

**MINUTES OF THE ANNUAL MEETING  
OF THE SHAREHOLDERS**

**OF**

**STENIEL MANUFACTURING CORPORATION**

Held on July 5, 2024 at 2:00pm  
via Zoom Videoconferencing hosted at Gateway Business Park  
Brgy. Javalera, General Trias, Cavite City

**STOCKHOLDERS PRESENT / REPRESENTED:**

	<u>No. of Shares</u>	<u>Percentage</u>
Total shares issued and outstanding	1,418,812,081	100%
Stockholders Present and Represented*	1,204,430,346	84.89%
In Person	1,133,469,742	79.89%
By Proxy	70,960,604	5.00%

*For the list of attendees, kindly refer to Annex "A".*

**Directors Present:**

Nixon Y. Lim	-	Chairman
Eliza C. Macuray	-	Director
Esteban Ku	-	Director
Mark O. Vergara	-	Director
Rhea M. Alarcon	-	Independent Director

**Officers Present:**

Nixon Y. Lim (same as above)	-	Chairman & President
Eliza C. Macuray (same as above)	-	Treasurer/CFO
Janice L. Co	-	Corporate Secretary
Hosea Lejlan L. Salazar	-	Assistant Corporate Secretary

**PROCEEDINGS**

**I. CALL TO ORDER**

Mr. Nixon Y. Lim, Chairman of the Board of Directors, called the meeting to order and presided over the same. After the Chairman informed the stockholders that the meeting is being recorded, Ms. Janice L. Co, the Corporate Secretary, recorded the minutes of the proceedings.

## II. CERTIFICATION OF NOTICE AND QUORUM

The Chairman verified with the Corporate Secretary whether notices of the annual meeting of the stockholders were sent to the Corporation's stockholders. The Corporate Secretary replied that notices for the 2024 Annual Stockholder's Meeting ("**Notice**"), including the materials required by the Securities and Exchange Commission ("**SEC**") to be furnished all stockholders, were published in the business sections of BusinessWorld and The Daily Tribune, in print and online formats, on June 13 and 14, 2024. The Notice was posted on the Corporation's website and disclosed via PSE Edge.

The Corporate Secretary then certified that, based on the record of attendance, stockholders holding 1,204,430,346 common shares, equivalent to 84.89% of the outstanding capital stock of the Corporation, were present or represented. With 84.89% present or represented, there was a quorum to proceed with the meeting.

## III. APPROVAL OF MINUTES OF 2021 ANNUAL SHAREHOLDERS' MEETING

The Chairman proceeded to the next item on the agenda, which was the approval of the minutes of the Annual Stockholders' Meeting held on October 13, 2021. The Chairman informed the stockholders that the minutes of the meeting was posted on the Corporation's website as one of the annexes to the Definitive Information Statement.

Upon request by the Chairman, the Corporate Secretary presented the results of voting<sup>1</sup> for the approval of the minutes:

<b>No. of Shares Outstanding and Entitled to Vote</b>	1,418,812,081
<b>No. of Shares Present / Represented</b>	1,204,430,346
<b>No. of Votes Approving</b>	1,204,430,346
<b>No. of Votes Disapproving</b>	0
<b>No. of Votes Abstaining</b>	0
<b>Percentage Approving (Of Shares Present / Represented)</b>	100%

The Corporate Secretary reported that stockholders owning 1,204,430,346 or 100% of the total number of voting shares represented at the meeting, approved the Minutes of the Stockholders' Meeting held on October 13, 2021. The Chairman, having deemed that more than a majority of shares present and represented voted for the approval, declared that the stockholders resolved to approve the Minutes of the Stockholders' Meeting held on October 13, 2021.

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<sup>1</sup> A description of the voting procedures is provided in Annex "B".

