

**MINUTES OF THE ANNUAL MEETING  
OF THE STOCKHOLDERS OF  
ALLHOME CORP.**

Held by remote communication  
on Friday, June 24, 2022, 10:00 a.m.

**DIRECTORS AND OFFICERS PRESENT IN THE MEETING**

Manuel B. Villar, Jr.	- Chairman of the Board
Camille A. Villar	- Vice Chairman of the Board
Frances Rosalie T. Coloma	- Director and Treasurer
Manuel Paolo A. Villar	- Director
Laura Suarez Acuzar	- Independent Director
Jessie D. Cabaluna	- Independent Director
Atty. Arbin Omar P. Cariño	- Corporate Secretary
Mary Lee S. Sadiasa	- Chief Operating Officer
Robirose M. Abbot	- CFO, CRO, and Head of Investor Relations
Gladys B. Tiburcio	- Compliance Officer and Controller

**SHARE INFORMATION**

TOTAL ISSUED AND OUTSTANDING SHARES	:	3,750,000,002 common
TOTAL NUMBER OF SHARES REPRESENTED IN THE MEETING	:	
<i>By Chairman as proxy</i>	:	3,151,748,485 common
<i>By voting in absentia</i>	:	0

**CALL TO ORDER**

The Chairman of the Board, Mr. Manuel B. Villar, Jr., called the meeting to order and presided over the same. The Corporate Secretary, Atty. Arbin Omar P. Cariño, recorded the minutes of the meeting.

**CERTIFICATION OF NOTICE AND QUORUM**

At the request of the Chairman, the Corporate Secretary certified that notices of the meeting were published in print and online format in the Manila Bulletin and BusinessWorld, both newspapers of general circulation, on June 2 and June 3, 2022 and posted on the website of the Company and the Philippine Stock Exchange (PSE), all in accordance with the requirements of the Securities and Exchange Commission (SEC), that there were represented in the meeting stockholders owning a total of 3,151,748,485 common and preferred shares representing 84.05% of the total issued and outstanding voting stock of the Company, and that there is therefore a quorum at the meeting.

The Corporate Secretary explained that the meeting is being conducted through remote communication pursuant to Sections 23 and 57 of the Revised Corporation Code and SEC Memorandum Circular No. 6, Series of 2020, and proceeded to discuss the rules and procedures for the conduct of the meeting.

## **APPROVAL OF THE MINUTES OF THE LAST ANNUAL STOCKHOLDERS' MEETING HELD ON JUNE 25, 2021**

The Chairman noted that the next item in the agenda is the approval of the minutes of the last Annual Meeting of Stockholders held on June 25, 2021, a copy of the same minutes of meeting may be found in the Company's website, and a summary of the same is contained in the Definitive Information Statement circulated prior to the meeting.

At the request of the Chairman, the Corporate Secretary reported that shareholders owning 3,151,748,485 shares or 100.00% of the total voting shares represented in the meeting have voted in favor of the approval of this corporate action.

Accordingly, the Chairman declared the minutes of the last Annual Meeting of Stockholders held on June 25, 2021 approved.

The breakdown of the votes cast on this matter was as follows:

Votes in favor –	3,151,748,485 (representing 100.00% of total votes cast)
Votes against –	0
Abstentions –	0

## **PRESIDENT'S REPORT / APPROVAL OF 2021 AUDITED FINANCIAL STATEMENTS**

Ms. Camille A. Villar, Director and Vice Chairman of the Company, reported on behalf of AllHome's President, Ms. Benjamarie Therese N. Serrano, the highlights of the Company's operations and financial performance for the year 2021 as follows:

Ms. Vilar reported that against the prolonged challenges of the pandemic, AllHome continues to stride onward with very satisfactory operating performance ending 2021.

The Company registered 15% growth in Net Sales, YOY, to reach Php14.3B. This is 19% higher versus the same period of 2019, pre-pandemic level. GP Margin improved to 35% for 2021. As a result, 12-mo GP Margin increased by 340 basis points to 35.0% versus 31.6% in 2020.

The Company turned in a 27% growth in EBITDA, YOY to reach Php3.4B. This is 31% higher versus pre-pandemic level, the same period of 2019. YOY NIAT grew by 46% to reach Php1.444B, 38% higher versus the same period, pre-pandemic level of 2019.

