

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

Held on June 18, 2021 at 3:00 PM
via videoconference
(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 | 496,463,001 |

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
BEDE LOVELL S. GOMEZ
MARIE THERESE G. SANTOS
ERNESTO R. ALBERTO

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

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

Other executive officers of Crown, as well as some members of the Audit Team of Punongbayan & Araullo, 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. He likewise thanked those who have taken time to participate in the shareholders’ meeting online.

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 April 14, 2021 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 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, Four Hundred Ninety-Six Million Four Hundred Sixty-Three Thousand and One (496,463,001) shares, representing 81.30% 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 constrained to hold its annual stockholders’ meeting online to comply with the restrictions on public gathering due to the Covid 19 Pandemic, 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 Corporate Secretary to briefly explain the rules of conduct and the voting procedures.

The Corporate Secretary explained as follows:

- 1. Some stockholders who notified the Corporation of their intention to participate by sending questions or comments have done so through the e-mail address provided for the purpose.
- 2. Some of the questions or comments received will be answered during the Open Forum, after all matters in the agenda have been taken up. The questions and comments which will not be responded to during the meeting, if any, will be answered by the appropriate officers of the Corporation concerned via e-mail.
- 3. Resolutions will be proposed for adoption by the stockholders for each of the items in the Agenda. Each proposed resolution will be shown on the screen as the same is being taken up.
- 4. The proxies received and the votes cast as of June 11, 2021 have been tabulated and the results thereof will be referred to when the results of the voting on the different agenda items are announced during the meeting. The final tabulation of votes will be reflected in the Minutes of the meeting.

APPROVAL OF THE MINUTES OF THE LAST STOCKHOLDERS’ MEETING

As requested by the Chairman, the Secretary advised the Body that the minutes of the last stockholders’ meeting held on July 09, 2020 was immediately made available for the stockholders to view soon after the last meeting when it was posted on the Corporation’s website. The same was also made part of the documents that were recently made available to the stockholders in connection with the 2021 meeting.

The Corporate Secretary then presented the proposed resolution on the approval of the Minutes of the last stockholders’ meeting held on July 09, 2020, 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 July 09, 2020 is hereby approved.”

The votes for the approval of the Minutes of the 2020 Annual Stockholders’ Meeting are as follows:

| AGENDA ITEM | VOTES IN FAVOR | VOTES AGAINST | ABSTAIN |
|---|----------------|---------------|---------|
| Approval of the Minutes of the Last Stockholders’ Meeting | 496,463,001 | 0 | 0 |

REPORT ON 2020 OPERATIONS AND RESULTS

The next item on the agenda is the approval of the operations and results for the Year 2020, as summarized in the President’s Report presented by the Chairman & President, as follows:

We survived a very challenging 2020 with great relief and gratitude despite the difficulties, fear and anxiety of that year, it afforded us time for introspection.

People from all walks of life experienced firsthand how the pandemic has levelled the field for businesses and for everybody, not only here but globally. The uncertainties made us re-think our priorities and life's fundamentals.

Crown Asia Chemicals Corporation faced all these with openness and with much resolve to overcome the challenges and move forward. We resumed work to address immediate concerns, mindful of the new realities that we had to put up with.

When the initial lockdown was lifted, we delivered supplies to priority infrastructure projects and continued servicing client requirements with our trademark of Crown quality.

We sustained work and employment, assured our stakeholders, and tried to find normalcy even in the most unusual circumstances.

The pandemic lockdown brought a sudden disruption to our momentum. 2020 revenues across industries were expected to drop. Crown Asia Chemicals generated 1.12 Billion Pesos for its overall revenues, showing a degrowth of 22.03%, resulting from slow economic trade activities and prevailing negative sentiments in the market. Crown registered a net income of 121.25 Million Pesos.

Our having survived those challenges was a testament to Crown's ability to find opportunities even in times of adversity. I am pleased to inform you that we have been growing our business across all divisions.

At Crown, we bring resiliency up front, targeting modest growth with enough sense of optimism and positivity.

Thanks to all of you, Crown is back with renewed passion and determination, ever mindful that by being resilient, opportunities for growth abound. We enjoin you to keep us company in our journey.

For the highlights of the Corporation's Audited Financial Statements, the Chairman reported as follows:

Let me share with you some highlights of our company's financial performance for the fiscal year 2020 and this year's first quarter ending March 21, 2021.

Our Current Assets for 2020 increased by 12.25%. Overall, we increased our total assets by 4.34%.

