44.39		
<i>Please refer to Financial Statement Notes.</i>				

### **Ratios**

\* *Current Ratio is computed by dividing Current Assets by Current Liabilities.*

\* *Gross Margin is computed by dividing Gross Profit by Total Revenue.*

\* *Profit Margin is computed by dividing Profit (Loss) by Total Revenue.*

\* *Earnings per Share are computed by dividing Net Income/Loss by Weighted Average Number of Common Shares.*

\* *Debt-to-Equity Ratio is computed by dividing the sum of Short-Term and Long-Term Interest Bearing Loans by the Total Stockholders Equity and Advances from Stockholders.*

### 2015 vs. 2014

#### Assets

Total assets increased by P13 Million from P1.425 Billion as of December 31, 2014 to P1.438 Billion as of December 31, 2015. Comprising mainly of an increase in cash by P30 Million; inventories by P15 Million and prepayments and other current assets of P11 Million; and decrease in trade and other receivables by P52 Million.

#### Liabilities

The decrease in total liabilities by P26 Million from P1.24 Billion in December 31, 2014 to P1.21 Billion in December 31, 2015 was due to an increase in trade and other payables by P141 Million, decrease in loans payable by P144 Million and decrease in due to related party by P18 Million.

#### Equity

The increase in total equity by P39 Million from P185 Million as of December 31, 2014 to P224 Million as of December 31, 2014 is mainly due to payment of subscription for P50 Million.

## Revenues

Total revenues have only a minimal fluctuation for P4 Million from P1.56 Billion as of December 31, 2014 to P1.564 Billion as of December 31, 2014.

Finance cost for P46 Million as of December 31, 2015 represents interest expense on loans for P38 Million, on leases for P5 Million and retirement benefits for P3 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, 2015 against twelve (12) months ended December 30, 2014, the top expenses in Peso terms are as follows:

- **Cost of Sales**

Total cost of sales for P 1.443 Billion in 2015 represents cost of 92% of gross sales of P1.564 Billion

- **Salaries and Benefits**

Total salaries for 2015 amounted to P15 Million which represents 18% of general and administrative expenses

Below is the headcount summary for year ended December 2015 and proceeding four (4) quarters:

<b>Headcount Summary</b>	<b>Dec-14</b>	<b>Mar.-15</b>	<b>June-15</b>	<b>Sept.-15</b>	<b>Dec.-15</b>
MGHI	-	-	-	-	-
MOSC					
Managerial	9	9	9	9	
Rank and File	216	217	217	217	
Consultants	-	-	-	-	-
C3					
MOSC					
Managerial			1	1	
Rand and File			23	23	
Consultants					
<b>Total</b>	<b>225</b>	<b>226</b>	<b>226</b>	<b>250</b>	

- **Taxes and licenses** for the year 2015 amounted to P15 Million. This accounts for about 18% of the group's total operating expenses.
- **Transportation and travel** for the year 2015 amounted to P6.6 Million. This accounts for about 8% of groups' total operating expenses. For the year 2014 it amounted to P9.9Million.
- **Liquidity and Capital Resources**

The following table shows our consolidated cash flows as of December 31, 2015 and 2014:

<b>Consolidated Cash Flows</b>	<b>For the 12 Months Ended</b>		<b>Increase (Decrease)</b>	
	<b>2015</b>	<b>2014</b>	<b>Amount</b>	<b>%</b>
Net Cash used in operating activities	203,224,942	(110,360,276)	313,585,218	284
Net Cash from investing activities	(9,468,248)	51,556,020	(61,024,268)	(118)
Proceeds from disposal	11,387,532	-	11,387,532	100
Acquisition of property & equipment	(20,855,780)	(48,533,294)	27,677,514	(57)
Business combination	-	100,089,314	(100,089,314)	(100)
Net Cash from Financing Activities	(163,999,951)	167,265,759	(331,265,710)	(198)

Cash as of December 31, 2015 is P140 Million as compared to P110 Million on December 31, 2014. The increase in cash was due to collection from stock subscriptions for P50 Million and proceeds from disposal of PPE for P11 Million. Cash was reduced by P144 Million for payment of loans and P43 Million due to payment of finance costs.

### ***Operating Activities***

Total cash used for operations in 2015 increased by P 314 Million; from (P110) Million in 2014 to P203 Million in 2015. The increase was mainly due to cash used in the operation of the company's subsidiary MOSC.

