

# COVER SHEET

A S O 9 4 0 0 1 4 2 0  
SEC Registration Number

F I R S T A B A C U S F I N A N C I A L  
H O L D I N G S C O R P O R A T I O N

(Company's Full Name)

2 9 0 4 - A E A S T T O W E R T E K T I T E  
T O W E R S E X C H A N G E R O A D , O R T I G A S  
C E N T E R , P A S I G C I T Y

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

MARIEL ANGELI R. QUINES

8632-0905  
Company Telephone Number

1 2 3 1  
Month Day  
Fiscal Year

29-Sep-22  
Annual Meeting

Definitive Information Statement (SEC Form 20-IS)

Form Type

Secondary License Type, if applicable

Department Requiring this Doc.

Amended Articles Number/Section

Total No. of Stockholders

Total Amount of Borrowings  
Domestic Foreign

To be Accomplished by SEC Personnel Concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

Remarks = pls. use black ink for scanning purposes

## NOTICE OF ANNUAL STOCKHOLDERS' MEETING

**TO: ALL STOCKHOLDERS**

NOTICE is hereby given that there will be an annual meeting of the stockholders of **FIRST ABACUS FINANCIAL HOLDINGS CORPORATION** (the "Corporation") on **Thursday, 29 September 2022** at **10:00 A.M.**, to consider the following:

### AGENDA

1. Call to Order
2. Proof of Notice of Meeting
3. Certification of Quorum
4. Approval of the Minutes of the Previous Annual Stockholders' Meeting
5. President's Report and Presentation of 2021 Financial Statements
6. Ratification of all Acts of the Board of Directors and Officers
7. Election of Directors
8. Appointment of External Auditor
9. Other Matters
10. Adjournment

In light of the COVID-19 pandemic resulting in the imposition of government regulations limiting mobility and mass gatherings, the meeting will be conducted virtually, and can be accessed at the link which will be provided to stockholders after successful registration.

In accordance with the rules of the Philippine Stock Exchange, the close of business on **30 August 2022** has been fixed as the record date for the determination of the stockholders entitled to notice of and vote at said meeting and any adjournment thereof.

Stockholders may attend the meeting and/or cast their vote in absentia by registering via e-mail at [corporatesecretary@abacus-sec.com](mailto:corporatesecretary@abacus-sec.com) on or before 5:00 p.m. on 23 September 2022. Upon verification of their registration credentials, an e-mail from the Corporation will be sent containing instructions on how the registered online participants may access and watch the live stream of the annual stockholders' meeting and/or cast their votes on matters to be taken up during the meeting using the e-voting platform to be set up for the purpose. The e-voting platform will be accessible until 8:00 A.M. of 29 September 2022. Participants may send in questions or remarks via e-mail. Please see attached Guidelines for Participating via Remote Communication and Voting *in absentia*.

Stockholders may also send their duly accomplished proxies to the Office of the Corporate Secretary at 2704 East Tower, Philippine Stock Exchange Centre, Ortigas Center, Pasig City or via electronic copy by sending an e-mail to [corporatesecretary@abacus-sec.com](mailto:corporatesecretary@abacus-sec.com) on or before 5:00 P.M. on 23 September 2022. For corporate stockholders, the proxies should be accompanied by a Secretary's Certification on the appointment of the corporation's authorized signatory.

Validation of proxies is set on 26 September 2022. The votes already cast using the e-voting platform by that time will also be verified on said date.

City of Pasig, Metro Manila, 06 September 2022.



**MARIEL ANGELI R. QUINES**  
Corporate Secretary

## **RATIONALE FOR AGENDA ITEMS**

### **Agenda Item No. 4. Approval of the Minutes of the Previous Meeting of Stockholders held on 30 September 2021**

Copies of the Minutes of the 30 September 2021 Annual Stockholders' Meeting is currently posted on the Corporation's website (<http://firstabacusfinancial.com.ph>) and can be viewed at any time. Stockholders will be asked to approve the Minutes of the 2021 Annual Stockholders' Meeting.

### **Agenda Item No. 5. Approval of 2021 Operations and Results**

A report on the highlights of the financial performance of the Corporation for the year ended 2021 will be presented to the stockholders. The same was reviewed by the Audit Committee and the Board of Directors, and have been audited by the external auditors who declared an unqualified opinion on the Audited Financial Statements (AFS). A summary of the 2021 AFS shall also be presented to the stockholders. Stockholders, after identifying themselves, will be given an opportunity to raise questions regarding the operations and report of the Corporation.

### **Agenda Item No. 6. Ratification of all Acts of the Board of Directors and Management from the date of the last Annual Stockholders' Meeting to the date of this meeting**

All actions, proceedings and contracts entered into, as well as resolutions made and adopted by the Board of Directors and of Management from the date of the Stockholders Meeting held on 30 September 2021 to the date of this meeting shall be presented for confirmation, approval, and ratification. The items covered with respect to the ratification of the acts of the Board of Directors and officers for the past year up to the date of the meeting are those items entered into in the ordinary course of business.

### **Agenda Item No. 7. Election of Directors for 2022 to 2023**

The candidates named in this Information Statement, as reviewed, qualified and recommended by the Corporate Governance Committee have been nominated for election to the Corporation's Board of Directors. Their proven expertise and qualifications, based on current regulatory standards and the Corporation's own criteria, will help sustain the Company's solid performance that will result to its stockholders' benefit. The profiles of the Directors are available in this Information Statement. If elected, they shall serve as such for one (1) year from 29 September 2022 or until their successors shall have been duly elected and qualified.

### **Agenda Item No. 8. Appointment of External Auditors**

The Audit Committee has pre-screened and recommended, and the Board has endorsed for consideration of the stockholders, the re-appointment of Punongbayan & Araullo as the Corporation's External Auditor for 2022. Punongbayan & Araullo is one of the most reputable auditing firms in the country and is duly accredited by the Securities and Exchange Commission. The stockholders will also be requested to delegate to the Board the authority to approve the appropriate audit fee for 2022.

## PROXY FORM

The undersigned stockholder of **First Abacus Financial Holdings Corporation** (the "Company") hereby appoints the Chairman of the meeting, as attorney and proxy, with power of substitution, to represent and vote all shares registered in his/her/its name as proxy of the undersigned stockholder, at the Annual Meeting of Stockholders of the Company on 29 September 2022 and at any of the adjournments thereof for the purpose of acting on the following matters:

**1. Election of Directors.**

- \_\_\_ 1.1. Vote for all nominees listed below:
- 1.1.1.1. Paulino S. Soo
  - 1.1.1.2. Jimmy S. Soo
  - 1.1.1.3. Maria Cristina B. Encarnacion
  - 1.1.1.4. Ma. Therese G. Santos
  - 1.1.1.5. Anna Francesca C. Respicio
  - 1.1.1.6. Alden Alfonso M. Castaneda (Independent Director)
  - 1.1.1.7. Maria Rita Cecilia Pangilinan - Arenas (Independent Director)

- \_\_\_ 1.2. Withhold authority for all nominees listed above  
\_\_\_ 1.3. Withhold authority to vote for the nominees listed below:

\_\_\_\_\_  
\_\_\_\_\_

- 2. Approval of minutes of previous Annual Stockholders' Meeting.**      \_\_\_ Yes    \_\_\_ No    \_\_\_ Abstain
- 3. Approval of 2021 Operations and Results.**                              \_\_\_ Yes    \_\_\_ No    \_\_\_ Abstain
- 4. Ratification of all acts and resolutions of the Board of Directors and Management from date of last Stockholders' Meeting to 29 September 2022.**      \_\_\_ Yes    \_\_\_ No    \_\_\_ Abstain
- 5. Election of Punongbayan & Araullo as external auditor.**              \_\_\_ Yes    \_\_\_ No    \_\_\_ Abstain
- 6. At their discretion, the proxies named above are authorized to vote upon such other matters as may be properly come before the meeting.**      \_\_\_ Yes    \_\_\_ No    \_\_\_ Abstain

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

\_\_\_\_\_  
Signature of Stockholder / Authorized Signatory

\_\_\_\_\_  
Date

\* Where a representative will sign on behalf of a stockholder, this ballot/proxy shall be submitted with a duly executed Special Power of Attorney showing the authority of the signatory to sign on behalf of the stockholder. For corporate stockholders, a Corporate Secretary's Certification, certifying the representative's authority as proxy to sign the ballot on behalf of the corporation, must accompany this ballot/proxy. A stockholder voting by proxy has the power to revoke the proxy at least ONE (1) day before the meeting. Notarization of this ballot/proxy is not required.

**THIS PROXY FORM SHOULD BE RECEIVED BY THE CORPORATE SECRETARY AT LEAST THREE (3) DAYS BEFORE THE DATE SET FOR THE ANNUAL MEETING AS PROVIDED IN THE BY-LAWS.**

THIS BALLOT/PROXY, WHEN PROPERLY EXECUTED, WILL BE VOTED IN THE MANNER AS DIRECTED HEREIN BY THE STOCKHOLDER. IF NO SPECIFIC DIRECTION IS MADE FOR THE ELECTION OF THE NOMINEES, THIS PROXY WILL BE VOTED IN FAVOR OF THE ELECTION OF ALL NOMINEES. IF NO DIRECTION IS MADE (I) FOR ANY OF THE OTHER AGENDA ITEMS, THIS PROXY WILL BE VOTED FOR THE APPROVAL OF THE RELEVANT MATTER STATED; AND (II) FOR ALL OTHER MATTERS AS MAY PROPERLY COME BEFORE THE MEETING. THIS PROXY WILL BE VOTED IN THE MANNER DESCRIBED IN THE INFORMATION STATEMENT AND/OR AS RECOMMENDED BY THE BOARD OF DIRECTORS.