Our current liabilities decreased by 1.58% while non-current liabilities registered a decline of 26.76%.

The company's total equity posted an increase of 8.45%.

Crown generated a total revenue of 1.12 Billion Pesos in 2020 with corresponding gross profit of 345.54 Million Pesos.

Our operating expense for 2020 went down by 7.87%.

The company's operating income resulted to 173.87 Million Pesos with a Net Profit After Tax of 121.25 Million Pesos.

We are happy to report that revenues for the first quarter of 2021 posted an increase of 27.85% while gross profit also went up by 7.90%. Our Net Profit after Tax as of March 31, 2021 increased by 20.49% year on year.

The rest of our financial highlights report will be posted and may be viewed at our company website - www.crownpvc.com.ph.

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 2020, and based on the votes received, reported the unanimous approval by the stockholders of the following Resolution:

“RESOLVED, that the 2020 Annual Report on the operations of Crown Asia Chemicals Corporation, together with the Audited Financial Statements and accompanying notes thereto for the year ended December 31, 2020, be approved.”

The votes for the approval of the Annual Report for the year ended December 31, 2020, together with the Audited Financial Statements for the Fiscal Year ended December 31, 2020, are as follows:

| AGENDA ITEM | VOTES IN FAVOR | VOTES AGAINST | ABSTAIN |
|---|----------------|---------------|---------|
| Approval of 2020 Operations and Results | 496,463,001 | 0 | 0 |

RATIFICATION OF CORPORATE ACTS

The next item in the agenda was the ratification of corporate acts from the date of the last stockholders’ meeting up to the present.

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 July 09, 2020 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 July 09, 2020 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 July 09, 2020 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. | 496,463,001 | 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. Bede Lovell S. Gomez, to present the nominees.

Mr. Gomez 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, other

directorships in publicly-listed companies, and other affiliations. Mr. Gomez 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, that the following nominees, having received the votes indicated opposite their names, have been elected as members of the Board of Directors of Crown Asia Chemicals Corporation for the year 2021-2022, 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 | 496,463,001 | Nil |
| Eugene H. Lee Villanueva | 496,463,001 | Nil |
| Tita P. Villanueva | 496,463,001 | Nil |
| Nicasio T. Perez | 496,463,001 | Nil |
| Derrick P. Villanueva | 496,463,001 | Nil |
| Hans Joseph T. Perez | 496,463,001 | Nil |
| Bede Lovell S. Gomez | 496,463,001 | Nil |
| Marie Therese G. Santos | 496,463,001 | Nil |
| Ernesto R. Alberto | 496,463,001 | Nil |

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

On behalf of the directors just elected, the Chairman thanked the stockholders for affirming their trust in the Board to guide the Corporation through the expected difficult times brought about by the Covid-19 Pandemic.

APPOINTMENT OF EXTERNAL AUDITOR

The Body next considered the appointment of the Corporation’s external auditor for the Year 2021. The Chairman of the Audit Committee, Ms. Marie Therese G. Santos, was requested to explain the item.

Ms. Santos 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 2021.

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 hereby approves the re-appointment of Punongbayan & Araullo as the Corporation’s external auditor for the year 2021.”

| AGENDA ITEM | VOTES IN FAVOR | VOTES AGAINST | ABSTAIN |
|---|-------------------|---------------|---------|
| Appointment of Punongbayan & Araullo as External Auditor for 2021 | 496,463,001 | 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.

Ms. Zenia Gonzales asked the first question about how the Company considers the economic downturns due to the pandemic, particularly how Management sees the next 3 years. The Chairman answered that of course, it will be tough navigating, but nothing can deter CROWN from focusing on initiatives, which can encompass new product development, new technology integrations and business collaborations. He further adds, as we have a proven track record of resiliency, we will continue to take care of our employees, investors, our Community, Customers and Suppliers.

The second question was from Ms. Lani De Guzman who asked about how small investor can support Crown Asia Chemicals Corporation. President Villanueva, answered that investors can help CROWN by remaining loyal and supportive investors. Investors will benefit in the long term with earnings distribution and peace of mind knowing that they invested in a stable company.

The final question was from Mr. Maximo Oropesa who asked if the upcoming national elections would affect the Company in any way. In response, the Chairman answered in the negative. Thru the more than 30 plus years, we grew our Business thru hard work. It remains to be seen if future policy changes, beyond anybody's control, can affect us, but rest assured we will handle them in our usual sensible and low key manner.

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