

COVER SHEET

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L B C E X P R E S S H O L D I N G S ,
I N C . (f o r m e r l y F E D E R A L
R E S O U R C E S I N V E S T M E N T
G R O U P I N C .)

(Company's Full Name)

L B C H A N G A R , G E N E R A L
A V I A T I O N C E N T R E , D O M E S T I C
A I R P O R T R O A D , P A S A Y C I T Y ,
M E T R O M A N I L A

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

Mahleene G. Go

Contact Person

888-0999

Company Telephone Number

1 2

Month

3 1

Day

Fiscal Year

SEC Form 20-IS
(Amended)

FORM TYPE

2nd Monday of June
of each year

Month Day

Annual Meeting

Secondary License Type, If Applicable

Dept. Requiring this Doc.

Amended Articles Number/Section

Total No. of Stockholders

Total Amount of Borrowings

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

Document I.D.

LCU

Cashier

STAMPS

Remarks = pls. Use black ink for scanning purposes

SECURITIES AND EXCHANGE COMMISSION

AMENDED SEC FORM 20-IS

INFORMATION STATEMENT PURSUANT TO SECTION 20
OF THE SECURITIES REGULATION CODE

1. Check the appropriate box:

☒ Preliminary Information Statement

☐ Definitive Information Statement

2. Name of Registrant as specified in its charter : LBC EXPRESS HOLDINGS, INC.
(Formerly Federal Resources
Investment Group, Inc.)
("LBCEH" or the "Company")
3. Province, country or other jurisdiction of incorporation
or organization : Philippines
4. SEC Identification Number : AS093-005277
5. BIR Tax Identification Number : 002-648-099-000
6. Address of Principal Office : LBC Hangar, General Aviation Centre,
Domestic Airport Road, Pasay City,
Metro Manila
- Postal Code : 1300
7. Registrant's telephone number, including area code : (632) 856 8510
8. Date, time and place of the meeting of security holders : 29 July 2016
2:00 P.M.
Marriott Manila Hotel at Resorts World
2 Resorts Drive, Pasay City, Metro
Manila
9. Approximate date on which the Information Statement is first
to be sent or given to security holders : 4 July 2016
10. *In case of Proxy Solicitations:*
Name of Person Filing the Statement/Solicitor: : Not applicable
Address and Telephone No. : Not applicable
11. Securities registered pursuant to Sections 8 and 12 of the Code or Sections 4 and 8 of the RSA
(information on number of shares and amount of debt is applicable only to corporate registrants):
- | Title of each class | Number of Common Stock Outstanding
or Amount of Debt Outstanding
(as of 31 May 2016) |
|---------------------|--|
| Common Shares | 1,425,865,471 |
12. Are any or all of registrant's securities listed on a Stock Exchange?
Yes ☒ No ☐

If yes, disclose the name of such Stock Exchange and the class of securities listed therein.

The Common Shares of LBC Express Holdings, Inc. are listed on the Philippine Stock Exchange.

NOTICE OF ANNUAL STOCKHOLDERS' MEETING

GREETINGS:

Please take notice that the Annual Meeting of Stockholders of LBC EXPRESS HOLDINGS, INC. will be held on **29 July 2016, 2:00 P.M.** at **Marriott Manila Hotel at Resorts World, 2 Resorts Drive, Pasay City, Metro Manila**, to discuss the following:

AGENDA

1. Call to Order
2. Proof of Service of Notice
3. Certification of Presence of Quorum
4. Approval of the Minutes of the Annual Stockholders' Meeting held on 4 September 2015
5. Ratification of all acts of the Board of Directors and Officers since the 2015 Annual Stockholders' Meeting adopted in the ordinary course of business
6. Approval of the Annual Report and Audited Financial Statements of the Company for the year ended 31 December 2015
7. Report of Management
8. Election of the Members of the Board of Directors including the Independent Directors for the Ensuing Year and the Directors for the Newly Created Board Seats
9. Appointment of the Company's External Auditors for Fiscal Year 2016
10. Other Matters

For purposes of the meeting, only stockholders of record as of **3 June 2016** are entitled to attend and vote in the said meeting.

For your convenience in registering your attendance, please have some form of identification such as a passport, driver's license or voter's I.D.

The Company is not soliciting proxies.


CRISTINA S. PALMA GIL-FERNANDEZ
Corporate Secretary

INFORMATION STATEMENT

A. GENERAL INFORMATION

Item 1. Date, Time, and Place of Meeting of Security Holders

Date : 29 July 2016
Time : 2:00 P.M.
Place : Marriott Manila Hotel at Resorts World
2 Resorts Drive, Pasay City, Metro Manila

Complete mailing address of the principal office of the Company : LBC Hangar, General Aviation Centre, Domestic Airport Road, Pasay City, Metro Manila

Approximate date when the Information Statement is first to be sent out to stockholders of record: : 4 July 2016

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

Item 2. Dissenter's Right of Appraisal

There are no corporate matters or actions that will entitle dissenting stockholders to exercise their right of appraisal as provided in Title X of the Corporation Code.

Item 3. Interest of Certain Persons in or Opposition to Matters to be Acted Upon

Other than the election to office to include the nomination and election of directors and independent directors, there are no matters to be acted upon in which any director or executive officer is involved or had a direct, indirect, or substantial interest. Furthermore, no director has informed the registrant, in writing or otherwise, that he/she intends to oppose any action to be taken by the registrant at the Meeting.