**SECRETARY’S CERTIFICATE**

I, \_\_\_\_\_, Filipino, of legal age and with office address at \_\_\_\_\_, do hereby certify that:

1. I am the duly elected and qualified Corporate Secretary of \_\_\_\_\_ (the “Corporation”), a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with office address at \_\_\_\_\_;

2. Based on the records, during the lawfully convened meeting of the Board of Directors of the Corporation held on \_\_\_\_\_, the following resolution was passed and approved:

“RESOLVED, That the Chairman of the Stockholders’ Meeting of **First Abacus Financial Holdings Corporation (“FAFHC”)** be authorized and appointed, as he is hereby authorized and appointed, as the Corporation’s Proxy (the “Proxy”) to attend all meetings of the stockholders of FAFHC whether the meeting is regular or special, or at any meeting postponed or adjourned therefrom, with full authority to vote the shares of stock of the Corporation held in FAFHC and to act upon all matters and resolution that may come before or presented during meetings, or any adjournments thereof, in the name, place and stead of the Corporation.

“RESOLVED, FINALLY, That FAFHC be furnished with a certified copy of this resolution and FAFHC may rely on the continuing validity of this resolution until receipt of written notice of its revocation.”

3. The foregoing resolution has not been modified, amended or revoked in accordance with the records of the Corporation presently in my custody.

IN WITNESS WHEREOF, I have signed this instrument in \_\_\_\_\_ on \_\_\_\_\_..

\_\_\_\_\_  
Printed Name and Signature of  
the Corporate Secretary

**SUBSCRIBED AND SWORN TO BEFORE ME** on \_\_\_\_\_ in \_\_\_\_\_ . Affiant exhibited to me his Competent Evidence of Identity by way of \_\_\_\_\_ issued on \_\_\_\_\_ at \_\_\_\_\_ .

Doc. No. \_\_\_\_\_;  
Page No. \_\_\_\_\_;  
Book No. \_\_\_\_\_;  
Series of 2022.

## **Guidelines for Participating via Remote Communication and Voting in Absentia**

The 2022 Annual Stockholders' Meeting (ASM) of First Abacus Financial Holdings Corporation (the "Corporation") will be held on 29 September 2022 at 10:00 am, and the Board of Directors of the Corporation has fixed the end of trading hours of the Philippine Stock Exchange, Inc. on 30 August 2022 ("Record Date") as the record date for the determination of stockholders entitled to notice, to attend, and to vote at such meeting and any adjournment thereof. In view of the continuing mobility restrictions and prohibition on mass gatherings due to the public health emergency, the Board of Directors of the Company has approved authorized stockholders to participate in the ASM via remote communication and to exercise their right to vote in absentia or by proxy.

### **REGISTRATION**

The conduct of the meeting will be streamed live, and stockholders may attend the meeting by registering until 23 September 2022 at 5:00 p.m. by submitting the following requirements and documents to [corporatesecretary@abacus-sec.com](mailto:corporatesecretary@abacus-sec.com) subject to verification and validation:

#### **1. Individual Stockholders**

1.1. Clear digital copy of the front and back portion of a valid government-issued identification card/s (ID/s), which include the passport, driver's license, SSS ID, senior citizen ID, among others in order to validate the registration of the shareholder

1.2. Stock certificate number

1.3. Active e-mail address/es

1.4. Active contact number/s, with area and country codes

#### **2. Multiple Stockholders or with joint accounts**

2.1. Clear digital copy of the front and back portion of a valid government-issued identification card/s (ID/s), which include the passport, driver's license, SSS ID, senior citizen ID, among others in order to validate the registration of the shareholders

2.2. Stock certificate number/s

2.3. Active e-mail addresses of the stockholders

2.4. Active contact numbers, with area and country codes

2.5. Digital copy of an authorization letter executed by all named holders, authorizing a holder to vote for and on behalf of the account

#### **3. Corporate Stockholders**

3.1. Digital copy of the Secretary's Certificate (or equivalent for non-resident) attesting to the authority of the representative to vote for and on behalf of the corporation

3.2. Clear digital copy of the front and back portion of a valid government-issued identification card/s (ID/s), which include the passport, driver's license, SSS ID, senior citizen ID, among others to validate the registration of the authorized representative

3.3. Active e-mail address/es of the authorized representative

3.4. Active contact number of an authorized representative, with area and country codes

#### 4. PCD Participants/Brokers

- 4.1. Digital copy of the Secretary's Certificate (or equivalent for non-resident) attesting to the authority of the representative to vote for and on behalf of the PCD participant/broker
- 4.2. Digital copy of the certificate of shareholdings issued by the PCD/broker
- 4.3. Clear digital copy of the front and back portion of a valid government-issued identification card/s (ID/s), which include the passport, driver's license, SSS ID, senior citizen ID, among others to validate the registration of the authorized representative
- 4.4. Active e-mail address/es of the authorized representative
- 4.5. Active contact number of the authorized representative, with area and country codes

#### **ONLINE VOTING**

1. Log-in to the voting portal by clicking the link, and using the log-in credentials, sent to the email address of the shareholder to the Company.
2. Upon accessing the portal, the stockholder can vote on each agenda item. A brief description of each item for stockholders' approval are appended to the Notice of Meeting.
  - 2.1 A stockholder has the option to vote "Yes", "No", or "Abstain" on each agenda item for approval.
  - 2.2 For the election of directors, the stockholder has the option to vote for all nominees, withhold vote for any of the nominees, or vote for certain nominees only.
3. Once the stockholder has finalized his vote, he can proceed to submit his vote by clicking the "Submit" button.
4. The stockholder can still change and re-submit votes, provided, such new votes are submitted within the Voting Period using the same log-in credentials. Previous votes will be automatically overridden and replaced by the system with the new votes cast.

*Note:* A stockholder may vote such number of his/her 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 (7 directors) 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 shall not exceed the number of shares owned by the stockholder.

#### **ASM LIVESTREAM**

The ASM will be broadcasted live and stockholders who have successfully registered will be provided access to participate via remote communication. Instructions on how to access the livestream will be sent to their emails upon registration.

#### **OPEN FORUM**

During the virtual meeting, after all items in the agenda have been discussed, the Company will have the Question and Answer Portion, during which, the meeting's moderator will read and where representatives of the Company shall answer questions and comments received from stockholders, as time will allow. Stockholders may send their questions in advance by sending an email bearing the subject "Questions for ASM 2022" to [corporatesecretary@abacus-sec.com](mailto:corporatesecretary@abacus-sec.com) on or before 10:00 am on 29 September 2022. Questions/comments received but not entertained during the Open Forum due to time constraints will be addressed separately by the Company via email.

**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: **FIRST ABACUS FINANCIAL HOLDINGS CORPORATION**
3. Province, country or other jurisdiction of incorporation or organization: **METRO MANILA**
4. SEC Identification Number : **ASO94-001420**
5. BIR Tax Identification No: **043-003-507-219**
6. Address of Principal Office : **Unit 2901A East Tower, PSE Centre, Exchange Road, Pasig City**
7. Registrant's telephone number, including area code: **(+632) 8667-8900**
8. Date, time and place of the meeting of security holders:  
  

<b>Date</b>	-	<b>29 September 2022</b>
<b>Time</b>	-	<b>10:00 AM</b>
<b>Place</b>	-	<b>Video conferencing facility in accordance with SEC Memorandum Circular No. 6, Series of 2020, at Unit 2901A East Tower, PSE Centre, Exchange Road, Pasig City</b>
9. Approximate date on which the Information Statement is first to be sent or given to security holders: **08 September 2022**
10. Securities registered pursuant to Sections 8 and 12 of the Code

<b><u>Title of Each Class</u></b>	<b><u>Number of Shares of Common Stock Outstanding as of 31 July 2022</u></b>
Common stock, ₱1.00 par value	1,193,200,000

11. Are any or all of these securities listed on a stock exchange

**Yes ( X )**                      **No ( )**

If yes, disclose the name of such Stock Exchange and Class of Securities listed therein:  
**Philippine Stock Exchange Common Stock**



## GENERAL INFORMATION

### Date, time and place of meeting of security holders:

- A.**
- |                     |   |                                                                                                                                                      |
|---------------------|---|------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Date and Day</b> | - | 29 September 2022, Thursday                                                                                                                          |
| <b>Time</b>         | - | 10:00 AM                                                                                                                                             |
| <b>Place</b>        | - | Video conferencing in accordance with SEC Memorandum Circular No. 6, Series of 2020, at Unit 2901A East Tower, PSE Centre, Exchange Road, Pasig City |
- B.** The approximate date on which this Information Statement will be sent or given to security holders is on **08 September 2022**.

The complete mailing address of First Abacus Financial Holdings Corporation (referred to herein alternatively as the “Registrant”, the “Company” or the “Corporation”) is:

**Unit E-2901A East Tower, PSE Center, Exchange Road, Ortigas Complex, Pasig City.**

### Dissenters’ Appraisal Right

The Revised Corporation Code of the Philippines, specifically Sections 41 and 80 thereof, gives to a dissenting stockholder who votes against certain corporate actions specified by law, the right to demand payment of the fair market value of their shares, commonly referred to as Appraisal Right.

The following are the instances provided by law when dissenting stockholders can exercise their Appraisal Right:

1. In case any amendment to the Articles of Incorporation has the effect of changing or restricting the rights of any stockholder or class of shares, or of authorizing preferences in any respect superior to those outstanding shares of any class, or of extending or shortening the term of corporate existence;
2. In case of sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets as provided in the Revised Corporation Code;
3. In case of investment of funds by the Company in any other corporation or business or for any purpose other than the primary purpose for which the Company was organized; and
4. In case of merger or consolidation.

