

MINUTES OF THE ANNUAL MEETING  
OF THE STOCKHOLDERS

OF

IPM HOLDINGS, INC.  
(the “Corporation”)

Held on November 29, 2022 at 10:00 a.m. in Pasig City  
via remote communication at  
<https://us02web.zoom.us/j/7010971769?pwd=MHo5VUJTUU1uY3hjZUpQTER0QSStPUT09>

PRESENT

Total No. of Shares Present/Represented	612,824,500
Total No. of Shares Outstanding	690,000,000
Percentage of total outstanding shares present in person or represented by proxy	88.82%

1. Call to Order

The Chairman, Ms. Isabelita P. Mercado, called the meeting to order and presided over the same. The Chairman informed the stockholders of the attendance of the following directors at the meeting:

Isabelita P. Mercado	Chairman of the Board/ Chief Executive Officer, Chairman of the Nomination Committee
Francis Neil P. Mercado	Director/ Treasurer/ Chief Financial Officer
Antonio Victoriano F. Gregorio III	Director
Jan Vincent P. Mercado	Director
Alfredo P. Javellana II	Independent Director/ Chairman of the Audit Committee/ Chairman of the Corporate Governance, Risk Oversight, and Related Party Transaction Committee
David L. Kho	Independent Director
Atty. Ana Maria A. Katigbak	Corporate Secretary/ Corporate Information Officer
Atty. Jade A. Lapinig	Assistant Corporate Secretary
Roberto E. Cabarco	Deputy Corporate Information Officer/ Compliance Officer

The Corporation’s external auditors, SyCip Gorres Velayo & Co. (“SGV & Co.”), were also in attendance.

A complete list of attendees is attached as Annex “B” of these minutes.

The Corporate Secretary, Atty. Ana Maria A. Katigbak, recorded the minutes of the proceedings.

## 2. Proof of Notice of Meeting

The Corporate Secretary reported that notice of the meeting and the Definitive Information Statement were transmitted by courier to the stockholders of record at their respective addresses indicated in the corporate records at least fifteen (15) business days or at least 21 days before the meeting.

A copy of the notice, together with the Definitive Information Statement, minutes of the previous meeting, and other documents related to this meeting were also made accessible through the Corporation's website and the PSE Edge portal.

## 3. Certification of Quorum

The Corporate Secretary explained that, as set out in the Requirements and Procedure for Participation and Voting in this meeting (which was attached to the Corporation's Definitive Information Statement), stockholders who successfully registered within the prescribed period were included in the determination of quorum. By participating remotely in this meeting or by proxy, a stockholder was also deemed present for purposes of determining quorum.

Based on the foregoing, the Corporate Secretary reported that at least **612,824,500** shares or **88.82%** of the Corporation's outstanding capital stock were present or represented by proxy at the meeting. She then certified that a quorum existed for the valid transaction of business.

The Corporate Secretary explained that stockholders who successfully registered for this meeting were given the opportunity to cast their votes by submitting their proxy forms. There were five (5) items for approval excluding the adjournment, as indicated in the agenda set out in the notice. Stockholders, once successfully registered, were also given an opportunity to raise questions or express comments limited to the agenda items by submitting the same through email. She stated that management will endeavor to reply to these questions or address these comments during the meeting. Questions not answered during the meeting would be answered via email.

The Corporate Secretary informed the stockholders that the participation and voting procedures were also contained in the Definitive Information Statement, accessible to all stockholders through the Corporation's website and meeting portal.

## 4. Approval of Minutes of the Previous Stockholders' Meeting

The Corporate Secretary reported that an electronic copy of the Minutes of the Annual Meeting of the Stockholders held on September 30, 2021 were made available on the Corporation's website to all stockholders. Upon motion made and duly seconded, the following resolution was approved by the stockholders:

“**RESOLVED**, that the minutes of the Annual Stockholders' Meeting of IPM Holdings, Inc. (“Corporation”) held on September 30, 2021 be, as it is hereby, approved.”

The Corporate Secretary noted that stockholders owning at least 612,824,500 shares representing at least 88.82% of the outstanding capital stock, voted in favor of approving the minutes, -0- shares voted against, and -0- shares abstained on the matter.