B. CONTROL AND COMPENSATION INFORMATION

Item 4. Voting Securities and Principal Holders Thereof

As of 31 May 2016, the number of shares outstanding of LBC Express Holdings, Inc. ("LBCEH" or the "Company") is 1,425,865,471 shares with par value of One Peso (Php1.00) per share.

All stockholders of record at the close of business hours on 3 June 2016 (the "Record Date") are entitled to notice and to vote at the Annual Stockholders' Meeting.

A common stockholder entitled to vote at the Meeting shall have the right to vote in person or by proxy the number of shares registered in his name in the stock and transfer book of the Company as of the Record Date. With respect to the election of directors, said stockholder may vote such number of shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of his shares shall equal, or he may distribute them on the same principle among as many candidates as he shall see fit, provided, that the total number of votes cast by him shall not exceed the number of shares owned by him multiplied by the whole number of directors to be elected.

Security Ownership of Certain Record and Beneficial Owners as of 31 May 2016

The Company has no knowledge of any person who, as of 31 May 2016, was directly or indirectly the beneficial owner of more than five percent (5%) of the Company's outstanding shares of common stock or who has voting power of investment with respect to shares comprising more than five percent (5%) of the Company's outstanding shares of common stock except as stated below:

Title of Class	Name	Address	No. of Shares Held	Name of Beneficial Owner	Citizenship	%
Common Shares	LBC Development Corporation	LBC Hangar, General Aviation Centre, Domestic Airport Road, Pasay City	1,205,974,632	The record owner is the beneficial owner of the shares indicated	Filipino	84.58%
TOTAL			1,205,974,632			84.58%

Security Ownership of Directors and Management as of 31 May 2016

The following table shows the shareholdings beneficially held by the directors and executive officers of the Company as of 31 May 2016.

Title of Class	Name of Beneficial Owner	Amount and Nature of Beneficial Ownership		Citizenship	% of Total Outstanding Shares
		Direct	Indirect		
Common	Rene E. Fuentes	1	N/A	Filipino	0.0
Common	Enrique V. Rey, Jr.	1	N/A	Filipino	0.0
Common	Augusto Gan	1	N/A	Filipino	0.0
Common	Miguel Angel A. Camahort	1	N/A	Filipino	0.0
Common	Mark Werner J. Rosal	1,000	N/A	Filipino	0.0
Common	Manuel S. Delfin, Jr.	989	N/A	Filipino	0.0
Common	Solita V. Delantar	1	N/A	Filipino	0.0
Common	Luis N. Yu, Jr.	1	N/A	Filipino	0.0
TOTAL		1,995			0.0

Voting Trust Holders of 5% or More

As of 31 May 2016, the Company is not aware of any voting trust or similar agreements involving the securities of the Company or of any person who holds more than five percent (5%) of a class of securities under a voting trust or similar agreements.

Change in Control

On 18 May 2015, the Company and LBC Development Corporation entered into a Deed of Subscription, whereby LBC Development Corporation, subject to the completion of the mandatory tender offer, subscribed to 59,101,000 common shares out of the unissued authorized capital stock of the Company or 59.10% of the authorized capital stock of the Company. The consideration for the subscribed shares was Php59,101,000.00 or Php1.00 per share.

On 22 May 2015, LBC Development Corporation filed with the Securities and Exchange Commission ("SEC") its mandatory tender offer report for all the outstanding shares of the Company for a tender offer price of Php1.00 per share. The mandatory tender offer period commenced on 8 June 2015 and ended on 7 July 2015. On 14 July 2015, LBC Development Corporation filed with the SEC its final tender offer report.

On 22 July 2015, the Company issued the stock certificates covering the subscribed shares to LBC Development Corporation.

On 29 July 2015 and in consonance with such change in control, the Board of Directors of the Company approved the acquisition by the Company of all the outstanding shares of stock of LBC Express, Inc., at the time a wholly-owned subsidiary of LBC Development Corporation, at the book value of not less than Php1 billion. The Board also approved the following:

- (i) increase in the authorized capital stock of the Company from Php100 million to up to Php3 billion;
- (ii) the issuance of shares out of the increase in authorized capital stock or out of the unissued capital stock to LBC Development Corporation and/or to other investors and/or third parties for the purpose of (a) funding the acquisition by the Company of all the outstanding shares of stock of LBC Express, Inc.; (b) funding the acquisition of other potential investments, whether or not related to the business of LBC Express, Inc.; and (c) ensuring compliance by the Company with the minimum public ownership requirements of the PSE;
- (iii) the change in the name of the Company to "LBC Express Holdings, Inc."; and
- (iv) the change of the trading symbol "FED" to "LBC".

On 4 September 2015, the stockholders of the Company approved all of the foregoing matters.

On 18 September 2015, pursuant to the authority to issue shares out of the increase in authorized capital stock or out of the unissued capital stock to LBC Development Corporation, the Company and LBC Development Corporation entered into Subscription Agreements, whereby LBC Development Corporation subscribed to, and the Company agreed to issue, 1,146,873,632 additional Common Shares at a subscription price of Php1.00 per share or an aggregate subscription price of Php1,146,873,632.00 (the "Additional Subscriptions"), consisting of 475,000,000 shares issued from the increase in the authorized capital stock of the Company and 671,873,632 shares issued out of the authorized and unissued capital stock of the Company, following the approval by the SEC of the increase in the authorized capital stock of the Company from Php100,000,000.00 divided into 100,000,000 Common Shares with par value of Php1.00 per Share, to Php2,000,000,000.00 divided into 2,000,000,000 Common Shares with par value of Php1.00 per Share. Notices of exemption for the Additional Subscriptions were filed with the SEC on 13 October 2015.

