

**MINUTES OF THE STOCKHOLDERS' MEETING OF  
APC GROUP, INC.**

Held 22 June 2023 at 11:00 a.m.  
Via Webinar (Zoom) link

**DIRECTORS PRESENT:**

WILLY N. OCIER	Chairman of the Board Director Chairman, Executive Committee Chairman, Compensation and Remuneration Committee
IAN JASON R. AGUIRRE	President & CEO Director Member, Executive Committee
JACKSON T. ONGSIP	Director Chairman, Risk Oversight Committee Member, Audit Committee Member, Corporate Governance Committee Member, Related Party Transactions Committee
RAFAEL M. ALUNAN III	Lead Independent Director Chairman, Audit Committee Member, Corporate Governance Committee Member, Related Party Transactions Committee Member, Risk Oversight Committee
EDMUNDO L. TAN	Director Member, Compensation and Remuneration Committee
VIRIGINIA A. YAP	Director Member, Executive Committee Member, Compensation and Remuneration Committee
JERRY C. TIU	Independent Director Chairman, Corporate Governance Committee Chairman, Related Party Transactions Committee Member, Audit Committee Member, Risk Oversight Committee

**ALSO PRESENT:**

NICOLE BERNADETTE M. DULAY MICHELLE T. HERNANDEZ	Asst. Corporate Secretary Contact for Stakeholders' Concerns/ Chief Risk Officer
MS. MARIE JOY T. CO MS. CRISTINA CASTRO NAGUIT	Compliance Officer and Treasurer/Host Third Party Tabulator

Stockholders present in person or  
represented by proxy

3,923,623,971 constituting 52.29% of the  
total outstanding capital of the  
Corporation as of record date 30 May  
2023 (Please see the Record of  
Attendance here attached as Annex "A")

The representatives from the Company's external auditor, Reyes Tacandong & Co., were likewise in attendance to address questions from the stockholders during the Meeting.

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## **I. CALL TO ORDER**

Mr. Willy N. Ocier, the Chairman of the Board, welcomed the stockholders, called the meeting to order, and presided over the proceedings. The Assistant Corporate Secretary, Atty. Nicole Bernadette M. Dulay, recorded the minutes of the meeting.

## **II. CERTIFICATION OF NOTICE AND QUORUM**

The Assistant Corporate Secretary certified that the notice of the annual stockholders' meeting and the Definitive Information Statement, along with the Corporation's "Guidelines for Participation via Remote Communication and Voting in Absentia" were uploaded via PSE EDGE on May 25, 2023 and posted on the Corporation's website beginning on the same day. In addition, the Assistant Corporate Secretary also certified that the notices of the meeting were distributed electronically and by courier to the shareholders starting on May 24, 2023.

The Chairman inquired from the Assistant Corporate Secretary whether there was a quorum for the transaction of business by the stockholders.

The Assistant Corporate Secretary certified that based on record, stockholders who have registered and participated in this meeting, personally and by proxy, represent 3,923,623,971 common shares, constituting **52.29%** of the total outstanding capital stock of the Corporation as of record date May 30, 2023.

The Chairman then declared that there was a quorum for the transaction of business. He then acknowledged the presence of Ms. Cristina Castro Naguit who has been engaged as third-party tabulator of votes cast for today's meeting.

Likewise, the Chairman informed all stockholders and other participants that the meeting is recorded and that though the holding of the meeting is in a virtual format, it is the desire of the Company to provide the stockholders the opportunity to participate in said meeting to the same extent possible as in an in-persona meeting.

He then invited everyone to listen to a brief discussion on the rules of conduct and voting procedures of the meeting.

The Assistant Corporate Secretary discussed the rules of conduct and voting procedures set forth in the Definitive Information Statement and in the Notice of Annual Stockholders' Meeting, in accordance with the rules of the Securities and Exchange Commission as follows:

The rules of conduct and voting procedures are set forth in the Definitive Information Statement and in the Notice of Annual Stockholders' Meeting, in accordance with the rules of the Securities and Exchange Commission.

First, stockholders who notified the Corporation of their intention to participate in this meeting by remote communication have sent their questions or comments through the e-mail address provided for the purpose.

