

DRAFT
For Stockholders' Approval

MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING OF
CROWN ASIA CHEMICALS INCORPORATION

Held on May 18, 2017 at 3:00 p.m. at
Eurobake Restaurant, Km. 36 MacArthur Highway
Guiguinto, Bulacan

TOTAL NUMBER OF SHARES OUTSTANDING	630,800,000
TOTAL NUMBER OF SHARES PRESENT/REPRESENTED AND ENTITLED TO VOTE	481,987,054

CALL TO ORDER

The Chairman of the Board, Mr. Walter H. Villanueva, called the meeting to order and presided over the same. The Corporate Secretary, Mr. Jason C. Nalupta, recorded the minutes of the proceedings.

CERTIFICATION OF NOTICE AND QUORUM

The Corporate Secretary certified that notices of the meeting were sent to all shareholders of record as of March 31, 2017, in accordance with the provisions of the By-Laws. The Chairman instructed the Secretary to append the Certificate attesting to the mailing of notices to the original Minutes of the Meeting.

The Corporate Secretary next certified that, based on the register of attendees and proxies as tabulated by the Stock Transfer Agent, out of 630,800,000 shares of the total outstanding capital stock of the Corporation, 170,338,055 shares were represented by proxy and holders of 311,648,999 shares were present in person, or a total of 481,987,054 shares present in person or by proxy representing an attendance of 76.41% of the total outstanding capital stock of the Corporation. Accordingly, the Corporate Secretary certified that a quorum existed for the transaction of business at hand.

APPROVAL OF THE MINUTES OF THE LAST STOCKHOLDERS' MEETING

Upon motion duly made and seconded, the reading of the minutes of the last stockholders' meeting held on May 19, 2016 was dispensed with as the same had been previously distributed to the shareholders. Meanwhile, the Chairman opened the floor for questions about the Minutes of the 2016 Annual Stockholders' Meeting but none were raised.

The Minutes of the said meeting was thereafter approved, as circulated:

AGENDA ITEM	VOTES IN FAVOR	VOTES AGAINST	ABSTAIN
Approval of Minutes of the Previous Meeting of Stockholders	481,987,054	0	0

The following resolution was thereafter passed:

“RESOLVED, that the Minutes of the Annual Meeting of the Stockholders of Corporation held on May 19, 2016 is hereby approved.”

2016 REPORT ON OPERATIONS AND RESULTS

The Chairman requested the President, Mr. Eugene H. Lee Villanueva, to present the Report on the Corporation's Operations and Results for 2016.

The President presented the Financial Highlights for the year. He reported on the Summary of Comprehensive Income showing Revenues at Php 1.11 Billion, which was an increase of 4.02% from the previous year. The Corporation posted Net Income of Php114.57 Million, or a growth of 14.40% from 2015. As to the Company's Financial Position, the Company had Total Assets of Php1.14 Billion, Total Liabilities of Php212.66 Million and Total Liabilities and Equity of Php1.14 Billion for 2016.

He then presented the organizational structure of the business groups of the Company, gave a background on the business and products of each group and presented the sales generated per group. For 2016, the local sales of the Compounds Division constituted 54% of its total sales, while its export sales make up the other 46% of the total sales. For the Pipes Group Division, project sales composed 63% of the total sales and the remaining 37% came from trade sales.

This year, the President mentioned that the Company plans to acquire suitable properties for future expansion of its Guiguinto, Bulacan facility as part of its business plan. He noted that the present property of 3.2 hectare of the Company in Guiguinto, Bulacan is already fully utilized. He also shared that the Pipes Division plans to acquire a new extruder capable of producing big-sized PVC pipes with diameter ranging from 315mm to 630mm. These big-sized pipes will be used in canals, waterways, subdivision drainage, secondary and municipal roads drainage, and vertical collective drainage in high-rise buildings. The President also said that the company will undertake more aggressive market campaigns in key regions in Luzon, Visayas & Mindanao by deploying and mobilizing more business development personnel in these areas to reach key practitioners in the construction industry. Among the provinces that the President mentioned are Batanes, Mindoro, Palawan, Cebu, Leyte, and Davao.

Lastly, the President reported that they will launch a new product, uPVC Roofing Materials, in the second half of 2017. The construction of production facilities for the new product is already underway.

The Chairman then thanked the Board of Directors for its valuable guidance, the employees for their tireless dedication, and the shareholders for their continued trust and support in the corporation and the management.