On 2 October 2015, the Company entered into Subscription Agreements with each of Vittorio P. Lim, Mariano D. Martinez, Jr., and Lowell L. Yu (collectively, the "Subscribers"), wherein subject to the approval by the SEC of the Capital Increase, the Subscribers agreed to subscribe, and the Company agreed to issue, a total of 178,991,839 Common Shares of the Company at the par value of Php1.00 per share or an aggregate subscription price of Php178,991,839.00 out of the authorized and unissued capital stock of the Company. The foregoing subscription was undertaken to ensure compliance by the Company with the PSE Minimum Public Ownership requirement of at least ten percent (10%) of the outstanding capital stock of the Company. A notice of exemption for the subscription was filed with the SEC on 13 October 2015.

Item 5. Directors and Executive Officers

The following served as Directors of the Company for the year 2015:

Name	Nationality	Age	Position
Miguel Angel A. Camahort	Filipino	53	Chairman of the Board
Rene E. Fuentes	Filipino	42	Director
Enrique V. Rey, Jr.	Filipino	45	Director
Augusto G. Gan	Filipino	53	Director
Manuel S. Delfin, Jr.	Filipino	54	Director
Mark Werner J. Rosal	Filipino	40	Director
Solita V. Delantar	Filipino	68	Independent Director
Luis N. Yu, Jr.	Filipino	60	Independent Director

The business experience of each of the directors is set forth below.

Miguel Angel A. Camahort

Chairman of the Board, Chief Executive Officer, and President

Mr. Miguel Angel A. Camahort is a Director, Chairman of the Board, and President of the Company. He is also the President of LBC Express Corporate Solutions, Inc, the subsidiary operating the "Print and Mail" business of LBC Express, Inc. Mr. Camahort concurrently serves on the Board of Directors

of the United Football League. Prior to joining the LBC Group, Mr. Camahort was a Senior Vice President and the Chief Operating Officer of Aboitiz One, Inc. from 2007 to 2009 and Aboitiz Transport System Corporation (ATSC) Solutions Division from 2004 to 2007. He also served as a Senior Vice President and the Chief Operating Officer of Aboitiz Transport System Corp. (formerly, William, Gothong & Aboitiz, Inc.) in the Freight Division from 1999 to 2003, prior to which he was the President of Davao Integrated Stevedoring Services Corporation (DIPSCCOR) from 1999 to 2003.

Mr. Camahort holds a Bachelor of Science degree in Business Administration and Economics from Notre Dame de Namur University (formerly, the College of Notre Dame) in California, U.S.A.

Rene E. Fuentes

Director

Mr. Rene E. Fuentes is currently the Senior Vice President for Global Retail Operations of LBC Express, Inc. Prior to joining the Company, Mr. Fuentes served as President of Documents Plus, Inc. from 1996 to 2001, and as Regional Manager, Vice President of EFC Food Corporation from 1996 to 2001.

Mr. Fuentes attended De La Salle University and completed a Key Executive Program in November 2013 at the Harvard Business School.

Enrique V. Rey, Jr.

Director and Investor Relations Officer

Acting Treasurer and Acting Chief Finance Officer

Mr. Enrique V. Rey, Jr. assumed the position of Investor Relations Officer of the Company in September 2015. On 1 December 2015, Mr. Rey assumed the positions of acting Treasurer and acting Chief Finance Officer of the Corporation.

Mr. Rey, Jr. was also a director of LBC Systems, Inc. from 2008 to 2010 and LBC Mundial Inc. from 2005 to 2008. Prior to joining the Company, Mr. Rey, Jr. worked for Coca-Cola Phil ATS, where he was the Senior Head of Sales from 2003 to 2005 and the Associate Vice President for Institutional Sales from 2000 to 2003.

Mr. Rey, Jr. attended De La Salle University and completed a Management program at the Ateneo Business School. He has also received training in Finance. Since 2010, Mr. Rey, Jr. has been a member of the Institute of Internal Auditors.

Augusto Gan

Director

Mr. Augusto G. Gan was appointed Director of the Company in September 2015. Mr. Gan concurrently serves as a Director of Atlantic Gulf and Pacific Company, Investment and Capital Corp of the Philippines, Pick Szeged ZRT and Sole-Mizo Zrt. He is also the Managing Director of Ganesp Ventures and the Chairman of the Board of Anders Consulting Ltd. Previously, Mr. Gan was the President of the Delphi Group from 2001 to 2012 and the Chief Executive Officer of Novasage Incorporations (HK) from 2006 to 2007. He has also served as a Director of AFP Group Ltd. (HK) from 2005 to 2007 and ISM Communication from 2003 to 2004, as well as the Chairman of the Boards of Cambridge Holdings from 1995 to 2000 and Qualibrand Industries from 1988 to 2001.

Mr. Gan holds a Master in Business Management degree from the Asian Institute of Management.

Manuel S. Delfin, Jr.

