

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

Held on 9 May 2024 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 ⁱ	500,988,000 (82.04%)

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

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

The following nominees for election to the Board of Directors were also present at the shareholders’ meeting:

JOEL L. TAN-TORRES
ROGERIO B. PANLASIGUI

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 & Araullo¹, the Corporation’s External Auditor, were likewise in attendance. A list of the stockholders present/represented at the meeting is attached as Annex “A” hereof.

CALL TO ORDER

The Chairman, Mr. Walter H. Villanueva, called the meeting to order and presided over the same. The Chairman 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 22 March 2024 in accordance with the provisions of the By-Laws. The Corporate Secretary then presented the Certification of Sending of Notices. The Chairman instructed the Secretary to append the Certificate attesting to the mailing of notices to the original minutes of the meeting.

¹ Mr. John Endel Mata, Mr. Joshua Molo, Mr. Boyet Murcia, Mr. Ramil Nanola, and Mr. Jeff Tesoro.

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 capital stock of the Corporation as of record date, Five Hundred Million Nine Hundred Eighty-Eight Thousand (500,988,000) shares, representing 82.04% 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, 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 prior to the meeting or while the meeting is ongoing. Voting for this meeting was done via the online portal and/or submission of proxies. 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 11 May 2023. As requested by the Chairman, the Secretary advised the Body that the minutes of the last stockholders' meeting held on 11 May 2023 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 11 May 2023, 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 11 May 2023 is hereby approved.”

The votes for the approval of the Minutes of the 2023 Annual Stockholders' Meeting are as follows:

AGENDA ITEM	VOTES IN FAVOR	VOTES AGAINST	ABSTAIN
Approval of the Minutes of the Last Stockholders' Meeting	500,988,000 (82.04% of total voting shares)	0	0

REPORT ON 2023 OPERATIONS AND RESULTS

The next item on the agenda is the approval of the operations and results for the Year 2023, as summarized in the President’s Report presented by the Chairman & President, as follows:

President’s Message:

“I wish to extend my heartfelt gratitude to each of you for your attentive participation and unwavering support of CROWN Asia Chemicals Corporation.

I would like to seize this moment to address three pivotal points as we commemorate 35 years of excellence:

- CROWN’s resilience and its strategic market positioning.
- A comprehensive review of our performances.
- Our outlined priorities for the forthcoming years as we strive towards a sustainable future.

Throughout its 35-year journey, CROWN has demonstrated resilience, evolving from humble beginnings through periods of recession to navigating the challenges presented by the recent pandemic. Our strategic positioning in the market reflects this resilience. Our steadfast commitment to sustainable practices has encouraged us against global adversities, thereby delivering consistent returns for our valued shareholders.

The sales team at CROWN collaborates with leading plastic manufacturers in the Philippines and maintains export presence in neighboring countries. We partner with prominent developers and contractors on a wide spectrum of infrastructure projects spanning residential, township, commercial, educational, healthcare, wellness, transportation, and alternative energy sectors, thereby contributing to economic growth. Our nationwide expansion strategy involves establishing partnerships with major developers such as MDC, SM, DMCI and major depots such as AllHome, Builders Warehouse, and Wilcon. Furthermore, we are committed to enhancing our digital outreach efforts to ensure accessibility across the nation, collaborating closely with dealers and wholesalers to make CROWN products readily available in local communities.

I am pleased to announce favorable progress in our financial performance, marked by notable growth in our current assets, which surged by -15.63%, Correspondingly, there was a 32.50% rise in our current liabilities, and a 96.5.5% increase in our non-current liabilities. Our total equity demonstrated remarkable growth, rising by 14.42%, while our total liabilities and equity collectively increased by 19.81%.

Our revenue for the year 2023 amounted to 1.506.7 Billion Pesos, reflecting a decrease of 14.43% compared to the previous year. Despite this decline in revenue, we managed to achieve a rise in our gross profit, increasing by 1.47% to 550.01 Million Pesos.

We effectively managed our operating expenses, achieving a decrease of 4.45%. Consequently, our operating income rose by 6.21%, reaching 319.69 Million Pesos. Additionally, our net profit after tax amounted to 247.85

Million Pesos, reflecting an 8.28% increase compared to 2022. Furthermore, we are pleased to report that our earnings per share as of December 31, 2023, stood at Php 0.41.

Finally, in this dynamic environment, we will continue to improve our production capabilities, support our employees' well-being, produce and introduce innovative products, and continuously explore and increase our market presence through strategic partnerships.

As we march forward, let us remember that development and sustainability require the collective engagement of all stakeholders. At CROWN, we are not just a company; we are a community committed to forging a sustainable world. With your trust, we will overcome challenges and flourish.

With that in mind as we celebrate the 35 years of CROWN, I am grateful to our team for their relentless focus on serving our customers, for our company, for each other, and for you, our shareholders. We are truly excited for the year ahead and I look forward to sharing our growth with you as we look for more progressive and sustainable future.

Thank you very much!"

The Chairman then informed the Body that the detailed summary of the Annual Report, as well as the Annual Report itself, was included in the materials circulated prior to the meeting. The Chairman then explained that questions raised on the President’s Report, including the financial reports and results for 2023, 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 2023, and based on the votes received, reported the unanimous approval by the stockholders of the following Resolution:

“**RESOLVED**, that the 2023 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 2023, be approved.”