Under Section 81 of the Revised Corporation Code, the appraisal right may be exercised by any stockholder who shall have voted against the proposed corporate action, by making a written demand on the Company within thirty (30) days after the date on which the vote was taken for payment of the fair value of his shares. However, failure to make the demand within such period shall be deemed a waiver of the appraisal right. If the proposed corporate action is implemented or effected, the Company shall pay to such stockholder, upon surrender of the certificate or certificates of stock representing his shares, the fair value thereof as of the day prior to the date on which the vote was taken, excluding any appreciation or depreciation in anticipation of such corporate action.

If within a period of sixty (60) days from the date the corporate action was approved by the stockholders, the withdrawing stockholder and the Company cannot agree on the fair value of the shares, it shall be determined and appraised by three (3) disinterested persons, one of whom shall be

named by the stockholder, another by the Company, and the third by the two thus chosen. The findings of the majority of the appraisers shall be final, and their award shall be paid by the Company within thirty (30) days after such award is made, provided that no payment shall be made to any dissenting stockholder unless the Company has unrestricted retained earnings in its books to cover such payment, and that upon payment by the Company of the agreed or awarded price, the stockholder shall forthwith transfer his shares to the Company.

There is no matter or item to be submitted to a vote or acted upon in the Annual Stockholders' Meeting of the Company which falls under the instances provided by law when dissenting stockholders can exercise their Appraisal Right.

### **Interest of Certain Persons in or Opposition to Matters to be Acted Upon**

None of the present directors and officers, nominees for election as director of the Company and any associates thereof has any substantial interest, direct or indirect, in any matter to be acted upon, other than their election as director for the year 2022-2023.

None of the directors of the Company has informed the Company in writing that he intends to oppose any action to be taken by the Company at the meeting.

## **CONTROL AND COMPENSATION INFORMATION**

### **A. Voting Securities and Principal Holders Thereof**

#### **Number of Shares Outstanding**

The Company has 1,193,200,000 outstanding common shares as of **31 August 2022**. A total of 1,143,129,999 common shares were issued to Filipino stockholders and 50,070,001 common shares were issued to foreign stockholders.

Each common share shall be entitled to one vote with respect to all matters to be taken up during the annual stockholders' meeting on **29 September 2022**.

#### **Record Date**

The record date fixed for determining the stockholders entitled to notice of and to vote during the annual stockholders' meeting is on **30 August 2022**.

#### **Voting Rights**

During the Annual Stockholders' Meeting, stockholders shall be entitled to elect seven (7) directors. In accordance with Section 23 of the Revised Corporation Code, each stockholder may vote such number of shares for as many as seven (7) persons he or she may choose to be elected from the list of nominees, or he or she may cumulate said shares and give one candidate as many votes as the number of his or her shares multiplied by seven (7) shall equal, or he or she may distribute his or her votes on the same principle among as many candidates as he or she shall see fit, provided that the total number of votes cast shall not exceed the number of shares owned by him or her multiplied by seven (7).

### **Security Ownership of Certain Beneficial Owners and Management**

- **Security Ownership of Certain Beneficial Owners**

As of **31 August 2022**, the Company knows of no one who beneficially owns more than 5% of its common stock except as set forth in the table below:

### Securities and Principal Holders

CLASS	NAME & ADDRESS OF RECORD OWNER AND RELATIONSHIP WITH ISSUER	NAME & ADDRESS OF BENEFICIAL OWNER AND RELATIONSHIP WITH RECORD OWNER	CITIZENSHIP	NUMBER OF SHARES	% HELD
Common	PCD Nominee Corp.* 2 <sup>nd</sup> Floor Makati Stock Exchange, Ayala Avenue, Makati City; stockholder		Filipino	845,878,000	70.89
Common	Paulino S. Soo (record and beneficial) Chairman and President of Issuer  29 <sup>th</sup> Floor East Tower, PSE Center, Exchange Road, Pasig City;	(same as record owner)	Filipino	133,000,000	11.15
Common	Abacus Capital and Inv. Corp. ** (record and beneficial); Subsidiary and Stockholder 29 <sup>th</sup> Floor East Tower PSE Centre, Exchange Road, Pasig City	(same as record owner)	Filipino	59,644,000	4.99

\*PCD Nominee Corporation ("PCDNC") is a wholly-owned subsidiary of the Philippine Central Depository Inc. ("PCD"). The beneficial owners of such shares registered under the name of PCDNC are PCD's participants, who hold the shares in their behalf or on behalf of their clients. No single PCD participant currently owns more than 5% of the Corporation's shares forming part of the PCDNC account except **Abacus Securities Corporation**, the holder of 534,534,341 common shares of the Corporation, equivalent to about 44.80% of the Corporation's outstanding capital stock and **Quality Investments & Securities**, the beneficial owner of 93,114,000 common shares of the Corporation equivalent to about 7.8% of the Corporation's outstanding capital stock.

\*\*Mr. Paulino S. Soo, Chairman of Abacus Capital and Investment Corporation, directs the voting/disposition of shares held by Abacus Capital and Investment Corporation and First Abacus Financial Holding Company.

- **Security Ownership of Directors and Executive Officers**

The following table shows the shares beneficially owned by the directors and executive officers

TITLE OF CLASS	NAME AND ADDRESS OF BENEFICIAL OWNER	AMOUNT AND NATURE OF BENEFICIAL OWNERSHIP		CITIZENSHIP	% OF CLASS
		[record (r) or beneficial (b)]			
Common	Paulino S. Soo 29 <sup>th</sup> Floor East Tower, PSE Center, Exchange Road, Pasig City	133,000,000	r/b	Filipino	11.14
Common	Jimmy S. Soo 5 <sup>th</sup> Floor Sage House V.A. Rufino St., Legaspi Village, Makati City	10,010,000	r/b	Filipino	0.83
Common	Ms. Maria Cristina B. Encarnacion 2008 Madison Suites, Pioneer Highlands, Mandaluyong City	1,000	r/b	Filipino	0.00
Common	Ma. Theresa G. Santos 29 <sup>th</sup> Floor East Tower, PSE Center, Exchange Road, Pasig City	10,000	r/b	Filipino	0.00
Common	Anna Francesca C. Respicio No. 4 Don Renato Street, Don Enrique Heights, Quezon City	1,000	r/b	Filipino	0.00
Common	Alden Alfonso M. Castañeda Unit 2604 Paragon Plaza, EDSA cor. Reliance, Mandaluyong, Metro Manila	1,000	r/b	Filipino	0.00
Common	Maria Rita Cecilia P. Arenas 7 Kapiligan Drive, Ayala Greenfield Estates, Barangay Maunong, Calamba, Laguna	1,000	r/b	Filipino	0.00
Common	All directors and executive officers as group	143,024,000	r/b	Filipino	11.97

- **Voting Trust Holders of 5% or More**

The Company is not aware of any party holding any voting trust or similar arrangement for 5% or more of the Company’s voting securities.

- **Changes in Control**

The Company is not aware of any arrangements that may result in a change of control of the Company. There have been no changes in control since the beginning of the last fiscal year.

## **B. Directors and Executive Officers**

### **Director, Executive Officers, Promoters and Control Persons**

The following are the incumbent directors and principal officers of the Company:

<b>Name</b>	<b>Age</b>	<b>Office</b>	<b>Period of Service</b>	<b>Citizenship</b>
Paulino S. Soo	71	Chairman /CEO	1994 to present	Filipino
Jimmy S. Soo	64	Director	1995 to present	Filipino
Maria Cristina Encarnacion	64	Director	2017 to present	Filipino
Ma. Theresa G. Santos	64	Director	2006 to present	Filipino
Anna Francesca C. Respicio	37	Director	2021 to present	Filipino
Alden Alfonso M. Castañeda	64	Independent Director	2021 to present	Filipino
Maria Rita Cecilia Pangilinan-Arenas	65	Independent Director	2021 to present	Filipino
Mariel Angeli R. Quines	28	Corporate Secretary	2021 to present	Filipino

### **Board of Directors**

The present members of the Board of Directors (“BOD”) were elected during the annual stockholders’ meeting held on 30 September 2021. The term of the current members of the BOD shall be until the next stockholders’ meeting on 29 September 2022.

Upon recommendation of the Company’s Corporate Governance Committee (composed of Ms. Maria Rita Cecilia P. Arenas [Chairman], Mr. Alden Alfonso M. Castañeda, and Mr. Paulino Soo) as required by the Company’s Manual of Corporate Governance, the following persons are nominated for election as directors for the year 2022 to 2023, to hold office as such for one year or until their successors shall have been duly elected and qualified.

The nominees for election to the Board of Directors are as follows:

- Paulino S. Soo
- Jimmy S. Soo
- Maria Cristina B. Encarnacion
- Ma. Therese G. Santos
- Anna Francesca C. Respicio

The nominees for election as independent directors of the Board of Directors, pursuant to Section 38 of the Securities Regulation Code, are as follows:

- Alden Alfonso M. Castañeda Nominated by Vicente Co Chien
- Maria Rita Cecilia P. Arenas Nominated by A. Bayani K. Tan

Except as co-stockholders of the Corporation, the nominees for Independent Directors are not related to the persons nominating them.

Copies of the respective updated Certifications of Qualifications of Independent Director are attached hereto as Annex “C” and Annex “D”.

The respective backgrounds of the nominees as members of the Board of Directors for 2022 to 2023, indicating their business experiences are likewise provided below:

***Mr. Paulino S. Soo – Director***

Mr. Soo holds a Master in Business Administration degree from the University of Pittsburgh Graduate School of Business and Bachelor of Science degree in Industrial Management Engineering from the De La Salle College. He is the President of Philippine Gaming Management Corporation, Berjaya Pizza Phils. Inc., Perdana Land Philippines Inc., Perdana Hotel Philippines Inc., Cosway Philippines Inc., and Bagan Resources PTE Inc.

