



CAPITAL HOLDINGS INC.

135 J.P Rizal St., Brgy. Milagrosa Quezon City  
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05 May 2021

**THE DISCLOSURE DEPARTMENT**

The Philippine Stock Exchange, Inc.  
6th Floor Philippine Stock Exchange Tower  
5<sup>th</sup> Ave, Bonifacio Global City, Taguig City

**ATTENTION: JANET A. ENCARNACION**  
Head, Disclosure Department

**Dear Ms. Encarnacion:**

Please be informed that in the meeting of the Board of Directors of Abacore Capital Holdings, Inc. (ABA) held today, the following matters were approved:

1. The project with Simlong Energy Development Corporation will proceed, and as such, the company will continue the consolidation of at least 150 hectares of land to form the Abacore Energy Hub in Batangas. The project was previously delayed due to the on-going pandemic but has been incorporated into several preparatory and implementing agreements as follows:

The properties of ABA affiliates will be consolidated in Simlong Energy Development Corporation (SEDCO), which will be majority owned by ABA, to enter the energy business by developing the Batangas Energy Hub. As disclosed in our 26 April 2021 disclosure, Vires Energy, a wholly owned subsidiary of A. Brown Company, Inc., (BRN), will locate itself in the Abacore Energy Hub. Vires obtained its Notice to Proceed with its LNG gasification facility and power plant last 22 April 2021 from the Department of Energy.

Simlong Energy Development Corporation (SEDCO) is a corporation organized under the Securities and Exchange Commission of the Philippines to engage in energy related projects, as endorsed by the Department of Energy with an authorized capital stock of One Hundred Million Pesos (P100,000,000.00). In a Joint Board and Stockholders Meeting of SEDCO held today May 5, 2021, the Board and Stockholders approved the increase of authorized capital stock from 100 million pesos to 1 billion pesos, subject to regulatory approvals, and reorganized the Board by nominating 5 Directors from ABA to join the board of SEDCO, namely Mr. Raul B. De Mesa, Atty. Regina O. Reyes, Atty. Antonio V.F. Gregorio III, Mr. Omar T. Cruz, and Dr. Bernardo M. Villegas. ABA expects to take control of SEDCO upon approval of the increase of authorized capital stock of SEDCO to 1 billion pesos. ABA will then subscribe to 900 million of the increase, paying 250 million, making SEDCO a subsidiary of ABA.

SEDCO also entered into agreements with Chinese Energy Companies (CEC) to develop an Energy Hub in Batangas in 2019 as part of the One Road One Belt Program of the People's Republic of China.

2. The Abacore Energy Hub will be developed in phases. Phase 1 will be the consolidation of approximately 100 hectares of land in SEDCO. ABA will then invest in SEDCO to take control of SEDCO as part of its goal of acquiring companies with recurring income and good potentials for capital gain.

3. To fund the ventures, the Board of ABA authorized the issuance and subscription of 1 billion pesos worth of shares at par value from the current unissued shares of the company. The Subscriber to the shares will be Hedge Integrated Management Group, Inc. (HIMG). HIMG will subscribe to 1 billion newly issued shares from ABA's current unissued shares.

For the information of the Exchange, the Trading Participants and the investing public.

Very truly yours,

A handwritten signature in black ink that reads "Vicente".

**VICENTE RAFAEL L. ROSALES**  
Corporate Secretary