Stockholders now participating through the livestream can continue sending more questions throughout the duration of the meeting through the Q&A button located at the bottom of your screens.

Second, some of the questions or comments received will be read out during the Open Forum, after all matters in the agenda are concluded.

As our time dedicated for the meeting, however, is limited, the questions and comments which will not be read out and responded to during the meeting will be answered by the appropriate officers of the Corporation concerned.

Third, resolutions will be proposed for adoption by the stockholders for each of the items in the Agenda for this meeting. Each proposed resolution will be shown on the screen as the same is being taken up.

Finally, as tabulated, the votes cast as of **June 19, 2023**, are from stockholders owning **3,923,623,971** voting shares, representing **52.29%** of the total outstanding voting shares. The results of this preliminary tabulation will be referred to when the voting results are reported out throughout the meeting.

The results of the final tabulation of votes, with full details of the affirmative and negative votes and abstentions, will be reflected in the Minutes of this Meeting.

**III. APPROVAL OF THE MINUTES OF THE PREVIOUS MEETING.**

The Chairman proceeded to the next item in the agenda which is the approval of the minutes of the previous annual meeting of the stockholders held on June 9, 2022 posted on the Corporation’s website several days after its adjournment. A copy of the minutes is also appended to the Definitive Information Statement posted on the PSE EDGE and the Corporation’s website. The minutes reflect the proceedings of the last annual meeting, including resolutions adopted and approved, with corresponding tabulation of votes for each item then for approval.

Upon inquiry from the Chair, the Assistant Corporate Secretary reported that based on the tabulation of votes, 100% of the shareholders present voted in favor of the approval. Below was the tabulation of votes:

In Favor		Against		Abstain	
No. of Shares	%	No. of Shares	%	No. of Shares	%
<b>3,923,623,971</b>	100%	0	0%	0	0%

The Chairman then declared that the motion was carried and the minutes were approved, and the following resolution was passed and adopted:

“RESOLVED, that the Minutes of the Annual Stockholders’ Meeting of APC Group, Inc. held on June 9, 2022 is approved.”

**IV. APPROVAL OF THE 2022 OPERATION AND RESULTS**

The Chairman proceeded to the next item in the agenda which is the approval of the 2022 operations and results of the Corporation. The Chairman explained that the copies of the Corporation’s Definitive Information Statement and the accompanying Annual Report had been sent and made available to all stockholders several weeks prior to the meeting, and the same were likewise posted in the Corporation’s website. The Annual report contains the summaries of operations and the Audited Financial Statements of the Corporation for the Year 2022. The Information Statement and Annual report likewise contains the items required under Section 49 of the Revised Corporation Code.

The Chairman then requested the President and CEO, Mr. Ian Jason Aguirre, to render his report on the Company’s results of operations for 2022. The President reported as follows:

*“To our fellow stockholders, members of the Board of Directors and friends, good morning and welcome to APC Group Inc. ’s 2023 Annual Stockholders’ Meeting. Thank you for taking the time to be with us today.*

***Status of Operations***

*I am pleased to report that your Company, through its subsidiary, Aragorn Power and Energy Corporation or APEC, continues to move forward in its Kalinga Geothermal Project (KGP).*

*In 2022, the Company remained committed to continuing its exploration activities focusing its efforts towards attaining reliable results, amidst the various challenges and difficulties in supply chain and working conditions resulting from Global factors we are all facing. The Company*

*focused on re-confirming and evaluating the geology, geochemical, and geophysical surveys (3G) information it acquired to refine the Project's Resource Conceptual Model.*

*Analysis of the 3G results reaffirm the commercial temperatures observed in the area suggesting close proximity to the resource, but at a narrower band of drilling targeting. The results also suggest the existence of multiple systems to the South West of the current exploration area. As such, further study is needed to ascertain the new discoveries that would allow assessment of the Kalinga prospect as a whole before proceeding to drilling operations. Understanding the potential of the additional systems is key in determining the technical viability, commerciality, and overall value of the prospect, as well as improving the likelihood of Project success.*

