

**MINUTES OF THE 2024 ANNUAL STOCKHOLDERS' MEETING
OF BASIC ENERGY CORPORATION**

**HELD VIA REMOTE COMMUNICATION
ON SEPTEMBER 18, 2024 AT 3:00 P.M.**

STOCKHOLDERS PRESENT/REPRESENTED:

Total Shares Issued and Outstanding	14,668,643,064
Total Number of Shares Present/Represented ¹	10,515,010,167
Percentage of Attendance	71.6836%

DIRECTORS PRESENT:

Manuel Z. Gonzalez	Vice Chairman
Oscar L. de Venecia, Jr.	Vice Chairman
Luisito V. Poblete	Director
Beatrice Jane L. Ang	Director
Ramon L. Mapa	Director
Jaime J. Martinez	Director
Ma. Rosette Geraldine L. Oquias	Director
Oscar S. Reyes	Director
Kim S. Jacinto-Henares	Independent Director
Andres B. Reyes, Jr.	Independent Director
Gil A. Buenaventura	Independent Director

ADVISORY BOARD:

Jose C. de Venecia, Jr.
Ramon F. Villavicencio
Seiichi Wada
Jose P. de Venecia III
Gabriel R. Singson, Jr.
Reynaldo T. Casas
Francis C. Chua

ALSO PRESENT:

Alain S. Pangan
Darius A. Marasigan

¹ Based on the certification issued by the Corporation's stock transfer agent, Professional Stock Transfer, Inc., on the total number of shares represented in person and by proxies.

Angel P. Gahol
Gwyneth S. Ong
Dominique P. Pascua
Donna Sansano
Angel P. Gahol
Julianne B. Beltran
Marie Claudine B. Bernas

PROCEEDINGS

I. CALL TO ORDER

Mr. Oscar L. de Venecia, the Chairman of the meeting, called the Annual Stockholders' Meeting to order. The Corporate Secretary, Ms. Gwyneth S. Ong, recorded the minutes of the proceedings.

II. CERTIFICATION OF NOTICE OF MEETING AND EXISTENCE OF QUORUM

The Chairman asked the Corporate Secretary whether notices of the annual meeting of the stockholders had been sent to the Corporation's stockholders. The Corporate Secretary replied that notices for the 2024 Annual Stockholders' Meeting, including the materials required by the Securities and Exchange Commission (SEC) to be furnished all stockholders, were published in the business sections of The Philippine Star on August 30 and 31, 2024 and Business World on August 30 and September 2, 2024, pursuant to SEC Notice dated March 13, 2023 which provided listed companies with the alternative mode of distribution of notices of stockholders meetings. The notice was posted on the Company's website and at the Philippine Stock Exchange (PSE) EDGE.

The Corporate Secretary certified that based on the certification issued by the Corporation's stock transfer agent, Professional Stock Transfer, Inc., present for the meeting were stockholders, in person or by proxy, holding a total of 10,515,010,167 shares, equivalent to 71.6836% of the outstanding issued and subscribed shares of stock of the Corporation. The Corporate Secretary thereafter certified that there was a quorum.

III. APPROVAL OF THE MINUTES OF THE STOCKHOLDERS' MEETING HELD ON SEPTEMBER 20, 2023

The Chairman proceeded to the next item on the agenda, which was the approval of the minutes of the 2023 Annual Stockholders' Meeting held on September 20, 2023. He reminded the attendees that the minutes were posted on the Company's website and summarized in the Definitive Information Statement.

Upon request by the Chairman, the Corporate Secretary presented the results of voting for the approval of the minutes:

No. of Shares Present / Represented	10,515,010,167
No. of Votes Approving	10,515,010,167
No. of Votes Disapproving	0
No. of Votes Abstaining	0
Percentage Approving	100%

Accordingly, stockholders owning 10,515,010,167 or 100% of the total number of voting shares present and represented at the meeting, approved the Minutes of the Stockholders' Meeting held on September 20, 2023. The Chairman, having deemed that more than a majority of shares present and represented voted for the approval, officially declared that the minutes was approved.

