

MABUHAY VINYL CORPORATION
MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING

22F The Salcedo Towers, 169, H.V. Dela Costa Street,
Salcedo Village, Barangay Bel-Air, Makati City
Via Remote Communication
on **24 April 2025**

I. CALL TO ORDER

After the invocation and singing of the Philippine national anthem, the meeting was called to order by the Chairman, Mr. Yohei Chikamoto, at 3:15 pm.

II. PROOF OF NOTICE OF MEETING

Atty. Maria Melva E. Valdez, Corporate Secretary, confirmed and certified that written notice of the meeting was published in print and online formats by two (2) newspapers of general circulation namely, The Philippine Star and The Manila Times, on 1 and 2 April 2025. The publication was made in accordance with the Company by-laws and the Securities and Exchange Commission (SEC) Memorandum Circular No. 6 series of 2020 and SEC Notice dated 22 February 2024.

A Certification to this effect was executed by Leo N. Alisgar of The Philippine Star and Eden F. Del Rosario of The Manila Times. These Certificates are hereby submitted to form part of the Company records.

Additionally, the Notice of Meeting was posted on the Company website and disclosed via PSE Edge.

III. CERTIFICATION OF QUORUM

Certifying to the presence of a quorum, the Corporate Secretary stated that stockholders owning **93.98%** of the outstanding capital stock were present, either by remote communication or by proxy. Hence, there was quorum for the transaction of any business during the meeting.

For the list of present directors and stockholders, see Annex "A".

IV. GUIDELINES IN PARTICIPATION BY REMOTE COMMUNICATION

The Chairman thanked all attendees for their patience and cooperation in making possible the Y2025 Annual Stockholders' Meeting (ASM). Similar to last year's ASM, this year's ASM was held via remote communication.

To guide all participants, the Corporate Secretary reminded the stockholders of the basic guidelines, which was published on the Company website and disclosed on the PSE Edge System before the meeting, *to wit*:

The Guidelines in Participation by Remote Communication at today's Meeting was published on the Company website and disclosed on the PSE Edge System. To guide everyone today, the following are important points to remember:

1. Only stockholders of record that duly submitted their valid proxy or notified the Company their intention to participate by remote communication was included in determining the existence of a quorum at today's Meeting.
2. Stockholders were requested to send questions or comments prior to the Meeting by email to asm@mvc.com.ph. Questions or comments received before the meeting will be read and addressed before the Meeting is adjourned. Other questions or comments not taken up during the Meeting due to time constraints will be addressed separately and replied through email.
3. Results and final tabulation of votes will be reflected in the Minutes of the Meeting.

V. READING AND APPROVAL OF THE MINUTES OF THE ASM HELD ON 25 APRIL 2024

Copy of the minutes of the ASM held on 25 April 2024 was posted on the Company website before the meeting.

Upon motion duly made and seconded, the reading of the said minutes was dispensed with and the same was approved without amendments.

The Corporate Secretary recorded the following votes:

	FOR	AGAINST	ABSTAIN
NUMBERS OF SHARES VOTED	621,516,463	0	0
	93.98%		

VI. DECLARATION OF CASH DIVIDENDS

Mr. Chikamoto announced that the Board of Directors, in its earlier meeting, declared a cash dividend at 10% per share (P 0.10/share) to stockholders of record as of 23 May 2025, to be paid on 16 June 2025.

VII. PRESIDENT'S REPORT

The President and Chief Operating Officer (COO), Mr. Steve S.C. Pangilinan, reported highlights of the Y2024 operational and financial performance, significant events, as well as Company outlook for the year 2025:

Mr. Pangilinan reported that the preceding year was filled with challenges on the operational level, but it also brought clarity to the strategic issues facing the company. We are thankful to have hurdled 2024 in a confident manner, and will continue to face the future with determination.

In 2024, the Philippine economy, excluding remittances from overseas workers, grew by 5.6% in 2024. This was comparable to the 5.5% GDP growth for 2023 but below the 7.6% registered in 2022. However, the 5.6% GDP was driven mainly by the services sector, while the manufacturing sector grew by only 3.6%. In fact, exports of electronics products, which accounts for almost 60% of Philippine exports, contracted by 6.4% from USD 45.65 Billion in 2023 to USD 42.74 Billion in 2024.

Despite the difficult business environment, we were successful in increasing sales volume and market share for caustic soda and sodium hypochlorite, although we suffered setbacks with hydrochloric acid and liquid chlorine.

Mabuhay Vinyl Corporation (MVC) has also completed the construction and commissioning of its Ion Exchange Membrane Plant 2 (IEM2) Expansion and Modernization Project at their Iligan Plant in 2024. The project increased production capacity by 68%, reduced power consumption through the use of the latest electrolyzers, and substantially reduced carbon dioxide emissions with the country's first plate-type caustic soda evaporator.

Corporate Performance

Our 2024 full-year profit declined to P331.3 Million or 19% lower than the record high P409.1 Million of 2023 due to weaker demand for chlorine derivatives produced from the Iligan Plant and lower price of caustic soda in the international market.