### ***Investing Activities***

Total net cash outflows from investing activities in 2015 of P9 Million were from acquisition of additional PPE for P21 Million; and increased by proceeds from disposal of PPE for P11 Million

### ***Financing Activities***

On June 27, 2013, the Board approved and determined, pursuant to the authority granted by the stockholders on May 22, 2012, that the initial increase in the authorized capital stock of the Company shall be made initially up to P2.5 Billion. On the same date, the Board also approved the subscription to 25% of the P500 Million increase in authorized capital stock of the Company equivalent to P125 Million Shares at par value of P1.00/share for a total of P125 Million by the Company's Chairman/President and CEO, Yang Chi Jen. Initially, 25% of the subscription price equivalent to P31.25 Million was paid-up in cash. As of December 31, 2015, the balance has been fully paid. The SEC approved the Company's application on July 25, 2013.

In 2014, cash flow from financing activities were from the collection of subscription receivable for P43.3 Million; availment of borrowings net of loan payment for P64.8 Million; and advances from related parties for P126.9 Million; and reduced by the payment of finance lease and finance cost for P67.8 Million.

In 2015, cash flow from financing activities was from the collection of subscription receivable for P50 Million. This was reduced by the payment of borrowings for P143 Million, payment of finance costs for P43 Million, payment of finance lease payable for P9 Million and decrease in due to related parties of P18 Million.



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

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

### INTERIM

<b>Financial Highlights and Key Performance Indicators</b>				
	<b>As at</b>		<b>As at</b>	
	<b>September 30,</b>	<b>December 31</b>	<b>Increase (Decrease)</b>	
<b>Consolidated Balance Sheet</b>	<b>2017</b>	<b>2016</b>	<b>Amount</b>	<b>%</b>
Total Assets	₱ 2,405,154,178	₱ 1,681,246,710	₱ 723,907,468	43%
Current Assets	1,849,743,618	1,213,926,400	635,817,218	52%
Property and Equipment	414,397,326	436,317,861	-21,920,535	-5%
Total Liabilities	2,105,043,151	1,454,678,029	650,365,122	45%
Current Liabilities	2,011,494,563	1,384,624,363	626,870,200	45%
Interest-bearing Loans	1,063,116,457	758,816,609	304,299,848	40%
Equity	300,111,027	226,568,681	73,542,346	32%
<b>Consolidated Statements of Comprehensive Income</b>				
	<b>For the 9 months ended</b>		<b>Increase (Decrease)</b>	
	<b>September 31</b>	<b>2016</b>	<b>Amount</b>	<b>%</b>
	<b>2017</b>	<b>2016</b>		
Revenues (gross)	₱ 1,563,652,777	₱ 1,182,520,423	₱ 381,132,354	32%
Gross Profit	99,406,568	93,558,340	5,848,228	6%
General & administrative expenses	102,826,344	113,672,855	(10,846,511)	-10%
Earnings Before Interest, Taxes, Dep'n. & Amort.	17,764,682	51,414,040	(33,649,358)	-65%
Profit / (Loss) before tax	2,008,391	1,851,843	156,548	8%
Profit / (Loss) after tax	429,596	602,995	(173,399)	-29%
Total Comprehensive Income (loss)	429,596	602,995	(173,399)	-29%
<b>Consolidated Cash Flows</b>				
	<b>For the 9 months ended</b>		<b>Increase (Decrease)</b>	
	<b>September 31,</b>	<b>2016</b>	<b>Amount</b>	<b>%</b>
	<b>2017</b>	<b>2016</b>		
Net Cash from Operating Activities	₱ 195,718,512	₱ (95,300,487)	₱ 291,018,999	-305%
Net Cash from Investing Activities	(68,150,858)	(144,713,186)	76,562,328	-53%
Net Cash from Financing Activities	130,167,827	186,901,633	(56,733,806)	-30%

<b>Key Performance Indicators</b>	<b>For the 9</b>	<b>As at</b>
	<b>months ended</b>	<b>December 31</b>
	<b>September 30</b>	<b>2016</b>
	<b>2017</b>	
Current Ratio	0.920	0.88
Quick Ratio	0.552	0.41
Solvency Ratio	1.143	1.16
Debt Ratio	0.875	0.87

