

**EAGLE CEMENT CORPORATION**  
Minutes of the Annual Meeting of the Stockholders  
24 June 2021; Thursday; 2:00 PM  
Via Videoconference

STOCKHOLDERS PRESENT:	TYPE OF SHARES	NO. OF SHARES
<b>In Person:</b>		
Ramon S. Ang	Common	1,317,857,139
John Paul L. Ang	Common	96,428,569
Manny C. Teng	Common	1
Monica L. Ang-Mercado	Common	1
Mario K. Surio	Common	1
Manuel P. Daway	Common	1
Luis A. Vera Cruz, Jr.	Common	1
Melinda Gonzales-Manto	Common	1
Ricardo C. Marquez	Common	1
Jose P. Perez	Common	1
Martin S. Villarama, Jr.	Common	1
<b>By Proxy:</b>		
Far East Holdings, Inc. Represented by: Ramon S. Ang	Common	3,010,714,288
PDC Nominee Corp.	Common	9,750,175
Total No. of Shares Present or Represented at the Meeting	Common	4,434,750,180
Total No. of Shares Issued and Outstanding	Common	5,000,000,005
Percentage of Shares of Stock Present	Common	88.70%

**DIRECTORS PRESENT:**

RAMON S. ANG  
JOHN PAUL L. ANG  
MANNY C. TENG  
MONICA L. ANG-MERCADO  
MARIO K. SURIO  
MANUEL P. DAWAY  
LUIS A. VERA CRUZ, JR.  
MELINDA GONZALES-MANTO (ID)  
RICARDO C. MARQUEZ (ID)  
MARTIN S. VILLARAMA, JR. (ID)  
JOSE P. PEREZ (ID)

**ALSO PRESENT:**

FABIOLA B. VILLA  
MARLON P. JAVARRO  
MARIA FARAH Z.G. NICOLAS-SUCHIANCO  
CHERYL S. SALDAÑA-DE LEON  
JULIAN ELIZAR D. TORCUATOR  
MA. CRISTINA M. LLEVA

## **I. NATIONAL ANTHEM AND INVOCATION**

The Philippine national anthem was played *via* livestream. Afterwards, Director Ricardo C. Marquez led the invocation.

## **II. CALL TO ORDER**

The Chairman, Mr. Ramon S. Ang, called the meeting to order and presided over the same. The Corporate Secretary, Atty. Maria Farah Z.G. Nicolas-Suchianco, recorded the minutes of the meeting.

## **III. CERTIFICATION OF NOTICE AND QUORUM**

The Board of Directors approved a resolution dated 07 April 2021 authorizing the holding of the meeting by remote communication pursuant to Section 57 of the Revised Corporation Code, and the Securities and Exchange Commission (SEC) Memorandum Circular No. 06, Series of 2020. The Corporate Secretary advised the stockholders that, in compliance with the requirements of the SEC for meetings held through remote communication, the meeting was being recorded, which recording would form part of the records of the Corporation. The Corporate Secretary likewise ensured that the proceedings were effectively livestreamed, and that all registered participants could see and hear the livestream from their individual devices.

The Corporate Secretary certified that the notice of annual meeting of the stockholders, along with the procedure for participation and casting of votes through remote communication, was disclosed to the Philippine Stock Exchange (PSE) on 14 May 2021, and published in the business section of two (2) newspapers of general circulation, in print and online format, for two (2) consecutive days, or on 27 and 28 May 2021. The Corporate Secretary noted that copies of the Information Statement, Management Report, Minutes of the 2020 Annual Stockholders' Meeting, and Annual Report were available and could be accessed through the Corporation's website and the PSE Edge.

As confirmed by the Corporation's Stock Transfer Agent, Rizal Commercial Banking Corporation, the Corporate Secretary certified that out of 5,000,000,005 issued and outstanding common shares, stockholders owning a total of 4,434,750,180 common shares, representing 88.70% of the total issued and outstanding common shares of the Corporation, were present through remote communication and by proxy. Proxies and the votes on each agenda item were tabulated by the office of the Corporate Secretary. There was, therefore, a quorum present for the transaction of business.

