

**SECURITIES AND EXCHANGE COMMISSION**

**SEC FORM 12-1, AS AMENDED**

**REGISTRATION STATEMENT UNDER THE SECURITIES REGULATION CODE**

1. SEC Identification Number **97869**
2. **DOMINION HOLDINGS, INC. (formerly BDO LEASING AND FINANCE, INC.)**  
Exact name of registrant as specified in its charter
3. **Metro Manila, Philippines**  
Province, country or other jurisdiction of incorporation or organization
4. **000-486-050-000**  
BIR Tax Identification Number
5. **Holding Company**  
General character of business of registrant.
6. Industry Classification Code:  (SEC Use Only)
7. **BDO Corporate Center Ortigas, No. 12 ADB Avenue, Ortigas Center, Mandaluyong City, Metro Manila, Philippines**  
Address, including postal code, telephone number, fax number including area code, of registrant's principal offices
8. **Not applicable**  
If registrant is not resident in the Philippines, or its principal business is outside the Philippines, state name and address including postal code, telephone number and fax number, including area code, and email address of resident agent in the Philippines.
9. Fiscal Year Ending Date (Month and Day) : **December 31**

**Computation of Registration Fee**

| Title of each class of securities to be registered | Amount to be registered | Proposed Maximum offering price per unit | Proposed maximum aggregate offering price | Amount of registration fee |
|--|-------------------------|--|---|----------------------------|
|--|-------------------------|--|---|----------------------------|

Registration Statements filed pursuant to Section 12 of the Code shall be accompanied by a fee as follows:

| Maximum aggregate price of securities to be offered   | Amount of filing fee   |
|---|--|
| Not more than P500 Million                            | 0.10% of the maximum aggregate price of the securities to be offered |
| More than P500 Million but not more than P750 Million | P500,000 plus 0.075% of the excess over P500 Million                 |
| More than P750 Million but not more than P1 Billion   | P687,500 plus 0.05% of the excess over P750 Million                  |
| More than P1 Billion                                  | P812,500 plus 0.025% of the excess over P1 Billion                   |

In the case of warrants which have no issue value, the filing fee shall be P50,000.

A legal research fee of 1% of the filing fee paid for filings made pursuant to SRC Rule 8.1 shall also be paid at the time of the filing.

## PART I - INFORMATION REQUIRED IN PROSPECTUS

### Item 1. Front of the Registration Statement and Outside Front Cover Page of Prospectus.

Not Applicable. This amended Registration Statement is filed not for the purpose of issuing or offering securities but solely in compliance with the directive of MSRD.

### Item 2. Inside Front Cover and First Two or More Pages of Prospectus.

#### *Overview of Business*

**DOMINION HOLDINGS, INC.**, formerly BDO LEASING AND FINANCE, INC. (**DHI** or the **Company**) is a domestic corporation incorporated in 1981. Its shares were listed on the Philippine Stock Exchange (**PSE**) on January 6, 1997. The Company's principal office is located at 39<sup>th</sup> Floor BDO Corporate Center Ortigas in #12 ADB Avenue, Ortigas Center, Mandaluyong City.

The Company is a subsidiary of BDO Unibank, Inc. (**BDO**), a universal bank incorporated and doing business in the Philippines. BDO offers a wide range of banking services such as traditional loan and deposit products, as well as treasury, remittance, trade services, credit card services, trust and others.

The Company was previously a financing company duly licensed by the Securities and Exchange Commission (**SEC**) and supervised by the Bangko Sentral ng Pilipinas (**BSP**). On May 25, 2019, the Board of Directors of BDO approved the restructuring of the leasing business of the BDO Unibank Group. The restructuring of BDO Unibank Group's leasing business was undertaken to optimize the financial needs of clients in light of new accounting standards covering lease transactions, which took effect on January 1, 2019, requiring leases to be recognized on balance sheet similar to a loan facility. As a result, this made lease transactions a less attractive financing option to corporate borrowers. The volume of leasing is expected to be affected going forward, thus, no longer appropriate for a listed company.

In view of these changes, the Board of Directors approved the amendment of the Company's primary and secondary purpose from operating as a leasing and financing entity to operating as a listed holding company that invests in, purchases, acquires or owns, holds, uses, sells, assigns, transfer, mortgages, pledges, exchanges, or disposes real and personal property of every kind. On July 21, 2020, the stockholders approved the amendments.

Subsequently, on March 1, 2022, the Board of Directors approved the change in corporate name of the Company and the consequent amendment of its Articles of Incorporation and By-laws to reflect the new name "Dominion Holdings, Inc.". On April 20, 2022, the stockholders approved this change in corporate name at the 2022 Annual Stockholders' Meeting of the Company.

On 5 July 2022, the Company filed with the SEC a letter surrendering the Company's Certificate of Authority (**COA**) to operate as a financing company in accordance with the Financing Company Act of 1998. The surrender of the COA was filed simultaneously with the filing of the application for the amendment of the Articles of Incorporation and By-Laws to reflect the change in name, and primary and secondary purposes of the Company, as required by SEC.

On July 21, 2022, the SEC released its approval dated July 18, 2022 of the change in corporate name of the Company to "Dominion Holdings, Inc.", the change in the Company's primary and secondary

purposes from a leasing and financing company to that of a holding company, and the corresponding amendments to the Company's Articles of Incorporation and By-laws.

As an investment holding company, the Company now has more flexibility in pursuing business opportunities which will enhance shareholder value for all stockholders.

#### *Government Regulation*

On February 13, 2020, the Market and Securities Regulation Department (**MSRD**) of the SEC issued an Order of Suspension against DHI, suspending its Registration Statement (and Permit to Sell primary securities), the lifting of which is subject to the submission of an amended Registration Statement (the **Order**). The MSRDR issued the Order in light of the agreement entered into by BDO in 2020 to sell its controlling stake in DHI to third parties and the subsequent amendment of DHI's primary business to a holding company. The SEC ruled that DHI's Registration Statement as a leasing and financing company was no longer true and accurate. Hence, the SEC ordered the suspension and required the filing of an Amended Registration Statement. The SEC furnished the PSE a copy of the Order, and on this basis, the PSE imposed a trading suspension of DHI on February 14, 2020. As of December 31, 2022, the trading of the Company's shares remains suspended due to the Order of Suspension issued by the SEC.

As previously disclosed, DHI filed its request for reconsideration of the Order and has sought guidance from the SEC on the requirement to amend its Registration Statement, if so required and appropriate under applicable laws and regulations, considering that it has no ongoing offering.

In order to comply with requirement of the MSRDR for the lifting of the Order, the Company is filing its Amended Registration Statement.

#### **Item 3.**            Risk Factors and Other Information

Financial risk exposure of the Company particularly on currency, interest, credit, market and liquidity risks are assessed regularly. There were no changes that would materially affect the financial condition and results of the Company.

Risk management of the Company's credit risks, market risks, liquidity risks and operational risks is an essential part of the Company's organization structure and philosophy. The risk management process is essentially a top-down process that emanates from the Board of Directors. The Board approves the overall institutional tolerance for risk, including risk policies and risk philosophy of the Company.

#### **Item 4.**            Use of Proceeds.

Not Applicable. This amended Registration Statement is filed not for the purpose of issuing or offering securities but solely in compliance with the directive of the MSRDR.

#### **Item 5.**            Determination of Offering Price.

Not Applicable. This amended Registration Statement is filed not for the purpose of issuing or offering securities but solely in compliance with the directive of the MSRDR.

#### **Item 6.**            Dilution.

Not Applicable. This amended Registration Statement is filed not for the purpose of issuing or offering securities but solely in compliance with the directive of the MSRDR.

**Item 7. Selling Security Holders.**

*Market Information*

The principal market for the Company's common equity is the PSE. At its meeting held on October 26, 2022, the Board of Directors of the Company approved the change of the Company's stock symbol in the PSE from "BLFI" to "DHI" in view of the Company's change in corporate name.

The market prices of the Company's shares are as follows:

| <b>2020</b>                             | <b>High</b> | <b>Low</b> | <b>2019</b>             | <b>High</b> | <b>Low</b> |
|---|-------------|------------|-------------------------|-------------|------------|
| January 24, 2020<br>(Last trading date) | 3.35        | 3.00       | 1 <sup>st</sup> quarter | 2.29        | 2.22       |
|   |             |            | 2 <sup>nd</sup> quarter | 2.42        | 2.32       |
|   |             |            | 3 <sup>rd</sup> quarter | 2.02        | 2.00       |
|   |             |            | 4 <sup>th</sup> quarter | 2.02        | 1.84       |
| <b>2018</b>                             | <b>High</b> | <b>Low</b> | <b>2017</b>             | <b>High</b> | <b>Low</b> |
| 1 <sup>st</sup> quarter                 | 3.21        | 2.23       | 1 <sup>st</sup> quarter | 3.96        | 3.95       |
| 2 <sup>nd</sup> quarter                 | 2.84        | 2.83       | 2 <sup>nd</sup> quarter | 4.05        | 3.90       |
| 3 <sup>rd</sup> quarter                 | 2.58        | 2.57       | 3 <sup>rd</sup> quarter | 4.08        | 4.05       |
| 4 <sup>th</sup> quarter                 | 2.20        | 2.19       | 4 <sup>th</sup> quarter | 3.89        | 3.78       |

As of January 24, 2020 and December 27, 2019, the closing prices of the Company's shares was at P3.16 and P1.87, respectively.

On February 13, 2020, the SEC issued an Order of Suspension against DHI, suspending its Registration Statement (and Permit to Sell primary securities), the lifting of which is subject to the submission of an Amended Registration Statement (the Order).

The Order was issued by the SEC in light of the change of the Company's primary business from a leasing to a holding company, as the SEC ruled that the Company's Registration Statement as a leasing and financing company was no longer true and accurate. The SEC ordered the suspension and required the filing of an Amended Registration Statement. The Company filed a request for reconsideration of the Order on 25 February 2020, primarily on the basis that the conversion of the Company is not yet approved by the SEC and hence not yet effective, noting also that it has been transparent and timely with reporting material transactions.