Debt-to-Equity Ratio	7.014	6.42
Interest coverage ratio	1.058	1.10
Asset to Equity Ratio	8.014	7.42
Gross Profit Margin	0.064	0.0791
Net Profit Margin	0.0003	0.0015
Return on Assets	0.0002	0.0014
Return on Equity	0.0014	(0.0106)
Price/Earnings Ratio	1,128.23	222.82
Book value per share	0.1406	0.10616
	<b>2017</b>	<b>2016</b>
Issued & Outstanding Shares (fully paid)	2,134,215,000	2,134,215,000
Subscribed Shares	365,785,000	-
Number of Employees	248	250
Ave. Exchange Rates (\$ to Peso)	50.83	49.77

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 Ratio 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 Per common share*

As of September 30, 2017, the financial results reflect the consolidated financial statements of the Company and its subsidiaries, MOSC and C3.

### **Assets**

Cash as of September 30, 2017 is ₱378 Million as compared to ₱121 Million on with December 31, 2016.

Accounts receivables as of September 31, 2017 amount to ₱732 Million representing Trade and other receivables of MOSC and C3, and nil for the Company. Accounts receivable increased by ₱287 Million as compared to ₱445 Million as of December 31, 2016.

Inventories as of September 30, 2017 amount to ₱689 Million representing inventories of MOSC and C3. Inventories increased by ₱81 Million as compared to ₱608 Million as of December 31, 2016.

### **Liabilities**

Liabilities as September 30, 2017 amount to ₱2.1 Billion as compared to ₱1.5 Billion as of December 31, 2016. The increase of ₱600 Million is mainly due to increase in advances from customers of ₱219 Million and accounts payable-non trade amounting to ₱44 Million.

## Equity

Increase in equity to ₱300 Million as of September 30, 2017 is mainly due to the decrease in the Deficit amounting to ₱2.74 Billion.

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

## Revenues and other income

Revenue generated for the period ended September 30, 2017 is ₱1.56 Billion. 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, 2017 is ₱39 Million. The revenues are attributable to Rental income and Miscellaneous income for storage.

## Expenses

Comparing the nine (9) months ended September 30, 2017 against nine (9) months ended September 30, 2016, the top expenses in Peso terms are as follows:

### Salaries and employees' benefits

The Company as of September 30, 2017 has made no hiring. As of September 30, 2017, total salaries decreased by ₱2.9 Million, from ₱20.5 Million as of September 30, 2016 to ₱17.6 Million as of September 30, 2017. Salaries represent MOSC and C3 manpower cost and employee's benefits. This accounts for 24.11% of total operating expenses as of September 30, 2017.

Below is the headcount summary for each of the quarter ended September 30, 2017 and preceding four (4) periods:

Headcount Summary	Sep-16	Dec-16	Mar-17	Jun-17	Sep-17
MGHI	-	-	-	-	-
MOSC					
Managerial	9	9	9	9	9
Rank and File	217	217	217	215	215
Consultants	-	-	-	-	-
C3					
Managerial	1	1	1	1	1
Rank and File	23	23	23	23	23
Consultants	-	-	-	-	-
<b>Total</b>	<b>250</b>	<b>250</b>	<b>250</b>	<b>248</b>	<b>248</b>

- **Management and professional fees** as September 30, 2017 increased to ₱2.08 Million representing 2.55% of total operating expenses, from ₱1.59 Million on September 30, 2016.
- **Shipping and Handling cost** decreased by ₱12.05 Million or 40.13% from ₱30.03 Million as of September 30, 2016 to ₱17.98 Million as of September 30, 2017. This accounts for about 22.02% of the Company's total operating expenses as of September 30, 2017.

- **Communication, light & water** likewise increased by ₱5.2 Million or 49.06% from ₱10.6 Million as of September 30, 2016 to ₱15.8 Million as of September 30, 2017. This accounts for about 19.36% of the Company's total operating expenses as of September 30, 2017.

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, 2017 and 2016:

<b>Consolidated Cash Flows</b>	<b>For the 9 months ended September 30</b>		<b>Increase (Decrease)</b>	
	<b>2017</b>	<b>2016</b>	<b>Amount</b>	<b>%</b>
Net Cash from Operating Activities	₱ 195,718,512	₱ (95,300,487)	₱ 291,018,999	-305%
Net Cash from Investing Activities	(68,150,858)	(144,713,186)	76,562,328	-53%
Net Cash from Financing Activities	130,167,827	186,901,633	(56,733,806)	-30%

#### ***Operating Activities***

Net cash from operating activities of ₱196 Million as of September 30, 2017 are mainly from MOSC operations.