*With the newly discovered potential systems, we submitted a Request for New Investment which allows for the awarding of a new service contract for the newly discovered systems, South West of the current area.*

*Moreover, due to the pandemic and typhoons in the period of 2020 to 2022, which significantly hampered our drilling and exploration activities, APEC requested the Department of Energy for a period of suspension of its obligations as well as an extension of the existing contract. The DOE approved the period of suspension last June 23, 2022.*

*Notwithstanding the many challenges, your Company continues its commitment to partnership and relationship-building with its host communities through the continuation of educational assistance and tree-planting activities within the 8 ancestral domains in its contract area. To date, The Project has already extended scholarships to 380 grantees and has produced 297 graduates in various courses, which includes 54 licensed professionals. In fact, five (5) scholar graduates in engineering and geology have been hired for the Project. We have also planted more than 100 native bamboo and guyabano seedlings in landslide prone areas within our service contract.*

### **Financial Performance**

*Now, please allow me to shift and briefly go through the Company's financial performance in 2022. For your reference, the details of the financial statements are contained in the Information Statement sent to the stockholders.*

- In 2022, the Company recorded consolidated assets of P259.6 million, higher by 0.2% from P259.1 million in 2021.*
- Total liabilities is at P112.3 million, a 1% or P0.9 million increase versus last year.*
- The Company reported 25% lower general and admin costs from the previous year as a result of continuous cost optimization initiatives. A P5.3M gain was also recognized during the year from the sale of properties in Cebu. These resulted to 90% improvement in total comprehensive loss of P400 thousand.*

*In closing, the Company has remained focused on its mission of creating value for our investors and our stakeholders. We look forward to working together with our many stakeholders to move our project further and create value in the future.*

*Thank you and good day to everyone."*

The Chairman then requested the Assistant Corporate Secretary to announce the results of the voting for the approval of the 2022 Operations and Results of the Corporation which were appended to the Definitive Information Statement, the 2022 Annual Report and the Consolidated Audited Financial Statements of the Corporation as of December 31, 2022 as audited by Reyes Tacandong & Co.

The Assistant Corporate Secretary reported that based on the tabulation of votes, 100% of the shareholders present voted in favor of the approval. Below was the tabulation of votes:

In Favor		Against		Abstain	
No. of Shares	%	No. of Shares	%	No. of Shares	%
3,923,623,971	100%	0	0%	0	0%

The Chairman then declared that the motion was carried and the minutes were approved, and the following resolution was passed and adopted:

“**RESOLVED**, That the 2022 Annual Report, 2022 Consolidated Audited Financial Statements of APC Group, Inc., and the Corporation’s 2022 Operations and Results are approved.”

5. **Approval and Ratification of the Acts of the Board of Directors and Management**

The next item in the agenda was the approval and ratification of the acts of the Board of Directors and Management during their term of office. The Chairman explained that the summary of these acts could be found in the Definitive Information Statement that was made available to all stockholders.

Upon inquiry from the Chair, the Assistant Corporate Secretary reported that based on the tabulation of votes, 100% of the shareholders present voted in favor for the approval and ratification. Below was the tabulation of votes:

In Favor		Against		Abstain	
No. of Shares	%	No. of Shares	%	No. of Shares	%
3,923,623,971	100%	0	0%	0	0%

The Chairman then declared that the motion was carried and the minutes were approved, and the following resolutions were passed and adopted:

“**RESOLVED**, that all acts, transactions and contracts entered into as well as resolutions made and adopted by the Board of Directors, Board Committees, and Management of APC Group, Inc. (the ‘Corporation’) from the date of the last Annual Stockholders’ Meeting up to the date of meeting are approved, ratified, and confirmed.

“**RESOLVED FINALLY**, that all acts, proceedings, elections and appointments performed or taken pursuant to the foregoing resolution, be in all respects approved, ratified and confirmed.”

VI. **ELECTION OF DIRECTORS FOR 2023-2024**

The next item in the agenda is the election of directors for the year 20223-2024. The Chairman requested the Assistant Corporate Secretary to announce the nominees.