While the Company's request for reconsideration remains pending resolution by the SEC, the Company decided to comply with the directive of the SEC and took the opportunity upon approval by the SEC of its conversion to a holding company on 18 July 2022. Subject to review and approval of the SEC, DHI filed an amended Registration Statement last 29 June 2023 in compliance with the requirements of the SEC for the lifting of its Order of Suspension against the Company dated 13 February 2020 (Order).

As of December 31, 2023, the trading of the Company's shares remains suspended due to the Order of Suspension issued by the SEC requiring amendment of Company's registration statement. The Company has since engaged the SEC on its requirements to lift the suspension order and the matter is still pending resolution.

The total number of stockholders of the Company as of December 31, 2023 is at One Thousand One Hundred (1,100). Common shares outstanding in turn, totaled 2,162,475,312.

#### Holders

The Company's common stockholders, with their respective shareholdings as of December 31, 2023 are as follows:

| <b>Name</b>                    | <b>No. of Shares Held</b>   | <b>% to Total</b>        |
|--------------------------------|-----------------------------|--------------------------|
| BDO Unibank, Inc. <sup>1</sup> | 1,914,711,807               | 88.542597%               |
| Various Stockholders (Public)  | 247,763,505                 | 11.457403%               |
|                                | <b><u>2,162,475,312</u></b> | <b><u>100.00000%</u></b> |

The top 20 stockholders of the Company as of December 31, 2023, are as follows:

| <b>Name of Stockholders</b>                               | <b>Securities</b> | <b>Shares Held</b> | <b>Total Outstanding</b> |
|---|-------------------|--------------------|--------------------------|
| BDO Unibank, Inc./Banco De Oro Unibank Inc.*              | Common            | 1,914,711,807      | 88.542597%               |
| PCD Nominee Corporation (Filipino)                        | Common            | 247,859,686        | 11.139%                  |
| Samuel Uy Chua  | Common            | 21,000,000         | 0.944%                   |
| Equitable Computer Services, Inc. A/C Cequit11            | Common            | 12,320,000         | 0.554%                   |
| Marylen Castro Mateo                                      | Common            | 3,795,000          | 0.171%                   |
| Jesselen Castro Verzosa                                   | Common            | 3,795,000          | 0.171%                   |
| Samuel Uy Chua  | Common            | 3,011,150          | 0.135%                   |
| Constantino Chua  | Common            | 2,497,200          | 0.112%                   |
| Equitable Computer Services, Inc.                         | Common            | 2,070,200          | 0.093%                   |
| Mercury Group of Companies, Inc.                          | Common            | 1,089,165          | 0.049%                   |
| Constantino Chua &/or Willington Chua &/or George W. Chua | Common            | 1,020,000          | 0.046%                   |
| Nardo R. Leviste  | Common            | 759,000            | 0.034%                   |
| PCD Nominee Corporation (Foreign)                         | Common            | 587,821            | 0.026%                   |
| Willington/Constantino Chua                               | Common            | 584,430            | 0.026%                   |
| Willington Chua   | Common            | 508,530            | 0.023%                   |
| Pablo Son Keng Go   | Common            | 455,400            | 0.02%                    |
| Wilson Go   | Common            | 438,625            | 0.02%                    |
| Lim Chin Ben  | Common            | 425,040            | 0.019%                   |
| Sysmart Corporation                                       | Common            | 358,835            | 0.016%                   |

<sup>1</sup>Includes shares of affiliate, BDO Capital & Investment Corporation. Number of shares reflects both direct and indirect shareholdings

|                                   |        |         |        |
|-----------------------------------|--------|---------|--------|
| Abacus Capital & Investment Corp. | Common | 303,000 | 0.014% |
|-----------------------------------|--------|---------|--------|

*\*Includes shares of affiliate, BDO Capital & Investment Corporation. Number of shares reflects both direct and indirect shareholdings.*

#### *Dividends*

In the last two (2) years, the Company did not declare any dividends. No restriction exists that limits the payment of dividend on common shares.

#### *Recent Sales of Unregistered or Exempt Securities, Including Recent Issuance of Securities Constituting an Exempt Transaction*

There were no recent sales of unregistered or exempt securities including recent issuance of securities constituting an exempt transaction.

#### **Item 8. Plan of Distribution.**

Not Applicable. This amended Registration Statement is filed not for the purpose of issuing or offering securities but solely in compliance with the directive of the MSRD.

#### **Item 9. Description of Securities to Be Registered.**

Not Applicable. This amended Registration Statement is filed not for the purpose of issuing or offering securities but solely in compliance with the directive of the MSRD.

#### **Item 10. Interests of Named Experts and Independent Counsel.**

Not Applicable. This amended Registration Statement is filed not for the purpose of issuing or offering securities but solely in compliance with the directive of the MSRD.

#### **Item 11. Information with Respect to the Registrant.**

##### **(a) Description of Business**

DHI is a domestic corporation incorporated in 1981. Its shares were listed on the PSE on January 6, 1997. The Company's principal office is located at 39<sup>th</sup> Floor BDO Corporate Center Ortigas in #12 ADB Avenue, Ortigas Center, Mandaluyong City.

The Company is a subsidiary of BDO, a universal bank incorporated and doing business in the Philippines. BDO offers a wide range of banking services such as traditional loan and deposit products, as well as treasury, remittance, trade services, credit card services, trust and others.

The Company was previously a financing company duly licensed by the SEC. On May 25, 2019, the Board of Directors of BDO approved the restructuring of the leasing business of the BDO Group. The restructuring of BDO Group's leasing business was undertaken to optimize the financial needs of clients in light of new accounting standards covering lease transactions, which took effect on January 1, 2019, requiring leases to be recognized on balance sheet similar to a loan facility. As a result, this made lease transactions a less attractive financing option to corporate borrowers. The volume of leasing is expected to be affected going forward, thus, no longer appropriate for a listed company.

On January 31, 2020, the Board approved the amendment of the Company's primary and secondary purpose from operating as a leasing and financing entity, which provides direct leases, sale and leaseback arrangements and real estate leases to operate as a listed holding company that invest in,

purchase, acquire or own, hold, use, sell, assign, transfer mortgage, pledge, exchange, or dispose real and personal property of every kind. On July 21, 2020, the stockholders approved the amendments.

Under the restructuring process, BDO Finance Corporation (BDO Finance) assumed the lease transactions booked in the Company to provide business continuity to existing clients under arm's length terms. Furthermore, the Company sold substantially all its assets to BDO, BDO Finance and other subsidiaries.

In various dates in 2020, the Company's core loans and receivables and investments were disposed of to related parties on an arm's length basis as part of the Company's action to address the widening liquidity gap as it winds down its operations during the first months of community quarantine brought by the COVID-19 pandemic. The Company also assigned irrevocably and absolutely to BDO Finance the Company's residual assets and liabilities, including its ownership of 250,000,000 common shares held in its subsidiary, BDO Rental, becoming a wholly owned subsidiary of BDO Finance. The Company closed its five branches effective October 31, 2020.

The Company ceased to operate as a leasing and financing company.

On March 1, 2022, the Board approved the change in corporate name of the Company and the consequent amendment of its Articles of Incorporation and By-laws to reflect the new name "Dominion Holdings, Inc.", in line with the strategic direction of its principal shareholder to convert the Company into a holding company as previously approved by the Board and the stockholders. On April 20, 2022, the stockholders approved this change in corporate name at the 2022 Annual Stockholders' Meeting of the Company.

On July 5, 2022, the Company filed with SEC a letter surrendering the COA to operate as a financing company in accordance with the Financing Company Act of 1998. The Company requested SEC approval for the revocation of the COA in line with the restructuring of the Company into a holding company as approved by its Board of Directors and stockholders.

The surrender of the COA was filed simultaneously with the filing of the application for the amendment of the Articles of Incorporation and By-Laws to reflect the change in name and primary and secondary purposes of the Company, as required by the SEC.

On July 21, 2022, the SEC released its approval dated July 18, 2022 of the change in corporate name of the Company to "Dominion Holdings, Inc.", the change in the Company's primary and secondary purposes from a leasing and financing company to that of a holding company, and the corresponding amendments to the Company's Articles of Incorporation and By-laws.

#### *Principal Products/Services*

The Company's primary purpose is to hold/own real estate properties, securities/shares of stocks, and other assets of other companies, and engage in investment and business activities involving these assets. As an investment holding company, the Company will have more flexibility in pursuing business opportunities which will enhance shareholder value for all shareholders.

#### *Sales Contracts*

The Company has no existing sales contracts in 2023.

#### *Government Approval*

The change in corporate name from "BDO Leasing and Finance, Inc." to "Dominion Holdings, Inc." and the amendment of its Articles of Incorporation and By-Laws were approved by the SEC on July 18, 2022, and are in line with the strategic direction of its principal shareholder, BDO, to convert the Company into a Holding Company.

### *Intellectual Property*

As of December 31, 2023, the Company has no existing or expiring patents, copyrights, licenses, franchises, concessions, and royalty agreements.

### *Government Regulation*

On February 13, 2020, the Market and Securities Regulation Department (**MSRD**) of the SEC issued an Order of Suspension against DHI, suspending its Registration Statement (and Permit to Sell primary securities), the lifting of which is subject to the submission of an amended Registration Statement (the **Order**). The MSRD issued the Order in light of the agreement entered into by BDO in 2020 to sell its controlling stake in DHI to third parties and the subsequent amendment of DHI's primary business to a holding company. The SEC ruled that DHI's Registration Statement as a leasing and financing company was no longer true and accurate. Hence, the SEC ordered the suspension and required the filing of an Amended Registration Statement. The SEC furnished the PSE a copy of the Order, and on this basis, the PSE imposed a trading suspension of DHI on February 14, 2020. As of December 31, 2023, the trading of the Company's shares remains suspended due to the Order of Suspension issued by the SEC.