Revenues reached P3.074 Billion, which is equal to that attained the previous year. Nevertheless, it is noteworthy that we made exceptional progress on liquid caustic soda and sodium hypochlorite, with sales volume increasing by 10% and 28% respectively and reaching the highest volumes in the company's history. However, we posted lower sales in hydrochloric acid and liquid chlorine due to weaker demand and cheaper imports respectively.

Gross profit decreased by P136.1 Million due to significantly lower margins from traded commodities and higher production cost.

Operating expenses increased by P5.76 Million or 0.8% due to higher distribution expenses brought about by increase in sales volume. Unit delivery cost actually declined because the quantity delivered increased by 9.8%.

Substantial other income was contributed by profit from sale of excess power to the Wholesale Electricity Spot Market (WESM) and interest income from money market placements.

Moving forward, we will focus on increasing sales of hydrochloric acid and liquid chlorine in order to improve plant utilization, lower production cost and enhance profitability of production operations. We will also work on reducing logistic cost to improve competitiveness in key competitive markets.

Caustic Soda Market in 2024

Compared to 2023, the demand for liquid caustic soda in Asia weakened further in 2024, particularly in China, which resulted to more cargo being exported. Initially, two major caustic soda consuming industries, the alumina and battery sectors, were bright spots, but even those eventually succumbed to weaker demand.

From an average CFR price of \$470/DMT in 2023, prices fell to as low as \$400/DMT before recovering to \$530/DMT by December 2024 for an average CFR price of \$430/DMT.

Fortunately, liquid caustic soda price did not fall as much as feared despite weak demand because the near zero price of its chlorine co-product requires chlor-alkali producers to recover production cost from caustic soda. The major end-use of Chlorine is for making PVC resin, but China's real-estate crisis has caused PVC resin demand to plummet.

Manufacturing Operations

At the MVC Iligan Plant, we successfully completed the construction and commissioning of the IEM2 Expansion and Modernization Project in 2024 with minimal disruption to existing operations, thereby ensuring uninterrupted supply of products to customers. The expansion plant uses the latest electrolyzers to minimize power consumption, a first in the country plate-type caustic evaporator to achieve ultralow steam consumption, and a hydrochloric acid plant with steam co-generation capability for heat recovery.

Despite the completion of the IEM2 Expansion and Modernization Project, production output at the Iligan Plant increased by only 2% compared to 2023 due to high inventory of hydrochloric acid and liquid chlorine arising from weak demand and competition from cheap imported material. Movement of hydrochloric acid was also hampered by the drydocking of our acid-vessel, MT Snoopy-II. Production costs increased by 9.4% due to higher cost of raw materials and higher fixed cost due to the depreciation of the new plant.

Over in Laguna, Mabuhay's Premium Bleach Plant had an exceptional year in 2024 with production of sodium hypochlorite increasing by 35% compared to the previous year, its highest output since inception, as it responds to higher demand for sodium hypochlorite in the water treatment and energy generation industries. Expansion of production facilities is being considered to cater to the growing demand.

Environmental Responsibility

Caustic soda and chlorine-derivatives are basic chemicals produced from the electrolysis of saturated brine. Despite using the most advanced technology available, the production process is still very resource intensive and uses a lot of electrical energy and water. As a responsible member of society, we monitor, report and implement measures to reduce the environmental impact of its operations.

In 2024, we were able to reduce the energy intensity of its products by 10.7%. This was made possible by reducing the amount of steam consumed at the caustic soda evaporator and lowering the use of power from non-renewable sources.

Energy Intensity	2023	2024
Caustic Soda (kWh/DMT NaOH)	437.65	390.88
Hydrochloric Acid (kWh/LMT HCl)	140.05	125.08
Liquid Chlorine (kWh/MT Cl ₂)	437.65	390.88
Sodium Hypochlorite (kWh/MT Hypo)	15.35	18.92

We publish a Sustainability Report every year, as part of the 17-A Annual Report, containing details of the company's environmental performance. The report conforms to the Global Reporting Initiative (GRI) Standard as required by the Securities and Exchange Commission and is also available on our website.

VIII. RATIFICATION OF THE CORPORATE ACTS AND PROCEEDINGS OF THE BOARD OF DIRECTORS, OFFICERS AND MANAGEMENT FOR THE PERIOD UNDER REVIEW

The acts, proceedings, and resolutions were discussed and approved in the meetings of the Board of Directors and documented by minutes of meetings. These matters constitute the transactions and operations of the Company. This was also mentioned on pages 14-15 of the Information Statement posted on the Company website and available for public perusal via the PSE EDGE portal.

On motion duly made and seconded, the following resolution was approved:

RESOLVED, That the corporate acts and proceedings of the Board of Directors, Officers, and Management of Mabuhay Vinyl Corporation for the preceding year (25 April 2024 to 24 April 2025) are hereby approved and ratified.