Mr. Soo is a Director of Bermaz Auto Philippines Inc. He is the Treasurer of Kailash PMN Management Corporation.

He is Chairman of Abacus Securities Corporation and Abacus Capital & Investment Corporation (1994-present), and Vista Holdings Corporation (1994 - present).

***Atty. Jimmy S. Soo – Director***

Atty. Soo is a Director of the Company. He obtained his Bachelor of Laws degree from the University of the Philippines and was admitted to the Philippine Bar in 1985. He is the Managing Partner of Soo Gutierrez Leogardo and Lee Law Offices (1992-present). He is currently the Corporate Secretary and a Director of Abacus Capital & Investment Corporation (1995-present) and Vista Holdings Corporation. He is also a Director of Berjaya Pizza Philippines, Inc. He is also an Executive Officer, and/or Director and/or Corporate Secretary of various companies.

***Ms. Maria Cristina B. Encarnacion – Director***

Ms. Maria Cristina B. Encarnacion, is an incumbent Director of the Company. She has been Chairman and President of Where At Freezines, Inc. since 2010. She is an Editor and/or Writer, and Contributor of several lifestyle books. She is Editor of WhereAt Cebu, and a Contributor to Metro Society and lifestyle publications. She has been a Director of AsiaPhil Manufacturing Industries, Inc. since 1980, and was Chairman from 1993 to 2008. She was Governor of the Society of Philippine Electrical Contractors & Suppliers, Inc. (SPECS) from 1990-2002, and was Executive Vice President of SPECS in 2002. She was Secretary General of the ASEAN Federation of Electrical Engineering Contractors from 2004 to 2007. Ms. Encarnacion received her Bachelor of Science (Statistics) degree from the University of the Philippines, Diliman (1978).

***Ms. Ma. Therese G. Santos – Director***

Ms. Santos is an incumbent Director of the Company. She is concurrently a director, stockholder, and administrator of Gravitas Prime. She is likewise an independent director of Crown Asia Chemicals

Corporation. She previously served as CFO, and after her resignation, as Independent Director and Chairman of the Audit Committee of Music Semiconductors Corporation. She also served as Director and Chairman of the Risk Management Committee of both Rural Bank of Solano (Nueva Vizcaya), Inc. and Cordillera Savings and Loan Association.

Ms. Santos holds a Masters Degree in Business Administration and Bachelor of Science degree in Chemical Engineering from the University of the Philippines Diliman. She is a licensed Chemical Engineer.

***Atty. Anna Francesca C. Respicio – Director***

Atty. Respicio is an incumbent Director of the Company. She is the Corporate Secretary of the following reporting and/or listed companies: I-Remit, Inc. (2013 to date), Jolliville Holdings Corporation (2014 to date), Discovery World Corporation (2017 to date), and Sterling Bank of Asia, Inc. (A Savings Bank) (2018 to date); She likewise holds the position as Assistant Corporate Secretary of the following reporting and/or listed companies: Tagaytay Highlands International Golf Club, Inc. (2013 to date), The Spa and Lodge at Tagaytay Highlands, Inc. (2014 to date), She was previously the Assistant Secretary of Discovery World Corporation (2013 to 2017) and Sterling Bank of Asia (2013-2018).

Atty. Respicio obtained her bachelor of arts degree (majored in Philosophy) in 2007 and her Juris Doctor degree in 2011 from the Ateneo de Manila University. She likewise passed the real estate brokers licensure examination in 2015.

She was admitted to the Philippine Bar in April 2012. She is currently a Partner at Tan Venturanza Valdez.

***Mr. Alden Alfonso Maniquis Castaneda – Independent Director***

Mr. Castaneda is an incumbent Independent Director of the Company. He holds a Master in Business Administration degree from the University of Philippines Diliman and graduated as one of the top 10 graduates in 1984. He earned his Bachelor of Science degree in Chemical Engineering from University of the Philippines Diliman where he graduated as a Cum Laude. Mr. Castaneda was a board toponotcher and he was a second placer during the Chemical Engineering board examination in 1980.

Mr. Castaneda is a part time Faculty of University of Asia and Pacific and teaching Marketing Effectiveness Research, Product Development and Management, and Business Mathematics. He is a Senior Consultant at Acumen Strategy Consultants.

He served as Vice President of the various companies: San Miguel PureFoods Company, Inc. (July 2010 to June 2016), Wisehill Business Corporation (July 2007 to December 2009), ABS- CBN (January 2001 to June 2007), and ABS-CBN Broadcasting Corporation (January 2001 to January 2003).

Mr. Castaneda occupied various positions in Procter and Gamble Philippines, Inc. in 1979 until 1999, until he became a Marketing Director from July 1999 to December 2000.

***Ms. Maria Rita Cecilia Pangilinan-Arenas – Independent Director***

Ms. Arenas is an incumbent Independent Director of the Company. She took her undergraduate studies from the University of the Philippines-Diliman. She was the Governor and member of the Board of Directors of KidZania Philippines from 2013 to 2020, and the President and Chief Executive Officer of KidZania Manila, Play Innovations, Inc. from 2012 to 2016. She was also the Managing Director of MRM Partners Philippines from 2004 to 2016, and a member of the Management Board

of McCann Worldgroup Philippines from 2002 to 2012. She was the Managing Director of Harrison Communications from 2002 to 2012, a member of the Management Board of McCann-Erickson Philippines from 1990 to 1998, and Senior Vice President for Corporate Affairs of McCann-Erickson Philippines from 1992 to 1998.

Currently, Ms. Arenas is the Chairman and President, and a member of the Board of Trustees of Bantay Bata Foundation.

### **Other Principal Officers**

#### ***Atty. Mariel Angeli R. Quines (Corporate Secretary)***

Atty. Quines is currently the Corporate Secretary of the Corporation. She also holds the position of Corporate Secretary for the following corporations: Radenta Technologies, Inc., Genarch Holdings, Inc., Clever Genius Ventures, Sapiental Dragons Corporation, Fortune Genius Development, and Fr. Barbero Foundation for PGH Charity Patients, Inc.

She is the Assistant Corporate Secretary of the following reporting and/or listed companies: I-Remit, Inc., Sterling Bank of Asia Inc. (A Savings Bank), Raemulan Lands, Inc., Stanley Electric Philippines Inc., Travel Book Philippines Inc., Elanvital Enclaves, Everyhome Enclaves, Star Equities, Inc., and JTKC Equities, Inc.

Atty. Quines obtained her Bachelor of Science in Business Economics degree from the University of the Philippines, and her Juris Doctor degree from the Ateneo De Manila University Law School. She was admitted to the Philippine Bar on June 2019.

Currently, she is an Associate at Tan Venturanza Valdez.

### **Significant Employees**

The Company has no significant employees.

### **Family Relationships**

Paulino S. Soo and Jimmy S. Soo are brothers. No other family relationships are known to the registrant aside from Mr. Paulino Soo and Jimmy Soo.

### **Involvement in Certain Legal Proceedings**

The Corporation is not aware of any of the following events wherein any of its directors, nominees for election as director, executive officers, underwriter or control person were involved during the past five (5) years:

- (a) any bankruptcy petition filed by or against any business of which any of the above persons was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time;
- (b) 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 the involvement of any of the above persons in any type of business, securities, commodities or banking activities; and,
- (c) any finding by a domestic or foreign court of competent jurisdiction (in civil action), the SEC or comparable foreign body, or a domestic or foreign exchange or electronic

marketplace or self-regulatory organization, that any of the above persons has violated a securities or commodities law, and the judgment has not been reversed, suspended or vacated.

The Company and its major subsidiaries and associates are not involved in, nor are any of their properties subject to, any material legal proceedings that could potentially affect their operations and financial capabilities.

### **Certain Relationships and Related Transactions**

Related party transactions are transfers of resources, services or obligations between the Company and its related parties, regardless whether a price is charged.

Except as provided below, during the last two years, there are no related transactions either direct or indirect with the Company's Board of Directors.

#### **The summary of the Company's significant transactions with its related parties are as follows:**

##### **a. Granting (collection) and obtaining (payment) of Advances**

In the normal course of business, the Company grants to and obtains advances from its related parties. These advances earn interest at rates to the weighted average of the interest rates of the outstanding loans payable to the banks.

##### **b. Management Fees**

The Company entered into a business development service agreement with Philippine Gaming Management Corporation (PGMC), a related party under common key management personnel for a period of one year, renewable every year. Management fees billed to PGMC amounted to ₱19,550,000 for 2020 and 2021, and which are unsecured, non-interest-bearing, and collectible in cash upon demand. The outstanding receivables related to this agreement is presented as part of Receivables in the consolidated statements of financial position.

##### **c. Lease of Property**

The Group has a lease agreement with a related party under common key management personnel, covering certain office spaces.

Rent income recognized by the Group from this transaction amounted to ₱1,409,455, ₱1,362,485, and ₱1,305,967 in 2021, 2020, and 2019, respectively, and is included as part of Others under the Revenues section in the consolidated statements of profit or loss.

The outstanding receivable from this transaction amounts to ₱9,361,402 and ₱8,337,041 as at December 31, 2021 and 2020, respectively, and is included as part of Others under the Receivables account in the consolidated statements of financial position. The outstanding balance of receivable is unsecured, noninterest-bearing and collectible in cash upon demand.

##### **d. Key Management Personnel Compensation**

Short-term benefits to key management personnel amounted to ₱31,350,653, ₱25,546,635, and ₱24,294,219, in 2021, 2020, and 2019, respectively.



