

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

Held on 11 May 2023 at 3:00 P.M.  
via videoconferencing  
(in accordance with SEC regulations on Meetings by Remote Communication)

TOTAL NUMBER OF SHARES OUTSTANDING	610,639,000
TOTAL NUMBER OF SHARES PRESENT/REPRESENTED AND ENTITLED TO VOTE	497,771,000 (81.52%)

Before the start of the meeting, the following members of the Board of Directors present were introduced:

WALTER H. VILLANUEVA  
EUGENE H. LEE VILLANUEVA  
TITA P. VILLANUEVA  
NICASIO T. PEREZ  
DERRICK P. VILLANUEVA  
HANS JOSEPH T. PEREZ  
MARIE THERESE G. SANTOS  
ERNESTO R. ALBERTO  
FERNANDO S. LOPEZ

The following officers of the Corporation were likewise in attendance at the shareholders' meeting:

JASON C. NALUPTA	(Corporate Secretary)
ANN MARGARET K. LORENZO	(Assistant Corporate Secretary)
MARIE GRACE N. DALUPAN	(Assistant Vice President – Finance / Chief Compliance Officer)

Other Executive Officers of the Corporation, as well as representatives of Punongbayan & Araullo<sup>1</sup>, the Corporation's External Auditor, were likewise in attendance.

**CALL TO ORDER**

The Chairman, Mr. Walter H. Villanueva, called the meeting to order and presided over the same. The Chairman explained that while restrictions on mass gatherings have been lifted, for the safety of the attendees, the Corporation's Management resolved to still hold the meeting in a virtual format. The Chairman then thanked those who have taken time to participate in the shareholders' meeting online and the shareholders who appointed him as their proxy for the meeting.

The Corporate Secretary, Mr. Jason C. Nalupta, recorded the minutes of the proceedings.

**CERTIFICATION OF NOTICE AND QUORUM**

Upon the request of the Chairman, the Corporate Secretary certified that notices of the meeting were sent to all shareholders of record as of 31 March 2023 in accordance with the provisions of the By-Laws. The Corporate Secretary then presented the Certification of Sending Notices. 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 of the proxies received as tabulated with the assistance of the stock transfer agent, out of Six Hundred Ten Million Six Hundred Thirty-Nine Thousand (610,639,000) shares of the total outstanding

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<sup>1</sup> Mr. John Endel Mata, Mr. Romualdo Murcia, and Ms. Ronalyn Valle.

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capital stock of the Corporation as of record date, Four Hundred Ninety-Seven Million Seven Hundred Seventy-One Thousand (497,771,000) shares, representing 81.52% of the total outstanding capital stock of the Corporation were present in person or otherwise represented by proxy. Accordingly, the Corporate Secretary certified that a quorum existed for the transaction of business at hand.

## **RULES OF CONDUCT AND VOTING PROCEDURES**

The Chairman then informed the Body that while the Corporation was again holding its annual stockholders' meeting online to ensure the safety of all the attendees, the Corporation has endeavored to afford shareholders every opportunity to be able to actively participate in the meeting by sending their questions on the agenda items. He then requested the attendees to watch the brief presentation on the rules of conduct and the voting procedures, which were explained as follows:

1. The rules of conduct and procedures were set forth in the Information Statement and in the Notice of Annual Stockholders' Meeting, in accordance with the rules of the SEC.
2. Because the Management of the Corporation welcomes all opportunities to engage with its stockholders, the Corporation has set up facilities to afford all stockholders the opportunity to be heard.
3. Stockholders' questions on matters to be taken up during the meeting were sent to the email address set up for the purpose. Questions can still be sent over the course of the meeting via the chat function, which can be found at the bottom of the screen of the attendees.
4. As the time dedicated for the meeting is not unlimited, the questions and comments which will not be read out and responded to during the meeting will be answered via email.
5. Stockholders' questions on matters to be taken up during the meeting were sent to corporatesecretary@crownpvc.com.ph.
6. Some of the questions or comments received would be addressed during the Question and Answer period after Other Matters.
7. Management will reply via e-mail to questions and comments received but not taken up during the meeting.

## **APPROVAL OF THE MINUTES OF THE LAST STOCKHOLDERS' MEETING**

The Chairman informed the Body that the first item on the agenda was the approval of the minutes of the previous annual stockholders' meeting held on 12 May 2022. As requested by the Chairman, the Secretary advised the Body that the minutes of the last stockholders' meeting held on 12 May 2022 was immediately made available for the stockholders to view soon after the last meeting when it was posted on the Corporation's website. A link to the said Minutes was likewise included in the Information Statement sent to the stockholders prior to the meeting.