The Corporate Secretary recorded the following votes:

	FOR	AGAINST	ABSTAIN
NUMBERS OF SHARES VOTED	621,516,463	0	0
	93.98%		

IX. PRESENTATION AND APPROVAL OF Y2024 ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED

31 DECEMBER 2024

Copies of MVC's Y2024 Annual Report and Audited Financial Statements for the year ended 31 December 2024 were made available on the Company website prior to the meeting.

On motion duly made and seconded, the following resolution was approved:

RESOLVED, That the Y2024 Annual Report and Audited Financial Statements for the year ended 31 December 2024 of Mabuhay Vinyl Corporation are hereby approved.

The Corporate Secretary recorded the following votes:

	FOR	AGAINST	ABSTAIN
NUMBERS OF SHARES VOTED	621,516,463	0	0
	93.98%		

X. ELECTION OF DIRECTORS FOR THE YEAR 2025 - 2026

On behalf of the Nominations Committee, the Corporate Secretary announced the names of the nominees to the Board of Directors as well as the justifications for nominating as independent directors Messrs. Abejuela and Kong.

After tabulation of votes of proxies received and of those that participated by remote communication, the following were declared as the duly elected Directors of the Company for Y2025 - Y2026 and/or until their successors are duly elected and qualified in accordance with the by-laws of MVC:

1. Mr. Yohei Chikamoto
2. Mr. Steve S.C. Pangilinan
3. Mr. Hiroyuki Kobayashi
4. Mr. Ramon J. Abejuela – Independent Director
5. Atty. Barbara Anne C. Migallos
6. Mr. Francisco J. Kong – Independent Director
7. Mr. Kazuya Nishisaka

The Corporate Secretary recorded the following votes:

NAME OF DIRECTOR	FOR	AGAINST	ABSTAIN
Yohei Chikamoto	621,516,463 93.98%	0	0
Steve S.C. Pangilinan	621,516,463 93.98%	0	0
Hiroyuki Kobayashi	621,516,463 93.98%	0	0
Ramon J. Abejuela	621,516,463 93.98%	0	0
Atty. Barbara Anne C. Migallos	621,516,463 93.98%	0	0
Francisco J. Kong	621,516,463 93.98%	0	0
Kazuya Nishisaka	621,516,463 93.98%	0	0

XI. APPOINTMENT OF EXTERNAL AUDITOR

On behalf of the Audit Committee, Mr. Pangilinan announced that Sycip Gorres Velayo & Co. (SGV) was recommended and endorsed by the Audit Committee and the Board of Directors as the Company's external auditor for the audit period 31 December 2025.

On motion duly made and seconded, the following resolution was approved:

RESOLVED, That Sycip Gorres Velayo & Co. is hereby appointed as Mabuhay Vinyl Corporation's External Auditor for the fiscal year ending 31 December 2025, under such terms and conditions as Management may deem appropriate.

The Corporate Secretary recorded the following votes:

	FOR	AGAINST	ABSTAIN
NUMBERS OF SHARES VOTED	621,516,463 93.98%	0	0

XII. OTHER MATTERS

The Chairman inquired whether any stockholder who participated by remote

communication raised questions.

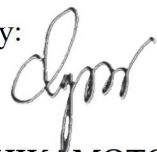
After checking the online platform used, the Corporate Secretary reported that no questions were raised by stockholders.

XIII. ADJOURNMENT

There being no other matter to be discussed, the meeting was adjourned at around 4:00 p.m.


MARIA MELVA E. VALDEZ
Corporate Secretary

Attested by:



YOHEI CHIKAMOTO

Chairman of the Board of Directors

Presiding Officer of the Stockholders' Meeting

Annex A

STOCKHOLDERS PRESENT:

Total No. Shares Outstanding	661,309,398
Total No. Shares of Stockholders Present in Person	50,629
Total No. of Shares of Stockholders Represented by Proxy	621,465,834
Total No. of Shares Present (In Person and by Proxy)	621,516,463
Percentage of Shares of Stockholders Present	93.98%

DIRECTORS PRESENT:

Yohei Chikamoto		
Steve S.C. Pangilinan		
Francisco J. Kong	-	Independent Director
Barbara Anne C. Migallos		
Ramon J. Abejuela	-	Independent Director
Hiroyuki Kobayashi		
Kazuya Nishisaka		

OFFICERS PRESENT:

Romeo G. Dela Cruz	-	VP- Marketing
Atsushi Utsunomiya	-	VP- Finance
Michael S. Yu	-	Treasurer/VP-Corporate Planning
Mark Francis D. Basan	-	AVP-Manufacturing
Maria Melva E. Valdez	-	Corporate Secretary
Pamela Ann T. Cayabyab	-	Assistant Corporate Secretary

REPRESENTATIVE FROM THE AUDITOR:

Manolito R. Elle	-	Partner-in-charge (Sycip, Gorres, Velayo & Co.)
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REPRESENTATIVE FROM THE STOCK TRANSFER AGENT

Roland Raymund P. Rojas	-	Security Services (BDO Stock Transfer)
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