#### e. Retirement Plan

The Group's retirement fund is a multi-employer retirement plan, which is administered by a trustee bank. The retirement fund includes investments in cash and cash equivalents, government bonds and Unit Investment Trust Funds (UITFs).

#### Disagreement with Director

None of the Company's directors has resigned or declined to stand for re-election to the board of directors since the last annual stockholders' meeting of the security holders because of a disagreement with the Company or any matter relating to the Company's operations, policies or practices.

#### Compensation of Executive Officers and Directors

The following is a summary of the aggregate compensation paid or accrued during the last two (2) fiscal years, i.e. 2021 and 2020, and to be paid in the ensuing fiscal year 2022 to the Company's Chief Executive Officer and four (4) other mostly highly compensated executive officers who are individually named, and to all other officers and director of the Company as a group:

Name and Principal Function	Fiscal Year*	Salary	Bonus	Other Annual Compensation
Paulino S. Soo Chairman and President	2020			
	2021			
	2022			
Jack T. Huang Vice President - Cebu	2020			
	2021			
	2022			
Sheila Marie Aguilar Vice President	2020			
	2021			
	2022			
Melanio C. Dela Cruz Vice President	2020			
	2021			
	2022			
Total for the Group	2020	7,375,293	1,437,450	-0-
	2021	7,766,621	1,281,729	-0-
	2022	10,194,167	2,208,802	-0-
All Officers as a Group Unnamed	2020	8,778,715	1,959,745	-0-
	2021	9,353,478	1,542,828	-0-
	2022	12,476,859	2,714,073	-0-

- The figures indicated for Fiscal Year 2022 are mere estimates.

Except as provided above, there are no standard arrangements, employment contracts or any other arrangements by which the directors and officers of the Company receive compensation. In addition, there are no compensatory plans or arrangement with respect to named executive officers that resulted in or will result from the resignation, retirement or termination of such executive director or from a change-in-control in the Company.

The directors do not receive any compensation or per diem for each Board meeting. The Company only distributes directors' fee amounting to ₱100,000.00 annually for each director.

There is no outstanding price or stock warrants or options held by the Company's officers and directors.

## Independent Public Accountants

The auditing firm of Punongbayan & Araullo ('Punongbayan') will be nominated and recommended to stockholders for reappointment as external auditor for the year 2022 to 2023. Representatives of the said firm are expected to be present at the upcoming Annual Stockholders' Meeting to respond to appropriate questions and to make a statement, if they so desire.

Over the past five (5) years, there was no event where Punongbayan and the Company had any disagreement with regard to any matter relating to accounting principles or practices, disclosure of financial statements or auditing scope or procedure.

Mr. Jessie Carpio is the recommended audit engagement partner assigned for the Company for 2022. In compliance with Rule 68 (3)(b)(iv) of the Securities Regulation Code, the assignment of Mr. Jessie Carpio, the engagement partner, shall not exceed five (5) consecutive years.

## Changes in and Disagreements with Accountants on Accounting or Financial Disclosure

No independent accountants have resigned, were dismissed or otherwise ceased performing services during the two most recent fiscal years or any subsequent interim period.

There have been no changes in or disagreements with accountants on accounting and financial disclosure.

The audit and audit-related fees paid by the Company in the last two (2) years are as follows:

	2021	2020
<b>A. Audit and Audit-related Fees</b>		
1. Audit of the registrant's annual financial statements or services that are normally provided by the external auditor in connection with the statutory and regulatory filings or engagements.	₱3,050,000	₱2,880,000
2. Other assurance and related services by the external auditor that are reasonably related to the performance of the audit or review of the registrant's financial statements	-0-	-0-
<b>B. Tax fees</b>	-0-	-0-
<b>C. All other fees</b>	-0-	-0-

## OTHER MATTERS

### Action with Respect to Reports

The following are to be proposed for approval during the Annual Stockholders' Meeting:

1. Approval of the Minutes of the Previous Meeting of Stockholders
2. President's Report and Presentation of Financial Statements
3. Ratification of all Acts of the Board of Directors and Officers
4. Appointment of an External Auditor
5. Election of Directors
6. Other Matters

The items covered with respect to the ratification of the acts of the Board of Directors and officers for the past year up to the date of the meeting are those items entered into in the ordinary course of business, with those of significance having been covered by appropriate disclosures such as:

1. Election of Board Committee Members
2. Appointment of Principal Officers at the Organizational Board Meeting;
3. Approval of Financial Reports;
4. Designation of Authorized Representatives for HDMF;
5. Processing of Books of Accounts with Bureau of Internal Revenue

Management reports which summarize the acts of management for the year 2021 are included in the Company's Annual Report to be sent to the stockholders together with this Information Statement and shall be submitted for approval by the stockholders at the meeting. Approval of the Management Report will constitute approval and ratification of the acts of Management and of the Board of Directors for the past year.

### **Matters Not Required to be Submitted**

No action is to be taken with respect to any matter which is not required to be submitted to a vote of the stockholders.

### **Amendment of Charter, By-Laws or Other Documents**

There are no matters to be voted upon by the stockholders of the Company pertaining to any amendment of the Company Charter, By-laws and other documents.

### **Other Proposed Action**

The items covered with respect to the ratification of the acts of the Board of Directors and officers for the past year up to the date of the meeting are those items entered into in the ordinary course of business.

### **Voting Procedures**

- a. Actions to be taken at the Annual Stockholders' Meeting shall require the vote of the stockholders representing at least a majority of the Company's outstanding capital stock.
- b. Three inspectors shall be appointed by the Board of Directors before or at each meeting of the stockholders, at which an election of directors shall take place; if no such appointment shall have been made or if the inspectors appointed by the Board of Directors refused to act or fail to attend then the appointment shall be made by the presiding officer of the meeting. For purposes of the Annual Stockholders' Meeting on 29 September 2022, the Corporate Secretary and/or her representative together with the Audit Partner of the External Auditor and/or his representative, have been designated as inspectors who have been tasked to oversee the counting of votes.
- c. Stockholders may vote at all meetings either in person or by proxy duly given in writing in favor of any person of their confidence and each stockholder shall be entitled to one vote for each share of stock standing in his name in the books of the corporation; provided, however, that in the election of Directors, each stockholder shall be entitled to cumulate his votes in the manner provided for by law. For the purpose of this year's annual stockholders' meeting, which will be held only in virtual format, the stockholders may only vote through proxies or by remote communication (in absentia). The stockholders are encouraged to participate in the meeting by either of the following:
  1. By submitting duly accomplished proxies to the Office of the Corporate Secretary at 2704 East Tower, Philippine Stock Exchange Centre, Ortigas Center, Pasig City or via electronic copy by emailing

[corporatesecretary@abacus-sec.com](mailto:corporatesecretary@abacus-sec.com) on or before 5:00 p.m. on 23 September 2022. For corporate stockholders, the proxies should be accompanied by a Secretary's Certification on the appointment of the corporation's authorized signatory.

2. By registering your votes on the matters to be taken up during the meeting through the e-voting platform set up for the purpose which can be accessed at <http://firstabacusfinancial.com.ph/>. The e-voting portal will be open until 8:00 in the morning of 29 September 2022.
  - d. With respect to the election of seven (7) directors, each stockholder may vote such number of shares for as many as seven (7) persons he may choose to be elected from the list of nominees, or he may cumulate said shares and give one candidate as many votes as the number of his shares multiplied by seven (7) 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 multiplied by seven (7).
  - e. Upon confirmation by the inspectors that there is a mathematical impossibility for certain nominees to be elected into office based on proxies held and votes present/represented in the meeting, the actual casting and counting of votes for the election of Directors may be dispensed with.

#### **Omitted Items**

Items 9, 10, 11, 12, 13, and 14 are not responded to in this report, the Company having no intention to take any action with respect to the information required therein.

**SIGNATURE**

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 the City of Pasig on 6 September 2022.

**FIRST ABACUS FINANCIAL HOLDINGS  
CORPORATION**

By:

A handwritten signature in black ink, appearing to read "Mariel Quines", written in a cursive style.

**MARIEL ANGELI R. QUINES**  
Corporate Secretary

## **FIRST ABACUS FINANCIAL HOLDINGS CORPORATION ANNUAL REPORT**

### **General Nature and Scope of Business**

First Abacus Financial Holdings (FAFHC) traces its roots from the Seven Seas Oil Exploration and Resources, Inc. (SSOERI). Seven Seas was incorporated on February 15, 1994 and became a publicly listed company on November 21, 1994. It was primarily engaged in the business of oil exploration and development. Presently, FAFHC is engaged in, through its wholly subsidiaries, stockbroking activities, investment banking, real estate business and other financial services.

Realizing that the local capital and equities markets have a pivotal role in the long-term development of the national economy, the board of directors decided to change SSOERIS's primary purpose from being an oil exploration company into a financial holding company. Thus, on October 26, 1996, the SSOERI's stockholders approved the recommendations of the board to transform the firm. Consequently, on January 25, 1996, the Securities and Exchange Commission (SEC) approved the Company's change of name from Seven Seas Oil Exploration and Resources, Inc. to First Abacus Financial Holdings Corporation. The SEC likewise approved on January 25, 1996 the change on par value of FAFHC's capital stock from Php0.01 to Php 1.00 a share to remove the issue's speculative characteristic and reflect the stock's shift into a full-fledged commercial/industrial issue.

The Company's first strategic corporate re-alignment move was to acquire the Abacus Capital & Investment Corporation (ACIC)- an operating investment house- via a cash and stock swap. ACIC effectively became a wholly owned subsidiary. ACIC, in turn, owned 100% of Abacus Securities Corporation (ASC), one of the leading members of the Philippine Stock Exchange, and Vista Holdings Corporation (VHC), a real estate holding company.