The votes for the approval of the Annual Report for the year ended 31 December 2023, together with the Audited Financial Statements for the Fiscal Year ended 31 December 2023, are as follows:

AGENDA ITEM	VOTES IN FAVOR	VOTES AGAINST	ABSTAIN
Approval of 2023 Operations and Results	500,988,000 (82.04% of total voting shares)	0	0

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 meetings and include 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 2023 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.

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 11 May 2023 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 11 May 2023 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, the Board Committees, and Officers of **CROWN ASIA CHEMICALS CORPORATION**, from the date of the last stockholders’ meeting on 11 May 2023 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, the Board Committees, and Officers from the date of the last meeting up to the date of the present meeting.	500,988,000 (82.04% 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 incumbent 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 2024-2025, to serve as such until their successors shall have been duly elected and qualified:

	NO. OF VOTES RECEIVED	NO. OF NEGATIVE VOTES/ABSTENTIONS
Walter H. Villanueva	500,988,000	Nil
Eugene H. Lee Villanueva	500,988,000	Nil
Nicasio T. Perez	500,988,000	Nil
Derrick P. Villanueva	500,988,000	Nil
Hans Joseph T. Perez	500,988,000	Nil

Daphne V. Yu	500,988,000	Nil
Fernando S. Lopez	500,988,000	Nil
Joel L. Tan-Torres	500,988,000	Nil
Rogelio B. Panlasigui	500,988,000	Nil

Mr. Lopez, Mr. Tan-Torres, and Mr. Panlasigui 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 2024. 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 2024.

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 2024.”

AGENDA ITEM	VOTES IN FAVOR	VOTES AGAINST	ABSTAIN
Appointment of Punongbayan & Araullo as External Auditor for 2024	500,988,000 (82.04% 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. Sherwin Clarence P. Go who asked: “For this year, what is the economic forecast of the construction industry and how will it affect Crown?” The General Manger-PVC Pipe Division, Mr. Derrick P. Villanueva, discussed that in light of the prevailing economic conditions, the construction industry was forecasted to experience heaviness this year due to persistently high interest rates hampering sales and project progress. For the Corporation, this emphasized the importance of dynamic planning to navigate these challenges and take advantage of opportunities for strategic positioning through horizontal integration and other strategic measures.

The second question from Mr. Carmelito Lopez was “Given the oversupply of residential condominiums and office spaces today, how can CROWN overcome this?” Mr. Villanueva answered that, to overcome the oversupply of residential condominiums and office spaces, the Corporation would be diversifying into infrastructure, transportation, power, and telecommunication sectors.

The third question was from Ms. Charmaine D. Justo. She asked “What efforts has been done to address environmental concerns?” Mr. Villanueva explained that the Corporation has been committed to reducing its environmental footprint. The Corporation minimized its environmental impact by implementing recovery procedures for falldowns, and ensured that they were not wasted but instead converted into quality secondary products. As proof of commitment, the Corporation aims to be ISO 14001:2015 certified by the end of 2024.

The final question from Ms. Mary Antonete L. Oropeza was “What are the Company's plans for 2024?” Mr. Villanueva answered that the Corporation would be expanding its production capacity through investments in land and new machinery, ensuring that it meets the evolving needs of its customers. A new pipe product line boasting enhanced temperature resistance for fire sprinkler systems use would also be introduced, further enriching the Corporation’s offerings in the market. He added that the Corporation also invested in backend support to improve sales and collections. These initiatives highlight the Corporation’s dedication to delivering excellence and value to its stakeholders while positioning the itself for sustained success in the industry.

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

ⁱAnnex “A”
Summary of Stockholders Present/Represented by Proxy

STOCKHOLDERS PRESENT IN PERSON:

Walter H. Villanueva
Ernesto R. Alberto
Hans Joseph T. Perez
Nicasio T. Perez
Marie Therese G. Santos
Derrick P. Villanueva
Eugene H. Lee Villanueva
Fernando S. Lopez
Daphne V. Yu
Charmaine Justo
Susan Magallanes

STOCKHOLDERS PRESENT VIA PROXY/VOTED AT THE ONLINE VOTING PORTAL:

Estate Of Tita P. Villanueva
Remedios Ching
Joseph Alexander Chua
Nollie Chua
Abigail Joy Cokieng
Leonito Gella
Sherwin Clarence Go
Felie Go
Gloria Go
Marc Rainer
Timothy Go
Josenia Gonzales
Danilo Grefiel
Jimmy James Juan
Johanns Lee Villanueva
Warren Michael Lee Villanueva
Elizabeth Lee Villanueva
Susan Magallanes
Kyle Henly Ong
Rhys Lennart Ong
Stephanie Faye Ong
Gilbert Yap Ong
Cherie Lyne Ong
Maximo Oropeza
Natalie L.V. Penaranda
Christie Perez
Marilene Angeline Perez
Oscar Perez
Marianne Lourdes Perez
Mark Peter Perez
Meda Perez
Sofia Po
Stewart See
Carleen Sih
Andrew Chua Sy
Hyland Sy
Jefferson Sy
Antonio Tan
Vergel Carmela De Dios
Celine Villanueva
Carina Dominique De Dios Villanueva
Daniella Celestine De Dios Villanueva
Noah Christophe De Dios Villanueva
Caris Robyn V. Yu
Collin David V. Yu
Tristan Daniel V. Yu