Director

Dr. Manuel S. Delfin, Jr. is currently a partner in Allied Ophthalmic Consultants. He is a consultant at the Patients First Medical Center and a consultant and the Vice-Chairman of the Department of Ophthalmology at Manila Doctors Hospital. Apart from his medical affiliations, Dr. Delfin currently holds the following positions: Corporate Secretary of the UP Medical Foundation; President of the Lakan Bakor Foundation; Treasurer of the Philippine Glaucoma Society; Director of Happy Wells

Management & Corp.; and Director of 77 Avenida Corp. He is likewise a member of the Philippine Glaucoma Foundation.

Dr. Delfin graduated with a bachelor's degree in Zoology from the University of the Philippines Diliman, *cum laude*, in 1982. He obtained his medical degree from the University of the Philippines College of Medicine in 1986 and his residency from the same university in 1990. He received his fellowship in Glaucoma from California Pacific Medical Center, USA, under Dr. Robert L. Stamper, MD and Dr. Marc F. Lieberman, MD.

Mark Werner J. Rosal
Director

Atty. Rosal became a director of the Company on 28 April 2015. Born in Cebu City, Atty. Rosal, prior to taking up law, has a Bachelor's Degree in Physical Therapy from Cebu Velez College and is a licensed Physical Therapist.

Atty. Rosal graduated in the top 5% of his law school batch at the University of San Carlos, Cebu City, in 2002 and was admitted to the Philippine Bar in 2003. He spent his early years in the practice of law at Balgos and Perez Law Offices and Angara Cruz Concepcion Regala and Abello (ACCRALAW). Currently, he is the Managing Partner of Rosal Diaz Bacalla and Fortuna Law Offices, a Cebu-based law firm. As part of his law practice as retained counsel of private corporations, he is a director (holding nominal shares) of Cebu Agarum Motors Inc., Wide Gain Property Holdings, Inc., and Sem-Ros Food Corp. (a non-operational corporation).

Solita V. Delantar
Independent Director

Ms. Solita V. Delantar was appointed Director of the Company in March 2014. She was an Independent Director on the Board of Directors at Anchor Land Holdings, Inc. (2007-2015), and is concurrently the Executive Director at PMAP Human Resources Management Foundation (since July 2013) and Vice President at PONTICELLI, Inc. (since 2006). Previously, Ms. Delantar served as Vice President, Human Resources Management & Development Administration (November 1999 to September 2003), Consultant (July 1997 to July 1998), Vice President, Finance & Administration (May 1988 to June 1996) and various other positions at Honda Philippines, Inc.

Ms. Delantar is a Certified Public Accountant, Fellow in Personal Management, and professional business mediator. From September 1998 to March 2007, she served as a Member of the Professional Board of Accountancy, which administers licensure examinations for CPAs. Ms. Delantar received her Bachelor of Science degree in Commerce with a major in Accounting from Far Eastern University and participated in a Bachelor of Laws program at Ateneo de Manila University.

Luis N. Yu, Jr.
Independent Director

Mr. Luis Yu, Jr. is the Founder and Chairman *Emeritus* of the 8990 Holdings, Inc. Mr. Yu is also the Chairman *Emeritus* of IHoldings, Inc. (2012 to present). He is also the Chairman of 8990 Cebu Housing Development Corporation, 8990 Visayas Housing Development Corporation, 8990 Davao Housing Development Corporation, 8990 Mindanao Housing Development Corporation, 8990 Iloilo Housing Development Corporation and 8990 Luzon Housing Development Corporation (2009 to present), 8990 Housing Development Corporation (2006 to present), Ceres Homes, Inc. (2002 to present), N&S Homes, Inc. (1998 to present), L&D Realty Holdings, Inc. (1998 to present), and Fog Horn (1994 to present). Mr. Yu is currently the President of DECA Housing Corporation (1995 to present).

Mr. Yu holds a Master in Business Management degree from the Asian Institute of Management. He has more than 30 years of experience managing and heading companies engaged in Mass Housing subdivision development.

The following served as Officers of the Company for the year 2015:

Name	Nationality	Age	Position
Miguel Angel A. Camahort	Filipino	53	Chief Executive Officer and President
Enrique V. Rey, Jr.	Filipino	45	Investor Relations Officer, Acting Treasurer ¹ and Acting Chief Finance Officer ²
Cristina S. Palma Gil-Fernandez	Filipino	47	Corporate Secretary
Mahleene G. Go	Filipino	36	Assistant Corporate Secretary, Corporate Information Officer and Compliance Officer
Ma. Eloisa Imelda S. Singzon	Filipino	29	Assistant Corporate Information Officer

The business experience of each of the Company's officers is set forth below.

Miguel Angel A. Camahort

Chief Executive Officer and President

Please refer to the table of directors above.

Enrique V. Rey Jr.

Investor Relations Officer

Please refer to the table of directors above.

Cristina S. Palma Gil-Fernandez

Corporate Secretary

Atty. Palma Gil-Fernandez assumed the position of Corporate Secretary of the Company in September 2015. Atty. Palma Gil-Fernandez graduated with a Bachelor of Arts degree, Major in History (Honors) from the University of San Francisco in 1989, and with a *Juris Doctor* degree, second honors, from the Ateneo de Manila University in 1995. She is currently a Partner at Picazo Buyco Tan Fider & Santos Law Offices and has more than 20 years of experience in corporate and commercial law, with emphasis on the practice areas of banking, securities and capital markets (equity and debt), corporate reorganizations and restructurings and real estate.