#### IV. 2023 ANNUAL REPORT WITH HIGHLIGHTS OF THE AUDITED FINANCIAL STATEMENTS FOR 2021, 2022 AND 2023

The President, Mr. Lim, thereafter reported to the stockholders the status of the Corporation and the results of its operations in the past three (3) years. His report was focused on the following:

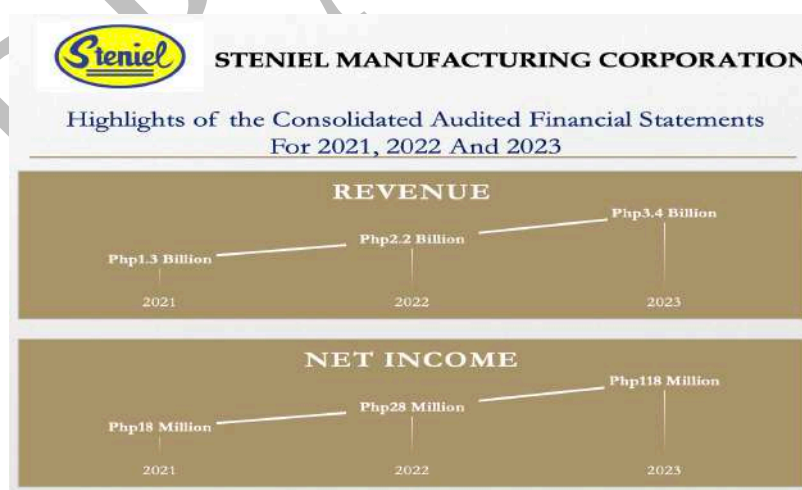
##### Capital Restructuring

1. Approval by the SEC of the Corporation's application for increase of authorized capital stock from ₱1 billion to ₱2 billion. The increase was subscribed (i) partly by share swap transaction wherein the Corporation reacquired Steniel Mindanao Packaging Corporation ("SMPC") in exchange for unissued shares of the Corporation, and (ii) partly through conversion of liability into equity. With this activity, the Corporation recognized a net gain of ₱267.459 million in December 2020.
2. These transactions resolved the capital deficiency of the Corporation and its subsidiaries in 2021.

##### Acquisition and Long-Term Supply Agreement

1. In late 2021 and early 2022, one of the Corporation's subsidiaries, Steniel Cavite Packaging Corporation ("SCPC"), acquired the box manufacturing plant of Dole Philippines Inc. ("DPI") in Carmen, Davao del Norte.
2. Simultaneous to the acquisition was the execution of a 10-year long-term supply agreement with DPI. This contract aims to ensure a stable revenue stream over the long term, aligned with the Corporation's growth objectives.

##### Financial Performance from 2021 to 2023:



1. Revenue reached an all-time high of Php 3.4 billion in 2023, a significant increase from Php 2.2 billion in 2022 and Php 1.3 billion in 2021. This growth was primarily driven by the long term supply agreement with DPI.
2. Net income improved to Php 117.782 million in 2023 from Php 28.355 million in 2022 and Php 17.965 million in 2021. Growth was driven by higher revenues, improved operational efficiency, and effective financial management.

Outlook for the rest of the fiscal year 2024:

Management anticipates further improvements in 2024 as it will focus on optimizing capacity utilization, enhancing marketing strategies, and implementing cost-reduction measures to sustain competitiveness in the industry.

After the presentation, the floor was opened for questions from the stockholders and/or their representatives. The Corporate Secretary was requested to read the questions raised in the chatbox and those sent to the Company prior to the meeting. The Corporate Secretary reported that no questions were raised in both mediums.

The Chairman thereafter requested that the votes for the current agenda be presented.

The Corporate Secretary presented the results of voting for the approval of the Annual Report and the Audited Financial Statements for the period ended December 31, 2021, 2022 and 2023 of the Corporation:

<b>No. of Shares Outstanding and Entitled to Vote</b>	1,418,812,081
<b>No. of Shares Present / Represented</b>	1,204,430,346
<b>No. of Votes Approving</b>	1,204,430,346
<b>No. of Votes Disapproving</b>	0
<b>No. of Votes Abstaining</b>	0
<b>Percentage Approving (Of Shares Present / Represented)</b>	100%

Stockholders owning 1,204,430,346 or 100% of the total number of voting shares represented at the meeting, approved the Annual Report and the Audited Financial Statements for the period ended December 31, 2021, 2022 and 2023 of the Corporation. The Chairman, having deemed that more than a majority of shares present and represented voted for the approval, officially announced that the stockholders resolved to approve the Annual Report and the Audited Financial Statements for the period ended December 31, 2021, 2022 and 2023 of the Corporation.

**V. APPROVAL AND RATIFICATION OF ALL ACTS OF THE BOARD OF DIRECTORS AND MANAGEMENT FOR 2021 TO 2024**

The next item in the agenda was the ratification of all acts of the Board of Directors and Management of the Corporation for the years 2021 to 2024. A summary of these acts was included in the Definitive Information Statement of the Corporation.