The Company, through ASC, also acquired 25% of Prosperity Properties and Management Corporation (PPMC), used to own a 16-storey building at the Ayala Business Park in Cebu City. In 1996, the Company acquired from its subsidiaries – ACIC and ASC- interests in VHC and PPMC. This resulted in a direct investment in these companies. In 1999, upon approval by the Securities and Exchange Commission of the increase in authorized capital stock of ASC from Php50 million divided into 500,000 shares with a par value of Php100 per share to Php400 million divided into 4 million shares with Php100 par value per share, the Company subscribed to 3.5 million shares representing 87.525% ownership interest. The remaining 12.475% remained with ACIC. Accordingly, the Company's ownership over ASC was changed from 100% indirect to 87.525% direct and 12.475% indirect.

On December 18, 2002, the Board of Directors approved the conversion of advances to Abacus Capital & Investment Corporation (ACIC) as deposit for future stock subscription amounting to Php100,000,000.00. In 2008, the Company applied P90,000,000.00 of its deposit for future stock subscription to paid in capital as payment for the remaining subscriptions for the same amount.

### **Subsidiaries**

Abacus Capital and Investment Corp (ACIC). ACIC was incorporated on January 6, 1995. ACIC is engaged in investment banking activities, management services, and treasury and other financial services.

Abacus Securities Corporation (ASC). ASC was incorporated on December 27, 1991. A member of the Philippine Stock Exchange, ASC is engaged in stock brokering services. It engages in buying and selling stocks in Philippine stock market for the accounts of the clients as a broker and for its own account as a dealer.

Vista Holdings Corporation (VHC). VHC was incorporated on January 21, 1993. Presently, Vista Holdings Corporation is engaged in buying and leasing out condo units primarily to its affiliated companies.

### **Vision**

FAFHC's vision is to provide best value integrated financial services to its clients. In the process, Filipinos from all walks of life are enabled to become a part of the capital and equities market. Toward this end, progress and prosperity have stronger prospects of being shared by all.

### **Abacus Capital and Investment Corporation (ACIC)**

ACIC is financially secure, with capital resources of over 400 million; complemented by a core of investment managers providing highly ethical, professional, and client-oriented investment management services.

ACIC provides the following financial services:

a) Corporate Finance

Equity Underwriting Transactions

- Initial Public Offerings
- Stock Rights Offerings
- New Tranche Offerings
- Private Placements of Listed Companies

Financial Advisory

- Share or corporate acquisitions, Buy-Ins/Mergers/Divestments
- Financial review and Restructuring
- Project Development

Debt Underwriting and Loan Arrangements

- Short, Medium, or Long Term Loan Arrangements
- Short and Long Term Commercial Papers Underwriting
- On-going oversight, issue management, agency functions

b) Treasury sales

- Government Securities
- Treasury Bills
- Long and Short Term Commercial Papers
- Preferred Notes
- Promissory Notes
- Money Market Placements`

c) Financing

- Share Margin
- Working Capital Credit Facilities

### **Abacus Securities Corporation (ASC)**

Due to its commitment for quality service, ASC was awarded the Best Local Brokerage House in the Philippines Award from 1990-2008 granted by the Asiamoney.

ASC was the recipient of the Best Securities House in the Philippines Award granted by the EuroMoney International Awards for Excellence for the past two consecutive years, 1998 and 1999. Likewise, the Fund Managers Association of the Philippines honored ASC with a number of citations including Best in Institutional Sales/ Execution and in Settlements in 1998. The awards put ASC in an enviable position as it proved that local stockbrokerages could prove equal to international stockbroker houses.

ASC started operations in March 1992. In five years, ASC established itself as a top Filipino brokerage firm in PSE. The key factors for ASC's successes are: professional management, sound investment advisory, strong research team, real-time market information, and commitment to technology and training.

All these resulted in a strong retail franchise, a top tier domestic institutional sales organization, and growing foreign institutional sales based. Thus, ASC is now positioned to best serve the expanding domestic equities market. Strategically located branches in Binondo, Cebu and Davao support ASC's Head Office operations.

Abacus Securities Corporation was the second ranking stock brokerage house among the top ten PSE brokers. In the past years, the large foreign stockbrokerage houses dominated the top ten list of brokers. ASC believes that it can effectively compete with other brokers because of its strong sales groups, the Retail and Institutional Teams. At present, the firm has one of the most extensive based of retail clients driven by the number of branches established and envisioned to be established. Its Institutional Sales Team, on the other hand, has managed to obtain accreditation and establish active working relationships with a number of domestic institutional investors and foreign fund management companies. ASC also has a Research Group that comes out with action-driven reports and recommendations, a quality admired by most of its clients, and even the other stockbrokers. The registrant has an excellent customer service to service its clients. The company established a website to keep its clients abreast of the new developments in stock market.

For the calendar year ended 2021, Abacus Securities Corporation ranked 16th in terms of total value traded. Abacus Securities Corporation had a total value traded of Php118,099,195,404 in 2021.

### **Vista Holdings Corporation (VHC)**

The primary purpose of the Company is to invest in, purchase, or otherwise acquire and own, hold, use, sell (without engaging in retail trade), assign, transfer, mortgage, pledge, exchange, or otherwise dispose of real and personal property of every kind and description.

VHC continues with its investment program through the acquisition of condominium units. At present, VHC leases its condominium units its affiliated companies.

Vista is not involved in real estate development. VHC continues to lease its condominium units to its affiliates.

### **DIRECTORS AND EXECUTIVE OFFICERS.**

The list of directors and executive officers of the Company are found on pages 10-12 of the Information Statement (SEC Form 20-IS) to which this report is attached.



## **MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

### **Second Quarter of 2022**

#### **General Business Environment**

The Philippines' Gross Domestic Product (GDP) is at 7.4% in the second quarter of 2022, according to Philippine Statistical Authority (PS). The GDP is lower than the 8.2 percent growth in the last quarter and 12.1 percent in the second quarter of 2021. In light of growing inflation and interest rates, GDP forecast growth is between 6.5 and 7.5 percent this year instead of 7 to 8%.

The Philippine Statistics Authority (PSA) reported that inflation accelerated to 6.1 percent in June 2022 from 5.4 percent in May 2022. Year-to-date (YTD) inflation picked up to 4.4 percent, above the BSP's original target range of 2.0 to 4.0 percent for 2022.

#### **Performance of the Company**

The conditions in the operating environment were mirrored in the performance of the company during the period under review. The Company was not spared from the continuing effects of the pandemic, and the continuous increase in gas and food prices exacerbated by the unresolved conflict between Ukraine and Russia. The core business of the group saw a decline during the quarter, with brokers Commission noted at Php30 million, or a decrease of 32% or Php14.2 million on the same period last year of Php44.2 million. The sale of financial assets for the quarter posted a negative result of Php9.5 million, a decline of Php 24.5 million from the gain reported on the same period last year amounted to Php15 million. Our investment house reported a total of Php12.7 million fees as compared to the Php2.5 million for the same period last year.

All considered, consolidated revenues for the first half of the year stood at Php130.2 million, a decrease of Php40.9 million from last year's Php171.1 million.

Total costs and expenses for the second quarter was noted at Php120.8 million, a slight increase of Php.80 from the Php120 million reported on the same period last year.

Total costs and expenses for the first half of the year was noted at Php271.80 million, representing an increase of Php24 million from last year's Php247.8 million. Debt servicing continued to comprise a large chunk of the operating expenses in keeping with the Company's commitment to honor its obligations.

Summing up the Company's performance for the second quarter of the year, the company is reporting a consolidated net loss of Php64 million as compared to the Php63.8 million reported net loss for the same period last year.

During the first half of the year, the company is reporting a consolidated net loss of Php99.10 million, as compared to the reported net loss of Php56.8 million from previous year.

During the period under review, there was a slight increase noted in the total assets amounting to P1.5 million, from P7,823.4 million in December 2021 to P7,824.9 million in June 2022. The increase was brought about by the disposal of some financial assets amounting to Php121.3 million, current trade receivables amounting to Php223.2 million, recognition of additional property and equipment and other assets of Php45.2 million, partially offset by the decrease in cash and cash equivalent amounting to Php145.7 million.

There was an increase in total liabilities noted during the period amounting to P100 million bringing total liabilities to P6,840 million from P6,740 million in December 2021. The increase was brought about by the short term borrowings and non-trade payables during the period with aggregate amount of Php232 million, partially offset by decrease in customers' trade payables amounting to Php132 million.

The decrease noted in stockholders' equity amounting to P98 million was due to the net result of the operation and change in value of financial assets at the end of first quarter of the year.

Aside from the discussions above, there are no 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.

	<b>Unaudited June 30, 2022</b>	<b>Audited December 31, 2021</b>
<b>LIQUIDITY:</b>		
Current Ratio	0.69:1	0.77:1
<b>Coverage / Solvency Ratios:</b>		
Assets to Equity	7.94:1	7.22:1
Debt to Equity Ratio	6.94:1	6.22:1
<b>OPERATING EFFICIENCY:</b>	<b>June 30, 2022</b>	<b>June 30, 2021</b>
Revenue Growth – Increase (Decrease)	(24%)	39%
Profitability – Increase (Decrease)	(75%)	29%

## **2021**

### **General Business Environment**

Expectations for 2021 were initially muted given the unpredictability of the COVID-19 pandemic. Growth and recovery were conditioned on a number of factors, foremost of which were the speed and effectiveness of the deployment of vaccines, the success of efforts to contain new variants, and the proactive management of cases. True to form, the growth numbers were not encouraging in the beginning resulting in a 3.9 percent contraction. Millions continued to be unemployed. The surge in COVID-19 Delta cases in September sent the country to another punishing lockdown. Cases peaked at 22,455 on September 13, and then mercifully started to decline, going back to three-digit levels towards the end of the year, effectively ending one of the longest lockdowns in the world, at 650 days running. While the economy and the business environment continued to be fragile, the country has not looked back since then, embarking on a steady growth trajectory.

