

**MINUTES OF THE MEETING OF THE STOCKHOLDERS OF
ASIA UNITED INSURANCE, INC.**

HELD VIA ZOOM VIDEOCONFERENCE
ON MAY 14, 2021, 11:00 A.M.

PRESENT:

Jacinto L. Ng, Sr.
Jacinto C. Ng, Jr.
Jacob Ng
Abraham T. Co
Andres Chua
Chan Kok Bin
Jacinto Ray Ng III

ALSO PRESENT:

Atty. Grace Veronica C. Reyes – Corporate Secretary
Atty. Ana Alexandra C. Castro

I. CALL TO ORDER AND CERTIFICATION OF QUORUM

Mr. Abraham T. Co, the Chairman of the Board, called the meeting to order at 11:00 a.m. and presided over the same. Atty. Grace Veronica C. Reyes, the Corporate Secretary, recorded the minutes of the meeting.

Chairman Co and Messrs. Jacinto Ng, Sr., Jacinto Ng, Jr., Jacinto Ray Ng III, Jacob Ng, Andres Chu and Chan Kok Bin all attended the meeting via videoconference, calling from Manila, Philippines.

It was confirmed that: (a) each of the shareholders joined the meeting through the use of a computer/mobile device with teleconferencing/videoconferencing capabilities, and (b) they can clearly hear and communicate with each other and the other attendees participating in the meeting. It was further confirmed that prior to the meeting, the notice and agenda of the meeting were sent to and received by the shareholders.

The Corporate Secretary certified that shareholders representing at least a majority of the subscribed shares of AUUI being present, a quorum existed for the transaction of the business at hand.

II. APPROVAL OF THE MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING HELD LAST 31 JULY 2020

Upon motion of Mr. Jacob Ng, duly seconded by Mr. Jacinto Ng Jr., the stockholders unanimously approved the Minutes of the Annual Meeting of the Stockholders held last 31 July 2020, without any amendments.

III. PRESENTATION OF THE ANNUAL REPORT

Mr. Andres Chua presented the following annual report on the Corporation's operations and financial position for the year ended December 31, 2020, based on the accompanying Audited Financial Statements, copies of which were provided the shareholders of AUII, to wit:

For the year 2020, the Corporation attained a net income of P82.24 Million, with a 17% increase from the P70.37 Million net income in the year 2019.

In consideration of the partial capital infusion of P125 Million during the early part of the year 2020, the rate of return on investment slightly decreased from 9% in the year 2019, to 8% in the year 2020.

The Corporation's comparative financial highlights are as follows:

	AMOUNT		%
	(In Thousand Pesos)		
	2020	2019	INC/DEC
Gross Premiums Written	498,691	516,672	(3%)
Net Premiums Earned	289,597	283,120	-
Underwriting Deductions	217,301	230,902	(6%)
Investment Income	33,798	38,490	(12%)
Net Income After Tax	82,478	70,370	17%
Net Commissions Ratio	26%	27%	(1%)
Loss Ratio	37%	38%	(1%)
Expense Ratio	12%	13%	(1%)
Combined Loss & Expense Ratio	75%	78%	(3%)
Total Assets	1,853,818	1,390,347	33%
Total Liabilities	701,459	558,626	26%
Total Equity	1,152,358	831,721	38%

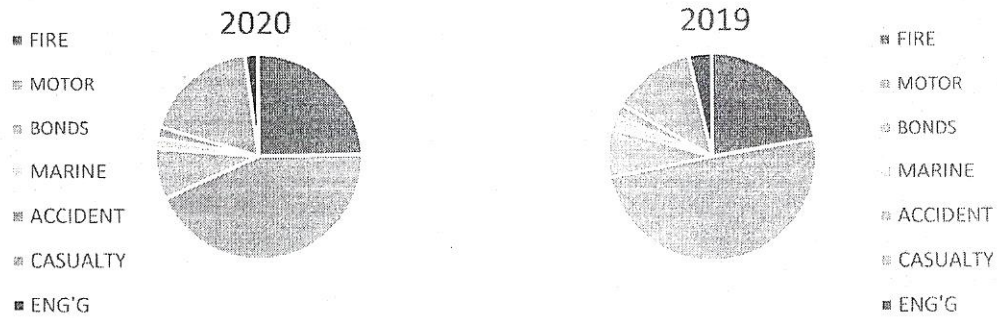
ROI 8% 9% (1%)

Further, the breakdown of the Corporation's portfolio is as follows:

GROSS PREMIUMS WRITTEN
(Amounts in Thousand Pesos)

PER LINE

LINE	2020	2019	% INC/(DEC)
FIRE	120,794	114,734	5%
MOTOR	213,325	255,433	(16%)
BONDS	39,524	39,877	(1%)
MARINE	8,495	10,605	(20%)
ACCIDENT	8,815	10,216	(14%)
OTHER CASUALTY	89,049	67,066	33%
ENGINEERING	10,015	18,338	(45%)
GROSS PREMIUM	490,019	516,271	(5%)

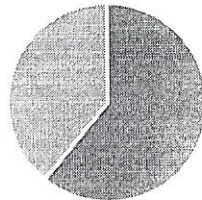


BY SOURCE

	2020		2019	
	PREMIUM	%	PREMIUM	%
CAPTIVE ACCOUNTS		59%		65%
Mortgaged	176,500		194,609	
Referred	96,870		114,657	
Own Properties/Affiliates	16,382		23,750	
Sub-Total	289,752		333,016	

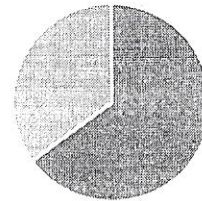
OPEN MARKET		41%		35%
Agents	54,998		57,454	
Brokers	66,049		41,792	
Reinsurance	79,220		84,009	
Sub-Total	200,267		183,255	
GROSS PREMIUM	490,220	100%	516,271	100%