Upon request of the Chairman, the Corporate Secretary presented the results of voting for the ratification of the acts of the Board of Directors and Management:

<b>No. of Shares Outstanding and Entitled to Vote</b>	1,418,812,081
<b>No. of Shares Present / Represented</b>	1,204,430,346
<b>No. of Votes Approving</b>	1,204,430,346
<b>No. of Votes Disapproving</b>	0
<b>No. of Votes Abstaining</b>	0
<b>Percentage Approving (Of Shares Present / Represented)</b>	100%

The Corporate Secretary reported that stockholders owning 1,204,430,346 or 100% of the total number of voting shares represented at the meeting, approved the acts of the Board of Directors and Management for the years of 2021 to 2024. The Chairman, having deemed that more than a majority of shares present and represented voted for the approval, officially announced the stockholders resolved to ratify all acts of the board of directors and management for 2021 - 2024.

**VI. ELECTION OF DIRECTORS**

The Chairman moved to the next item of agenda of the meeting which was the election of the directors of the Corporation for the term of 2024-2025. The Chairman explained that the Corporate Governance Committee, which also acts as the Nomination Committee, had screened and short-listed all candidates qualified to be nominated to the Board.

The nominees endorsed for director positions for the term 2024-2025 were as follows:

1. Nixon Y. Lim
2. Esteban C. Ku
3. Mark O. Vergara
4. Eliza C. Macuray

For the independent directors:

5. Rhea M. Alarcon

6. Jose Luis G. Santillan
7. Arnold San Gabriel

Thereafter, the Chairman requested the presentation of the results of voting for the above-nominees. The Corporate Secretary then presented the results of voting for each of the seven (7) nominees-directors:

<b>Nominee</b>	<b>Votes Received</b>
Nixon Y. Lim	1,204,430,346
Esteban C. Ku	1,204,430,346
Mark O. Vergara	1,204,430,346
Eliza C. Macuray	1,204,430,346
Rhea M. Alarcon	1,204,430,346
Jose Luis G. Santillan	1,204,430,346
Arnold San Gabriel	1,204,430,346

Stockholders owning 1,204,430,346 or 100% of the total number of voting shares represented at the meeting, elected the seven (7) nominees stated above to be members of the Board of Directors of the Corporation for the year 2024 to 2025 until such time as their respective successors shall have been duly elected and qualified.

The Chairman, having deemed that the above nominees received sufficient votes for their election, officially declared their election as members of the Board of Directors for the term 2024 to 2025.

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

The next item in the agenda was the ratification by the stockholders of the appointment of Valdes Abad & Company (VACO) as the Corporation's external auditor for the fiscal years 2023 and 2024. The Chairman presented a description of the auditing firm and noted that the presence of VACO in Manila, Cebu, and Davao will result to easier coordination with the auditor.

Upon request by the Chairman, the Corporate Secretary presented the results of the voting:

<b>No. of Shares Outstanding and Entitled to Vote</b>	1,418,812,081
<b>No. of Shares Present / Represented</b>	1,204,430,346
<b>No. of Votes Approving</b>	1,204,430,346
<b>No. of Votes Disapproving</b>	0
<b>No. of Votes Abstaining</b>	0
<b>Percentage Approving (Of Shares Present / Represented)</b>	100%

Stockholders owning 1,204,430,346 or 100% of the total number of voting shares represented at the meeting, ratified the appointment of Valdes Abad & Company. The Chairman, having deemed that more than a majority of shares present and represented voted for the approval, officially announced that the stockholders resolved to confirm the appointment of Valdes Abad & Company as the Corporation's external auditor for the fiscal years 2023 and 2024.

## VIII. OTHER MATTERS

### A. Approval to Conduct a Public Offering:

The Corporate Secretary explained to the stockholders that approval was being sought for the authority of the Corporation to offer and sell up to 157,647,919 primary common shares by way of a follow-on offering, from the unissued portion of its authorized capital stock, and to apply for the listing of the same with The Philippine Stock Exchange, Inc. ("PSE"). The public offering will be conducted in compliance with PSE's Revised Rules on Backdoor Listing which requires a backdoor-listed company to conduct a public offering of at least 10% of its issued and outstanding shares.