As previously disclosed, DHI filed its request for reconsideration of the Order and has sought guidance from the SEC on the requirement to amend its Registration Statement, if so required and appropriate under applicable laws and regulations, considering that it has no ongoing offering.

In order to comply with requirement of the MSRD for the lifting of the Order, the Company will file this Amended Registration Statement, and as annex thereof, the Prospectus.

### *Employees*

With the cessation of the leasing and financing business of the Company and the full transition of the leasing operations to BDO Finance in October 2020, the Company's manpower complement as of December 2023, remains at five (5) personnel who are its Corporate Officers, namely: President, Treasurer, Corporate Secretary, Assistant Corporate Secretary and Compliance Officer.

#### **(b) Description of Property**

With the discontinuance of its operations as a leasing and finance company, the Company pre-terminated all its lease contracts for its head office premises and all branch offices with BDO.

Further, the Company has sold on an arm's length basis its facilities, office furniture, fixtures and equipment to BDO Finance.

#### **(c) Legal Proceedings**

The Company is party to various legal proceedings which arise in the ordinary course of its past operations as a leasing and financing company. No such legal proceedings, either individually or in the aggregate, are expected to have a material adverse effect on the Company or its consolidated financial condition.

As of December 31, 2023, the Company has no knowledge of:

- Any litigation not being contested by the Company or litigation in which the Company has admitted liability.
- Any investigation concerning the Company that has been or is being conducted by any government agency having regulatory jurisdiction over Company.



- Any failure of the Company to act in accordance with applicable local law which could result in a material liability.
- Unpaid legal fees

**(d) Market Price of and Dividends on the Registrant's Common Equity and Related Stockholder Matters**

The total treasury shares of the Company as of December 31, 2023 is 62,693,718 shares.

*Market Information*

The principal market for the Company's common equity is the PSE. At its meeting held on October 26, 2022, the Board of Directors of the Company approved the change of the Company's stock symbol in the PSE from "BLFI" to "DHI" in view of the Company's change in corporate name.

The market prices of the Company's shares are as follows:

| <b>2020</b>                             | <b>High</b> | <b>Low</b> | <b>2019</b>             | <b>High</b> | <b>Low</b> |
|---|-------------|------------|-------------------------|-------------|------------|
| January 24, 2020<br>(Last trading date) | 3.35        | 3.00       | 1 <sup>st</sup> quarter | 2.29        | 2.22       |
|   |             |            | 2 <sup>nd</sup> quarter | 2.42        | 2.32       |
|   |             |            | 3 <sup>rd</sup> quarter | 2.02        | 2.00       |
|   |             |            | 4 <sup>th</sup> quarter | 2.02        | 1.84       |
| <b>2018</b>                             | <b>High</b> | <b>Low</b> | <b>2017</b>             | <b>High</b> | <b>Low</b> |
| 1 <sup>st</sup> quarter                 | 3.21        | 2.23       | 1 <sup>st</sup> quarter | 3.96        | 3.95       |
| 2 <sup>nd</sup> quarter                 | 2.84        | 2.83       | 2 <sup>nd</sup> quarter | 4.05        | 3.90       |
| 3 <sup>rd</sup> quarter                 | 2.58        | 2.57       | 3 <sup>rd</sup> quarter | 4.08        | 4.05       |
| 4 <sup>th</sup> quarter                 | 2.20        | 2.19       | 4 <sup>th</sup> quarter | 3.89        | 3.78       |

As of January 24, 2020 and December 27, 2019, the closing prices of the Company's shares was at P3.16 and P1.87, respectively.

On February 13, 2020, the SEC issued an Order of Suspension against the Company, suspending its Registration Statement (and Permit to Sell primary securities), the lifting of which is subject to the submission of an Amended Registration Statement (the Order).

The Order was issued by the SEC in light of the change of the Company's primary business from a leasing to a holding company, as the SEC ruled that the Company's Registration Statement as a leasing and financing company was no longer true and accurate. The SEC ordered the suspension and required the filing of an Amended Registration Statement. The Company filed a request for reconsideration of the Order on 25 February 2020, primarily on the basis that the conversion of the Company is not yet approved by the SEC and hence not yet effective, noting also that it has been transparent and timely with reporting material transactions.

While the Company's request for reconsideration remains pending resolution by the SEC, the Company decided to comply with the directive of the SEC and took the opportunity upon approval by the SEC of its conversion to a holding company on 18 July 2022. Subject to review and approval of the SEC, DHI filed an amended Registration Statement last 29 June 2023 in compliance with the requirements of the SEC for the lifting of its Order of Suspension against the Company dated 13 February 2020 (Order).

As of December 31, 2023, the trading of the Company's shares remains suspended due to the Order of Suspension issued by the SEC requiring amendment of Company's registration statement. The Company has since engaged the SEC on its requirements to lift the suspension order and the matter is still pending resolution.

The total number of stockholders of the Company as of December 31, 2023 is at One Thousand One Hundred One Hundred (1,100). Common shares outstanding in turn, totaled 2,162,475,312.

*Holdings*

The Company's common stockholders, with their respective shareholdings as of December 31, 2023 are as follows:

| <b><u>Name</u></b>             | <b><u>No. of Shares Held</u></b> | <b><u>% to Total</u></b>  |
|--------------------------------|----------------------------------|---------------------------|
| BDO Unibank, Inc. <sup>2</sup> | 1,914,711,807                    | 88.542597%                |
| Various Stockholders (Public)  | 247,763,505                      | 11.457403%                |
|                                | <b><u>2,162,475,312</u></b>      | <b><u>100.000000%</u></b> |

The top 20 stockholders of the Company as of December 31, 2023, are as follows:

| <b><i>Name of Stockholders</i></b>                        | <b><i>Securities</i></b> | <b><i>Shares Held</i></b> | <b><i>Total Outstanding</i></b> |
|---|--------------------------|---------------------------|---------------------------------|
| BDO Unibank, Inc.*  | Common                   | 1,914,711,807             | 88.542597%                      |
| PCD Nominee Corporation (Filipino)                        | Common                   | 247,859,686               | 11.139%                         |
| Samuel Uy Chua  | Common                   | 21,000,000                | 0.944%                          |
| Equitable Computer Services, Inc. A/C Cequit11            | Common                   | 12,320,000                | 0.554%                          |
| Marylen Castro Mateo                                      | Common                   | 3,795,000                 | 0.171%                          |
| Jesselen Castro Verzosa                                   | Common                   | 3,795,000                 | 0.171%                          |
| Samuel Uy Chua  | Common                   | 3,011,150                 | 0.135%                          |
| Constantino Chua  | Common                   | 2,497,200                 | 0.112%                          |
| Equitable Computer Services, Inc.                         | Common                   | 2,070,200                 | 0.093%                          |
| Mercury Group of Companies, Inc.                          | Common                   | 1,089,165                 | 0.049%                          |
| Constantino Chua &/or Willington Chua &/or George W. Chua | Common                   | 1,020,000                 | 0.046%                          |
| Nardo R. Leviste  | Common                   | 759,000                   | 0.034%                          |
| PCD Nominee Corporation (Foreign)                         | Common                   | 587,821                   | 0.026%                          |
| Willington/Constantino Chua                               | Common                   | 584,430                   | 0.026%                          |
| Willington Chua   | Common                   | 508,530                   | 0.023%                          |
| Pablo Son Keng Go   | Common                   | 455,400                   | 0.02%                           |

<sup>2</sup> Includes shares of affiliate, BDO Capital & Investment Corporation. Number of shares reflects both direct and indirect shareholdings

|                                   |        |         |        |
|-----------------------------------|--------|---------|--------|
| Wilson Go                         | Common | 438,625 | 0.02%  |
| Lim Chin Ben                      | Common | 425,040 | 0.019% |
| Sysmart Corporation               | Common | 358,835 | 0.016% |
| Abacus Capital & Investment Corp. | Common | 303,000 | 0.014% |

*\*Includes shares of affiliate, BDO Capital & Investment Corporation. Number of shares reflects both direct and indirect shareholdings.*

#### *Dividends*

In the last two (2) years, the Company did not declare any dividends. No restriction exists that limits the payment of dividend on common shares.

#### *Recent Sales of Unregistered or Exempt Securities, Including Recent Issuance of Securities Constituting an Exempt Transaction*

There were no recent sales of unregistered or exempt securities including recent issuance of securities constituting an exempt transaction.

#### **(e) Management's Discussion and Analysis or Plan of Operation**

##### **2023 Compared to 2022**

In 2023, the Company registered a net income of P277.3 Million mainly derived from interest earnings on time deposits and debt securities. The shift of the investment portfolio from unit investment trust fund in 2022 to time deposits and debt securities resulted in the significant increase in net income from P69.3 Million recorded in 2022.

As of December 31, 2023, total assets grew by 4.7% to P6.4 Billion of which P3.9 Billion is invested in time deposits and P2.3 Billion is invested in debt securities. The balance mainly pertains to creditable withholding taxes of P127.4 Million.

Total liabilities amounted to P13.2 Million.

Stockholders' equity rose from P6.1 Billion in 2022 to P6.4 Billion in 2023 as earnings from investments are plowed back to the Company.

The Company's five (5) key performance indicators are as follows:

|                      | <u>December 31, 2023</u> | <u>December 31, 2022</u> |
|----------------------|--------------------------|--------------------------|
| Current Ratio        | 599.06:1                 | 378.58:1                 |
| Quick asset ratio    | 599.06:1                 | 378.58:1                 |
| Debt to Equity Ratio | 0.00:1                   | 0.00:1                   |
| Net Profit Margin    | 80.67%                   | 54.61%                   |
| Return on Equity     | 4.45%                    | 1.15%                    |

The Current Ratio (computed as current assets divided by current liabilities) and Quick Asset Ratio (quick asset divided by current liabilities) increased from last year's 378.58:1. Debt to equity ratio (computed as total liabilities divided by total equity) remained almost nil for two years. Net Profit Margin (computed as net income over gross revenue) rose to 80.67%. Return on Equity (net income over average equity) increased to 4.45% in 2023.