#### ***Investing Activities***

Net cash used for investing activities of ₱68.1 Million as of September 30, 2017 was from increase in Investment in Associates.

#### ***Financing Activities***

Net cash from financing activities of ₱130 Million as of September 30, 2017 represents ₱47 Million increase which was due to proceeds from subscription of share capital.

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

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

#### **(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.

*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, 2017, the Company has 746 shareholders. The common shares of the Company are being traded at the Philippine Stock Exchange, Inc. with the last closing price of P0.205 per share as of November 23, 2017.

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	4Q 2015	0.390	0.250
MG	1Q 2016	0.310	0.245
MG	2Q 2016	0.325	0.260
MG	3Q 2016	0.305	0.250
MG	4Q 2016	0.265	0.235
MG	1Q 2017	0.390	0.238
MG	2Q 2017	0.330	0.240
MG	3Q 2017	0.310	0.216

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

The Top 20 shareholders of the Corporation as of October 31, 2017 are as follows:

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Millennium Global Holdings, Inc.  
STOCK TRANSFER MODULE  
List of Top 20 Stockholders  
As of Oct 31, 2017

RANK	STOCKHOLDER NAME	Common	TOTAL SHARES	% OF O/S
1	PCD NOMINEE CORPORATION (FILIPINO)	1,293,502,534	1,293,502,534	51.740101 %
2	PCD NOMINEE CORPORATION (FOREIGN)	548,383,233	548,383,233	21.935329 %
3	CHI JEN YEH YANG	505,000,000	505,000,000	20.200000 %
4	ELITE HOLDINGS, INC.	55,052,300	55,052,300	2.202092 %
5	IPVG EMPLOYEES, INC.	38,000,000	38,000,000	1.520000 %
6	ROGER G. STONE	18,500,001	18,500,001	0.740000 %
7	OLEEN MIRANDA	6,000,000	6,000,000	0.240000 %
8	PAUL JOSEPH CUNNINGHAM	6,000,000	6,000,000	0.240000 %
9	JAIME ENRIQUE Y. GONZALEZ	5,141,530	5,141,530	0.205661 %
10	CHIH-HUI LI	5,000,000	5,000,000	0.200000 %
11	WILLY ONG DIZON OR NENE C. DIZON	3,500,000	3,500,000	0.140000 %
12	TRANSNATIONAL DIVERSIFIED CORP.	2,507,639	2,507,639	0.100306 %
13	ARNOLD CATANI	2,076,802	2,076,802	0.083072 %
14	E-STORE EXCHANGE.COM, INC.	1,763,080	1,763,080	0.070523 %
15	SRINIVAS POLISHETTY	1,461,761	1,461,761	0.058470 %
16	CHIH HUI LI	1,000,000	1,000,000	0.040000 %
17	REDIX INC.	856,889	856,889	0.034276 %
18	VICTOR TABLIGAN	190,140	190,140	0.007606 %
19	RUBIN M. HOJAS	189,790	189,790	0.007592 %
20	RODOLFO DILIG	181,040	181,040	0.007242 %
		2,494,306,739	2,494,306,739	99.772270 %

TOTAL NO. OF SHARES : 2,500,000,000  
TOTAL NO. OF DISTINCT STOCKHOLDERS : 746  
TOTAL NO. OF ACCOUNTS : 746

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

(5) Dividends

There is no dividend declaration in the last two (2) years. There is currently no restriction 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

On March 22, 2017, the Company approved the subscription by the Company's Chairman and President, Yang Chi Jen, to the remaining 365,785,000 unissued shares of the company at ₱0.20 per share amounting to a total of P73,157,000.

(7) Key Variable and Other Qualitative and Quantitative Factors

i. Any Known Trends, Events or Uncertainties (Material Impact on Liquidity)

There are no known trends, events or uncertainties that will have a material impact on the liquidity of the Corporation.

- ii. *Event that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation.*

There is no known event that will trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation.

- iii. *All 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.*

There is no material off-balance sheet transaction, arrangement, obligation and other relationship of the Company with unconsolidated entities or other persons created during the reporting period.