The Company increased transaction count by 8% and posted a Same Store Sales Growth (SSSG) of 8.1% as of 2021, much improved from the comparative 2020 SSSG of 3.5%. The average transaction size of Php3,890 is higher than 2020's Php3,343 -- a reflection of the customers' predisposition during the pandemic to frequent the store less but buy more in each trip. Transaction size for 2021 is 23% higher than 2019's pre-pandemic levels.

AllHome reached a store efficiency rate of Php48,156 per sqm versus Php37,438 per sqm in 2020. As of December 2021, our e-commerce sales contribution is up to 11% of total sales.

With regards to FY 2021 Revenue, Gross Profit, EBITDA and Net Income, the comparative numbers for the period of 2019, 2020 and 2021 reflect the resilience of the company and the business model as the Company has grown significantly YOY versus 2020 and versus 2019 pre-pandemic levels.

The CAGR numbers from 2017 to 2021 are 30.8% for revenue, 39.5% for Gross Profit, 80% for EBITDA, and 89% for Net Profit. The continuous gross profit margin improvement was noteworthy at 29.9% in 2019, 31.6% in 2020, and 35% in 2021 as we relentlessly pursue GP margin expansion. As of the 4th quarter of 2021, we achieved our 37% GP margin target.

EBITDA Margin was at its highest YOY for 2021 at 23.8% versus 21.7% in 2020 and higher than the 21.7% in 2019. As a result, the net profit margin of 10.1% in 2021 is higher than 2020's 8.0% and surpassed the net profit margin of 8.7% in 2019, YOY.

Inventory turn-over as of end 2021 was at 262 days, with a slight increase from 2020 year-end figure of 248 days as we build up the Company's in-house brands and increase our outright buys for the conversion of select concession items, to further improve our margins.

AllHome's trade receivables turnover of five days as of end 2021 has remained at a steady single digit. Since 2018, the turnover period improved due to our effective accreditation process and efficient collection of our corporate sales.

The trade payables turnover of 42 days remained to be within suppliers' credit term range of 30-60 days. The slight decrease in end 2021 was temporarily due to advance payments for the importation of in-house and outright merchandise as AllHome continually pursue GP margin enhancement, as well as advance importation buys to provide buffer for international logistics and supply chain issues.

Ms. Villar also reported that mall traffic returning to pre-pandemic levels will benefit AllHome stores that are anchors of Vista Malls. The trend of revenge shopping will spur shoppers to rediscover the distinct customer journeys and elevated experiences that are present in every AllHome location and its ecosystem of AllValue stores which include AllDay and Coffee Project, among others.

The stand-alone park and shop format which makes AllHome stores independent from the mall because of its separate entrances and exits, and yet serves as anchor of the malls, will likewise benefit from the resurgent mall foot traffic.

Ms. Villar reported that striding onward into 2022 and beyond, AllHome will resume store network expansion targeting 100 stores by 2026. The focus will be on the National Capital Region plus locations and Tier 1 key cities.

The report highlighted that as a responsible business organization, AllHome has consistently promoted an environmental, social and corporate governance (ESG) strategy aligned with the United Nations Sustainable Development Goals 2030: Decent work and economic growth; Industry, innovation and infrastructure; and Sustainable cities and communities.

As part of AllHome's ESG initiatives, through the VHealthy program of the Villar Group, AllHome employees received their booster shots, thereby ensuring safe shopping experience for customers as well as uninterrupted business operations. AllHome also donated lumber, woodboards and steel roofing materials to areas of Southern Leyte, Bohol and Cebu which were destroyed by super typhoon Odette that struck the Visayas at the close of 2021. During the year, AllHome likewise helped the 5th Special Forces Battalion of the Armed Forces of the Philippines repair their facilities by providing tiles and renovated the computer laboratory equipment and refurbished the ICT rooms of Las Piñas City Science High School with the support of our suppliers.

In closing, Ms. Villar stated that the success of AllHome relies on the sustainability of its business model and ensuring the welfare of all its stakeholders and thanked the stakeholders for joining in this exciting, continuing journey of AllHome.

At the request of the Chairman, the Corporate Secretary reported that shareholders owning 3,151,748,485 shares or 100% of total voting shares represented in the meeting have voted in favor of the approval of this corporate action.

Accordingly, the Chairman declared the President's Report and the Annual Report of the Company for the year ended December 31, 2021 noted and the Audited Financial Statement of the Company as of and for the year ended December 31, 2021 approved.