The Assistant Corporate Secretary announced the following nominees, prequalified by the Corporate Governance Committee, for the election to the Board for 2023-2024:

WILLY N. OCIER  
IAN JASON R. AGUIRRE  
JACKSON T. ONGSIP  
EDMUNDO L. TAN  
VIRGINIA A. YAP

Independent Directors

RAFAEL M. ALUNAN III  
JERRY C. TIU

Upon inquiry from the Chair, the Assistant Corporate Secretary announced the tabulation of the votes received and cast in favor of the said nominees, as follows:

Nominee	Number of shares voting in favor	%
Willy N. Ocier	3,923,623,971	100%
Ian Jason R. Aguirre	3,923,623,971	100%
Jackson T. Ongsip	3,923,623,971	100%
Edmundo L. Tan	3,923,623,971	100%
Virginia A. Yap	3,923,623,971	100%
Rafael M. Alunan III	3,923,623,971	100%
Jerry C. Tiu	3,923,623,971	100%

The Assistant Corporate Secretary announced that since there are only seven (7) nominees and with the votes received, all nominees have obtained sufficient votes for election. The following resolution was then passed and approved:

“RESOLVED, that the following persons are elected directors of APC Group, Inc. for a period of one (1) year until their successors shall have been duly elected and qualified.

WILLY N. OCIER  
IAN JASON R. AGUIRRE  
JACKSON T. ONGSIP  
EDMUNDO L. TAN  
VIRGINIA A. YAP

Independent Directors

RAFAEL ALUNAN III  
JERRY C. TIU

VII. APPOINTMENT OF EXTERNAL AUDITOR

The next item in the agenda was the appointment of the Company’s External Auditor for 2023. The Assistant Corinformed the shareholders that the Audit Committee has pre-screened and recommended, and the Board has endorsed for consideration of the stockholders, the appointment of Reyes Tacandong & Co. as the Corporation’s external auditor for 2023.

Upon inquiry from the Chair, the Assistant Corporate Secretary reported that based on the tabulation of votes, 100% of the shareholders present voted in favor for the approval and ratification. Below was the tabulation of votes:

In Favor		Against		Abstain	
No. of Shares	%	No. of Shares	%	No. of Shares	%
3,923,623,971	100%	0	0%	0	0%

Accordingly, the following resolution was passed and approved:

“RESOLVED that Reyes Tacandong & Co. is appointed as the External Auditor of APC Group, Inc. for 2023, under such terms and conditions as may be approved by the Board.”

The Chairman then announced that as stated in the Definitive Information Statement, all stockholders of record were allowed to submit questions via email to [apc\\_governance@bellecorp.com](mailto:apc_governance@bellecorp.com)

, and through the live comments broadcast section of the proceedings. He added that for those not entertained due to time constraints, the Corporation will endeavor to respond to their questions via email.

Upon request of the Chair, the host read the following questions sent via email:

“What can we expect with the Kalinga Geothermal Project?”

The President and Chief Executive Officer, Mr. Ian Jason Aguirre gave the following reply:

*“The Project intends to continue exploration activities through further 3G surveys upon awarding of the new service contract under South West Kalinga. We will pursue a more thorough well targeting and evaluation of the rig requirements in preparation for the actual drilling of new exploration wells.”*

The other question that was sent to us states: *“How do you see Geothermal Energy supporting the country’s push for Renewable Energy in the Philippines?”*

*Our company supports the government’s advocacy for green entry and sustainable development. Being a company engaging in Geothermal Energy, which is considered a baseload energy that provides energy 24/7. The Company plans to provide additional source of clean, indigenous and reliable power to the Luzon grid.*

#### VIII. OTHER MATTERS

The Chairman inquired if there were other matters that could properly be taken up at this meeting. The Assistant Corporate Secretary confirmed that there was none.

#### IX. ADJOURNMENT

There being no further business to transact, the meeting was upon motion duly made and seconded thereupon adjourned.

CERTIFIED CORRECT:

  
**NICOLE BERNADETTE M. DULAY**  
Asst. Corporate Secretary

ATTESTED BY:

  
**WILLY N. OCIER**  
Chairman