IV. PRESENTATION OF THR 2023 ANNUAL REPORT WITH HIGHLIGHTS OF THE 2023 CONSOLIDATED AUDITED FINANCIAL STATEMENTS

The Chairman then gave the floor to the President, Mr. Luisito Poblete, to present his report on the Company's operations in 2023 and the programs and prospects for 2024.

A. *The Financial Report*

President Poblete began his report with the financial highlights of the company:

1. *Consolidated Balance Sheet*

Consolidated Balance Sheet (in million pesos)			
	2023	2022	Inc.(Dec.)
Total Assets	29,794.66	28,802.56	992.10
Total Liabilities	22,266.49	21,488.31	778.18
Total Equity	7,528.17	7,314.25	213.92

President Poblete informed the stockholders that the total consolidated assets of the Company amounted to PHP 29.8B, which is approximately PHP1B higher than the previous year. He explained that this is primarily due to the increase in cash asset of PHP 687M, accounts receivables of PHP1B, and other assets of PHP 352M. He noted however, that this gain was partially offset by reduction in inventories of PHP 462M and decrease in property and equipment valuation of PHP 527M.

The total consolidated liabilities stood at PHP 22.3B, reflecting an increase of PHP 778M or 3.6% compared to 2022.

As to the total consolidated equity, President Poblete noted that it settled at PHP 7.5B. This amount includes the PHP4B owned by equity holders of Basic Energy. President Poblete informed the stockholders that this represents an increase of PHP 200M from the previous year which can be attributed to a rise in capital stock of PHP 112M and additional paid-in capital of PHP 17M and retained earnings of PHP 42.6M.

2. Consolidated Income Statement

Consolidated Income Statement (in million pesos)			
	2023	2022	Inc.(Dec.)
Revenue	64,073.56	74,636.37	(10,562.81)
Gross Profit	1,583.30	1,585.90	(232.06)
Other Income	450.87	289.34	161.03
Expenses	1,920.87	1,458.93	461.94
Net Income (Loss)	99.59	585.83	(486.23)
Comprehensive Income (Loss)	84.41	618.97	(534.56)

On the income statement, President Poblete explained that the total consolidated revenues amounted to PHP 64B, with cost of goods sold at PHP 62.5B. This resulted in a gross margin of about PHP 1.6B. He further explained that interest income of PHP151M, share in net income of associates of PHP 9M, and other income of PHP 291M contributed to the gross income.

President Poblete noted that the general and administrative expenses increased by PHP 127M compared to 2022. This was brought about by the retirement and hiring of personnel in the organization. Financing costs also increased to PHP 661M.

In summary, President Poblete stated that 2023 has been filled with challenges brought about by oil market volatility, intense domestic competition, rampant product smuggling and supply chain disruptions brought about by geo-political conflicts in Eastern Europe and the Middle East. While the Company's bottom line remained in the positive territory, the level is way below the Company's expectation. Despite this, he stated that the Company remains optimistic given that 2023 has opened new opportunities in broadening the Company's prospects in the renewable energy power generation space.

B. The Operations Report

The President then proceeded with his report on the operations of the Company.

CURRENT PROJECTS

Mabini Wind Power Project

President Poblete started with updates on the Mabini Wind Power Project, a project under one of the Company's subsidiaries, Mabini Energy Corporation. He informed the stockholders that Mabini Energy Corporation was recently renamed to RDG Wind Energy Corporation in honor of its late chairman, Reynaldo Gamboa.

President Poblete informed the stockholders that RDG Wind Energy Corporation has successfully completed the Wind Resource Assessment (WRA) using a combination of conventional met-mast and a sophisticated laser-based equipment called LIDAR. The wind data collected and analyzed put this project site as one of the best in the country. He explained that the wind resource available in the ridges of Mabini can easily accommodate another 50MW wind project as Phase 2 and that the bankable WRA report together with the micro-siting recommendation for the simulated wind turbines and the annual energy production estimate are expected to be received by October 2024. This will be followed by the full feasibility study.