## **IV. APPROVAL OF THE PREVIOUS STOCKHOLDERS' MEETING MINUTES**

The Chairman presented the minutes of the previous stockholders' meeting held on 15 July 2020 for ratification by the stockholders. Upon motion duly made and seconded, the stockholders passed and approved the following resolution:

"RESOLVED, that the minutes of the Annual Meeting of Stockholders held on 15 July 2020 be approved and ratified."

## **V. PRESENTATION OF THE ANNUAL REPORT**

The Chairman called the Chief Finance Officer, Director Monica L. Ang-Mercado, to deliver the Annual Report to the stockholders.

Ms. Ang-Mercado first presented the accomplishments and the positive financial state of the Corporation for 2020.

## **A. 2020 Financial Performance**

Ms. Ang-Mercado announced that the Corporation recorded a 30% decrease in net sales at the end of 2020. Gross profit margin registered at 41%. Despite the drop in EBITDA by 30%, the margin remained healthy at 40% level. While net income fell by 44%, the Company nonetheless registered a PhP3.4 billion net income, with margin ending at 24%.

The Corporation's total assets grew by 1% from the end-2019 figure, while total shareholder's equity increased by 4%.

## **B. 2021 Latest Interim Financial and Business Highlights**

Ms. Ang-Mercado reported that the financial highlights of the first quarter of 2021 signaled the Corporation's return to growth. Net sales jumped by 16%, despite a notable decrease in cement prices. EBITDA grew by 27% as the Corporation further drove cost efficiencies. As a result, net income surged by 44%, marking the Corporation's second best quarter to date, amid the Covid-19 Pandemic.

Ms. Ang-Mercado also reported that the first quarter performance showed recovery in most of the Corporation's markets and demand is expected to continue recovering and open markets for the additional supply that will be brought on stream as the new grinding facility in Bulacan is completed before the second quarter ends. The fifth cement mill is nearly complete and will expand the annual cement output by 1.5 million metric tonnes (MMT) to 8.6 MMT, solidifying the Corporation's stronghold as the single-largest cement plant in the Philippines.

## **C. Sustainable Development and Corporate Social Responsibility**

Ms. Ang-Mercado reported that the Corporation remains true to its mission in improving the quality of life of the Filipinos and it believes that the community where it operates should likewise grow in the same manner as does its business most especially during these trying times. The Corporation made this possible through its Social and Development Management Program and Corporate Social Responsibility activities as follows:

1. *Family and Health* – The Corporation launched a feeding program for the children of its host community and neighboring barangays in Bulacan. It likewise distributed milk, vitamins and food for these children. Senior citizens also received the same in addition to flu shots provided to them.
2. *Technology & Education* – On top of the Corporation's scholarship programs, it also donated two classroom buildings to Talbak Elementary School and donated desktop computers to schools. The Corporation likewise constructed a covered basketball court for the Gabihan Parish.
3. *COVID-19 Response* - From the onset of the pandemic, the Corporation offered support to its workforce, community and business partners beyond what is mandated by the government to help curb the spread of the virus.
  - a. The Corporation provided food packs to its community with the help of the Armed Forces of the Philippines, employee volunteers and the local government. Relief good operations were also conducted for the victims of Taal eruption and typhoon Ulysses.
  - b. The Corporation remains committed to conducting a monthly RT-PCR test for its employees, business partners and select residents of its community, and it will continue to ensure a safe workplace with strict safeguard measures;

- c. Isolation facilities with 34 rooms were constructed and are still in place in the event that some employees test positive for the presence of the virus.
4. *Awards* – In recognition of its sustainable development practices, Ms. Ang-Mercado reported that the Corporation was again awarded with the 2020 Presidential Mineral Industry Environmental Award (PMIEA) Platinum Achievement Award for its quarry operations. Prior to this, the Corporation had been a Titanium Awardee since 2014, and a Platinum Awardee since 2018.

The Corporation has also been the awardee of the Philippine Extractive Industries Transparency Initiative (PH-EITI) Excellence in Reporting.

The Corporation also received its first Golden Arrow Award from the Institute of Corporate Directors for achieving at least 80 points in the 2019 ASEAN Corporate Governance Scorecard assessment.

In closing, Ms. Ang-Mercado stated that the Corporation came out stronger in 2020 and it will continue to do so as it starts another decade of sustainable growth now and in the future.

The Chairman thanked Director Ang-Mercado for the Report and opened the floor for questions from the audience which were submitted in advance and read out by the facilitator.