For the next twelve (12) months, DHI will continue investing its financial assets in money market placements, debt securities, and other short-term but high-yielding instruments. Other investments opportunities aligned with the objectives of the Company will be carefully analyzed and considered. The Company does not expect any product research and development, purchase or sale of plant and equipment, nor any significant change in the number of employees for the term of the plan.

### 2022 Compared to 2021

In 2022, the Company's gross income amounted to P126.8 million, an increase of P69.7 million or 122.12% from last year's P57.1 million. The company redeemed its investment in Unit Investment Trust Fund (UITF) of P5.9 billion during the last quarter of 2022, thereby realizing a gain on redemption of UITF amounting to P62.6 million. The proceeds of the investment were placed in higher yielding short-term time deposits which resulted in additional interest earning of P63.2 million. After considering total expenses of P32.4 million, the company registered a net income of P69.3 million, an increase of P59% from P43.5 million in 2021.

As of December 31, 2022, total assets remained at P6.1 billion, of which P6.0 billion was placed in short-term time deposits.

Accounts Payables and Other Liabilities amounted to P16.1 million.

Stockholders' equity stood at P6.1 billion.

The Company's five (5) key performance indicators are as follows:

|                      | <u>December 2022</u> | <u>December 2021</u> |
|----------------------|----------------------|----------------------|
| Current Ratio        | 378.58:1             | 738.0:1              |
| Quick asset ratio    | 378.58:1             | 738.0:1              |
| Debt to Equity Ratio | 0.00:1               | 0.00:1               |
| Net Profit Margin    | 54.61%               | 76.25%               |
| Return on Equity     | 1.15%                | 0.73%                |

The Current Ratio (computed as current assets divided by current liabilities) and Quick Asset Ratio (quick asset divided by current liabilities) decreased from last year's 738.0:1. Debt to equity ratio (computed as total liabilities divided by total equity) remained almost nil for two years. Net Profit Margin (computed as net income over gross revenue) rose to 54.61%. Return on Equity (net income over average equity) increased to 1.15% in 2022.

### 2021 Compared to 2020

The Company registered a net income of P43.6 million for the year ended December 31, 2021. Compared to 2020, net income dropped by 83% from P252.4 million, as the previous year's result was still based on a balance sheet prior to the full implementation of the Company's restructuring of its leasing business. After discontinuing its leasing and financing business and sale of substantially all assets in October 2020, the income generated by the Company was earned solely from the fair value gain of its investment in Unit Investment Trust Funds (UITFs) which amounted to P55.0 million. Total expenses, on the other hand, stood at P19.3 million.

As of December 31, 2021, total assets practically remain the same at P6.0 billion, of which P5.8 billion was invested in UITFs.

The Company also assigned irrevocably and absolutely to BDO Finance certain accounts payable and other liabilities. The remaining balance of Accounts Payable and Other Liabilities account amounting to P8.1 million includes, among others, accounts payable and withholding taxes payable.

Stockholders' equity stood at P6.0 billion. The Company's five (5) key performance indicators are as follows:

|                      | <u>December 2021</u> | <u>December 2020</u> |
|----------------------|----------------------|----------------------|
| Current Ratio        | 738.0:1              | 218.0:1              |
| Quick asset ratio    | 738.0:1              | 218.0:1              |
| Debt to Equity Ratio | 0.00:1               | 0.00:1               |
| Net Profit Margin    | 76.29%               | 10.66%               |
| Return on Equity     | 0.73%                | 4.36%                |

The Current Ratio (computed as current assets divided by current liabilities) and Quick Asset Ratio (quick asset divided by current liabilities) increased from last year's 218.01:1. Debt to equity ratio (computed as total liabilities divided by total equity) remained almost nil for two years. Net Profit Margin (computed as net income over gross revenue) rose to 76.29%. Return on Equity (net income over average equity) dropped to 0.73% in 2021.

#### **Policy on Revenue Recognition – Other Income**

Income that are one off are recognized as Other Income. These are recognized as they are earned.

#### **Key Variable and Other Qualitative and Quantitative Factors**

With approvals from its Board of Directors and stockholders, the Company already voluntarily surrendered its secondary license as a financing company to the Securities and Exchange Commission.

On July 21, 2022, the SEC released its approval dated July 18, 2022 of the change in corporate name of BDO Leasing and Finance Inc. to "Dominion Holdings, Inc.", the change in the Company's primary and secondary purposes from a leasing and financing company to that of a holding company, and the corresponding amendments to the Company's Articles of Incorporation and By-laws.

As an investment holding company, Dominion Holdings, Inc. will have more flexibility in pursuing business opportunities which will enhance shareholder value for all shareholders.

None of the following are present:

- a. known trends, events or uncertainties that will have any material impact on the Company's liquidity;
- b. events that will trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation;
- c. material off-balance sheet transactions, arrangements, obligations and other relationships of the Company with unconsolidated entities or other persons created during the reporting period;
- d. material commitments for capital expenditures during the year;
- e. known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales or revenues or income from continuing operations.
- f. significant elements of income or loss that did not arise from the Company's continuing operations; and
- g. seasonal aspects that had a material effect on the financial condition or results of operations.

The causes for any material changes from 2022-2023 are explained in Item 11.e. Management's Discussion and Analysis or Plan of Operation.

#### **Internal and External Sources of Liquidity**

From January to September 2020, the Company relied on revenue from operations and lines from creditor banks for its sources of liquidity.

The sale of substantially all assets of the Company was used to pay-off or retire all credit obligations. The residual cash was placed in unit investment trust funds (UITFs) until its redemption in October 2022. The proceeds from the redemption of the UITFs was placed in short-term time deposits and debt securities.

#### **(f) Changes in and Disagreements With Accountants On Accounting and Financial Disclosure**

In 2023 and 2022, the auditing firm of P&A has been appointed as the Company's Independent Public Accountant. There was no event in the past where P&A and the Company had any disagreement with regard to any matter relating to accounting principles or practices, financial statement disclosure or auditing scope and procedures.

#### **(g) Directors, Executive Officers, Promoters and Control Persons**

##### *Directors and Corporate Officers*

The Board is empowered to direct, manage and supervise, under its collective responsibility, the affairs of the Company. The members of the Board are elected annually by the stockholders to hold office for a term of one (1) year, and shall serve until their respective successors have been duly elected and qualified.

Below is the list of the incumbent members of the Board and all persons nominated to be part of the Board, and the corporate officers and their business experience during the past five (5) years:

##### **ATTY. ELMER B. SERRANO**

Chairman  
56 years old, Filipino

Atty. Serrano was elected as Chairman of the Board of Directors of the Company on 20 April 2022. He is also the Corporate Information Officer of BDO Unibank, Inc. and serves as the corporate secretary of bank's subsidiaries and affiliates.

He also sits as an Independent Director of Benguet Corporation and Philippine Telegraph and Telephone Corporation, and a director of EEI Corporation. He is also the Corporate Secretary of SM Investments Corporation, SM Prime Holdings, Inc., Premium Leisure Corporation, Atlas Consolidated Mining and Development Corporation and DFNN, Inc.

Atty. Serrano is a practicing lawyer specializing in corporate law and is the Managing Partner of the law firm SERRANO LAW. He has been awarded "Asia Best Lawyer" 3 years in a row by the International Financial Law Review (IFLR) for Banking and Finance, Capital Markets, and Mergers & Acquisitions, one of only two exclusively recognized lawyers in all three practice areas in the Philippines.

He is also Corporate Secretary and counsel of the prominent financial industry organizations, such as the Bankers Association of the Philippines, Philippines Payments Management, Inc. and the PDS Group.

Atty. Serrano is a Certified Associate Treasury Professional and was among the top graduates of the Trust Institute of the Philippines in 2001. Atty. Serrano holds a Juris Doctor degree from the Ateneo de Manila University and a BS Legal Management degree from the same university.

**JOHN EMMANUEL M. LIZARES**

Director & President  
60 years old, Filipino

Mr. Lizares was elected to the Board of Directors of the Company on August 1, 2023. He is concurrently the President/Director of BDO Finance Corporation and BDO Rental, Inc. He is Senior Vice President and was previously the Unit Head of Institutional Banking Group-Commercial Banking East C since July 2016. Prior to joining BDO in July 2001, Mr. Lizares was with the Retail Banking of Far East Bank & Trust Company and later joined the Corporate Banking Division of the Bank of the Philippine Islands after the merger. He holds a Bachelor of Science degree in Business Economics from the University of the Philippines.

**LUIS S. REYES, JR.**

Director & Treasurer  
66 years old, Filipino

Mr. Reyes was first elected to the Board of Directors of the Company on April 18, 2012, and was appointed as Treasurer on April 23, 2014. He is concurrently the Executive Vice President for Investor Relations and Corporate Planning of BDO Unibank, Inc. He is also the Treasurer of BDO Finance Corporation, Director and Treasurer of BDO Rental, Inc., Director of BDO Strategic Holdings, Inc. and BDORO Europe Ltd., and Chairman of Nashville Holdings, Inc. Before joining BDO, Mr. Reyes was a First Vice President of Far East Bank & Trust Company, Trust Banking Group. He holds a Bachelor of Science degree in Business Economics from the University of the Philippines.

**LAZARO JEROME C. GUEVARRA**

Director  
57 years old, Filipino

Mr. Guevarra was elected to the Board of Directors of the Company on April 20, 2022. He is concurrently Senior Vice President of BDO Unibank. He is the Chief of Staff for the Office of the President and concurrently the Head for the Governance Group, administratively overseeing the Legal Services & Corporate Secretary, Compliance, Internal Audit, and Information & Cyber Security Office. He holds the following positions in the BDO Group: Chairman of BDO Remit (Canada), Ltd., BDO Remit (Japan), Ltd., BDO Remit (USA), Inc. and BDO Insurance Brokers, Inc.; Director of BDO Strategic Holdings, Inc., BDORO Europe Ltd., Averon Holdings Corporation, SM Keppel Land, Inc., NorthPine Land, Inc. and Nashville Holdings, Inc.; Trustee of BDO Foundation; and Advisor to the Board of BDO Securities Corporation. He was previously the Head of Advisory, Mergers & Acquisition of BDO Capital & Investment Corporation and President of BDO Securities Corporation. He holds a Bachelor's degree in Economics from the University of the Philippines. He has more than thirty (30) years of experience in banking, mergers & acquisitions.

