

**MINUTES OF THE 27th ANNUAL STOCKHOLDERS' MEETING OF  
ASIAN TERMINALS, INC.**

Held on April 28, 2022, 2:00pm

Online (MS Teams)

**Directors**

Glen C. Hilton	Chairman
Eusebio H. Tanco	Director/President
Monico V. Jacob	Director
Felino A. Palafox, Jr.	Director
William Wassaf Khoury Abreu	Director
Artemio V. Panganiban	Independent Director
Roberto C.O. Lim	Independent Director
Zisis Jason Varsamidis	Director

**Also Present**

Sean James L. Perez	Senior Vice President
Rodolfo G. Corvite, Jr.	Corporate Secretary/ CIO and Compliance Officer
Jose Tristan P. Carpio	CFO and Treasurer

Stockholders present in person or represented by proxy (Please see Record of Attendance in <b>Annex "A"</b> hereof)	1,796,436,974 shares
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**I. CALL TO ORDER/QUORUM**

At the request of the Board, the Company President, Mr. Eusebio H. Tanco presided and called the meeting to order at 2:00 p.m. Mr. Tanco explained that the Board decided to conduct the meeting via remote communication or online due to the COVID 19 situation in accordance with the guidelines issued by the SEC.

The Corporate Secretary certified that notices were sent to all stockholders of record as of March 31, 2022 through the mediums compliant with the regulations of the PSE and SEC, namely publication for two consecutive days in the Manila Standard and Philippine Star (both for print and online formats), posting in the company website and disclosure to the PSE and SEC.

The Corporate Secretary further certified that there was a quorum with stockholders representing 1,796,436,974 shares or 89.82% of the outstanding capital stock of the company having registered to participate and voted.

*Note: Minutes will be subject to the approval of the stockholders in the 2023 Annual Meeting.*

The procedure for the conduct of the meeting was briefly discussed by the Corporate Secretary. All the tabulation results for the meeting were subjected to validation by R.G. Manabat and Company. Stockholders were also informed to send their questions by email to [ATISHMeeting@asianterminals.com.ph](mailto:ATISHMeeting@asianterminals.com.ph). The questions were collated, and selected questions would be answered in the latter part of the meeting while those unanswered would be replied to by email.

## II. APPROVAL OF THE MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING HELD ON APRIL 22, 2021

The Corporate Secretary stated that the summary of the minutes was incorporated in the Information Statement and a copy posted in the company website.

The minutes were approved by votes representing 89.82% of the outstanding shares of the corporation. Votes were summarized below:

VOTES	NUMBER OF VOTES CAST	%age
For	1,796,436,974	89.82%
Against	None	0.00%
Abstain	None	0.00%

## III. CHAIRMAN'S MESSAGE

The Chairman, Mr. Glen C. Hilton, delivered his message via live stream. Mr. Hilton welcomed the shareholders, the board and the guests and reported the overall performance of the company in the previous year in the context of the COVID-19 pandemic and ATI's 35th anniversary as a port business.

Mr. Hilton reported that 2021 ushered yet another challenging period for international trade as industries, continued to operate against a backdrop largely influenced by the COVID-19 pandemic. The second straight year had community lockdowns, mobility restrictions, sluggish market conditions, among other external factors impacting the overall flow of cargoes and people – a trend which cut across geographies and demographics.

Under this overarching theme, the Philippine economy again displayed its resilience posting a 5.7% growth from a 9.6% contraction the year prior despite struggling with pandemic spikes and natural calamities. The economy rallied behind strong household consumption, record-high remittances, and public-sector spending under the administration's signature Build-Build-Build infrastructure platform.

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The nationwide inoculation drive and government's COVID-19 response, which ATI and other industry stakeholders fully supported in numerous ways, also contributed to easing restrictions, positively stimulating economic activities by year-end and hinting towards new normalcy.

Year 2021 highlighted the robustness of Asian Terminals as it continued to fulfill its vital role as economic gateway and trade enabler in this part of the world. The strength and resilience of ATI's ports and logistics business were fitting attributes as it proudly marked its milestone 35th anniversary as a pioneer in the Philippine port industry.

By following international and government-mandated protocols on health and safety, implementing innovative technologies, and actively engaging with the stakeholders, ATI's trade infrastructure remained bullish, responsive to market requirements, and supportive of the country's road to recovery.

As the year ended, the gateway terminals in Manila and Batangas handled 1.37 million teus (twenty-foot equivalent units) in consolidated international container volumes. This reflected a 3.7% volume growth mirroring industry trends and signs of revitalized trade.

In the non-containerized cargo segment, ATI's facilities in Batangas handled over 136,000 units of imported vehicles and nearly 360,000 domestic roll-on/roll-off traffic, rebounding from last year's downtrend, while passenger flow remained modest at over 800,000. ATI supported major industries in efforts to boost food security, energy sufficiency, and other vital infrastructure projects, by handling their unique cargo requirements.