The Corporate Secretary presented the summary of the terms of the public offering based on the discussions with the working team:

<b>Offer Shares</b>	: Up to 157,647,919 common shares
<b>Offer Price</b>	: To be determined by Management
<b>Use of Proceeds</b>	: Partly for expansion of the facility in Panabo, Davao del Norte, and partly for working capital
Issuer:	: Steniel Manufacturing Corporation
Issue Manager & Sole Underwriter	: Investment & Capital Corporation of the Philippines
Receiving Agent:	: Stock Transfer Service, Inc.
Stock Transfer Agent:	: Stock Transfer Service, Inc.
Escrow Agent	: RCBC Trust Corporation
Independent Auditor	: Valdes Abad & Company
Counsel to the Issuer	: Martinez Vergara & Gonzalez Sociedad
Counsel to the Underwriter	: Tan Venturanza Valdez
Independent Counsel	: Cayetano Sebastian Ata Dado & Cruz

The final terms of the offer shall be fixed by Management.

The following were presented for approval:

1. Authority to offer up to 157,647,919 primary common shares ("**Subject Shares**") to the public;
2. Authority to apply for the registration of the Subject Shares with the SEC and listing thereof with the PSE;
3. Ratification on the appointment of the underwriter, receiving and stock transfer agent, escrow agent, counsels, and auditor required for the transaction;

4. Authority of MVGS to represent the Corporation before the SEC and TVV/ICCP before the PSE;
5. Authority to undertake to be jointly liable for all acts of the stock transfer agent in relation to matters involving the Subject Shares
6. Authority of Management to determine the final terms of the Offer.

Upon the request of the Chairman, the Corporate Secretary presented the voting results:

<b>No. of Shares Outstanding and Entitled to Vote</b>	1,418,812,081
<b>No. of Shares Present / Represented</b>	1,204,430,346
<b>No. of Votes Approving</b>	1,204,430,346
<b>No. of Votes Disapproving</b>	0
<b>No. of Votes Abstaining</b>	0
<b>Percentage Approving (of shares entitled to vote)</b>	84.89%

The Corporate Secretary reported that stockholders owning 1,204,430,346 or 100% of the total number of voting shares represented at the meeting approved the public offering of the shares of the Corporation with the final terms of the offering to be fixed by Management. This represents 84.89% affirmative vote from the Corporation's outstanding capital stock.

The Chairman, having deemed that 84.89% of the shareholders voted for the approval, officially announced that the stockholders resolved to approve the proposal to conduct a follow on offering and that the Corporation is authorized to proceed with the public offering.

**B. Approval of the Proposed Amendment to the By-Laws:**

The Corporate Secretary then proceeded to present the proposed amendment to the Corporation's By-Laws which was approved by the Board of Directors on March 14, 2024. The amendment pertains to the change of the date of the annual meeting of stockholders from "the last Tuesday of April of each year" to "any day on the third week of June of each year". The amendment was proposed in order to give the Corporation sufficient time to prepare and file the Information Statement and comply with all the requirements and procedures in connection to its annual meeting.

Afterwards, the Corporate Secretary presented the proposed amendment to the relevant portion of the Corporation's By-Laws and compared the same to the existing relevant provisions of the By-Laws:

<u><b>FROM</b></u>	<u><b>TO</b></u>
Section 1. Annual Meetings -	Section 1. Annual Meetings -

<p>The annual meeting of stockholders for the purpose of electing directors and for the transaction of such business as may properly come before the meeting, shall be held on the last Tuesday of April of each year at 2:00 o'clock in the afternoon if not a legal holiday, if a legal holiday, then on the business day of the following. The Board of Directors may, for a good cause, postpone the regular meeting to a reasonable date.</p>	<p>The annual meeting of stockholders for the purpose of electing directors and for the transaction of such business as may properly come before the meeting, shall be held on <u>any day on the third week of June of each year as may be determined by the Board of Directors</u>, if a legal holiday, then on the <u>following</u> business day of the following. The Board of Directors may, for a good cause, postpone the regular meeting to a reasonable date.</p>
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Upon request of the Chairman, the Corporate Secretary presented the results of the voting for the amendment of the Corporation's By-Laws.:

<b>No. of Shares Outstanding and Entitled to Vote</b>	1,418,812,081
<b>No. of Shares Present / Represented</b>	1,204,430,346
<b>No. of Votes Approving</b>	1,204,430,346
<b>No. of Votes Disapproving</b>	0
<b>No. of Votes Abstaining</b>	0
<b>Percentage Approving (of shares entitled to vote)</b>	84.89%

The Corporate Secretary reported that stockholders owning 1,204,430,346 or 100% of the total number of voting shares represented at the meeting approved the proposed amendment to the By-Laws of the Corporation. This represents 84.89% affirmative vote from the Corporation's outstanding capital stock.