Mahleene G. Go

Assistant Corporate Secretary, Corporate Information Officer and Compliance Officer

Atty. Mahleene G. Go assumed the position of Assistant Corporate Secretary, Compliance Officer and Corporate Information Officer of the Company in September 2015. Born on 25 April 1980, Atty. Go graduated with the degree of Bachelor of Arts, Major in Political Science, from the University of the Philippines in 2001, and with the degree of *Juris Doctor* from Ateneo De Manila University-School of Law in 2005. She also received a Certificate of Mandarin Language Training for International Students from 2011 to 2012 in Peking University, Beijing, China. She served as a Junior Associate at Picazo Buyco Tan Fider & Santos Law Offices from 2007 to 2010 and 2012 and is currently a Senior Associate at the same office. She currently serves as Trustee and Corporate Secretary for Center for Empowerment and Resource and Development, Inc.

Maria Eloisa Imelda S. Singzon

Alternate Corporate Information Officer

Atty. Maria Eloisa Imelda S. Singzon assumed the position of Alternate Corporate Information Officer of the Company in April 2015. Born on 18 September 1986, Atty. Singzon graduated *cum laude* with the degree of Bachelor of Science, Business Economics, from the University of the Philippines in

¹ Assumed position starting 1 December 2015.

² Assumed position starting 1 December 2015.

2008, and with the degree of Juris Doctor from Ateneo de Manila School of Law in 2012. She is a Junior Associate at Picazo Buyco Tan Fider & Santos Law Offices from 2013 to present.

The Board has established committees to assist in exercising its authority in monitoring the performance of the business of the Company. The committees, as detailed below, provide specific and focused means for the Board to address relevant issues including those related to corporate governance.

	Audit Committee	Nomination Committee	Remuneration Committee
Miguel Angel A. Camahort	M	M	M
Rene E. Fuentes			
Enrique V. Rey, Jr.	M	M	M
Augusto G. Gan			
Manuel S. Delfin, Jr.			
Mark Werner J. Rosal			
Solita V. Delantar	C	C	C
Luis N. Yu, Jr.			

Information Required of Directors and Executive Officers

Directors and Executive Officers

As of the date of this Information Statement, the following persons have been nominated to the Board for election at the Annual Stockholders' Meeting and have accepted their nomination:

MIGUEL ANGEL A. CAMAHORT	RENE E. FUENTES
ENRIQUE V. REY, JR.	AUGUSTO G. GAN
MARK WERNER J. ROSAL	LUIS N. YU, JR. as independent director
SOLITA V. DELANTAR as independent director	

The nominees were formally nominated to the Nomination Committee of the Board by a shareholder of the Company, LBC Development Corporation. Ms. Solita V. Delantar and Mr. Luis N. Yu, Jr. are being nominated as independent directors, having possessed the qualifications and none of the disqualifications of an independent director, were nominated by Klarence Tan Dy in accordance with the guidelines for the nomination and election of independent directors pursuant to Rule 38 of the Securities Regulation Code (SRC). Klarence Tan Dy is not related to any of the nominees including Ms. Solita V. Delantar and Mr. Luis N. Yu, Jr.

The qualifications of all nominated directors, including the nominated independent directors, have been pre-screened in accordance with the Corporate Governance Manual and By-Laws of the Company. Only the nominees whose names shall appear on the final list of candidates are eligible for election as directors (independent or otherwise), in accordance with the procedure set forth in the By-Laws of the Company. No other nominations will be entertained after the preparation of the final list of candidates and no further nominations shall be entertained or allowed during the Annual Stockholders' Meeting.

Certifications of Independent Directors are attached hereto as **Annexes "A" and "A-1"**.

The Secretary's Certificate attesting to the fact that none of the directors and officers of the Corporation holds any position in any capacity in any government agency or instrumentality is hereto attached as **Annex "B"**.

Significant Employees

None at the moment. The intention, however, is to build a workforce to support the Company's intended expansion in operations or investment activity.

Family Relationships

None amongst the directors and executive officers of the Company.

Involvement in Certain Legal Proceedings

The Company believes that none of the Company's directors, nominees for election as director, or executive officers have in the five-year period prior to the date of this Report: (1) had any petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within a two-year period of that time; (2) have been convicted by final judgment in a criminal proceeding, domestic or foreign, or have been subjected to a pending judicial proceeding of a criminal nature, domestic or foreign, excluding traffic violations and other minor offenses; (3) have been the subject of 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 their involvement in any type of business, securities, commodities or banking activities; or (4) have been 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 a securities or commodities law or regulation, such judgment having not been reversed, suspended, or vacated.

Due to the nature of the Company's business, however, it is involved in various legal proceedings, both as plaintiff and defendant, from time to time. Such litigation involves, among others, claims against the Company for non-delivery, loss or theft of packages and documents, mis-release of remittances, labor disputes, as well as cases filed by the Company against employees and others for theft and similar offenses.

Except as disclosed below, neither the Company nor any of its subsidiaries have been or are involved in, or the subject of, any governmental, legal or arbitration proceedings which, if determined adversely to the Company or the relevant subsidiary's interests, would have a material effect on the business or financial position of the Company or any of its subsidiaries.

