

**MINUTES OF THE ANNUAL MEETING OF STOCKHOLDERS  
OF EMPERADOR INC.**

held on 16 May 2022

Conducted virtually via <https://www.emperadorbrandy.com/asm2022/>

**I. CALL TO ORDER**

The Chairman, Dr. Andrew L. Tan, called the Annual Stockholders' Meeting (the "Annual Meeting") to order at 9:13 a.m. He then asked the President and CEO, Mr. Winston S. Co, to preside over the Annual Meeting. The Corporate Secretary, Atty. Anna Michelle T. Llovido, recorded the proceedings of the Annual Meeting.

**II. CERTIFICATION OF NOTICE AND QUORUM**

The Corporate Secretary certified that all stockholders as of April 11, 2022, the record date of the Annual Meeting, have been notified pursuant to the Corporation's By-Laws and applicable Securities and Exchange Commission (SEC) Circulars. Copies of the Notice of the Annual Meeting, the Agenda, and the Definitive Information Statement were made available through the Corporation's website and the Philippine Stock Exchange (PSE) Electronic Disclosure Generation Technology or PSE EDGE. Notices of the Annual Meeting were also published in The Philippine Star and The Manila Times on April 24 and 25, 2022, both in print and online. She further certified that there existed a quorum for the transaction of business for the Annual Meeting, there being present in person or represented by proxy, stockholders holding 94.55% of the entire subscribed and outstanding capital stock of the Corporation.

The Corporate Secretary stated that only stockholders who have successfully registered may participate in the Annual Meeting. Moreover, she explained the Procedures for Registration, Voting and Participation in the Annual Meeting which were contained in the Definitive Information Statement and implemented as follows: (i) stockholders signifying their intention to participate by remote communication have registered by submitting the requirements by email to the Corporate Secretary; (ii) stockholders who have registered have sent their questions and/or comments prior to the Annual Meeting through email at [corporatesecretary@emperadorinc.com](mailto:corporatesecretary@emperadorinc.com) until 5:00 p.m. of May 06, 2022, which would be taken up after the election of directors; (iii) the resolutions proposed to be adopted at the Annual Meeting will be shown on the screen; (iv) stockholders who have duly registered to participate by remote communication have casted their votes by proxy or in absentia by sending their accomplished ballots by email to the Corporate Secretary until 5:00 p.m. of May 06, 2022; and (v) the Office of the Corporate Secretary has tabulated all valid and confirmed votes cast through electronic voting, together with the votes through proxies, and the voting results will be announced during the Annual Meeting and reflected in the minutes of the meeting.

**III. APPROVAL OF MINUTES OF THE PREVIOUS ANNUAL MEETING OF STOCKHOLDERS HELD ON 17 MAY 2021**

The Presiding Officer informed the stockholders that the next item on the agenda is the reading and approval of the Minutes of the Annual Meeting of the Stockholders held on May 17, 2021, and informed the stockholders that the copy of the Minutes of the 2021 Annual Meeting have been made available through the Corporation's website.

The Corporate Secretary announced that 100% of the voting shares represented in the Annual Meeting have voted in favor of the approval of the Minutes. Therefore, the Presiding Officer declared that the following resolution has been approved:

***"RESOLVED, to approve the Minutes of the Annual Stockholders'  
Meeting held on 17 May 2021."***

**IV. REPORT OF MANAGEMENT**

The Presiding Officer then turned the floor over to the Chairman, Dr. Andrew L. Tan, who delivered the following message:

*Good morning, ladies and gentlemen.*

*Dear stakeholders,*

*This year, we set out on a path of resilience and responsibility as Emperador Inc. (EMP) forged on through the second year of the global pandemic. The year 2021 was markedly different from the last, as Emperador made new milestones while facing lingering disruptions from COVID-19.*

*While many businesses started to adapt to the pandemic in 2020, mass vaccination and learnings from the previous year helped catalyze economic recovery. Recovery of the global gross domestic product (GDP) continued slowly in 2021 alongside the Philippines' GDP despite widespread lockdowns in the third quarter.*

*In this environment, Emperador stayed the course as we continued to pursue our vision to grow the company—achieving another banner year this 2021. I attribute this to the resilience of our company, whose financial position allowed us to weather the logistical challenges of COVID-19 from 2020 onwards, and boost our efforts in providing our stakeholders with world-class and responsibly made products.*