The Chairman, having deemed that the stockholders holding at least two-thirds (2/3) of the outstanding capital stock voted for the approval, officially announced that the stockholders resolved to approve the change of the date of the annual meeting.

**C. Open Forum**

The Chairman then opened the floor for any questions from the stockholders. After some time, the Corporate Secretary informed the Chairman that the Corporation did not receive any questions, and advised the attendees that they may still submit their questions to the Corporation, which will be addressed through email.

**IX. ADJOURNMENT**

There being no other matters to be discussed or business to transact, the Chairman thanked the participants and the stockholders for their unwavering support and formally adjourned the meeting.

Certified Correct

  
JANICE L. CO  
Corporate Secretary

**ANNEX A**  
**List of Participants**

**I. STOCKHOLDERS PRESENT / REPRESENTED:**

<b>Stockholder</b>	<b>No. of Shares</b>
Nixon Y. Lim	1
Eliza C. Macuray	1
Esteban C. Ku	1
Mark O. Vergara	1
Rhea M. Alarcon	1
Clement O. Chua	30,638,920
Rex A. Chua	30,638,920
Jose Luis G. Santillan	1,000
Arnold San Gabriel	1,000
Golden Bales Corporation	276,026,311
Corbox Corporation	276,026,311
Roxburgh Investments Limited	261,910,502
Greenkraft Corporation	258,226,773
Monceau Philippine Holdings Inc.	70,000,000
Segovia Capital Holdings, Phils. Inc.	960,604
	<b>1,204,430,346</b>

**II. DIRECTORS PRESENT:**

Nixon Y. Lim	-	Chairman
Eliza C. Macuray	-	Director
Esteban Ku	-	Director
Mark O. Vergara	-	Director
Rhea M. Alarcon	-	Independent Director

**III. OFFICERS PRESENT:**

Nixon Y. Lim (same as above)	-	Chairman & President
Eliza C. Macuray (same as above)	-	Treasurer/CFO
Janice L. Co	-	Corporate Secretary
Hosea Lejlan L. Salazar	-	Assistant Corporate Secretary

**IV. GUESTS**

Alfonso Cay-An	-	Valdez Abad & Company
Keith Gawe	-	Valdez Abad & Company
Jesus Mariano P. Ocampo	-	Investment & Capital Corporation of the Philippines (ICCP)
Ann Camille H. Pastorel	-	ICCP
Gino Paulo O. Uy	-	Martinez Vergara & Gonzalez Sociedad (MVGS)
Harold V. Pasion	-	MVGS
Chamuel Jophiel Dave C. Baccay	-	MVGS

**ANNEX B**  
**Voting and**  
**Vote Tabulation Procedures**

- I. All agenda items indicated in the Notice of the Meeting were set out in the ballot form. Registered stockholders, or their proxies, were advised of the following voting procedures:
  - A. For items other than the election of Directors, the registered Stockholder, or his/her proxy, had the options to vote "Approve," "Disapprove," or "Abstain". The vote is considered cast for all the registered stockholder's shares.
  - B. For the election of Directors, the registered stockholder, or his/her proxy, may vote for all nominees or cumulate his vote for one or some of the nominees, provided that the total number of allowable votes will not exceed the number of shares multiplied by the number of Board seats (number of shares x 7 directors = number of voting shares).
- II. After voting, the stockholders or their proxies were required to submit their ballots by sending a clear scanned copy thereof in jpg or pdf format to [steniel.asm@gmail.com](mailto:steniel.asm@gmail.com) no later than 5:00pm on June 21, 2024. The email attachment file size must not exceed 2MB.
- III. After the ballot has been submitted, the registered Stockholder or his/her proxy is no longer allowed to change his/her vote.
- IV. All votes received were tabulated and validated by the Office of the Corporate Secretary.
- V. The Corporate Secretary reported the results of voting during the annual stockholder's meeting.