On November 2, 2015, LBC Development Bank, Inc., through PDIC, filed a case against LBC Express, Inc. and LBC Development Corporation, among other respondents, for a total collection of Php1.82 billion. The case is in relation to the March 17, 2014 demand letter representing collection of unpaid service fees due from June 2006 to August 2011 and service charges on remittance transactions from January 2010 to September 2011. The increase in the amount from the demand letter to the amount contained in the case was explained by PDIC in the complaint as attributable to their discovery that the supposed payments of LBC Express, Inc. seem to be unsupported by actual cash inflow to LBC Development Bank.

On December 28, 2015, the summons, together with a copy of the Complaint of LBC Development Bank, Inc., and the writ of preliminary attachment were served on the former Corporate Secretary of LBC Express, Inc. The writ of preliminary attachment resulted to the (a) tagging of the 1,205,974,632 shares of LBC Express Holdings, Inc. owned by LBC Development Corporation and; (b) the attachment of various bank accounts of LBC Express, Inc. totaling 6.90 million. The tagging of the shares in the record of the stock transfer agent has the effect of preventing the registration or recording of any transfers of shares in the records, unless the writ of attachment is lifted, quashed or discharged.

On January 12, 2016, LBC Express, Inc. filed with the regional trial court, its Motion to Dismiss the Complaint for the collection of the sum of 1.82 billion and on January 21, 2016, filed its Urgent Motion to Approve the Counterbond and Discharge the Writ of Attachment.

On February 17, 2016, the regional trial court issued the order to lift and set aside the writ of preliminary attachment. The order to lift and set aside the preliminary attachment directs the sheriff of the court to deliver to LBC Express Inc. and LBC Development Corporation all properties previously garnished pursuant to the writ of preliminary attachment. The counterbond delivered by LBC Express, Inc. and LBC Development Corporation shall stand in place of the properties so released and shall serve as security to satisfy any final judgment in the case.

As of date, there is no outcome yet of the Motion to Dismiss the Complaint for collection of the sum of 1.82 billion. The ultimate outcome of the case cannot be presently determined.

Certain Relationships and Related Transactions

The Company and its subsidiaries in their ordinary course of business, engage in transactions with related parties and affiliates consisting of its parent company (LBC Development Corporation) and entities under common control. These transactions include royalty, service and management fee arrangements and loans and advances.

It is a policy of the Company that related party transactions are entered into on terms which are not more favorable to the related party than those generally available to third parties dealing at arm's length basis and are not detrimental to unrelated shareholders. All related party transactions shall be reviewed by the appropriate approving authority, as may be determined by the board of directors. In the event of a related party transaction involving a director, the relevant director should make a full disclosure of any actual or potential conflict of interest and must abstain from participating in the deliberation and voting on the approval of the proposed transaction and any action to be taken to address the conflict.

Please refer to Note 14 (Related Party Disclosures) of the Notes to the 2015 Consolidated Financial Statements, attached as part of **Annex "D"** hereof.

The Company has the following major transactions with related parties:

Royalty Fee and Licensing Agreement with Parent Company

LBC Express, Inc. and LBC Development Corporation have entered into a trademark licensing agreement dated November 29, 2007 under which LBC Development Corporation has granted the Company the full and exclusive right within the Philippines to use LBC Marks including the names "LBC Express, Inc.," "LBC Express," "LBC", "Hari Ng Padala" (Tagalog for "King of Forwarding Services"), "We Like to Move It", and "WWW.LBCEXPRESS.COM" as well as the "LBC" corporate logo, the "Team LBC Hari Ng Padala" logo, and the "We Like to Move It" logo.

Cash Advances to and from Related Parties

The Company regularly makes advances to and from related parties to finance working capital requirements and as part of their cost reimbursements arrangement. These unsecured advances are non-interest bearing and payable on demand.

Delivery Fee

In the normal course of business, the Company fulfills the delivery of *balikbayan* boxes on behalf of its international affiliates. The Company charges delivery fees for the fulfillment of this service.

Resignation of Directors

No director has resigned from, or declined to stand for re-election to the Board since the date of the 2015 Annual Stockholders' Meeting due to any disagreement with the Company relative to its operations, policies and practices.

Item 6. Compensation of Directors and Executive Officers

Executive Compensation

The following are the Company's four most highly compensated executive officers for the year ended 31 December 2015:

Name	Position
Miguel Angel A. Camahort	Chief Executive Officer and President
Enrique V. Rey, Jr.	Investor Relations Officer

The following table identifies and summarizes the aggregate compensation of the Company's President and the four most highly compensated executive officers of the Company in fiscal years 2013, 2014, and 2015:

	Year	Total⁽¹⁾ (P)
President and the four most highly compensated executive officers named above	2013	n/a
	2014	n/a
	2015	n/a
	2016 (est.)	n/a
Aggregate compensation paid to all other officers as a group unnamed	2013	n/a
	2014	n/a
	2015	n/a
	2016 (est.)	n/a

Note:

(1) Includes salary, bonuses, and other income.

Due to minimal operations following the change in the Company's primary purpose to that of a holding company, there are no compensation/salaries for the preceding fiscal year as the directors/officers have voluntarily declined their compensation/salaries. Likewise, there are no projected compensation/salaries for the year 2016 as the Company is still in the process of transitioning as a result of the change in management.

Standard Arrangements

Other than payment of reasonable *per diem* as may be determined by the board of directors for every meeting, there are no standard arrangements pursuant to which directors of the Company are compensated, or were compensated, directly or indirectly, for any services provided as a director and for their committee participation or special assignments for 2010 up to the present.

