



**MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING OF
MRC ALLIED INC.**

Video Conference through Zoom Application
On 18 September 2020

DIRECTORS PRESENT:

Mr. JIMMY T. YAOKASIN, Chairperson
Mr. AUGUSTO M. COSIO JR., President and CEO
Mr. BERNARD B. RABANZO, Director
Mr. JAMES G. VELASQUEZ, Director
Ms. ALMA F. BUNTUA, Director
Mr. GOPAL SHAM DASWANI, Independent Director
Mr. BERNARDO B. GALANG, Independent Director

I. CALL TO ORDER

The Chairman of the Board, Mr. Jimmy T. Yaokasin, presided over and called the meeting to order at around 9:00 A.M.

II. PROOF OF THE REQUIRED NOTICE OF MEETING & CERTIFICATION OF QUORUM

Upon inquiry by the Chairman, the Corporate Secretary certified that the appropriate notices were sent to all stockholders. As provided by SEC, notice of the ASM was done by publishing in a newspaper of general circulation. The notice for the event was published under the Philippine Star and Manila Standard last August 26 and 27, both print and online. The Corporate Secretary likewise certified that out of the total 8,512,658,975 issued and outstanding common shares, there were 5,810,675,756 common shares present or represented by Stockholders by way of proxies and the said number of shares is equivalent to 68.26% of the total issued and outstanding capital stock of the Corporation. Hence, the Corporate Secretary declared that a quorum was present.

III. APPROVAL OF PREVIOUS MINUTES

In view of the fact that copies of the minutes of the Annual Stockholders' Meeting held last 18 June 2019 have been previously distributed to all stockholders, on a motion made and duly seconded, the Stockholders passed and approved the following resolution:

Stockholders' Resolution No. 1, series of 2020

“**RESOLVED**, that the reading of the minutes of the previous Annual Stockholders' Meeting held last 18 June 2019, be as it is hereby, dispensed with and that the same be, as it is hereby, approved without reading.”

IV. APPROVAL OF THE 2018 AUDITED FINANCIAL STATEMENTS

Upon motion duly made and seconded, the Stockholders passed and approved the following resolution:

Stockholders' Resolution No. 2, series of 2020

“**RESOLVED**, that the Audited Financial Statement for the year 2019 of MRC Allied, Inc., as prepared by its external auditors Reyes-Tacandong & Company, is hereby approved.”

V. PRESIDENT'S REPORT

Mr. Augusto M. Cosio Jr. said that it feels strange to address everyone during the Annual Stockholders Meeting through his screen. That the unique times have shaped and molded the corporate world in a way no one has ever imagined. In the old normal, we could have dressed up for the occasion in one elegant hall greeting each other good morning as we start off the event. However, this time, strange as it is, we were waiting online until everyone logs in and admitted to the portal.

As he has been a President & CEO for a full year, Mr. Augusto M. Cosio Jr. informed everyone that they have been able to commission the pilot project of one of their 100% wholly owned subsidiary MREN. They were able to commission and operationalize the 550kWp Solar PV Rooftop Project in Nueva Ecija, which has been generating power since October 2019 and recorded the first revenue for MRC after a long period of time. They take pride on the project as it is not only a pioneer Solar PV Rooftop for the portfolio, but also a footprint of MRC Allied as an operational RE company in Luzon and are working hard to replicate the same project to some more project owners but has quite been put on hold due to the pandemic. He also informed everyone that the 50MW Solar Operating Plant in Leyte is continuously operating in the Visayas and supplying the Grid with its generated capacity even amidst the pandemic.

Mr. Cosio also said that as the pandemic brought about a paradigm shift in the conduct of business and operations, MRC had to do aggressive business repositioning to build our solid and sustainable strategies for MRC which lead to decision of shifting the Company to become a holding company. He said that this will enable MRC to hold other affiliated companies under its umbrella which will further improve the company's opportunity to generate income, revenues, profits and eventually dividends for our stockholders and that this is the direction they want to go, the path they want to pursue and the strategy they want to follow.

Finally, Mr. Cosio said to MRC's stockholders, "I know we are in a very uncertain time and changing world but as they say, the best way to predict the future, is to create it!"

VI. RATIFICATION AND APPROVAL OF CORPORATE ACTS

After some discussion and upon motion made and duly seconded, the following resolution was duly passed and approved:

Stockholders' Resolution No. 3, series of 2020

"**RESOLVED**, that all acts, proceedings, transactions and agreements, authorized by the Board of Directors and Officers of the Corporation, for and on behalf of the Corporation from the last Stockholders' Meeting to date be approved, confirmed and ratified."

VII. APPROVAL OF THE AMENDMENT OF THE PRIMARY PURPOSE AND SECONDARY PURPOSE

The Chairman requested the Corporate Secretary to read provisions that have been amended and added to the primary and secondary purpose. Ms. Maria May Militante read the amendment on the Primary Purpose and the Corporate Secretary read the amendment on the Secondary Purpose. The following was read:

PRIMARY PURPOSE

To carry on the business of a holding company and for that purpose either in the name of the said corporation or in the name of any other corporation, purchase or otherwise acquire and own, hold, use, develop, subdivide, manage, operate, lease, lease out, sell assign, transfer, mortgage, pledge, exchange otherwise dispose of real property and personal property or business of every kind and description, and, while the owner or the holder of such real or personal property or business, to receive, collect and dispose of any income arising therefrom and to possess and exercise in respect thereof all the rights, powers and privileges of ownership, and to do any act designed to protect, preserve, improve, or enhance the value of, or otherwise develop, any real or personal property or business at any time held or controlled by this corporation or in which it may be interested.