In addition to the completion of the WRA, RDG Wind Energy Corporation has also engaged the services of reputable service providers for specialist works, such as land acquisition, local and national permitting and community relations. There is also progress with the technical works related to the project. This is evidenced by the receipt of the topographic survey and system impact study based on NGCP's offer of service. Presently, the project team is laying the ground works for in-depth engineering works leading to detailed design and EPC. Finally, President Poblete informed the stockholders that construction, which shall take approximately 18 months, is targeted to be started by mid 2026.

OTHER WIND POWER PROJECTS

In addition to the Mabini Wind Power Project, President Poblete also provided updates on the following projects:

1. The Panay Wind Energy Power Project – The onshore wind project in Iloilo Province in Panay was awarded on 14 June 2023. President Poblete reported that the project has a potential capacity of 200MW covering an area of 14,000 hectares and an ocular visit of the site showed promising project prospect. A grid connection assessment will be undertaken this month to assess transmission line connectivity. The engineering, procurement and construction (EPC) is estimated to cost USD 270M.
2. The Balayan (Offshore) Wind Energy Power Project – the service contract with DOE for this project was signed on 22 June 2023. This involves a nearshore wind power project off the coast of Calatagan, Batangas, east of Balayan Bay, and encompasses an area of 2,800 hectares. The potential capacity is 150MW with EPC cost estimate of USD 245M. President Poblete informed the stockholders that exploratory

discussions with the various stakeholders are on-going to gauge the project's social acceptability.

3. Ilocos (Offshore) Wind Energy Power Project – The Ilocos Wind Energy Power Project is another nearshore wind project in Pasuquin, Ilocos Norte awarded by DOE on 15 September 2023. This project has a potential capacity of 100MW and covers an offshore area of approximately 5,500 hectares.

President Poblete stated that with the number of wind power projects awarded to the company, several foreign RE developers and investors have expressed their interests in partnering with the Company to move these projects forward.

OTHER PROJECTS

1. Iriga Geothermal Power Project

On the Company's geothermal project in Iriga, Camarines Sur, DESCO, President Poblete reported that the Company's partner and the designated project operator, is very close to commencing the exploratory drilling. He noted that the Company holds a 20% participating interest in this project with a free-carry for the 1st exploratory well.

2. Green Energy E-Transport Program (GEEP)

President Poblete also presented updates on one of the Company's subsidiaries, Basic Energy Renewables Corporation. The GEEP is the flagship project of Basic Energy Renewables Corporation. President Poblete reported that the project is moving forward and once operational, it can offer an end-to-end renewable energy solution that integrates the solarization of retail stations to store and supply green energy to EV charging facilities in support of the national program towards electric transportation. Prototype setups are available in EcoOil retail stations in EDSA Mandaluyong and Cainta, Rizal.

Basic Energy Renewables Corporation is actively negotiating with transport cooperatives in Metro Manila as they shift to EVs so they can enjoy the benefits of the GEEP and has signed a MOU with a LGU to pilot one of its programs.

3. Solar PV Power Project + BESS

President Poblete also informed the stockholders that the Company is actively exploring the development of several solar power plants, focusing primarily on areas where the Company either already owns or have access to land since this is a vital factor in securing an operating contract with DOE. He further stated that along with the planned solar power projects, the Company is also exploring the potential in investing in Battery Energy Storage System (BESS).

4. Bolinao Solar Power Plant

President Poblete reported that one key solar power project being developed is a 50 MW solar facility on a 41-hectare company-owned property in Bolinao, Pangasinan. This project is intended to be embedded in Panelco I system. The corresponding studies to evaluate the possible embedding arrangement have been completed and have yielded favorable conclusions. Discussions with Panelco 1 management are currently underway. The estimated cost of this project is USD 38M.

As a final note on the solar power projects of the Company, President Poblete reported that there are two potential solar power plants being eyed in the Visayas region with a combined capacity of 110MW. Exclusive agreements with the landowners to explore these projects have been secured and preliminary studies indicate promising potential with adequate grid capacity for interconnection. Feasibility studies for both sites will commence within this quarter in preparation for a potential SEOC application with the Department of Energy (DOE).

C. Open Forum

After the presentation, the Chairman opened the floor to give the stockholders opportunity to ask questions or give comments regarding the financial and operations reports; however, there were no questions from the stockholders or the attendees of the meeting.