2020



■ CAPTIVE ACCOUNTS ■ OPEN MARKET

2019



■ CAPTIVE ACCOUNTS ■ OPEN MARKET

LOSS RATIO
 PER LINE
 (Amounts in Thousand Pesos)

2020			
LINE	PREMIUMS EARNED	LOSSES INCURRED	LOSS RATIO
FIRE	42,748	44,065	103%
MOTOR	196,214	8,757	30%
BONDS	33,730	7	-
MARINE	3,478	-	-
P ACCIDENT	2,743	514	19%
O CASUALTY	6,537	2,635	39%
ENGINEERING	3,847	1	-

TOTAL	289,597	105,979	37%
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2019			
LINE	PREMIUMS EARNED	LOSSES INCURRED	LOSS RATIO
FIRE	28,602	6,109	21%
MOTOR	209,471	97,777	47%
BONDS	27,670	-	-
MARINE	4,052	209	1%
P ACCIDENT	3,246	680	21%
O CASUALTY	4,226	1,975	47%
ENGINEERING	5,853	-	-
TOTAL	283,120	106,750	38%

IV. RATIFICATION OF ALL ACTS AND RESOLUTIONS OF THE BOARD OF DIRECTORS AND MANAGEMENT FOR THE PERIOD OF MAY 2019 TO JUNE 2020

The corporate acts taken by the Board of Directors and Officers of AUUI for the period of July 2020 to April 2021 were presented, as follows -

Date of Meeting	Particulars
October 13, 2020	Authorized AUUI to file and/or pay tax returns via the Electronic Filing and Payment System of the BIR
October 13, 2020	Appointed the following as members of AUUI's Compliance Committee: Johnny Nuza, Herminio P. Villamayor, Jr., and Jarome Sargote
October 13, 2020	Authorized AUUI to participate in the Recognition for Personal Passenger Accident Insurance Program for PUVs with the IC, and to join the Insurance Pool under the SCCI Consortium

October 13, 2020	Authorized Francisco De Ocampo to transact with the BIR for the purpose of applying for, processing, securing, and claiming of the Authority to Print of AUII
October 20, 2020	Approved the issuance of an additional 1,190,000 shares of stock to all stockholders of record of the Corporation as of 15 October 2020
October 20, 2020	Authorized Mr. Andres C. Chua to sign on behalf of AUII: a) an undertaking waiving AUII's rights under RA No. 1405 and RA No. 6436; and b) an undertaking consenting to and authorizing the IC to look into and examine AUII's bank account/s
December 15, 2020	Authorized the following officers: Alex Custodio, Andres Chua, and Emmanuel Que, to transact and approve any bond on behalf of AUII
December 15, 2020	Authorized Management to refund to Mr. Andres Chua the amount of P119,000,000.00 for the advanced deposit made to fund the remaining capital deficiency
December 15, 2020	Approved the appointment of Mr. Emmanuel Que as Executive Vice President and Chief Operating Officer of AUII effective 4 January 2021

After due discussion, the following resolution was unanimously passed and approved by the shareholders, to wit -

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that all resolutions of the Board of Directors as well as the acts and contracts entered into by the Officers of Asia United Insurance Inc., during the period of July 2020 to April 2021, be, in all respects, as they are hereby, confirmed, ratified and approved as valid and binding acts of the Corporation.”

III. ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS

Chairman Co declared the meeting open for the nomination of directors for the year 2021-2022. Upon motion by Mr. Jacinto Ng Jr. which was duly seconded by Mr. Jacob Ng, the following were nominated and elected as Directors of AUII for the term 2021-2022, and until their successors are duly elected and shall have qualified:

Jacinto L. Ng, Sr.
Abraham Co
Andres Chua
Jacob Ng
Jacinto C. Ng, Jr.
Chan Kok Bin
Jacinto Ray Ng III

Santos In Hong Guiap
Virginia Quianzon

Accordingly, the following resolutions were unanimously passed and approved by the shareholders, to wit –

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that Asia United Insurance Inc. (“Corporation”) hereby elects the following as the new members of the Board of Directors of the Corporation, to wit –

Jacinto L. Ng, Sr.
Abraham Co
Andres Chua
Jacob Ng
Jacinto C. Ng, Jr.
Chan Kok Bin
Jacinto Ray Ng III
Santos In Hong Guiap
Virginia Quianzon

RESOLVED FURTHER, that the foregoing Directors shall hold office for a term of one (1) year (2021 to 2022), or until their successors shall have been elected and duly qualified.”

VII. APPOINTMENT OF EXTERNAL AUDITOR

Chairman Co declared the meeting open for the nomination of the external auditor of the Corporation for the year 2021. Upon motion of Mr. Andres Chua which was duly seconded by Mr. Chan Kok Bin the stockholders unanimously re-appointed R.R. Tan & Associates as external auditor of the Corporation. The following resolutions were thus unanimously approved and passed by the shareholders, to wit –

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that Asia United Insurance Inc. (“Corporation”) hereby appoints the firm of R.R. Tan & Associates as its external auditor for the fiscal year 2021;

RESOLVED FURTHER, that the Corporation authorizes, approves and ratifies the appropriation and release of the appropriate amount as the annual audit fee of R.R. Tan & Associates.”

VII. ADJOURNMENT.

There being no other business for the shareholders to act on, the meeting was adjourned at 11:30 am.

Minutes Certified By:

GRACE VERONICA C. REYES
Corporate Secretary

Noted By:

ANDRES CHUA
President