*We witnessed record-breaking growth as our whisky and brandy segments expanded their reach while introducing innovations and building on the popularity of our flagship brands. Within the first nine months of the year, the company's net income had already matched the full-year net income of 2020 at PHP7.9 billion. By the end of 2021, Emperador achieved a net income of PHP10.8 billion, up 35% year on year.*

*Meanwhile, we have seen wins for our brands in 2021. Whyte and Mackay Group Ltd. (WML) was awarded Distiller of the Year at the Icons of Whisky Scotland 2021 for its ability to continue innovating amid the challenges of the pandemic.*

*Bodegas Fundador (BF) was also recognized for its quality spirits, particularly Fundador Supremo 18, which bagged the Platinum Award at the San Francisco World Spirits Competition this year. We are focused on expanding our brandy segment across growing markets in Asia and Latin America.*

*Emperador Brandy, the world's number one selling brandy, is moving steadily towards expansion as well, and is currently available in over 60 countries.*

*As we execute our plans, we aim to be better. At Emperador, we have been building up our programs in sustainability alongside our subsidiaries. Each of them have become a force for good in their respective communities, with initiatives that are uplifting society and preserving the environment. We hope to document these efforts in greater detail in line with the publication of our first Annual and Sustainability Report.*

*To our stakeholders—our customers, partners, investors, employees and communities—thank you for the immense support you have poured into our company. Let us toast to a better future ahead.*

*Thank you.*

After the Chairman's Message, the Presiding Officer turned over the floor to Mr. Kenneth Nerecina, Investor Relations Director, for a presentation of the highlights for 2021 of the Corporation.

## **V. APPOINTMENT OF INDEPENDENT AUDITORS**

The Presiding Officer informed the stockholders that the Board of Directors, upon recommendation of the Audit Committee, has approved the engagement of Punongbayan and Araullo as independent auditors of the Corporation for the audit of the Corporation's financial statements for

the year ending December 31, 2022, and that this is now being submitted for approval by the stockholders.

The Corporate Secretary certified that 100% of the voting shares represented in the Annual Meeting have voted in favor of the engagement of Punongbayan and Araullo as independent auditors for the fiscal year ending December 31, 2022. Therefore, the Presiding Officer declared that the following resolution has been approved:

***“RESOLVED, to approve the appointment of Punongbayan & Araullo as the independent auditor of the Corporation for the audit of the Corporation’s financial statements for the year ending 31 December 2022.”***

#### **VI. RATIFICATION OF ACTS AND RESOLUTIONS OF THE BOARD OF DIRECTORS, BOARD COMMITTEES, AND OFFICERS**

The Presiding Officer informed the stockholders that the next item on the agenda is the ratification of all acts and resolutions of the Board of Directors, Board Committees and Management of the Corporation since the annual stockholders’ meeting on May 17, 2021 until May 15, 2022.

The Corporate Secretary certified that 100% of the voting shares represented in the Annual Meeting have voted in favor of the ratification of all acts and resolutions of the Board of Directors, Board Committees and Management of the Corporation since the annual stockholders’ meeting on May 17, 2021 until May 15, 2022. Therefore, the Presiding Officer declared that the following resolution has been approved:

***“RESOLVED, to ratify each and every act and resolution taken since the annual stockholders’ meeting on 17 May 2021 until 15 May 2022 (the “Period”), of the Board of Directors (the “Board”), the Board Committees exercising powers delegated by the Board, and each and every act, during the Period, of the Management of the Corporation performed in accordance with the resolutions of the Board, the Board Committees as well as with the By-laws of the Corporation.”***

#### **VII. ELECTION OF DIRECTORS**

The Presiding Officer informed the stockholders that, for the current year 2022, the Corporation will be electing seven directors, at least two of whom shall be independent directors, pursuant to the Securities and Regulation Code and the Corporation’s Revised Manual of Corporate Governance.