The Chairman then requested the Corporate Secretary to present the results of the voting for its approval. The Corporate Secretary presented the following:

No. of Shares Present / Represented	10,515,010,167
No. of Votes Approving	10,515,010,167
No. of Votes Disapproving	0
No. of Votes Abstaining	0
Percentage Approving	100%

Accordingly, stockholders owning 10,515,010,167 or 100% of the total number of voting shares represented at the meeting, approved the 2023 Annual Report with highlights from the 2023 Consolidated Audited Financial Statements. The Chairman, having deemed that more than a majority of shares present and represented voted for the approval, officially announced the approval of the 2023 Annual Report with highlights from the 2023 Consolidated Audited Financial Statements.

V. RATIFICATION OF ALL ACTS OF THE BOARD AND MANAGEMENT

The next item in the agenda was the ratification of all acts of the Board and Management for the term 2023-2024. The Chairman reminded the attendees that a summary of these acts was included in the Definitive Information Statement of the Company.

Upon request of the Chairman, the Corporate Secretary presented the results of voting for the ratification of the acts of the Board and Management:

No. of Shares Present / Represented	10,515,010,167
No. of Votes Approving	10,515,010,167
No. of Votes Disapproving	0
No. of Votes Abstaining	0
Percentage Approving	100%

Accordingly, majority of the stockholders present or represented have voted for the ratification of all acts done by the Board and Management for the term 2023-2024. The Chairman, having deemed that more than a majority of shares present and represented voted for the approval, officially announced the ratification of all acts of the Board and Management for the term 2023-2024.

VI. ELECTION OF DIRECTORS

The Chairman proceeded to the next item on the agenda, the election of the directors for the term 2024-2025. The Chairman explained that the Corporation's Nominations Committee had pre-screened and short-listed all candidates qualified and nominated to the Board.

The nominees endorsed for director positions for the term 2023-2024 are as follows:

For directors:

1. Manuel Z. Gonzalez
2. Oscar L. de Venecia, Jr.
3. Beatrice Jane L. Ang
4. Ramon L. Mapa
5. Jaime J. Martinez
6. Ma. Rosette Geraldine L. Oquias
7. Luisito V. Poblete
8. Oscar S. Reyes

For independent directors:

1. Kim S. Jacinto-Henares
2. Andres B. Reyes, Jr.
3. Gil A. Buenaventura

The Corporate Secretary announced that the results of the election of the foregoing 11 nominees are as follows:

No. of Shares Present / Represented	10,515,010,167
No. of Votes Approving	10,515,010,167
No. of Votes Disapproving	0
No. of Votes Abstaining	0
Percentage Approving	100%

Accordingly, stockholders owning 10,515,010,167 or 100% of the total number of voting shares represented at the meeting, elected the eleven (11) nominees as directors.

The Chairman, having deemed that more than a majority of shares present and represented voted for the approval, officially declared the election of the directors for the term 2023-2024.

VIII. APPOINTMENT OF EXTERNAL AUDITORS

The next item on the agenda was the appointment of the Company's external auditor for the year 2024.

The Chairman explained that the Company's Audit Committee had processed and pre-screened nominations for external auditor and recommended the re-appointment of Reyes Tacandong and Co. (RT & Co.) as the Company's external auditor for 2024 to 2025. The Vice President for Finance, Mr. Alain S. Pangan, presented the credentials of RT & Co.

Upon request by the Chairman, the Corporate Secretary presented the results of voting for the appointment of RT & Co. as external auditor:

No. of Shares Present / Represented	10,515,010,167
No. of Votes Approving	10,515,010,167
No. of Votes Disapproving	0
No. of Votes Abstaining	0
Percentage Approving	100%

The Chairman, having deemed that more than a majority of shares present and represented voted for the approval, officially declared RT & Co. re-appointed as the Company's external auditor for 2024 to 2025.

IX. ADJOURNMENT

There being no further business to transact, the Chairman thanked the participants and adjourned the meeting.

ATTESTED BY:



OSCAR. L. DE VENECIA JR.
Chairman of the Meeting

Certified Correct:



GWYNETH S. ONG
Corporate Secretary