The Secretary then presented the proposed resolution on the approval of the Minutes of the last stockholders' meeting held on 12 May 2022, and based on the votes received, reported the unanimous approval by the stockholders of the following Resolution:

**“RESOLVED**, that the Minutes of the Annual Meeting of the Stockholders of **CROWN ASIA CHEMICALS CORPORATION** held on 12 May 2022 is hereby approved.”

The votes for the approval of the Minutes of the 2022 Annual Stockholders' Meeting are as follows:

<b>AGENDA ITEM</b>	<b>VOTES IN FAVOR</b>	<b>VOTES AGAINST</b>	<b>ABSTAIN</b>
Approval of the Minutes of the Last Stockholders' Meeting	497,771,000 (81.52% of total voting shares)	0	0

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## REPORT ON 2022 OPERATIONS AND RESULTS

The next item on the agenda is the approval of the operations and results for the Year 2022, as summarized in the President's Report presented by the Chairman & President, as follows:

"Dear shareholders,

It is my pleasure to report on the company's financial conditions & results of operating for the ended 31 December 2022.

We had positive developments in our financial performance, with significant growth in our current assets, which increased by 6.62%. We saw a decrease in our current liabilities by 28.71%.

Our total equity grew by 10.79%.

Our revenue for the year 2022 reached ₱1.760 Billion, representing an increase of 1.15% compared to the previous year. Gross profit rose by 13.26% or ₱542.03 Million.

Although our operating expenses increased by 26.80%, our operating income went up by 4.34%, at ₱300.99 Million. We also had a net profit after tax of ₱228.90 Million, which increased by 2.05% compared to 2021.

We also want to inform you that our earnings per share as of 31 December 2022, was ₱0.37.

We are grateful for your continued support, and we remain committed to providing good returns.

For more detailed information, please visit our company website at [www.crownpvc.com.ph](http://www.crownpvc.com.ph), where you can access the rest of our financial highlights report."

The Chairman then explained that questions raised on the President's Report, including the financial reports and results for 2022, if any, will be read and answered in the latter part of the meeting.

Upon request of the Chairman, the Corporate Secretary presented the proposed resolution on the approval of the Corporation's Annual Report on Operations, together with the Audited Financial Statements for 2022, and based on the votes received, reported the unanimous approval by the stockholders of the following Resolution:

**"RESOLVED**, that the 2022 Annual Report on the operations of **CROWN ASIA CHEMICALS CORPORATION** together with the Audited Financial Statements and accompanying notes thereto for the year ended 31 December 2022, be approved."

The votes for the approval of the Annual Report for the year ended 31 December 2022, together with the Audited Financial Statements for the Fiscal Year ended 31 December 2022, are as follows:

AGENDA ITEM	VOTES IN FAVOR	VOTES AGAINST	ABSTAIN
Approval of 2022 Operations and Results	497,771,000 (81.52% of total voting shares)	0	0

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## RATIFICATION OF CORPORATE ACTS

The next item in the agenda was the ratification of corporate acts of the Board of Directors and Management from the date of the last stockholders' meeting up to the present.

The Corporate Secretary explained that these acts and resolutions are mostly reflected in the Minutes of last year's meeting and includes the corporate acts, as follows:

1. Membership in different committees of the Board of Directors;
2. Designation of authorized signatories for day-to-day transactions;
3. Designation of authorized representatives for transactions with various companies and entities;
4. Approval of 2022 Audited Financial Statements;
5. Declaration of cash dividend;
6. Opening of accounts and credit facilities with various banks;
7. Designation of officers;
8. Review of policies; and
9. Purchase or sale of motor vehicles.

At the request of the Chairman, the Corporate Secretary advised the Body that the acts of the Board of Directors and Officers of the Corporation being presented for ratification by the shareholders are those entered into in the ordinary course of business, with those of significance having been covered by appropriate disclosures. Ratification is also sought for all acts of Management performed in accordance with the resolutions of the Board and the By-Laws from 12 May 2022 to present.

The Corporate Secretary then presented the proposed resolution on the ratification of all the acts of the Board, the different Board Committees, and of the officers of the Corporation from the last stockholders' meeting on 12 May 2022 up to the present, and based on the votes received, reported the approval by the stockholders of the following Resolution:

**“RESOLVED**, that all acts of the Board of Directors and Officers of **CROWN ASIA CHEMICALS CORPORATION** from the date of the last stockholders' meeting on 12 May 2022 up to the date of this meeting, are hereby confirmed, ratified and approved.”

The votes for the ratification of all the acts and resolutions of the Board of Directors, the different Board Committees, and Officers of the Corporation are as follows:

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.	497,771,000 (81.52% of total voting shares)	0	0

## 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 then requested the Chairman of the Corporate Governance Committee, Mr. Ernesto R. Alberto, to present the nominees.