A stockholder asked via e-mail whether the Corporation is confident that it can sustain the first quarter performance for the entire 2021. The Chairman replied that the Corporation is hopeful, although is also cautious as the economy reopens, as the Covid-19 Pandemic can suddenly take a different turn.

Another stockholder asked via e-mail regarding management's view on the current condition of the industry. The Chairman responded by saying that there are a lot of perceived opportunities opening up in the industry, as things are looking better despite the continued presence of Covid-19.

There being no further questions, and upon motion duly made and seconded, the stockholders passed and approved the following resolution:

“RESOLVED, that the Annual Report of the Corporation as presented be approved.”

## **VI. APPROVAL AND RATIFICATION OF ACTS OF THE BOARD OF DIRECTORS AND MANAGEMENT**

The Chairman of the meeting requested the Corporate Secretary to present a summary of all acts of the Board of Directors and Management, embodied in the resolutions issued from 15 July 2020 up to the date of this meeting. The summary of all acts was thereafter flashed on the screen. The stockholders thereafter approved and ratified the acts as presented to them.

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

“RESOLVED, that the acts of the Corporation's Officers and Board of Directors embodied in the resolutions that have been issued in accordance with the procedures provided in the Corporation's By-Laws from 15 July 2020, up to 24 June 2021, be approved, confirmed and ratified.”

## **VII. APPOINTMENT OF EXTERNAL AUDITOR**

The Chairman of the meeting requested Director Melinda Gonzales-Manto, the Chairperson of the Audit Committee, to make a recommendation on the appointment of external auditor. Director Gonzales-Manto recommended the appointment of the professional services firm of Reyes Tacandong & Co., CPAs, as the Corporation's external auditor for the year 2021.

Upon motion duly made and seconded, the stockholders passed and approved the following resolutions:

“RESOLVED, that the professional services firm of Reyes Tacandong & Co., CPAs, is hereby appointed as the Corporation's external auditor for the year 2021.”

## **VIII. ELECTION OF THE MEMBERS OF THE BOARD OF DIRECTORS**

The Corporate Secretary presented the list of nominees for Independent Directors as pre-qualified by the Corporate Governance Committee, and the list of other nominees for the election to the Board of Directors. All the following nominees have all the qualifications and none of the disqualifications to be a director under the law, the Corporation's By-Laws, and the Corporation's Manual on Corporate Governance:

<b>Nominee</b>	<b>Position</b>
Ramon S. Ang	Director
John Paul L. Ang	Director
Manny C. Teng	Director
Monica L. Ang-Mercado	Director
Mario K. Surio	Director
Manuel P. Daway	Director
Luis A. Vera Cruz, Jr.	Director
Melinda Gonzales-Manto	Independent Director
Gen. Ricardo C. Marquez (Ret.)	Independent Director
Justice Martin S. Villarama, Jr. (Ret.)	Independent Director
Justice Jose P. Perez (Ret.)	Independent Director

Considering that the number of directors to be elected was eleven (11) and there were only eleven (11) nominees, upon motion duly made and seconded, all eleven (11) nominees were considered unanimously elected as Directors of the Corporation for the ensuing year, until their successors are elected and qualified. The votes of the stockholders present and represented by proxies were distributed and recorded accordingly.

## **IX. DELEGATION OF AUTHORITY TO AMEND THE BY-LAWS**

The Corporate Secretary explained that in view of the enactment of the Revised Corporation Code in 2019, there are several amendments which have to be made to the By-laws. These amendments, aside from being compliant with the Revised Corporation Code, also have to be consistent with the Corporation's Manual on Corporate Governance, various corporate policies, and the board and committee charters.

After discussion, and upon motion duly made and seconded, the following resolutions were passed and approved:

“RESOLVED, that the authority to amend the By-Laws of the Corporation be delegated to the Board of directors, for the purpose of compliance with the Revised Corporation Code, Code of Corporate Governance, the Corporation's Manual on Corporate Governance, as well as the Board and Committees' charters.”

**X. ADJOURNMENT**

There being no other matters to discuss and upon motion duly made and seconded, the meeting was adjourned.

Certified true and correct:

*[Original Signed]*  
**MARIA FARAH Z.G. NICOLAS-SUCHIANCO**  
*Corporate Secretary*

Attested:

*[Original Signed]*  
**RAMON S. ANG**  
*Chairman*