- iv. Description of any material commitments for capital expenditures, general purposes of such commitments, expected sources of funds for such expenditures.

There is no material commitment for capital expenditures.

- v. *Any Known Trends, Events or Uncertainties*

There are no known trends, events or uncertainties.

- vi. *Any Significant Elements of Income or Loss (from continuing operations)*

Apart from those which have been reported, there is no known significant element of income or loss from continuing operations.

- vii. *Causes of Any Material Changes from Period to Period of FS which shall include vertical and horizontal analyses of any material items (5%)*

Apart from those which have been reported, there are no other known significant material changes from period to period of FS.

- viii. *Seasonal Aspects that has Material Effect on the FS*

There are no known seasonal aspects that have material effect on the FS.

#### (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. 19, series of 2016, dated November 22, 2016, 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 Manual of Corporate Governance.

Furthermore, in compliance with SEC Memorandum Circular No. 20, series of 2016, dated December 8, 2016, the Corporation submitted its Annual Corporate Governance Report (ACGR) for 2016.

## **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.

On March 22, 2017, the Company approved the acquisition of 49% of Philippine 101 Hotel, Inc., a domestic corporation majority owned by Yang Chi Jen. To date, the terms of the acquisition are under negotiation.

On March 22, 2017, the Company also approved the acquisition of 49% of a Vietnamese seafood company. On May 31, 2017, the Company disclosed that it has signed the Deed of Absolute Sale of 49% Ownership and Control in Pacific Seafoods Company Limited ("PASECO"), a nonstock Vietnamese enterprise primarily engaged in aqua foods and products processing and preservation. The transaction price amounts to 17,150,000,000 VND.

## **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 13, 2016.
2. Audited Financial Statements for the year ended December 31, 2016.
3. Annual Report for the year ended December 31, 2016.



Approval of the Annual Report and the Audited Financial Statements for the year ended December 31, 2016 constitutes ratification by the stockholders of the Company's performance for 2016.

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

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

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

On February 1, 2017, the SEC approved the Company's application for decrease in authorized capital stock from P2.5 Billion to P250 Million and equity restructuring whereby additional paid-in capital of P1,920,793,500 has been approved to partially wipe out deficit as of December 31, 2015 in the amount of P2,845,049,107.

On March 20, 2017, the SEC approved the Company's application for further equity restructuring to partially wipe out the remaining deficit as of December 31, 2015 in the amount of P924,255,607 against the additional paid-in capital of P820,128,895.

On August 17, 2017, the Board of Directors approved to increase the authorized capital stock up to P10 Billion. 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. It is proposed that the details of the increase be delegated by the stockholders to the Board.

**18. Other Proposed Action**

All matters approved and acted upon by the Board of Directors and Officers after the Annual Stockholders' Meeting on December 13, 2016 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 13, 2016	Results of 2016 Annual Stockholders' Meeting and Organizational Meeting
February 8, 2017	SEC approval of the Company's application for decrease of authorized capital stock and equity restructuring. In view thereof, the present authorized capital stock of the Company becomes P250,000,000.00 and additional paid-in capital of P1,920,793,500.00 has been approved to partially wipe out deficit as of December 31, 2015 in the amount of P2,845,049,107.00.
March 21, 2017	SEC approval dated March 20, 2017 of the Company's application for further "equity restructuring to partially wipe out the deficit as of December 31, 2015 in the amount of P924,255,607.00 against the additional paid-in capital of P820,128,895".
March 22, 2017	Approval by the Board of the following: <ul style="list-style-type: none"> <li data-bbox="540 1791 1325 1892">• Subscription by the Company's Chairman and President, Yang Chi Jen, to the remaining 365,785,000 unissued shares of the Company at P0.20 per share amounting to a total of</li> </ul>