Mr. Alberto noted that the profiles of those nominated for election as members of the Board were included in the Company's Information Statement. He then announced the names of those nominated for election as members of the Board all of whom have been found to possess all the qualifications and none of the disqualifications for election as directors of a listed company.

The Chairman then requested the Corporate Secretary to present the results of the election. The Corporate Secretary presented the votes received by each of the nominees which, he noted, were sufficient to elect them as Director. He then presented the proposed resolution on

the election of the nominees to the Board, and based on the votes received, reported the approval of the following Resolution:

“**RESOLVED**, to elect the following nominees, receiving the votes indicated opposite their names, as directors of **CROWN ASIA CHEMICALS CORPORATION** for the year 2023-2024, to serve as such until their successors shall have been duly elected and qualified:

	<b>NO. OF VOTES RECEIVED</b>	<b>NO. OF NEGATIVE VOTES/ABSTENTIONS</b>
Walter H. Villanueva	497,771,000	Nil
Eugene H. Lee Villanueva	497,771,000	Nil
Tita P. Villanueva	497,771,000	Nil
Nicasio T. Perez	497,771,000	Nil
Derrick P. Villanueva	497,771,000	Nil
Hans Joseph T. Perez	497,771,000	Nil
Marie Therese G. Santos	497,771,000	Nil
Ernesto R. Alberto	497,771,000	Nil
Fernando S. Lopez	497,771,000	Nil

Ms. Santos, Mr. Alberto and Mr. Lopez 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 auditor for the Year 2023. The Chairman of the Audit Committee, Mr. Fernando S. Lopez, was requested to explain the item.

Mr. Lopez announced that the Audit Committee has recommended, and the Board of Directors has endorsed for the consideration of the stockholders, the re-appointment of Punongbayan & Araullo as the Corporation’s external auditor for Year 2023.

The Corporate Secretary, upon the request of the Chairman, presented the proposed resolution on the appointment of Punongbayan & Araullo as the Corporation’s external auditors, and based on the votes received, reported the approval by the stockholders of the following Resolution:

“**RESOLVED**, that **CROWN ASIA CHEMICALS CORPORATION** (the ‘Corporation’) hereby approves the re-appointment of Punongbayan & Araullo as the Corporation’s external auditor for Year 2023.”

<b>AGENDA ITEM</b>	<b>VOTES IN FAVOR</b>	<b>VOTES AGAINST</b>	<b>ABSTAIN</b>
Appointment of Punongbayan & Araullo as External Auditor for 2023	497,771,000 (81.52% of total voting shares)	0	0

#### **OTHER MATTERS**

After confirming with the Corporate Secretary that there are no other remaining matters on the agenda, the Chairman opened the floor for some of the questions received from the shareholders to be addressed.

The first question was from Mr. Kyle Henley Ong who asked: “In light of the gradual returning to the new normal, what is the outlook for the year 2023?”. The Chairman answered that the Company’s outlook is cautiously optimistic as what was experienced in 2022 performance was pretty much the same as 2021. In 2023, unless headwinds like inflation rates, interest rates, peso volatility and fuel prices, stabilize, there would still be challenges ahead.

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The second question was from Ms. Denise Marconato. She asked “Do you consider 2022 another good year in terms of revenues and earnings?”. The Chairman answered that humbly, he has to say that it was another good year, but definitely not as hoped by Management.

Next. Mr. Chryzler Barinos requested for the Corporation’s focus in relation to the current global attention to sustainability. The Chairman explained that firstly, the Corporation ensures that it does not contribute to air pollution. Second, the Corporation prioritizes inclusiveness through livelihood and food security, such as enabling indigenous people to be able to generate income.

The fourth question from Mr. Kevin Chua was “As a listed company, there are many compliance requirements, how does the company handle this?”. The Chairman answered that since the Corporation’s listing in the Philippine Stock Exchange, it has engaged an Investor Relations Officer supported by an assistant and a team of technical personnel. They are constantly up to date on compliance requirements and ensure the Corporation’s compliance obligations are met.

The last question was from Ms. Sheila Gomez who asked how the Corporation would describe the manner by which it has expanded. The Chairman responded the Corporation has been expanding throughout its existence in terms of revenues, profits, employee size, production capacity, operational sites and facilities. He noted that throughout this time, the Corporation has garnered awards and recognitions, both locally and internationally.


**ADJOURNMENT**

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

Attested by:



**WALTER H. VILLANUEVA**  
Chairman and President



**JASON C. NALUPTA**  
Corporate Secretary

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