Despite headline consumer prices rising to an average of 3.9 percent year-on-year, largely caused by the African swine fever and restrictions in services mobility due to the lockdowns, gross domestic product eventually grew to an adjusted 7.8 percent by the fourth quarter of 2021. Along with the 4.8 percent expansion during the first nine months, the country posted a full year GDP of 5.7 percent. This represented a reversal from the 8.2 percent contraction reported in 2022. Modest growth was also noted across some other indicators. The services sector grew 5.4 percent for the entire 2021. The industry sector improved to 8.5 percent. These developments aided the labor market resulting in unemployment going down to an average of 7.8 percent from a high of 10.3 in 2020, although still a far cry from the 2019 average of 5.1 percent. It must be noted that the performance of the economy was strongly correlated with the effectiveness of parallel efforts to contain the pandemic through vaccination and proactive management of cases.

The end-of-year whiff of optimism prompted the Asian Development Bank to revise its growth forecast for the Philippine economy. For 2022, the ADC has expressed confidence that the Philippines will be out of the economic quagmire, forecasting an estimated growth of 6 percent.

The local stock market rode the ups and downs of the Philippine economy, going through crashes and recoveries triggered by the surge-induced lockdowns. The much-vaunted resiliency of the market stood its ground as it managed consistently bounce back. Although the index plunged 2.89 percent on the last trading day of 2021 to 7,122.63, slightly lower than the 7,138.71 close in 2020, the overall whole-year performance of the market was still comparably much better than 2020. Investor confidence was palpable given the Philippine Stock Exchange's biggest initial public offerings in its history. Capital raising efforts also reached record highs. For 2021, the PSE had eight initial public offerings, 11 follow-on offerings, four stock rights offerings, and eight private placements.

While conditions in 2022 are expected to be much better for the general investing climate, Philippine recovery is seen to be much more difficult given that the country lags behind its neighbors. The PSEi was adjudged second worst performing stock market in the region for 2021.

### **Performance of the Company**

Since the onset of the pandemic most companies have either slowed down business operations, or worse, ceased operations completely. We were luckier than most. Our company's strong fundamentals weathered the continued battering. The company's inherent agility enabled it to find new opportunities in the market and to sustain business activities. All told, it was another year of ups and downs, but ultimately, of powerful lessons.

During the reporting year, the group saw significant improvements in its core businesses. A notable increase of 56 percent or Php82 million in brokers commission was realized for the year, bringing total brokers commission to Php226 million up from the previous year's Php145 million. The Company's investment house managed to book significant revenues on a number of deals, registering numbers not heretofore reported. We are happy to report a total of Php94 million in commission and fees brought in during the year. However, gain from sale of financial assets contracted during the year was at Php44 million, marking a decrease of Php70 million from the Php114 million made in 2020. At the close of the reporting year, fair value gains on financial assets at fair value through profit and loss maintained its value at Php174 million, unchanged from the previous year's Php174 million.

All considered, consolidated revenues for the year stood at Php551 million, an increase of Php105 million from last year's Php446 million. However, total costs and expenses for the year was noted at Php554 million, representing an increase of Php57 million from last year's Php497 million. The increase in total costs and expenses was brought about by movements on various line expenses brought by dynamic business activities. Debt servicing continued to comprise a large chunk of the operating expenses in keeping with the Company's commitment to honor its obligations. The company likewise prioritized the wellness of its people.

In summary, the company is reporting a consolidated net loss of Php35 million for the year, lower than the Php95 million reported net loss from the previous year.

On another important note, comprehensive income of the group ended at Php264 million as compared to the previous year of Php151 million, or a significant increase of Php113 million. The improved valuation and quality of asset of the group brought the increase in comprehensive income of the group.

There was an increase in total assets noted for the year amounting to Php1,296 million, from Php6,527 million in December 2020 to Php7,823 million in December 2021. The significant increase in total assets was brought about by the marked to market valuation of financial assets at fair value

through profit and loss and financial assets at fair value through other comprehensive income with total increase value of Php697 million, additional trade receivables uncollected at year end cut-off and due for collection at beginning of the year.

A corresponding increase in total liabilities amounting to Php1,032 million was also noted during the period under review bringing total liabilities from Php5,708 million to Php6,740 million due to increases in short term borrowings, additional trade payables, partially offset by decrease in non-trade payables.

The increase in total assets had a direct effect on the group's stockholders' equity at the end of the period from last year's Php819 million to this year's Php1,084 million. The increase in valuation of available for sale financial assets increases the comprehensive income of the group and revaluation reserves in stockholders' equity amounting to Php306million.

Aside from the discussions above, there are no 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.

Aside from the discussions above, there are no 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.

			<b>31-Dec 2021</b>	<b>31-Dec 2020</b>
<b>CURRENT/LIQUITY RATIO</b>				
	<u>Current Assets</u>	=	0.77:1	0.70:1
	Current Liabilities			
	<u>Quick Assets</u>	=	0.77:1	0.70:1
	Current Liabilities			
The ratio is used to give an idea of the company's ability to pay back its short term liabilities with its short term assets.				
<b>DEBT TO EQUITY RATIO</b>	<u>Debt</u>	=	6.22:1	7.97:1
	Equity			
<b>ASSETS TO EQUITY RATIO</b>	<u>Assets</u>	=	7.22:1	7.97:1
	Equity			
<b>INTEREST RATE COVERAGE RATIO</b>	Earnings before interest and taxes	=	0.99:1	0.82:1
	Interest expense			
Interest rate coverage ratio is a measure on how well a company can meet its interest payment obligations.				

## **2020**

### **General Business Environment**

2020 will go down in history as the year the great black swan in the form of a new corona virus called COVID-19 wreaked havoc on the global economy and sent governments scrambling to shut down borders and set up strict local quarantines. The effects of the pandemic on the Philippines was severe, forcing the government to declare one of the longest lockdowns, effectively shutting down businesses and forcing people to stay indoors. As a consequence, economic activities came to a standstill and the Philippines ended the pandemic year with its worst economic performance since it started documenting growth data in 1947. The country's gross domestic product shrank 9.5% in 2020, its first contraction since the Asian financial crisis in 1998 on account of crippled consumer spending and dormant business activity. The local stock market floundered through, picking up some winds amidst a generally bearish climate. The PSEi eventually closed 2020 at 7,139.71, climbing 54.4 percent from its lowest closing level of 4,623.42 posted on March 19, but still down by 8.64 percent from the previous year. The All Shares index also finished lower year-on-year, down by 8.1 percent. Among the sector indices, only Mining and Oil closed in the green, up by 17.8 percent. The Financials sector, on the other hand, was down the most as it shed 22.3 percent year-on-year.

The conditions in the operating environment were mirrored in the performance of the company. The Company and its subsidiaries were not spared from the slowdown of almost all economic activities during the year.

### **Performance of the Company**

The Company was not spared from the difficulties brought on by the pandemic. However, the company managed to leverage on its traditional strengths, resulting in a number of improvements being noted on the revenues of the Company for the year. The core business of the group saw an improvement during the year, with brokers Commission noted at Php152 million, or an increase of 25% or Php30.3 million from the previous year's Php121.4 million. Gain on sale of financial assets for the year reached Php114 million, representing an increase of Php22 million from the Php92 million it made in 2019. At the year-end closing, fair value gains on financial assets at fair value through profit and loss posted an increase by Php29.3 million to Php174 million from the previous year's Php144.8 million.

All considered, consolidated revenues for the year stood at Php445.8 million, an increase of Php81.4 million from last year's Php364.4 million. However, total costs and expenses for the year was noted at Php497 million, representing a decrease of Php16 million from last year's Php513 million.

The decrease in total costs and expenses was brought about by the series of interest rate adjustments during the year with total savings of Php11.2 million to Php285.3 million from Php296.5 million spent in the previous year, and the additional net cost savings during the period amounting to Php4.8 million. Debt servicing continued to comprise a large chunk of the operating expenses in keeping with the Company's commitment to honor its obligations.

In summary, the company is reporting a consolidated net loss of Php95.4 million for the year, lower than the Php181 million net loss of the previous year.

There was an increase in total assets noted for the year amounting to Php807 million, from Php5,720 million in December 2019 to Php6,527 million in December 2020. The significant increase in total assets was brought about by the change in valuation of financial assets at fair value through profit and loss and financial assets at fair value through other comprehensive income with total increase value of Php485 million, additional trade receivables due for collection at year end, partially offset by the net decrease in other assets amounting to Php30 million.

A corresponding increase in total liabilities amounting to Php657 million was also noted during the period under review bringing total liabilities from Php5,051 million to Php5,708 million due to increases in short term borrowings, additional trade payables, partially offset by decrease in non-trade payables.

The increase in total assets had a direct effect on the group's stockholders equity at the end of the period from last year's Php669 million to this year's Php819 million. The increase in valuation of available for sale financial assets increases the comprehensive income of the group and revaluation reserves in stockholders equity amounting to Php150 million.

Aside from the discussions above, there are no 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.