**MELANIE S. BELEN**

Director  
63 years old, Filipino

Ms. Belen was elected to the Board of Directors of the Company on April 20, 2022. She is currently Senior Vice President / Head of Credit Risk Operations & Asset Recovery Management of BDO Unibank, Inc. She is concurrently President/Director of BDO Strategic Holdings, Inc. and Ivory Homes, Inc. She is also Director of Taal Land, Inc. and Chairperson/Director Equimark-NFC Development Corporation. Before joining BDO, she was a Country Vice President of Scholastic Inc. (Grolier International), and Chief Financial Consultant of Healthy Options. Ms. Belen is a Certified Public

Accountant (CPA) and holds a Bachelor of Science degree in Commerce from the University of Sto. Tomas, and a Master's degree in Business Management from the Asian Institute of Management.

**GENEVA T. GLORIA**

Director

59 years old, Filipino

Ms. Gloria was elected to the Board of Directors of the Company on April 20, 2022. She is the Senior Vice President and Head of BDO Remittance-Transaction Banking Group of BDO Unibank, Inc. She is also the concurrent director of BDO Network Bank, Inc., BDO Remit International Holdings B.V., BDO Remit (UK) Ltd., BDO Remit (Canada) Ltd., BDO Remit (Japan) Ltd., BDO Remit Limited, BDO Remit (USA), inc. and BDO Remit (Macau) Limited. Ms. Gloria's banking career spans more than three decades, with 25 years of experience in the remittance business. Her expertise encompasses business development, operations, project management, marketing, as well as both local and foreign remittance. Ms. Gloria gained a deep understanding of the overseas Filipino market during her five-year tenure as an expatriate, where she operated remittance subsidiaries. Under Ms. Gloria's leadership, BDO Unibank, Inc. consistently received the BSP's "Commercial Bank that Generated the Largest Overseas Filipino Remittances" Award from 2008-2010 and 2013-2019. She also supported various government projects for the overseas Filipinos. In 2014, Ms. Gloria and her team launched a grassroots marketing campaign across the country, alongside financial literacy programs for clients overseas. The on-ground activities and digital outreach strengthened the bank's commitment to financial inclusion. Ms. Gloria received her Bachelor of Science degree in Business Administration from the University of the Philippines.

**REBECCA S. TORRES**

Director

71 years old, Filipino

Ms. Torres was elected to the Board of Directors of the Company on July 13, 2022. She is an incumbent Consultant of BDO Unibank and Director of BDO Rental, Inc. She is concurrently the Treasurer of BDO Life Assurance Company, Inc. and BDO Insurance Brokers, Inc. She was formerly Senior Vice President & Chief Compliance Officer of BDO Unibank, Inc. and Assistant Corporate Secretary of BDO Leasing and Finance, Inc., BDO Private Bank, Inc., BDO Rental, Inc., Armstrong Securities, Inc., and Equimark-NFC Development Corp. She likewise served as Assistant Corporate Secretary and Trustee of BDO Foundation, Inc. She was the Corporate Secretary of PCIB Securities, Inc., BDO Strategic Holdings Inc., and the Sign of the Anvil, Inc. She was formerly the Chief of Staff of the President involved in project management for the bank's merger activities. She was a Director and currently an Adviser to the Board of the Association of Bank Compliance Officers of the Philippines. She is a CPA and a graduate of St. Theresa's College, Quezon City with a degree of Bachelor of Science Major in Accounting and she has completed the Advanced Bank Management Program of the AIM.

**LUIS MA. G. URANZA**

Lead Independent Director

65 years old, Filipino

Atty. Uranza was elected as Independent Director of the Company on April 20, 2022. He is concurrently an Independent Director of BDO Private Bank, BDO Finance Corporation, BDO Capital & Investment Corporation and BDO Insurance Brokers, Inc. He has previously served as the Corporate Secretary of various banks, financial institutions, and listed companies. His professional experience in the field of litigation is also extensive due to his engagement as trial counsel in notable civil, criminal and administrative cases.

Atty. Uranza is currently the Rehabilitation Receiver, appointed by the Securities and Exchange Commission, to oversee the financial recovery of Victorias Milling Co., Inc. which is one of the major sugar millers and refiners in the country whose shares are listed and traded in the Philippine Stock



Exchange. Atty. Uranza has also been given similar appointments by the commercial courts of Makati City and the City of Cagayan de Oro to oversee the financial rehabilitation of several other companies.

In the course of his law practice, Atty. Uranza gained proficiency in oil and gas exploration laws and regulations as a result of his membership in the Board of Directors of PNOC-Exploration Corporation which is a government owned and controlled corporation created for the primary purpose of exploring and developing the fossil fuel and natural gas resources of the country. Moreover, the Philippine Government (through its various agencies) has also engaged the professional services of Atty. Uranza as: (a) Special Legal Counsel of the Presidential Commission on Good Government, (b) Legal Consultant to the Special Presidential Task Force created by Executive Order No. 156 to investigate the tax credit scam at the Department of Finance, and (c) Legal Consultant to the Office of the General Manager of the Manila International Airport Authority.

Atty. Uranza is a member of the Philippine Bar who has been engaged in the practice of law for more than thirty-five (35) years. He earned both his academic degrees in business (B.S.B.A.) and in law (L.I.B.) from the University of the Philippines.

**ISMAEL G. ESTELA, JR.**

Independent Director  
67 years old, Filipino

Mr. Estela was elected as Independent Director of the Company on April 20, 2022. He is presently an Independent Trustee of BDO Foundation, Inc., and Independent Director of BDO Finance Corporation and Country Builders Bank. He serves as Chairman of the Board of Directors of Blue Plate Exalt Foods Corp. He was formerly Senior Vice President and Corporate Governance Officer of BDO Unibank, Inc., assigned to Corporate Compliance and Legal Services & Internal Audit Group, and held various directorship positions in BDO Group: BDO Remit (Canada) Ltd., BDO Remit (Japan) Ltd., BDORO Europe Ltd., and Express Padala International, Inc. He was also Head of Transaction Banking doing cash management, electronic banking, and remittance services. He is a Certified Public Accountant ("CPA") and holds a Bachelor of Science degree in Accounting from the University of San Carlos.

**ATTY. JOSEPH JASON M. NATIVIDAD**

Corporate Secretary  
51 years old, Filipino

Atty. Natividad was appointed Corporate Secretary of the Company on May 31, 2010. He concurrently holds the position of Corporate Secretary of BDO Network Bank Inc., the DSV/Agility Group of Companies in the Philippines, and serves as a member of the Board of Directors and Corporate Secretary of Gaia South, Inc. He is also the Assistant Corporate Secretary of BDO Insurance Brokers, Inc. He served as Assistant Corporate Secretary of Equitable PCI Bank from September 2006 to June 2007, prior to its merger with Banco de Oro; BDO Capital & Investment Corporation, BDO Securities Corporation, and BDO Rental, Inc. He is also Board Secretary of the Private Education Retirement Annuity Association (PERAA), a retirement fund administrator of private schools. Atty. Natividad is currently a Partner of the Factoran & Natividad Law Offices. He has been in law practice for more than 25 years, mainly in the fields of corporate law and environmental law. He has a Bachelor's degree in Management, major in Legal Management, from the Ateneo de Manila University, and obtained his Juris Doctor degree from the Ateneo de Manila University School of Law.

**ATTY. MA. CECILIA SALAZAR-SANTOS**

Assistant Corporate Secretary  
58 years old, Filipino

Atty. Santos was appointed as Assistant Corporate Secretary and Alternate Corporate Information Officer of the Company since October 1, 2015. She is concurrently the First Vice President and Alternate Corporate Information Officer of BDO Unibank. She is the Corporate Secretary of BDO

Finance Corporation, BDO Foundation, Inc. BDO Strategic Holdings, Inc., BDO Rental, Inc., Averon Holdings Corporation, Nashville Holdings, Inc., Ivory Homes, Inc., and Equimark-NFC Development Corporation Further, she is also the Assistant Corporate Secretary of BDO Private Bank, Inc. and BDO Network Bank, Inc. She was formerly the Corporate Secretary of Armstrong Securities, Inc., BDO Nomura Securities, Inc., and Director and Corporate Secretary of PCI Insurance Brokers, Inc., PCI Management Consultants, Inc., PCI Travel Corporation, The Executive Banclounge, Inc., and The Sign of the Anvil, Inc.

In addition, she is currently assigned at BDO Unibank Legal Services and Corporate Secretary Group as Head of two (2) Teams, to wit: IP/Legal Support Team providing legal assistance to BDO Unibank's Support Groups and Subsidiaries and in managing the BDO Group's Intellectual Property (BDO and BDO-related trademarks and domain names), and Corporate Secretariat Team providing corporate secretariat services to BDO Unibank and its Subsidiaries. In 2017, 2018, 2019, and 2020, she was featured in the World Trademark Review 300 as among the World's Top 300 Leading Trademark Professionals. In 2023, she was included in the GC Powerlist Philippines 2023–Legal 500. She holds a Bachelor of Arts degree major in Economics from University of Sto. Tomas and finished law at San Beda College of Law (Dean's Lister).

**COSME S. TRINIDAD, JR.**

Compliance and Corporate Governance Officer  
59 years old, Filipino

Mr. Trinidad was appointed as Compliance and Corporate Governance Officer of the Company on February 1, 2024. He is concurrently the Risk and Compliance Officer, Data Protection Officer, Corporate Governance and Information Security Officer of BDO Finance Corp. and BDO Rental, Inc. He is First Vice President and was the Team Head of Institutional Banking Group-Commercial Banking Central Luzon since August 2020. He was formerly Unit Head of Marketing-Luzon in BDO Leasing and Finance, Inc. for 8 years. He joined BDO Risk Management Group in 2008 handling credit policy and portfolio review. He holds a Masters Degree in Business Administration from De La Salle University and graduated Magna Cum Laude with a degree in Bachelor of Science in Fisheries major in Business Management from the University of the Philippines.