The breakdown of the votes cast on this matter was as follows:

Votes in favor –	3,151,748,485 (representing 100% of total votes cast)
Votes against –	0
Abstentions –	0

### **RATIFICATION OF ACTS OF BOARD OF DIRECTORS AND MANAGEMENT**

At the request of the Chairman, the Corporate Secretary explained that Management is proposing the ratification of the acts of the Board of Directors and Management of the Company for the year 2020 until the day of the meeting, as set forth in the minutes of the meetings of the Board of Directors held during the same period and in the disclosures that have been duly filed with the Securities and Exchange Commission and the Philippine Stock Exchange and as more particularly described in the Definitive Information Statement for the meeting.

The Corporate Secretary then reported that shareholders owning 3,130,358,399 shares or 99.32% of total voting shares represented in the meeting have voted in favor of the approval of this corporate action.

Accordingly, the Chairman declared the acts of the Board of Directors and Management of the Company for the year 2020 until June 24, 2022 ratified.

The breakdown of the votes cast on this matter was as follows:

Votes in favor –	3,130,358,399 shares (representing 99.32% of total votes cast)
Votes against –	0
Abstentions –	21,390,086 shares (representing 0.68% of total votes cast)

### **ELECTION OF DIRECTORS**

At the request of the Chairman, the Corporate Secretary reported that the following individuals have been nominated for election as directors of the Company:

Manuel B. Villar, Jr.  
Camille A. Villar  
Benjamarie Therese N. Serrano  
Frances Rosalie T. Coloma  
Manuel Paolo A. Villar  
Laura Suarez Acuzar  
Jessie D. Cabaluna

The Corporate Secretary identified Ms. Acuzar and Ms. Cabaluna as independent directors. He added that the Nominations Committee of the Board has evaluated the nomination of these individuals and confirmed that they possess all the qualifications and have none of the disqualifications to be elected as directors of the Company, and that Ms. Acuzar and Ms. Cabaluna meet all the requirements for election as independent directors of the Company under the Securities Regulation Code and its Implementing Rules and Regulations.

The Corporate Secretary then stated that considering that there are only seven nominees for the seven Board seats and each nominee received votes, each of the nominees has received sufficient votes for election to the Board.

Accordingly, the Chairman declared the seven nominees named by the Corporate Secretary elected as directors of the Company for the year 2022 and until their successors have been duly elected and qualified.

The number of votes cast in favor of each directors is as follows:

Manuel B. Villar, Jr.	-	3,030,314,699
Camille A. Villar	-	2,830,105,491
Benjaminie Therese N. Serrano	-	3,130,358,399
Frances Rosalie T. Coloma	-	2,875,650,591
Manuel Paolo A. Villar	-	2,830,105,491
Laura Suarez Acuzar (Independent Director)	-	3,151,748,485
Jessie D. Cabaluna (Independent Director)	-	3,151,748,485

### **APPOINTMENT OF EXTERNAL AUDITOR**

The Corporate Secretary stated that the Audit Committee of the Board recommended, and Management is accordingly proposing to the stockholders, the re-appointment of Punongbayan and Araullo as external auditors of the Company for the year 2022.

The Corporate Secretary then reported that shareholders owning 3,151,748,485 shares or 100.0% of total voting shares represented in the meeting have voted in favor of the approval of this corporate action.

The Chairman accordingly declared Punongbayan and Araullo reappointed as external auditors of the Company for the year 2022.

The breakdown of the votes cast on this matter was as follows:

Votes in favor –	3,151,748,485 (representing 100.00% of total votes cast)
Votes against –	0
Abstentions –	0

### **OTHER MATTERS**

The Company's Investor Relations Officer, Ms. Efrellene Galula, read the questions received from the shareholders of the Company, and the same were addressed by the Chief Financial Officer, Ms. Robirose Abbot, as follows:

1. Was there any store closure during the height of Omicron infection cases in January and February this year? How is foot traffic now that Alert Level 1 is in force? (Question from Mr. Romeo Sabater)

There was no store closure during the height of Omicron infection cases in January and February this year. Foot traffic has improved since Alert Level 1 was implemented on March 1 this year.

2. What is the expansion plan for this year? (Question from Reymart Nerizon)

The Company plans to add 7 to 9 stores this year. We have already opened 1 large store in Mintal, Davao this month. The rest of the additional stores will be launched towards the end of this year.

### **ADJOURNMENT**

There being no further business to transact, the Chairman declared the meeting adjourned.

CERTIFIED CORRECT:

(signed)  
**ARBIN OMAR P. CARIÑO**  
Corporate Secretary

ATTESTED BY:

(signed)  
**MANUEL B. VILLAR, JR.**  
Chairman