**FINANCIAL RATIOS ( SRC Rule 68, as amended October 2011).** The following are the Company's financial soundness indicators in two comparative periods:

		<b>31-Dec 2020</b>	<b>31-Dec 2019</b>
<b>CURRENT/LIQUITY RATIO</b>			
	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	= 0.70:1	0.77:1
	$\frac{\text{Quick Assets}}{\text{Current Liabilities}}$	= 0.70:1	0.67:1
The ratio is used to give an idea of the company's ability to pay back its short term liabilities with its short term assets.			
<b>DEBT TO EQUITY RATIO</b>	$\frac{\text{Debt}}{\text{Equity}}$	= 7.97:1	7.55:1
<b>ASSETS TO EQUITY RATIO</b>	$\frac{\text{Assets}}{\text{Equity}}$	= 7.97:1	8.55:1
<b>INTEREST RATE COVERAGE RATIO</b>	$\frac{\text{Earnings before interest and taxes}}{\text{Interest expense}}$	= -0.82:1	-0.50:1
Interest rate coverage ratio is a measure on how well a company can meet its interest payment obligations.			

## **2019**

### **General Business Environment**

Although the country's gross domestic product (GDP) grew by 6.4% in the fourth quarter of 2019, it was not enough to propel the whole year's average to within the targeted range set by government of 6% to 6.5%. In the end, the country posted its slowest growth in eight years, exacerbated by a rapid deceleration in investment growth due to contraction in public spending and a weaker global economy caused by the US-China trade war. A mild El Nino, the spread of the African swine fever in Luzon, and concerns about an increasingly restrictive regulatory environment triggered by the government's

decision to revoke the extension of the water concessions of Maynilad and Manila Water were factors that contributed to the slowdown. The same pattern was noted in the local equities market. The generally bullish sentiments at the start of the year eventually dissipated as the impact of the risk factors became worse than expected, eventually hurting foreign fund inflows and general optimism. As a result, the PSEi ended the year with 7,815.26, representing a very modest 4.7% increase over the previous year level.

### **Performance of the Company**

The Company's performance for the year was greatly affected by the general economic slowdown. The Company's brokerage business reported a decrease in total commissions during the year from Php144 million to Php121.4 million. Gain on sale of financial assets for the year reached Php92.1 million, representing a slight increase of Php1.3 million from the Php90.8 million it made in 2018. On the other hand, there was no management fees recorded in 2019, as compared to the Php30 million recorded on a year earlier. At the year-end closing in 2019, fair value gains on financial assets at fair value through profit and loss recognized a total of Php144.8 million as compared to fair value losses amounting to Php106 million in 2018. All considered, consolidated revenues for the year stood at Php364 million, an increase of Php78 million from last year's Php286 million.

Total costs and expenses for the year was noted at Php513 million, representing a decrease of Php119 million from last year's Php632 million. The decrease in total costs and expenses was brought about by fair value losses recorded last year which amounted to Php106 million, a recorded impairment of receivable last year amounting to P49 million to comply with the new accounting standard, and reduced commission expense by Php14.1 million due to the decrease in our value turnover during the year from Php39.9 million to Php26.2 million, partially offset by the Php29 million increase in finance cost recognized from our borrowings due to the series of interest rate adjustments during the year from Php267.5 million last year to this year's P296.5 million. Debt servicing continued to comprise a large chunk of the operating expenses in keeping with the Company's commitment to honor its obligations.

In summary, the company is reporting a consolidated net loss of Php181 million for the year, lower than the Php394 million net loss of the previous year.

There was an increase in total assets noted for the year amounting to Php554 million, from Php5,166 million in December 2018 to Php5,720 million in December 2019. The significant increase in total assets was brought about by the change in valuation of financial assets at fair value through profit and loss and financial assets at fair value through other comprehensive income with total increase value of Php570 million, partially offset by the net decrease in receivables due collections amounting to Php32 million, and derecognition of Deferred Tax Assets(DTA).

A corresponding increase in total liabilities amounting to Php513 million was also noted during the period under review bringing total liabilities from Php4,538 million to Php5,051 million due to increases in short term borrowings and additional non-trade obligations, partially offset by decrease in due to trade customers.

The increase in total assets had a direct effect on the group's stockholders equity at the end of the period from last year's Php628 million to this year's Php669 million. The increase in valuation of available for sale financial assets increases the comprehensive income of the group and revaluation reserves in stockholders equity amounting to Php40 million.

Aside from the discussions above, there are no 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.

## DISAGREEMENT WITH ACCOUNTANTS

No principal accountant or independent accountants of the Company has resigned, was dismissed or has ceased to perform services during the two (2) most recent fiscal years or any subsequent interim period.

The Company has no disagreement with its accountant with regard to any matter relating to accounting principles or practices, financial statements disclosure or auditing scope or procedure.

## MARKET PRICE OF AND DIVIDENDS ON COMMON EQUITY

### Market Information

The shares of the Company are listed in and traded on the Philippine Stock Exchange. The high and low closing prices for each quarter within the last two (2) fiscal years are as follows:

Applicable Quarter	2022		2021		2020	
	Low	High	Low	High	Low	High
First Quarter	0.59	0.70	0.70	0.50	0.70	0.70
Second Quarter	0.59	0.71	0.58	0.465	0.69	0.69
Third Quarter	-	-	0.53	0.64	0.69	0.69
Fourth Quarter	-	-	0.59	0.72	0.72	0.72

As of the close of trading hours of 31 August 2022, the price at which the Registrant's shares were traded at ₱0.66 per share.

### Holder

The number of *common shares* issued and outstanding as of **31 August 2022** was 1,193,200,000. As of **31 August 2022**, Registrant had **101 shareholders**. On the said date, the following were the top 20 shareholders:

	Stockholder	Nationality	No. of Shares	%
1	PCD Nominee Corp. – Filipino	Filipino	845,878,000	70.89
2	Paulino S. Soo	Filipino	133,000,000	11.15
3	Abacus Capital & Investment Corp.	Filipino	59,644,000	4.99
4	ACIC FAO 20001	Filipino	32,361,000	2.71
5	Edgardo Limtong	Filipino	28,527,000	2.39
6	Phee Bon Kang	Malaysian	20,000,000	1.68
7	Vista Holdings Corp.	Filipino	14,095,000	1.18
8	Cecilio Pedro	Filipino	12,260,000	1.03
9	Quality Investment & Securities	Filipino	10,720,000	0.91
10	Jimmy S. Soo	Filipino	10,010,000	0.84
11	Vicente Co Chien Jr.	Filipino	6,130,000	0.51
12	Elizabeth K. Soo	Filipino	6,000,000	0.50
13	Solar Securities, Inc.	Filipino	4,000,000	0.34
14	Abacus Capital & Investment Corp.	Filipino	2,547,000	0.21
15	Uy Louis	Filipino	2,000,000	0.17
16	George Q. Go & Shirley D. Go	Filipino	1,443,000	0.12



17	Jack T. Huang	Filipino	500,000	0.04
18	Quality Invt. & Sec. Corp (001117)	Filipino	500,000	0.04
19	Vicente Co Chien, Jr.	Filipino	400,000	0.03
20	Lim, Francisco	Filipino	304,000	0.03
	Total		1,190,309,000	99.76

## **Dividends**

No dividends, neither in cash nor stock was declared on the shares for the last two (2) fiscal years, i.e., 2021 and 2020. There are no restrictions that limit the ability to pay dividends on common equity but the Company, as a general rule, shall only declare from surplus profit as determined by the Board of Directors as long as such declaration will not impair the capital of the Company.

## **Recent Sales of Unregistered or Exempt Securities**

No unregistered securities or shares of the Company were sold during the last three (3) years (2021, 2020, and 2019).

## **CORPORATE GOVERNANCE**

The Company remains focused on insuring the adoption of systems and practices of good corporate governance in enhancing value for its shareholders.

The Company has been monitoring compliance with SEC Memorandum Circular No.2, Series of 2002, as well as other relevant SEC Circulars and rules on good corporate governance. The Company has already submitted its revised Corporate Governance Manual (“The Revised Manual”) to the SEC last 31 July 2021. The Revised Manual maintains the various Board level committees. These Committees were comprised of an Executive Committee, Audit and Risk Oversight Management Committee to assist the Board in the performance of its oversight responsibility for the financial reporting process, system of internal control, audit process, and monitoring of compliance with applicable laws, rules and regulations, and the Corporate Governance Committee to oversee the implementation of the corporate governance framework including the selection and evaluation of qualifications of directors and officers and to look into an appropriate remuneration system.

All directors, officers, and employees have complied with all the leading practices and principles on good corporate governance as embodied in the Corporation’s Manual. The Company has complied with the appropriate performance self-rating assessment and performance evaluation system to determine and measure compliance with the Manual of Corporate Governance.

The Company is unaware of any non-compliance with or deviation from its Manual of Corporate Governance. The Company will continue to monitor compliance with the SEC Rules on Corporate Governance, and shall remain committed in insuring the adoption of other systems and practices of good corporate governance to enhance its value for its shareholders. Retains

## **FINANCIAL STATEMENTS**

Please refer to Annexes “A” and “B” for the Company’s audited financial statements as of the period ended 31 December 2021 and the interim financial statements for the second quarter of calendar year 2022, respectively.

**UPON WRITTEN REQUEST OF ANY SHAREHOLDER OF RECORD ENTITLED TO NOTICE OF AND VOTE AT THE MEETING, THE COMPANY SHALL FURNISH SUCH SHAREHOLDER WITH A COPY OF THE COMPANY'S ANNUAL REPORT ON SEC FOR 17-A WITHOUT CHARGE.**

**ANY SUCH WRITTEN REQUEST SHALL BE ADDRESSED TO:**

**THE CORPORATE SECRETARY  
FIRST ABACUS FINANCIAL HOLDINGS CORPORATION  
Unit 2901-A East Tower, PSE Centre, Exchange Road  
Pasig City**

Pursuant to the requirements of the Securities Regulations Code, the issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: 06 September 2022