	<p>P73,157,000.00. The listing of the same with the Philippine Stock Exchange was also approved, as may be appropriate;</p> <ul style="list-style-type: none"> <li>• Increase of the authorized capital stock of the Company from P250 Million to P750 Million;</li> <li>• Subscription by Yang Chi Jen to at least 25% of the increase in authorized capital stock of the Company at P0.20 per share;</li> <li>• Acquisition by the Company of 49% of Philippine 101 Hotel, Inc., a domestic corporation majority owned by Yang Chi Jen; and</li> <li>• Acquisition by the Company of 49% of a Vietnamese seafood company.</li> </ul>
April 6, 2017	Approval of the 2016 Separate Audited Financial Statements
April 17, 2017	Approval of the 2016 Consolidated Audited Financial Statements
May 25, 2017	Approval of CG Manual
May 31, 2017	Signing by the Company of the Deed of Absolute Sale of 49% Ownership and Control in Pacific Seafoods Company Limited, a nonstock Vietnamese enterprise primarily engaged in aqua foods and products processing and preservation. The transaction price was 17,150,000,000.00 Vietnamese Dongs.
June 29, 2017	<p>Approval by the Board of the following:</p> <ul style="list-style-type: none"> <li>• Postponement of the annual stockholders' meeting of the Company which pursuant to its By-Laws should be held on the last Friday of June of every year. The postponement aims to give the Company sufficient time to prepare for the additional matters which may have to be presented to the stockholders. The Board shall convene at a later date to determine the exact date, time and venue of the annual stockholders' meeting as well as the record date.</li> <li>• Subscription to additional 117,091,837 primary shares of its subsidiary, MOSC, at par value of P1.00 per share, to maintain the Company's 51% ownership in MOSC.</li> </ul>
August 17, 2017	<p>Approval by the Board of the following:</p> <ul style="list-style-type: none"> <li>• Increase of the authorized capital stock of the Company from P250 Million up to P10 Billion, amending all previous board approvals relating to the matter; and</li> <li>• Acquisition of 81% of listed company Calata Corporation ("CAL") by subscribing to 2.5 Billion shares from CAL's increase in authorized capital stock.</li> </ul>
October 24, 2017	<p>Approval by the Board of the Company's final decision not to proceed with its planned acquisition of 81% of listed company CAL. The Company shall instead tap its other business opportunities and areas of growth to fortify its business within the country and abroad.</p> <p>With a firm handshake, the Company conveys its gratitude to CAL for having been given the opportunity to do business with the</p>

	latter.
October 26, 2017	The Board approved the holding of the Corporation's ASM on December 19, 2017. The record date is set on November 22, 2017. The venue and other details of the ASM shall be announced at a later date.
November 9, 2017	<p>The Board approved the appointment of a new stock transfer agent, STOCK TRANSFER SERVICE, INC. ("Stock TSI"), effective December 20, 2017 to replace its present stock transfer agent, SECURITIES TRANSFER SERVICES, INC. ("Securities TSI").</p> <p>This is in light of the notification received by the Company from Securities TSI terminating the December 4, 2015 Stock Transfer Agreement between the parties as part of the latter's efforts to "drastically scale down its business preparatory to a possible temporary suspension or cessation of operations". The Company's Stock Transfer Agreement with Securities TSI shall be effective until December 19, 2017.</p>

There are no other proposed actions for the annual stockholders meeting.

## 19. Voting Procedures

Except in cases where a higher vote is required under the 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 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 under the Corporation Code (as well as the required vote for approval under the Corporation Code):

- (a) Amendment of articles of incorporation – vote (or written assent) of at least 2/3 of outstanding capital stock (Corporation Code, sec. 16);
- (b) Election of directors – vote of stockholders representing at least a majority of the outstanding capital stock (Corporation Code, sec. 24);
- (c) Removal of directors – vote of stockholders holding or representing 2/3 of the outstanding capital stock (Corporation Code, sec. 28);
- (d) Ratifying a contract of a director/officer with the corporation – vote of stockholders representing at least 2/3 of the outstanding capital stock (Corporation Code, sec. 32);
- (e) Extending or shortening the corporate term – vote of stockholders representing at least 2/3 of the outstanding capital stock (Corporation Code, sec. 37);
- (f) Increase or decrease of the capital stock – vote of stockholders representing at least 2/3 of the outstanding capital stock (Corporation Code, sec. 38);
- (g) Incurring, creating or increasing bonded indebtedness – vote of stockholders representing at least 2/3 of the outstanding capital stock (Corporation Code, sec. 38);
- (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 (Corporation Code, sec. 40);
- (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 (Corporation Code, sec. 42);