Other Arrangements

There are no other arrangements pursuant to which any director of the Company was compensated, or to be compensated, directly or indirectly, during 2015 for any service provided as a director.

Employment Contracts

The Company has no special employment contracts with the named executive officers.

Warrants and Options Outstanding

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

Item 7. Independent Public Accountants

The external auditor of the Company is the accounting firm of SyCip Gorres Velayo & Co. ("SGV & Co."). The Board, upon the recommendation of the Company's Audit Committee, approved the reappointment of SGV & Co. as the Company's independent auditor for 2016 based on their performance and qualifications.

The reappointment of SGV and Co. will be presented to the stockholders for their approval at the Annual Stockholders' Meeting.

Representatives of SGV & Co. for the current year and for the most recently completed fiscal year are expected to be present at the Annual Stockholders' Meeting. They will have the opportunity to make a statement if they desire to do so and are expected to be available to respond to appropriate questions.

Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

The consolidated financial statements of the Company as of and for the years ended 31 December 2015 and 2014 were audited by SyCip, Gorres, Velayo & Company ("SGV & Co."), a member firm of Ernst & Young Global Limited. The consolidated financial statements as of and for the years ended 31 December 2013 and 2012 were audited by Isla Lipana & Co., the Philippine Member Firm of PriceWaterhouseCoopers Global Network.

SGV & Co. has acted as the Company's independent auditor since fiscal year 2014. Cyril Jasmin B. Valencia is the current audit partner for the Company and has served as such since fiscal year 2014. The Company has not had any material disagreements on accounting and financial disclosures with its current independent auditor for the same periods or any subsequent interim period. SGV & Co. has neither shareholdings in the Company nor any right, whether legally enforceable or not, to nominate persons or to subscribe for the securities of the Company. The foregoing is in accordance with the Code of Ethics for Professional Accountants in the Philippines set by the Board of Accountancy and approved by the Professional Regulation Commission.

During the annual stockholders' meeting of the Company held on 4 September 2015, the stockholders of the Company delegated to the Board of Directors the authority to appoint the Company's external auditor for the fiscal year 2015.

Pursuant to the authority granted by the stockholders of the Company, the Board of Directors, in a meeting held on 15 October 2015, appointed SGV & Co. as external auditor of the Company for the fiscal year 2015. The said change in external auditor was only brought about by the change in control and management of the Company. Likewise, there had been no disagreement with the previous external auditor.

Pursuant to SRC Rule 68 3(b)(ix), the Company observes the five (5)-year schedule on rotation of the signing partner of its external auditor. LBCEH is not due to rotate the signing partner of its external auditor until the end of the said five (5)-year period of engagement – i.e., in 2019.

Audit and Audit-related Fees

The following table sets forth the aggregate fees billed for each of the last two years for professional services rendered by SGV & Co.:

	2015	2014
In millions (Php)		
Audit and Audit-Related Fees ⁽¹⁾	Php8,035,000	Php2,500,000
Total.....	<u>Php8,035,000</u>	<u>Php2,500,000</u>

(1) *Audit and Audit-Related Fees. This category includes the audit of annual financial statements, review of interim financial statements, and services that are normally provided by the independent auditor in connection with statutory and regulatory filings or engagements for those calendar years.*

In relation to the audit of the Company's annual financial statements, the Company's Corporate Governance Manual, provides that the audit committee shall, among other activities, (i) review the reports submitted by the internal and external auditors; (ii) ensure that other non-audit work provided by the external auditors are not in conflict with their functions as external auditors; and (iii) coordinate, monitor and facilitate compliance with laws, rules and regulations.

The Audit Committee consists of at least three members of the board of directors, at least one of whom is an independent director, including the chairman of the committee. The Audit Committee, with respect to an external audit, shall:

- (i) Perform oversight functions over the Company's external auditors. The Audit Committee should ensure that the internal and external auditors act independently from each other, and that both auditors are given unrestricted access to all records, properties and personnel to enable them to perform their respective audit functions.
- (ii) Prior to the commencement of the audit, discuss with the external auditor the nature, scope, and expenses of the audit, and ensure proper coordination if more than one audit firm is involved in the activity to secure proper coverage and minimize duplication of efforts.
- (iii) Evaluate and determine the non-audit work, if any, of the external auditor, and review periodically the non-audit fees paid to the external auditor in relation to their significance to the total annual income of the external auditor and to the Company's overall consultancy expenses. The committee shall disallow any non-audit work that will conflict with his duties as an external auditor or may pose a threat to his independence. The non-audit work, if allowed, should be disclosed in the Company's annual report.
- (iv) Review the reports submitted by the external auditors.

Item 8. Compensation Plans

During the Annual Stockholders' Meeting held on 13 August 2007, the stockholders owning or representing at least two thirds (2/3) of the outstanding capital stock approved the stock option for the Company's deserving employees, officers and board members to be derived from the Company's unissued authorized capital stock up to the extent of ten percent (10%) of the outstanding capital stock of the Company, subject for approval by the Securities and Exchange Commission (SEC) and the Philippine Stock Exchange (PSE).

The terms and conditions governing the stock option plan still have to be determined and approved by the Board of Directors. The application for said stock option plan has not been filed yet with the SEC and PSE. There are no stock warrants or options outstanding.

While the Company currently does not have any intention of issuing stock option plans, it reserves the right to issue the same in the future subject to applicable regulations.