Ms. Marianne Roca, on behalf of the Corporate Governance Committee, and in accordance with the Corporation’s By-Laws and the Revised Manual of Corporate Governance, presented the Final List of Nominees for election as members of the Board of Directors, as follows: Andrew L. Tan, Winston S. Co, Katherine L. Tan, Kendrick Andrew L. Tan, and Kevin Andrew L. Tan as regular directors, and Enrique M. Soriano III and Jesli A. Lapus as the independent directors. Ms. Roca likewise reported that the nominees for election as directors of the Corporation possess all the qualifications and none of the disqualifications to hold office as directors of the Corporation.

The Corporate Secretary certified that each of the nominees have garnered at least 99.76% of the voting shares represented in the Annual Meeting. Therefore, the Presiding Officer declared that the following resolution has been approved:

***“RESOLVED, to elect the following as directors of the Corporation to serve as such beginning today until their successors are elected and qualified:***

- 1. Andrew L. Tan***
- 2. Winston S. Co***
- 3. Katherine L. Tan***
- 4. Kendrick Andrew L. Tan***
- 5. Kevin Andrew L. Tan***

6. *Enrique M. Soriano III – Independent Director*
7. *Jesli A. Lapus – Independent Director.*”

## VIII. OTHER MATTERS

The Presiding Officer proceeded with the discussion of the questions raised by the stockholders via email prior to the Annual Meeting. Below is a summary of the questions and the answers that were given:

**Q (Kathy Noreen T. Alcover):** Can you give some color on how demand has been trending both domestically and internationally given the COVID-19 Omicron variant that spread late last year and early this year?

**A (President):** Thank you, Kathy Alcover for the question. I'm sure we were all surprised with the COVID-19 Omicron variant last year and even the early part of this year. There is indeed a spike in case across the world. We also experienced the spike last December, and January and February in the Philippines wherein we had lockdowns and restrictions as well. Yes, the business could have performed better without the Omicron variant. But we now know that the variant is less pathogenic and because of that, the economies have started to open up. To a large extent, global travel has resumed. We see more people (get) more comfortable going out their homes, and we believe that the market will be opening up except for a few places here and there which are trying to impose restrictions in order to restrict the rate of infection in their countries.

But overall, we believe that this could bring a possible end to the COVID-19 pandemic. So, I think, not only us but the entire business community, welcome this development and we look forward to economies globally opening up and we hope this will come sooner than later and we hope that we can see a significant easing up towards the latter part of this year.

**Q (Kevin Giorgio F. Cosca):** What is the impact of the Ukraine – Russia war on Emperador Inc. particularly the international business?

**A (President):** Thank you, Kevin Cosca, for this question. We have experienced supply chain and logistic issues even prior to the Ukraine-Russian war. The Ukraine-Russian war has actually aggravated the situation. Cost of inputs, of raw materials, fuel, have actually gone up significantly over this period of the conflict. The supply chain has also been impacted. Well, the impact will depend on the region. There are certain regions that are more impacted than others. Asia is less impacted than Europe and North America, and in most regions, we are able to raise our prices to partially cover for the inflation.

**Q (Sara Jessica T. Sanchez):** Can you provide sales, earnings or any financial guidance for 2022 after having another banner year in 2021? And how sustainable are your margins?

**A (President):** Sara Sanchez, thank you for the question. We usually do not provide financial guidance. However, we are pursuing a global strategy of premiumization and internationalization. Our focus is to bring our products into more countries and into more territories. And we believe that is the future growth of Emperador as a global company.

**Q (Mikhaela Angela B. Caguicla):** Are you seeing improvement in shipping/logistics issues and when will they likely normalize?

**A (President):** Thank you, Mikaela Caguicla for your question. We believe the challenges brought by the rising costs of inputs and the shipping/logistics constraints

will remain for the greater part of the year. Being a global company and having manufacturing facilities in many parts of the world, we are trying to mitigate the situation using our global resources supply chain to ensure the protection of our margins and making our products available on-shelf, as we hope that the situation will be temporary and soon the inflation will ease down and things will go back to normal.

**IX. ADJOURNMENT**

The Presiding Officer inquired if there were any other matter in the agenda. The Corporate Secretary replied there were none. Thus, the Annual Meeting was adjourned at 9:54 a.m.

CERTIFIED CORRECT:

**ANNA MICHELLE T. LLOVIDO**  
Corporate Secretary

NOTED:

**ANDREW L. TAN**  
Chairman