*Board and Senior Management Performance*

An annual self-assessment focusing on the performance of the Board, its members, and Committees, and Senior Management, is spearheaded by the Corporate Governance Committee, using an approved set of questionnaires. The performance evaluation process begins with sending out customized Board Evaluation Questionnaires to each director. They are required to complete the questionnaire which explains the rationale and objectives of the performance evaluation. Based on the returns from each respondent, the ratings and responses are tabulated and consolidated. The Corporate Governance Officer prepares the overall report and presents this to the Corporate Governance Committee for discussion and endorsement to the Board, including the recommended actions and focus areas to improve effectiveness. The 2023 Board Effectiveness Evaluation will be conducted by an external facilitator.

*Significant Employee*

There is no person, other than the senior executive officers above, who is expected by the Company to make significant contributions to the Company.

*Family Relationships*

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

### *Involvement of Directors and Executive Officers in Certain Legal Proceedings*

To the best of the Company's knowledge, none of the directors or executive officers is named or is involved in any legal proceeding during the last five (5) years, which will have any material effect on the Company, its operations, reputation, or financial condition.

Specifically, to the Company's knowledge, none of its directors and senior executives have been subject of the following legal proceedings during the past five (5) years:

- i. bankruptcy petition by or against any business of which such director or senior executive was a general partner or executive officer either at the time of bankruptcy or within two years prior to that time;
- ii. a conviction by final judgment, in a criminal proceeding, domestic or foreign, or being subject to a pending criminal proceeding, domestic or foreign;
- iii. 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;
- iv. being found by a domestic or foreign court of competent jurisdiction (in a civil action), the SEC or comparable foreign body, or a domestic or foreign exchange or other organized trading, market or self-regulatory organization, to have violated the securities or commodities law or regulation, and the judgment has not been reversed, suspended or vacated.

### **(h) Executive Compensation**

It is the objective of the Company to attract, motivate and retain high-performing executives necessary to maintain its leadership position in the industry. To be competitive in the marketplace, the Company offers a remuneration package composed of fixed salary, benefits and long-term incentives. Below are the compensation details of the directors and key executive officers of the Company:

#### *President and four most highly compensated executive officers*

| <b>in millions of pesos</b>                                   | <b>Year</b>        | <b>Annual Compensation</b> | <b>Other Compensation</b> |
|---|--------------------|----------------------------|---------------------------|
| President and four most highly compensated executive officers | 2024<br>(estimate) | none*                      | none*                     |
|   | 2023               | none*                      | none*                     |
|   | 2022               | none*                      | none*                     |
|   | 2021               | none*                      | none*                     |

\* Except for the Corporate Secretary, all the other officers namely President, Treasurer, Compliance Officer, and Assistant Corporate Secretary are seconded from BDO Unibank and BDO Finance Corp. and receives their compensation directly from these companies. The Corporate Secretary in turn, is an external counsel retained by BDO Unibank, which directly pays for his compensation.

There are no actions to be taken with regard to election, any compensatory plan, contract, or arrangement, bonus or profit-sharing, change in pension/ retirement plan, granting of or extension of any options, warrants or rights to purchase any securities.

*Compensation of directors and officers as a group*

| <b>In Million Pesos</b>          | <b>Year</b>        | <b>Annual Compensation</b> | <b>Other Compensation</b> |
|----------------------------------|--------------------|----------------------------|---------------------------|
| All other officers and directors | 2024<br>(estimate) | 2.18                       | none                      |
|                                  | 2023               | 2.18                       | none                      |
|                                  | 2022               | 2.93                       | none                      |
|                                  | 2021               | 3.01                       | none                      |

*Compensation of Directors*

Each director is entitled to receive *per diem* allowance for attending board and committee meetings. The Board approves all compensation and remuneration schemes for the senior officers of the Company. As provided by law, the total compensation of directors shall not exceed 10% of the net income before income tax of the Company for the preceding year.

Each member of the Board of Directors received the following amounts as Directors for the year 2023:

| <b>Name of Director</b>      | <b>Amount</b>         |
|------------------------------|-----------------------|
| 1. Elmer B. Serrano          | P 500,000.00          |
| 2. John Emmanuel M. Lizares  | 0.00                  |
| 3. Melanie S. Belen          | 0.00                  |
| 4. Ismael G. Estela, Jr.     | 591,111.10            |
| 5. Geneva T. Gloria          | 0.00                  |
| 6. Lazaro Jerome C. Guevarra | 0.00                  |
| 7. Rebecca S. Torres         | 500,000.00            |
| 8. Luis R. Reyes, Jr.        | 0.00                  |
| 9. Luis Ma. G. Uranza        | 591,111.10            |
| <b>Total</b>                 | <b>P 2,182,222.20</b> |

Above-mentioned amounts include total fees and *per diems* received by the Directors for their attendance in meetings of the Board. Executives of BDO Unibank and DHI did not receive any directors' fees nor *per diems* as directors of the Company.

There is no distinction on the fee for a committee chairman and member. Other than these fees, the non-executive directors do not receive any share options, profit sharing, bonus or other forms of emoluments.

The Company may grant to the directors any compensation other than *per diem* upon approval of the shareholders representing at least a majority of the outstanding capital stock.

*Outstanding warrants or options held by the Company's CEO, executive officers, and all officers and directors as a group.*

There are no outstanding warrants or options held by the Company's President, officers, and all directors as a group.

*Any repricing of warrants or options held by such officers or directors in the last completed fiscal year, as well as the basis for each such repricing.*

There are no outstanding warrants or options held by the Company's President, officers, and all directors as a group.

(i) **Security Ownership of Certain Record and Beneficial Owners and Management**

**Security Ownership of Certain Record/Beneficial Owners**

As of December 31, 2023, the following are known to the Company to be directly or indirectly the record and/or beneficial owners of more than 5% of the Company's voting securities:

| Title of class | Name and Address of Record Owner & Relationship with Issuer  | Name of Beneficial Owner & Relationship with Record Owner   | Citizenship  | Number of Shares Held | Percentage |
|----------------|--|---|--------------|-----------------------|------------|
| Common         | BDO Unibank, Inc. together with its wholly-owned subsidiary BDO Capital & Investment Corporation<br>BDO Corporate Center, 7899 Makati Avenue, Makati City<br><br><b><i>BDO Unibank, Inc. is the parent company of the Issuer</i></b>   | Record and beneficial (affiliate and majority stockholder)  | Filipino     | 1,914,711,807         | 88.54%     |
| Common         | PCD Nominee Corp. (PCD)<br>29th Floor BDO Equitable Tower, 8751 Paseo de Roxas, Makati City 1226<br><br><b><i>PCD has no relationship with the Registrant except as stockholder.</i></b><br><br><b><i>PCD, being a nominee corporation, only holds legal title, not beneficial ownership of the lodged shares.</i></b> | Various shareholders<br><br>No stockholder owns more than 5% of the Company's voting securities through PCD | Filipino     | 247,797,068           | 11.136 %   |
|                |  |   | Non-Filipino | 587,821               | 0.026%     |

The persons authorized to vote the shares of BDO Unibank, Inc. (**BDO Unibank**) are Ms. Teresita T. Sy and Mr. Nestor V. Tan.

As of December 31, 2023, the following stockholders own more than 5% of BDO Unibank:

| Title of Class       | Name & Address of Record Owner  | Name of Beneficial Owner and Relationship with Record Owner | Citizenship | No. of BDO Shares held | Percentage |
|----------------------|---|---|-------------|------------------------|------------|
| Common and Preferred | <b>SM Investments Corporation</b><br>10 <sup>th</sup> Floor, One E-com Center, Harbour Drive, Mall of Asia Complex, CBP-I-A, Pasay City | Sy Family<br><br>(Substantial Stockholders)                 | Filipino    | 2,292,936,778*         | 38.96%     |
| Common               | <b>PCD Nominee Corp. (Foreign)</b><br>29/F BDO Equitable Tower, 8751 Paseo de Roxas, Makati City  | Various Stockholders  | Foreign     | 1,477,947,804          | 25.11%     |

|                                       |   |                                |          |                      |               |
|---------------------------------------|---|--------------------------------|----------|----------------------|---------------|
| Common                                | <b>PCD Nominee Corp. (Filipino)</b><br>29/F BDO Equitable Tower,<br>8751 Paseo de Roxas,<br>Makati City                       | Various Stockholders           | Filipino | 767,475,099 **       | 13.04 %       |
| Common and Preferred                  | <b>Sybase Equity Investments Corporation</b><br>10 <sup>th</sup> Floor L.V. Locsin Building<br>6752 Ayala Avenue, Makati City | Various corporate Stockholders | Filipino | 757,692,350*         | 12.78%        |
| Common                                | <b>Multi-Realty Development Corporation</b><br>10 <sup>th</sup> Floor L.V. Locsin Building<br>6752 Ayala Avenue, Makati City  | SM Investments Corp.           | Filipino | 349,815,643*         | 5.94%         |
| <b>TOTAL (COMMON &amp; PREFERRED)</b> |   |                                |          | <b>5,640,567,674</b> | <b>95.83%</b> |

\* Inclusive of PCD-lodged shares

\*\* Exclusive of PCD-lodged shares of SM Investments Corporation, Multi-Realty Development Corporation and Sybase Equity Investments Corporation.