C. ISSUANCE AND EXCHANGE OF SECURITIES

Item 9. Authorization or Issuance of Securities Other than for Exchange

There are no actions or matters to be discussed in the Annual Stockholders' Meeting with respect to the authorization or issuance of any securities.

Item 10. Modification or Exchange of Securities

There are no actions or matters to be discussed in the Annual Stockholders' Meeting with respect to the modification of any class of securities of the Company, or the issuance or authorization for issuance of one (1) class of securities of the Company in exchange for outstanding securities of another class.

Item 11. Financial and Other Information

- (i) Management's Discussion and Analysis of Financial Condition and Results of Operations, market price of shares and dividends, and other data related to the Company's financial information are attached hereto as **Annex "C"**.
- (ii) The Annual Report for the year ended 31 December 2015 are attached hereto as **Annex "D"**.

- (iii) The Quarterly Report for the Quarterly Period ended 31 March 2016 is attached hereto as Annex "E".

Item 12. Mergers, Consolidations, Acquisitions, and Similar Matters

There are no actions or matters to be discussed in the Annual Stockholders' Meeting with respect to mergers, consolidations, acquisitions, sales, or other transfers of all or any substantial part of the assets of the Company, liquidation or dissolution of the Company, and similar matters.

Item 13. Acquisition or Disposition of Property

There are no actions or matters to be discussed in the Annual Stockholders' Meeting with respect to the acquisition or disposition of any significant Company property.

Item 14. Restatement of Accounts

There are no actions or matters to be discussed in the Annual Stockholders' Meeting with respect to the restatement of any asset, capital, or surplus account of the Company.

D. OTHER MATTERS

Item 15. Action with Respect to Reports

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

- (i) Minutes of the Annual Stockholders' Meeting held on 4 September 2015;
- (ii) President's Report based on the Annual Report and 2015 Audited Consolidated Financial Statements of the Company;
- (iii) Approval of the Annual Report and Audited Financial Statements for the fiscal year ended 31 December 2015;
- (iv) Election of Directors, including Independent Directors;
- (v) Election/appointment of External Auditor; and
- (vi) General ratification of all the acts and proceedings of the incumbent Board of Directors and Management from the date following the last annual stockholders' meeting which are covered by resolutions duly adopted in the normal course of trade or business such as:
 - a. Approval of the minutes of previous meetings;
 - b. Approval of the audited financial statements;
 - c. Changing of bank account signatories; and
 - d. Approval of the schedule, venue, and agenda of the Annual Stockholders' Meeting.

Item 16. Matters Not Required to be Submitted

There is no action to be taken with respect to any matter which is not required to be submitted to a vote of security holders.

Item 17. Amendment of Charter, By-Laws, or Other Documents

There are no actions or matters to be discussed in the Annual Stockholders' Meeting with respect to any amendment of the Company's charter, By-Laws, or other documents.

Item 18. Other Proposed Actions

- (i) Election of the members of the Board of Directors, including independent directors, for the ensuing calendar year; and
- (ii) Reappointment of external auditors.

Item 19. Voting Procedures

Manner of Voting

In all items for approval, except in the election of directors, each share of stock entitles its registered owner to one vote.

For the purpose of electing directors, a stockholder may vote such number of his shares for as many persons as there are directors to be elected or he may cumulate said shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of his shares shall equal, or he may distribute them in the same principle among as many candidates as he shall see fit.

Unless required by law, or demanded by a stockholder present or represented at the meeting and entitled to vote thereat, voting need not be by ballot and will be done by show of hands.

The Corporate Secretary will be responsible for counting votes based on the number of shares entitled to vote owned by the stockholders who are present or represented by proxies.

Vote Required

With respect to the election of directors, candidates who received the highest number of votes shall be declared elected.

With respect to the adoption of the Audited Financial Statements for the year ended [31 December 2015], as well as the approval or ratification of the other actions set forth under the heading "Other Proposed Actions" above, the vote of majority of the outstanding capital stock entitled to vote and represented in the meeting is required to approve such matters.

Method

The Corporate Secretary will be responsible for counting votes based on the number of shares entitled to vote owned by the stockholders who are present or represented by proxies at the Annual Meeting of the stockholders.

Unless required by law, or demanded by a stockholder present or represented at the meeting and entitled to vote thereat, voting need not be by ballot and will be done by show of hands.

UNDERTAKING

UPON WRITTEN REQUEST OF A STOCKHOLDER, THE COMPANY WILL PROVIDE, WITHOUT CHARGE, A COPY OF THE COMPANY'S ANNUAL REPORT ON SEC FORM 17-A DULY FILED WITH THE SECURITIES AND EXCHANGE COMMISSION. SUCH WRITTEN REQUEST SHOULD BE ADDRESSED TO:

THE OFFICE OF THE CORPORATE SECRETARY
Penthouse, Liberty Center,
104 H.V. dela Costa Street,
Salcedo Village, Makati City

UNDERTAKING

WE UNDERTAKE TO FURNISH THE STOCKHOLDERS DURING THE ANNUAL STOCKHOLDERS' MEETING ON 29 JULY 2016 A COPY OF THE COMPANY'S QUARTERLY REPORT ON SEC FORM 17-Q FOR THE QUARTER ENDED 30 JUNE 2016.

SIGNATURE PAGE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete and correct. This report is signed in Makati City on 29 JUN 2016.

LBC EXPRESS HOLDINGS, INC.

By:



MIGUEL ANGEL A. CAMAHORT
President