- (j) Issuance of stock dividends – vote of stockholders representing at least 2/3 of the outstanding capital stock (Corporation Code, sec. 43);
- (k) Execution of management contracts – vote of stockholders representing at least a majority of the Outstanding capital stock (Corporation Code, sec. 44);
- (l) Adoption of by-laws – vote of stockholders representing at least a majority of the outstanding capital stock (Corporation Code, Sec. 46);
- (m) Amendment or repeal of by-laws – vote of stockholders representing at least a majority of the Outstanding capital stock (Corporation Code, Sec. 48);
- (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 (Corporation Code, Sec. 48);
- (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 (Corporation Code, sec. 48);
- (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 (Corporation Code, Sec. 62);
- (q) Approval or amendment of a plan of merger or consolidation – vote of stockholders representing at least 2/3 of the outstanding capital stock (Corporation Code, Sec. 77);
- (r) Dissolution of a corporation – vote of stockholders representing at least 2/3 of the outstanding capital stock (Corporation Code, Sec. 77);

During meetings, only stockholders who hold voting shares may vote. Thus, holders of non-voting shares generally cannot vote. However, the 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 Corporation Code; and
- (h) Dissolution of the corporation.

A stockholder may vote: (1) directly (i.e., in person); 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. (Corporation Code, Sec. 55). 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. (Corporation Code, Sec. 56).

Except in cases where voting by ballot is applicable, voting and counting shall be viva voce (voting by speech). If by ballot, the counting shall be supervised by the external auditors by the external auditors and transfer agent of the Corporation.

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 direction. A stockholder may vote such number of shares for as many persons as there are directors to be elected or he may cumulative 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 except 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 independents 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 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 Corporation is required to submit to the Commission. The name of the person or group of person 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 Audited Financial Statements and/or the Interim Report (SEC Form 17-Q) upon written request of the shareholder addressed to:

The Corporate Secretary  
Millennium Global Holdings, Inc.  
c/o Blk 1 Lot 1, Dahlia St. corner J.P. Rizal St., Sto. Niño,  
Paranaque City  
Tel. #: (02) 551-2575

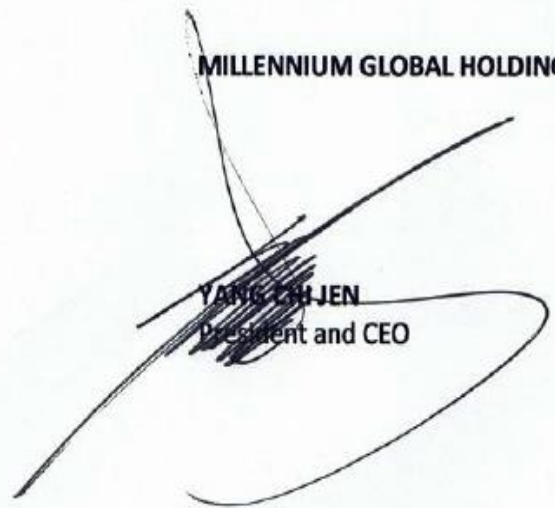
Please note that soft copies of the above reports are available on the PSE EDGE portal at <http://edge.pse.com.ph/under Millennium Global Holdings, Inc. company filings>.

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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 24 2017.

MILLENNIUM GLOBAL HOLDINGS, INC.

  
YANG CHIEN  
President and CEO

PROXY

**MILLENNIUM GLOBAL HOLDINGS, INC.  
Annual Meeting of the Stockholders  
December 19, 2017**

THE COMPANY 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 submit the same to the Company (c/o The Corporate Secretary, Blk 1 Lot 1, Dahlia St. corner J.P. Rizal St., Sto. Niño, Parañaque City) Tel. #: (632) 551-2575 on or before December 13, 2017.

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

\_\_\_\_\_

or, in his absence, The Chairman of the Corporation or, in his absence, the 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 19, 2017 at 1:30 P.M.** at the **VIP Lounge, 2<sup>nd</sup> Flr, Midas Hotel and Casino, 2702 Roxas Boulevard, Pasay City**, and any postponements or adjournment(s) thereof, as fully and to all intents and purposes as I might or could if present and voting in person, hereby ratifying and confirming any and all action taken on matters which may properly come before such meeting or adjournment(s) thereof.

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

\_\_\_\_\_

Printed Name of Stockholder

\_\_\_\_\_

Signature of Stockholder or Authorized Signatory

**[N.B. Partnerships, Corporations and Associations must attach certified resolutions thereof designating Proxy/Representative and Authorized Signatories. Representatives must likewise present their valid identification cards.]**