SECONDARY PURPOSES

6. To enter into, make, perform and carry out contracts of every sort and kind with any person, firm, association, corporation whether private, public or municipal or body government or politic, domestic or foreign.
7. To prepare project studies, market reports, business evaluation studies, and to provide management counsel for business enterprises, non-profit organizations, and foundations, government agencies and corporations, international organizations and other entitie
11. To borrow or raise money in such manner as the company shall think fit by the issuance of bonds, promissory notes, and other evidences of indebtedness and to secure the repayment thereof by mortgage, pledge, deed of trust, and charge of lien upon the whole or any part of the properties of the corporation or owns an interest in a corporation, directly or indirectly, domestic or foreign

12. To act as guarantor or co-obligor or assume any obligation of any person or corporation or entities in which this corporation may have an interest directly or indirectly, without necessarily engaging in the surety business, and to allow the shares of stock or property of this corporation, whether real or personal, to be used as collateral to secure any such obligations
13. To manage, operate, administer, supervise, participate in and otherwise to take part in, aid, promote, and assist, financially or otherwise, in any legal manner, any body politic, corporation, association, partnership, firm, syndicate, combination, organization, or other entity except the management of funds, investments, portfolio, and similar assets of said entities.
15. To do any act designed to protect, preserve, improve, or enhance the value of, or otherwise, develop, any real or personal property or business at any time held or controlled by this corporation or in which it may be interested, whether domestic or foreign.

VIII. ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS

As disclosed in the SEC Form 20-IS, the following were nominated and consequently duly elected as members of the Board of Directors of the Corporation to serve as such until the next stockholders meeting or until their successors shall have been duly elected and qualified:

A. For Regular Directors:

- (1) Mr. Jimmy T. Yaokasin
- (2) Mr. Augusto M. Cosio Jr.
- (3) Mr. Bernard B. Rabanzo
- (4) Mr. James G. Velasquez
- (5) Ms. Alma F. Buntua

B. For Independent Directors:

- (1) Mr. Gopal Sham Daswani
- (2) Mr. Bernardo B. Galang

IX. APPOINTMENT OF EXTERNAL AUDITOR

The Chairman said that Management is recommending to the stockholders the reappointment of the firm Reyes Tacandong & Co. as the external auditor of the Corporation for the year 2019. Upon motion made and seconded, the Stockholders passed and approved the following resolution:

Stockholders' Resolution No. 4, series of 2020

"RESOLVED, that the accounting firm of Reyes Tacandong & Company be reappointed as external auditor of the Corporation for the year 2020."

X. OTHER MATTERS/ADJOURNMENT

On motion made and duly seconded, there being no other matters discussed, the meeting was adjourned at around 10:00 A.M.

XI. OPEN FORUM

Upon adjournment, Miss Militante opened the floor for questions.

A question was sent in the chat box in the zoom application asking if the company would be supplying dolomite sand in the beatification of Manila Bay to which Mr. Cosio answered in the negative.

The next question was, considering the negative retained earnings, is the company on a going concern. Mr. Cosio answered in the positive but stated that the Company is receiving support from its shareholders.

The next question was about energy. "The DOE announced that they will be preparing to award for first green energy supplier permit. Does MRC have any participation or involvement for this"? Mr. Cosio relayed that as of the moment, there is none but the company is getting ready to participate in renewable energy opportunities. The Company currently has pipeline for energy projects.

Another question was is there a future in solar energy. Mr. Cosio then said that from literature of developed countries, solar panels has become more efficient and the Company will look into it more closely.

Another question was, is there a plan to make MRC a holding company and give dividend. Mr. Cosio said that as a holding company, they will be able to invest in other industries. As of the moment, the Company's biggest asset is real estate. During this time of pandemic, it is hard to convert earning during this time of pandemic. However, there are certain industries that are likely to benefit from the new normal and these are the industries the Company is looking in to and renewable energy is part of it.

The next question was, what companies will be part of MRC as a holding company and is PT&T one of them. Mr. Cosio said that the Company is still thinking of what companies to invest into and the Company's ability to acquire them and enter to such industry.

The next question was is MRC to become a holding company. Mr. Cosio informed the questioner that it is exactly the reason why the Company is holding the ASM, to become a holding company. If the resolution is approved, then the

Company will proceed with registration with the SEC and amend the Articles of Corporation. Follow-up question, if yes, do you have the date of transition. Mr. Cosio then said that it is a matter of SEC approval. There is an administrative process that the Company need to go through.

The next question was is there any foreign investors joining MRC. Mr. Cosio said that if they check PSE, they will see foreign investors that bought MRC shares.

Another question was what is the company's plan on the landbank and mining assets. Are there any time table on developing the landbank and mining assets? Mr. Cosio said that mining industry has been put on hold because of the suspension of the MPSA. Once it has been lifted, the Company can activate the MPSA. As for the landbanks, the Company is looking for partners in developing them.

The last question was, is Rappler going to be part of MRC. Mr. Cosio said that as of the moment, there is no formal decision. The Company needs to talk to Rappler if there is any possibility.

Certified Correct:



ATTY. JOHNSTON R. BRUSOLA
Corporate Secretary