#### Security Ownership of Management

As of December 31, 2023, the total number of shares owned by the directors and management of the Company as a group is 1,750 common shares, which is equivalent to 0.000809% of the total outstanding common shares of the Company. The Company's directors and officers own the following Common Shares:

| Title of Class | Name of Beneficial Owner         | Position                  | No. of Shares | Citizenship | Percent of Class |
|----------------|----------------------------------|---------------------------|---------------|-------------|------------------|
| Common         | <b>Elmer B. Serrano</b>          | Chairman                  | 100 (D)       | Filipino    | 0.0000046%       |
| Common         | <b>John Emmanuel M. Lizares</b>  | Director, President       | 100 (D)       | Filipino    | 0.0000046%       |
| Common         | <b>Luis S. Reyes Jr.</b>         | Director, Treasurer       | 100 (D)       | Filipino    | 0.0000046%       |
| Common         | <b>Luis Ma. G. Uianza</b>        | Lead Independent Director | 100 (D)       | Filipino    | 0.0000046%       |
| Common         | <b>Ismael G. Estela, Jr.</b>     | Independent Director      | 100 (D)       | Filipino    | 0.0000046%       |
| Common         | <b>Lazaro Jerome C. Guevarra</b> | Director                  | 100 (D)       | Filipino    | 0.0000046%       |
| Common         | <b>Geneva T. Gloria</b>          | Director                  | 100 (D)       | Filipino    | 0.0000046%       |
| Common         | <b>Melanie S. Belen</b>          | Director                  | 100 (D)       | Filipino    | 0.0000046%       |
| Common         | <b>Rebecca S. Torres</b>         | Director                  | 950 (I)       | Filipino    | 0.0000439%       |
|                | <b>Total</b>                     |                           | <b>1,750</b>  |             | <b>0.000809%</b> |

Directors and officers of the Company are required to report to the Company any acquisition or disposition of the Company's shares within three (3) business days from the date of the transaction. As prescribed by the Disclosure Rules of the PSE, the Company shall disclose to the PSE any acquisition or disposition of its shares by its directors and officers within five (5) trading days from the transaction. Under Section 23 of the Securities Regulation Code (SRC), the Company shall likewise disclose to SEC within ten (10) days after the close of each calendar month thereafter, if there has been a change in such ownership of shares by directors and officers at the close of the calendar month and such changes in his ownership as have occurred during such calendar month.

(j) **Certain Relationships and Related Transactions**

The Company has adopted a comprehensive and extensive policy for its related party transactions in compliance with the regulatory requirements of not only the SEC, but also of the BSP, the Company being majority-owned by a bank. Pursuant to the SEC Memorandum Circular No. 10, series of 2019 (Rules on Material Related Party Transactions for Publicly-Listed Companies), the Company adopted a **Material Related Party Transactions Policy** on October 2019. A copy of the Policy is available in the Company's website.

Related Parties broadly refer to the following: Directors, Officers, Stockholders, Related Interest (DOSRI) as defined under regulations, Subsidiaries, Affiliates and Other Related Parties acting for themselves, as representatives or agents for others, or as guarantors, sureties, endorsers, mortgagors, pledgors, assignors, or in any capacity in which (i) they become obligated or may be obligated to the Company to pay or its equivalent or by any means whatsoever or (ii) there is a transfer of resources, services or obligations between the Company and the Related Party. In considering each possible related party relationship, attention is directed to the substance of the relationship and not merely on the legal form.

In the ordinary course of business, the Company enters into transactions with BDO Unibank and other affiliates. These transactions are made substantially on the same terms as with other individuals and businesses of comparable risks.

Policies and procedures have been put in place to manage potential conflicts of interests arising from related party transactions. Single and aggregated material related party transactions follow strict approval process. The Company's Related Party Transactions Committee composed of independent and non-executive directors, reviews and scrutinizes the terms and conditions of covered transactions to ensure that these are made on an arms-length basis, that no preferential treatment is accorded, and they are negotiated as a regular business transaction in accordance with regulations. These transactions are then elevated to the Company's Board of Directors for confirmation and approval. Directors and officers who have interest in the transactions abstain from participating in the discussion. The details of the deliberations are included in the minutes of the Board and Board Committee meetings. Approved related party transactions are then properly tagged for monitoring and reporting of exposures.

The Company discloses details of material related party transactions in its Annual Stockholders' Meeting and in its Annual Report, and likewise submits advisement reports thereof to regulators as necessary.

The Company's related parties are BDO Unibank, BDO TIG and BDO Finance Corporation (BDOFC) as described below.

The summary of the Company's significant transactions with its related parties in 2023, 2022 and 2021 are as follows:

| <b>Related Party Category</b>                    | Notes | <b>Amount of transactions</b> |                 |            |
|--|-------|-------------------------------|-----------------|------------|
|  |       | <b>2023</b>                   | 2022            | 2021       |
| <b>Ultimate parent company<br/>(BDO Unibank)</b> |       |                               |                 |            |
| UITF redemption                                  | (c)   | <b>P 6,021,053,236</b>        | P 5,927,789,668 | P -        |
| UITF placement                                   | (c)   | <b>6,020,004,237</b>          | -               | 70,000,000 |
| Interest income on short-term placements         | (a)   | <b>77,869,196</b>             | 63,241,061      | -          |
| Trust fees                                       | (d)   | <b>3,591,034</b>              | -               | -          |
| Realized fair value gains                        | (c)   | <b>1,048,999</b>              | 62,625,034      | -          |
| Service fees                                     | (b)   | <b>360,250</b>                | 302,100         | 124,900    |
| Interest income on savings and                   |       |                               |                 |            |

|   |     |              |       |            |
|---|-----|--------------|-------|------------|
| demand deposits                                   | (a) | <b>9,385</b> | 4,969 | 30,666     |
| Unrealized fair value gains                       | (c) | -            | -     | 54,997,429 |
| Realized gain on dollar-denominated Cash deposits | (f) | -            | -     | 310,681    |

**Related party under common ownership (BDOFC)**

|                 |     |                |   |   |
|-----------------|-----|----------------|---|---|
| Management fees | (e) | <b>336,000</b> | - | - |
|-----------------|-----|----------------|---|---|

**Outstanding Balances**

| Related Party Category                               | Notes | Outstanding Balances |               |
|--|-------|----------------------|---------------|
|  |       | 2023                 | 2022          |
| <b>Ultimate parent company (BDO Unibank)</b>         |       |                      |               |
| Short-term placements                                | (a)   | <b>6,300,000</b>     | 5,917,692,616 |
| Savings and demand deposits                          | (a)   | <b>1,488,858</b>     | 4,657,774     |
| Accrued interest receivable on short-term placements | (a)   | <b>7,245</b>         | 50,564,515    |

- (a) The Company maintains savings and demand deposit and short-term placement accounts with BDO Unibank. As of December 31, 2023 and 2022, savings and demand deposit and short-term placements accounts maintained with BDO Unibank are included under Cash and Cash Equivalents and Money Market Placement account in the statements of financial position (see Note 6). The savings and demand deposits generally earn interest at annual rate of 0.06% in 2023, 2022 and 2021 and short-term placements earn interest at an effective rate of 5.75% in 2023 and 4.75% in 2022. Interest income earned on these deposits is reported as Interests and discounts account in the statements of income.
- (b) The Company entered into an agreement with BDO Unibank on stock transfer services. Service fees paid by the Company to BDO Unibank are shown as part of Other Expenses account under Operating Costs and Expenses in the statements of income. There were no outstanding receivable and payable on these transactions as of the end of December 31, 2023 and 2022.
- (c) In 2021, the Company purchased UITF amounting to P70,000,000 from BDO TIG and recognized unrealized fair value gain of P54,997,429 presented under Income in the 2021 statement of income. In 2022, the Company redeemed all its remaining UITF resulting in realized fair value gains amounting to P62,625,034. In April 2023, the Company purchased and redeemed UITF amounting to P6,020,004,237 which resulted to a realized fair value gains amounted to P1,048,999. Realized fair value gains are presented under Income in the 2023 and 2022 statements of income (see Note 7).
- (d) In April 2023, the Company entered into an investment management agreement with BDO TIG for services related to the Company's fund management. Fees paid by the Company to BDO-TIG is reported as Trust Fees account under Operating Costs and Expenses in the 2023 statement of income.
- (e) In May 2023, the Company entered into a service level agreement with BDOFC wherein BDOFC will charge the Company for certain management services that the former provides to the latter. Management fees paid by the Company to BDOFC are shown as part of Other Expenses account under Operating Costs and Expenses in the 2023 statement of income. There was no outstanding payable arising from this transaction in 2023. No similar transaction transpired in 2022 and 2021.
- (f) In 2021, the Company sold dollar-denominated cash deposits amounting to USD796,619 at P50.36 exchange rate (Php40,117,733) to BDO Unibank. This transaction resulted in a realized gain of



P310,681 and is recorded as part of Other income account in the 2021 statement of income (see Note 10). No similar transaction transpired in 2023 and 2022.

**Item 12.**        Financial Information

The following tables present the Company's selected financial information and should be read in conjunction with the Company's audited financial statements and notes thereto contained in the Prospectus and the sections entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Prospectus.

The selected financial information presented below were derived from the audited financial statements of the Company as of and for the years ended 31 December 2023, 2022, and 2021 prepared in accordance with PFRS and audited by Punongbayan & Araullo in accordance with Philippine Standards on Auditing and are qualified in their entirety by reference to those financial statements and the related notes thereto. The selected financial information set out below does not purport to project the results of operations or financial condition for any future period or date.