Thereafter, the Chairman opened the floor for questions to be raised on the report on the Corporation's operations.

Nora Vargas, a stockholder of record, inquired on the price-to-earning (P/E) ratio of the Corporation as of May 17, 2017. Ms. Tita P. Villanueva shared that the P/E ratio of the Corporation as of said date is 10.78x, while its P/E ratio as of the date of the stockholders' meeting is at 11.24x.

No other question having been raised, the Chairman's Report for the year ended December 31, 2016 together with the Audited Financial Statements for the Fiscal Year ended December 31, 2016, upon motion duly made and seconded, were approved based on the results of the voting via poll:

AGENDA ITEM	VOTES IN FAVOR	VOTES AGAINST	ABSTAIN
Approval of 2016 Operations and Results	481,987,054	0	0

The following resolution was likewise approved:

“RESOLVED, that the President’s Report on Crown Asia Chemicals Corporation’s Operations and Results for 2016, together with the Audited Financial Statements for the year ended December 31, 2016, be approved.”

RATIFICATION OF CORPORATE ACTS

The next item in the agenda was the ratification of the corporate acts.

After the motion to confirm, ratify, and approve all the acts of the Board of Directors and Officers of the Corporation from the date of the last meeting up to date of the present meeting was duly made and seconded, the Chairman opened the floor for issues to be taken up pertaining to the ratification of all corporate acts. No questions or issues, however, were raised about the corporate acts. Accordingly, the motion was then approved as follows based on the results of voting via poll:

AGENDA ITEM	VOTES IN FAVOR	VOTES AGAINST	ABSTAIN
Ratification of all acts of the Board of Directors and Officers from the date of the last meeting up to the date of the present meeting.	481,987,054	0	0

The following resolution was likewise approved:

“RESOLVED, that all acts of the Board of Directors and Officers of Crown Asia Chemicals Corporation from the date of the last meeting of the shareholders on May 19, 2016 up to the date of this meeting, are hereby confirmed, ratified and approved.”

ELECTION OF DIRECTORS

The Chairman announced that the next item in the agenda is the election of the members of the Board of Directors for the ensuing year. He noted that the profiles of those nominated for election as members of the Board were included in the Company’s Information Statement as well as in the Annual Report. The information included their age, nationality, qualifications, dates of first appointment and other directorships in publicly-listed companies.

After their nominations were duly made and seconded from the floor, and based on the results of voting via poll, the following persons were elected as members of the Board of Directors of the Corporation for the year 2017-2018 after receiving the votes indicated opposite their names:

	No. of Votes Received
Walter H. Villanueva	481,987,054
Eugene H. Lee Villanueva	481,987,054
Tita P. Villanueva	481,987,054
Nicasio T. Perez	481,987,054
Jefferson T. Sy	481,987,054
Derrick P. Villanueva	481,987,054
Marie Therese G. Santos	481,987,054
Ernesto R. Alberto	481,987,054
Bede Lovell Gomez	481,987,054

Ms. Santos, Mr. Alberto, and Mr. Gomez were elected to serve as the Corporation's Independent Directors.

APPOINTMENT OF EXTERNAL AUDITOR

The Body next considered the appointment of the Corporation's external auditors for Year 2017-2018. The Chairman announced that the Corporation's Audit Committee has recommended, and the Board of Directors has endorsed for the consideration of the shareholders, the re-appointment of Punongbayan & Araullo as the Corporation's external auditor for Year 2017-2018.

No questions or objections having been raised by the shareholders present despite opportunity having been given by the Chairman, the proposal to re-appoint Punongbayan & Araullo as the Corporation's external auditor for Year 2017-2018 was approved by the shareholders as follows based on the results of voting via poll:

AGENDA ITEM	VOTES IN FAVOR	VOTES AGAINST	ABSTAIN
Appointment of Punongbayan & Araullo as External Auditor for 2017-2018	481,987,054	0	0

The following resolution was likewise approved:

“RESOLVED, that Punongbayan & Araullo be re-appointed as the external auditor of Crown Asia Chemicals Corporation for Year 2017-2018.”

OTHER MATTERS

Before the meeting was adjourned, the Chairman again opened the floor questions on other matters that its stockholders wish to discuss. There were no other matters taken up during the meeting.

ADJOURNMENT

There being no other business to transact, the meeting was thereupon adjourned.

Attested by:

WALTER H. VILLANUEVA
Chairman

JASON C. NALUPTA
Corporate Secretary