The Chairman reported that ATI business delivered strong financial results for 2021 with revenues that stood at Php11.16 billion, up by 1.8% from P10.96 billion in 2020 on account of higher container volumes.

The net income reached P2.24 billion, declining 24.3% from Php2.95 billion in the previous year due to volume-driven expenses, rising fuel prices, our sustained Covid-19 resiliency measures, and unfavorable foreign exchange rate impact. Although a step-back from earlier expectations, the bottom-line reflected robust results given these extreme market conditions.

With ATI's solid business fundamentals, prudent cost management and institutional safety nets, ATI is in a solid position to operate efficiently, sustain its growth trajectory, explore new business opportunities, and provide sustainable returns to its investors and communities.

Driven by last year's performance, the Chairman announced that the ATI Board of Directors approved the release of cash dividends of 80.80 centavos per share. This total Php1.616 billion to stockholders as of May 25, 2022, with the payout scheduled on June 17, 2022.

In 2021, ATI continuously invested in port infrastructure, equipment, and technologies to prepare for the future. More rubber-tired gantry cranes were deployed in Manila South Harbor to support the expanded yard operations. The modern Batangas Passenger Terminal is living up to expectations as the country's premier interisland transport hub. It has partially operated

to handle the passenger surge during the summer and will be ready for full operation by 2023. The terminal systems were upgraded to cover both container and non-container segments of the operations and the digital platforms also leveled up to deliver greater customer convenience.

As ATI expands its business perspectives, capital build-up on its port-centric logistics framework continues in 2022 as a minimum of Php5.0 billion was allocated for the market-responsive port infrastructure, ongoing trade facilitation projects, and ATI growth strategy in line with its long-term commitment with the port authority.

Marking ATI's 35th year in the industry in the middle of a pandemic was especially significant as this highlighted its ability to operate sustainably through market uncertainties.

This also gave ATI the opportunity to revisit its rich corporate history and take pride in its noteworthy contributions that have kept Philippine trade buoyant and vibrant through the years.

ATI's appreciation of the past and its clear vision of the future serve as its compass to greater things ahead as it continues to evolve and transform the business in a broader, smarter, and faster scale. This is integral to ATI's efforts to provide comprehensive end-to-end logistics channels to the customers leveraged on the strength of its port business.

The Chairman thanked the Board of Directors, shareholders, customers, and the port authorities for their valuable contributions and expressed gratitude to the ATI management team and employees for operating and managing the business competently, efficiently, and safely all throughout these very challenging period.

#### **IV. ELECTION OF DIRECTORS**

The President requested the Corporate Secretary to read the names of the incumbent directors, the nominees for election and the voting results. The Corporate Secretary read the names of the incumbent directors and the names of the eight (8) nominees for election as submitted by the Nomination Committee. The nominees were: Glen C. Hilton, Eusebio H. Tanco, Monico V. Jacob, William Wassaf Khoury Abreu, Felino A. Palafox, Jr., Zisis Jason Varsamidis, Artemio V. Panganiban and Roberto C. O. Lim.

Atty. Lim and Chief Justice Panganiban were nominated as independent directors. The Corporate Secretary explained that pursuant to the Company's Corporate Governance Manual and applicable regulations of the SEC, an independent director who has served more than nine (9) consecutive years reckoned from 2012, may continue to serve as such based on meritorious justifications and with the stockholders' approval. Chief Justice Artemio V. Panganiban has been the Company's independent director since 2010 and the Board after due assessment has resolved to retain him as independent director based on meritorious justifications. In the voting process, the stockholder's vote in favor of Chief Justice

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Panganiban is deemed an approval of the justification to continue and be elected as independent director, otherwise the stockholder may choose to abstain.

There being no other nominations, the affirmative votes in favor of those nominated had been tabulated and the following were declared duly elected as directors for the ensuing year, until their successors shall have been elected and qualified.

Summary of the voting results are stated below:

Name	For	%	Against	%	Abstain	%
Glen C. Hilton	1,696,545,274	84.83%	99,891,700	4.99%	0	0.00%
Eusebio H. Tanco	1,796,436,974	89.82%	0	0.00%	0	0.00%
Monico V. Jacob	1,696,545,274	84.83%	99,891,700	4.99%	0	0.00%
William Wassaf Khoury Abreu	1,696,545,274	84.83%	99,891,700	4.99%	0	0.00%
Roberto C.O.Lim	1,796,436,974	89.82%	0	0.00%	0	0.00%
Felino A. Palafox, Jr.	1,696,545,274	84.83%	99,891,700	4.99%	0	0.00%
Artemio V. Panganiban	1,796,436,974	89.82%	0	0.00%	0	0.00%
Zissis Jason Varsamidis	1,696,545,274	84.83%	99,891,700	4.99%	0	0.00%

#### V. APPROVAL OF THE AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2021

The Corporate Secretary reported that the audited financial statements for the year ended December 31, 2021 were attached to the Information Statement posted on the Company website and on the PSE website. The financial statements were also disclosed to the PSE and SEC.