## STATEMENTS OF COMPREHENSIVE INCOME

| For the years ended December 31<br>(Amounts in Philippine Peso) |                     |                     |                   |
|---|---------------------|---------------------|-------------------|
|   | 2023                | 2022                | 2021              |
| <b>INCOME</b>   |                     |                     |                   |
| Interests and discounts   | 342,674,559         | 63,246,030          | 30,666            |
| Gain on redemption of unit investment trust fund (UITF)         | 1,048,999           | 62,625,034          | -                 |
| Unrealized fair value gain on UITF                              | -                   | -                   | 54,997,429        |
| Other income - net  | -                   | 954,650             | 2,069,009         |
|   | <u>343,723,558</u>  | <u>126,825,714</u>  | <u>57,097,104</u> |
| <b>OPERATING COSTS AND EXPENSES</b>                             |                     |                     |                   |
| Impairment and credit losses                                    | 6,135,361           | 2,799,676           | -                 |
| Trust fees  | 3,591,034           | -                   | -                 |
| Director's fees   | 2,182,222           | 2,933,333           | 3,011,111         |
| Taxes and licenses  | 1,630,124           | 7,665,995           | 11,388,962        |
| Professional fees   | 1,068,673           | 245,456             | 164,682           |
| Litigation/assets acquired expenses                             | 294,100             | -                   | 422,292           |
| Interest expense  | -                   | 3,608,580           | -                 |
| Occupancy and equipment-related expenses                        | -                   | 794,204             | 68,000            |
| Other expenses  | 3,211,638           | 14,331,494          | 4,200,567         |
|   | <u>18,113,152</u>   | <u>32,378,738</u>   | <u>19,255,614</u> |
| <b>PROFIT BEFORE TAX</b>  | 325,610,406         | 94,446,976          | 37,841,490        |
| <b>TAX INCOME (EXPENSE)</b>                                     | <u>(48,329,174)</u> | <u>(25,183,760)</u> | <u>5,699,928</u>  |
| <b>NET PROFIT</b>   | 277,281,232         | 69,263,216          | 43,541,418        |
| <b>OTHER COMPREHENSIVE INCOME</b>                               |                     |                     |                   |
| Item that will be reclassified subsequently to profit or loss   |                     |                     |                   |
| Net unrealized fair value gains on debt investments at FVOCI    | 10,123,209          | -                   | -                 |
| Impairment losses on debt investments at FVOCI                  | 3,630,406           | -                   | -                 |
| Tax expense   | (2,530,802)         | -                   | -                 |
|   | <u>11,222,813</u>   | <u>-</u>            | <u>-</u>          |
| <b>TOTAL COMPREHENSIVE INCOME</b>                               | <u>288,504,045</u>  | <u>69,263,216</u>   | <u>43,541,418</u> |

## STATEMENTS OF FINANCIAL POSITION

| As of December 31<br>(Amounts in Philippine Peso)                         |                             |                             |                             |
|---|-----------------------------|-----------------------------|-----------------------------|
|   | <u>2023</u>                 | <u>2022</u>                 | <u>2021</u>                 |
| <b><u>ASSETS</u></b>  |                             |                             |                             |
| Cash and cash equivalents   | 7,785,645                   | 14,733,014                  | 15,204,057                  |
| Money market placements - net   | 3,941,346,704               | 5,955,382,215               | -                           |
| Financial assets at fair value through other comprehensive income (FVOCI) | 2,306,560,507               | -                           | -                           |
| Financial assets at fair value through profit or loss                     | -                           | -                           | 5,877,689,641               |
| Other assets - net  | <u>127,392,572</u>          | <u>127,386,647</u>          | <u>127,396,187</u>          |
| <b>TOTAL ASSETS</b>   | <b><u>6,383,085,428</u></b> | <b><u>6,097,501,876</u></b> | <b><u>6,020,289,885</u></b> |
| <b><u>LIABILITIES AND EQUITY</u></b>                                      |                             |                             |                             |
| Accounts payable and other liabilities                                    | 10,655,103                  | 16,106,398                  | 8,157,623                   |
| Deferred tax liabilities - net  | <u>2,530,802</u>            | <u>-</u>                    | <u>-</u>                    |
| <b>Total liabilities</b>  | <b><u>13,185,905</u></b>    | <b><u>16,106,398</u></b>    | <b><u>8,157,623</u></b>     |
| Capital stock   | 2,225,169,030               | 2,225,169,030               | 2,225,169,030               |
| Additional paid-in capital  | 571,095,676                 | 571,095,676                 | 571,095,676                 |
| Treasury shares   | (81,776,628)                | (81,776,628)                | (81,776,628)                |
| Net unrealized fair value gains on financial assets at FVOCI              | 11,222,813                  | -                           | -                           |
| Retained earnings   | <u>3,644,188,632</u>        | <u>3,366,907,400</u>        | <u>3,297,644,184</u>        |
| <b>Total Equity</b>   | <b><u>6,369,899,523</u></b> | <b><u>6,081,395,478</u></b> | <b><u>6,012,132,262</u></b> |
| <b>TOTAL LIABILITIES AND EQUITY</b>                                       | <b><u>6,383,085,428</u></b> | <b><u>6,097,501,876</u></b> | <b><u>6,020,289,885</u></b> |

## STATEMENTS OF CASHFLOWS

| <b>For the years ended December 31</b>   |                      |                        |                      |
|--|----------------------|------------------------|----------------------|
| <i>(Amounts in Philippine Peso)</i>  |                      |                        |                      |
|  | <u>2023</u>          | <u>2022</u>            | <u>2021</u>          |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>  |                      |                        |                      |
| Profit before tax  | 325,610,406          | 94,446,976             | 37,841,490           |
| Adjustments for:   |                      |                        |                      |
| Interests and discounts  | (342,674,559)        | (63,246,030)           | (30,666)             |
| Impairment and credit losses   | 6,135,361            | 2,799,676              | -                    |
| Operating loss before changes in operating assets and liabilities                        | (10,928,792)         | 34,000,622             | 37,810,824           |
| Decrease (increase) in financial assets at fair value through profit or loss             | -                    | 5,877,689,641          | (124,997,429)        |
| Decrease (increase) in other assets  | (56,045)             | (7)                    | 5,727,784            |
| Increase (decrease) in accounts payable and other liabilities                            | (5,451,295)          | 7,948,775              | (19,347,128)         |
| Cash generated from (used in) operations   | (16,436,132)         | 5,919,639,031          | (100,805,949)        |
| Interest received  | 250,098,951          | 12,728,422             | 30,666               |
| Cash paid for final taxes  | (48,329,174)         | (25,174,213)           | (5,574)              |
| <b>Net Cash From (Used in) Operating Activities</b>                                      | <u>185,333,645</u>   | <u>5,907,193,240</u>   | <u>(100,780,857)</u> |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>  |                      |                        |                      |
| Acquisition of financial assets at fair value through other comprehensive income (FVOCI) | (6,006,005,297)      | -                      | -                    |
| Maturities of short-term placements  | 5,907,664,283        | -                      | -                    |
| Placement in short-term placements   | (3,915,550,000)      | (5,907,664,283)        | -                    |
| Proceeds from redemption of financial assets at FVOCI                                    | 3,821,610,000        | -                      | -                    |
| <b>Net Cash Used in Investing Activities</b>   | <u>(192,281,014)</u> | <u>(5,907,664,283)</u> | <u>-</u>             |
| <b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>   | (6,947,369)          | (471,043)              | (100,780,857)        |
| <b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>                                    | <u>14,733,014</u>    | <u>15,204,057</u>      | <u>115,984,914</u>   |
| <b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>  | <u>7,785,645</u>     | <u>14,733,014</u>      | <u>15,204,057</u>    |

**PART II - INFORMATION INCLUDED IN REGISTRATION STATEMENT BUT NOT REQUIRED IN PROSPECTUS**

**Item 13.**        Other Expenses of Issuance and Distribution.

Not applicable. This amended Registration Statement is filed not for the purpose of issuing or offering securities but solely in compliance with the directive of MSRD.

**Item 14.**        Exhibits.

Furnished and incorporated herein by reference are exhibits required by Part VII of "Annex C, as amended" as follows:

| <b>Exhibit</b> | <b>Document</b>   |
|----------------|---|
| A              | Prospectus  |
| B              | Audited Financial Statements for the last 3 years   |
| C              | Amended Articles of Incorporation   |
| D              | Amended By-laws   |
| E              | Notarized Curriculum Vitae and Recent Photographs of Officers and Members of the Board of Directors |
| F              | Consolidated Secretary's Certificate on Various Matters   |
| G              | Amended Manual of Corporate Governance  |

**Item 15.**



Not applicable.

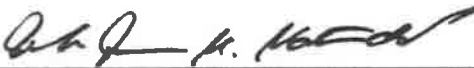

*[Signature page follows]*

**SIGNATURES**




Pursuant to the requirements of the Code, this registration statement is signed on behalf of the registrant by the undersigned, thereunto duly authorized, in the City of \_\_\_\_\_ on \_\_\_\_\_, 2024.

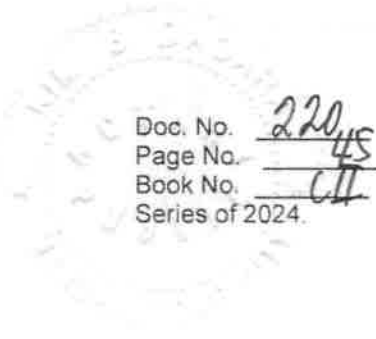
By:   
 \_\_\_\_\_  
**JOHN EMMANUEL M. LIZARES**  
 President  


  
 \_\_\_\_\_  
**LUIS S. REYES JR.**  
 Treasurer  


  
 \_\_\_\_\_  
**JOSEPH JASON M. NATIVIDAD**  
 Corporate Secretary  


**SUBSCRIBED AND SWORN** to before me this APR 17 2024, affiants exhibiting to me competent proofs of their identity, to wit:

| <u>Name</u>               | <u>ID No. /Date and Place of Issue</u>   |
|---------------------------|--|
| John Emmanuel M. Lizares  |  |
| Luis S. Reyes, Jr.        |  |
| Joseph Jason M. Natividad |  |



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 Page No. \_\_\_\_\_  
 Book No. CH  
 Series of 2024.

**NOTARY PUBLIC**  
**ATTY. KIM B. BRIGUERA-DACARA**  
 NOTARY PUBLIC  
 APPOINTMENT NO. 0204-24  
 VALID UNTIL DEC. 31, 2025  
 PTR NO. 5426089/1-2-2024/MANDALUYONG  
 ROLL NO. 42490  
 IBP NO. 14059 (LIFETIME)  
 MCLE COMPLIANCE NO. VII-008746  
 VALID UNTIL APRIL 14, 2025  
 # 12 ADB AVENUE, MANDALUYONG CITY