The affirmative votes of stockholders representing 89.82% of the total outstanding shares, have approved the audited financial statements of the Company, for the preceding fiscal year, as presented.

The votes were summarized below:

VOTES	NUMBER OF VOTES CAST	%age
For	1,796,436,974	89.82%
Against	None	0.00%
Abstain	None	0.00%

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With the tabulated votes, the audited financial statements for the preceding fiscal year were approved.

## VI. APPOINTMENT OF INDEPENDENT AUDITORS

The President reported that the Board in its regular meeting held on March 1, 2022, approved the appointment of R. G. Manabat and Company as independent auditor, subject to the approval of the stockholders.

The Corporate Secretary stated that after the tabulation of the votes, the appointment of R.G. Manabat and Company has been approved by the affirmative votes of the stockholders representing 89.82% of the total outstanding shares of the corporation.

The votes were summarized below:

VOTES	NUMBER OF VOTES CAST	%age
For	1,796,436,974	89.82%
Against	None	0.00%
Abstain	None	0.00%

With the tabulated votes, the external auditor R.G. Manabat and Company were appointed as the independent auditor of the Company for the fiscal year 2022.

## VII. RATIFICATION OF THE ACTS OF THE BOARD AND MANAGEMENT FOR THE YEAR 2021

The Corporate Secretary reported that the statements of the acts of the Board and the Management were summarized in the Information Statement posted in the Company website and disclosed to the PSE and SEC. The link was also provided in the Notice of Meeting.

After tabulation of the votes, the Corporate Secretary reported that stockholders representing 89.82% of the total outstanding shares, have affirmatively voted to approve and ratify the acts of the Board and management for 2021.

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The votes were summarized below:

VOTES	NUMBER OF VOTES CAST	%age
For	1,796,436,974	89.82%
Against	None	0.00%
Abstain	None	0.00%

## VIII. OTHER MATTERS

For other matters, the President responded to the questions that were sent by the stockholders through email. Said questions were read by the Corporate Secretary.

**First:** What opportunities are seen by ATI now that the pandemic restrictions have eased, and economic activities gradually resumed?

The President responded that ATI continuously leverage on the strength of its competitive gateways in Manila and Batangas. ATI's significant investment in these facilities through the years, in line with its commitment with PPA, prepared the Company for the future. The Company's enhanced capacity and capabilities enabled it to handle the expected volume surge and further contribute to post-pandemic economic recovery.

**Second:** What are the major expansion plans of ATI over the next five years? By how much does it plan to increase capacity for the South Harbor and Batangas ports?

The President replied that the ongoing infrastructure projects were underway in the South Harbor. New examination areas were added and more container spaces were continuously developed to support growth. The extension of Pier 3 commenced. Five new yard cranes arrived last year to be followed by two ship-to-shore cranes. This will enable ATI to handle more cargoes and bigger vessels, with an annual capacity of nearly 2.0 million teus (twenty-foot equivalent units) from 1.5 million teus at present.

Over in Batangas, the modern passenger terminal has taken shape. Phase 1 began serving customers during the peak season, with the full complex expected to be finished by next year.

**Third:** Due to the pandemic, most business processes have shifted to electronic or digital system. What measures were taken by ATI in its operations, to adapt to the digitalization of business processes.

The President replied that ATI is a pioneer in digital infrastructure. Its robust IT platforms have long been established even before the pandemic. This provided ATI and its customers with reliable online channels for the uninterrupted flow of trade during this pandemic. ATI continues to optimize these platforms to deliver quality and convenient port services.

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The Chairman asked if there are other matters that the stockholders wished to discuss.

The Corporate secretary responded that there were no other matters to be discussed.

**IX. ADJOURNMENT**

There being no further questions or business to discuss, the meeting was adjourned at 2:30 p.m.

**Certified correct by:**

**Attested by:**

**RODOLFO G. CORVITE, JR.**  
**Corporate Secretary**

**GLEN C. HILTON**  
**Chairman**



**ANNEX "A"**

Record of Attendance:

Total number of shares present by proxy	1,779,728,251
Total number of shares participating remotely	16,708,723
<b>Total number of attending and voting shares</b>	<b>1,796,436,974</b>
Attendance percentage <b>(of the total 2B outstanding common shares)</b>	<b>89.82%</b>