## 5. Approval of Management Report and Audited Financial Statements for the Year Ended December 31, 2021

Ms. Emelita C. Aguinaldo, Basic Environmental Systems & Technologies, Inc. (“BEST”) Senior Vice President for Operations, and Mr. Jan Vincent P. Mercado, BEST Senior Vice President for Business Development, presented the Corporation's operational highlights while Mr. Roberto E. Cabarco, Deputy Corporate Information Officer/Compliance Officer, presented the

Corporation’s financial results, the audited financial statements for the year ended December 31, 2021, and interim period financial report as of September 30, 2022. For good order, any questions and comments received by email and through the meeting portal were to be taken up before the end of the meeting.

Ms. Aguinaldo gave updates on the Corporation’s core business segments and initiatives, namely: (a) waste collection; (b) waste transfer and transport; (c) diversion; (d) resource recovery; (e) treatment and disposal; (f) consulting; (g) operation of engineered sanitary landfills; (h) refuse-derived fuel facilities; (i) the MyBasurero app; and (j) the trash to cashback program. She also discussed the Corporation’s current investments and involvement in Metro Clark Waste Management Corporation and EcoEdge Resources Corporation. Several video presentations summarizing the Corporation’s beginnings and current initiatives were thereafter shown. Ms. Aguinaldo also informed the body about the recent awards and recognitions received by the Corporation.

Mr. Mercado reported on the innovations introduced and developed by BEST, namely the MyBasurero app and the trash to cashback program. A video presentation of how Quezon City has adopted the trash to cashback program was also shown.

On the Corporation’s financial performance, Mr. Cabarco reported that the Corporation’s net income for the year ended December 2021 was Php59.99 Million, while its total comprehensive income was at Php59.69 Million. The following were the highlights:

(in Million Pesos)	December 2021 (Audited)	December 2020 (Audited)	Variance Increase/ (Decrease) over 2020
REVENUE AND OTHER INCOME	330.42	296.22	12%
Service and Rental Income	275.34	258.65	0.06%
Interest and Other Income	1.19	1.22	-0.03%
Equity in the earnings of an associate and a joint venture	53.88	36.34	48%
EXPENSES AND OTHER CHARGES	265.69	243.90	0.09%
INCOME BEFORE INCOME TAX	64.73	52.32	24%
PROVISION FOR INCOME TAX	4.74	8.17	-42%
NET INCOME	59.99	44.15	36%
OTHER COMPREHENSIVE INCOME (LOSS)	(0.31)	(0.24)	28%
TOTAL COMPREHENSIVE INCOME	59.69	43.91	36%

He declared that the consolidated revenue for 2021 increased by Php34.20 Million or 12% from Php296.22 Million in 2020. The increase is mainly because of the increase in tipping fees on waste from Angono and Binangonan and increase in volume of private hauling. As for the expenses, Mr. Cabarco stated that the expenses of the Corporation amounted to Php265.69 Million, consisting of depreciation and amortization, subcontracting costs, logistics expenses, repairs and maintenance, salaries and wages, fuel and oil, utilities, and taxes and licenses. General and administrative expenses increased due to increase in taxes, settlement, and professional fees. Mr. Cabarco reiterated that the net income of the Corporation for 2021 is Php59.99 Million, which saw an increase of 36% from the net income of Php44.15 Million in 2020.

As of December 31, 2021, the Corporation’s total current assets was Php972.16 Million, and total assets was Php1,534.14 Million. The total current liabilities was Php229.15 Million and total liabilities was Php261.69 Million. The total stockholders’ equity was Php1,272.45 Million. The consolidated total assets increased by Php28.58 Million. He mentioned that the increases were mainly due to collection of receivables. Trade and other receivables decreased by 6.29% due to collections from related parties. Meanwhile, the non-current assets increased by 26% due to additional acquisition of land for the expansion of the sanitary landfills. The total consolidated liabilities amounted to Php261.69 Million, which slightly decreased by 10.62% from 2020’s

figures, attributable to payment in trade payables. The total stockholder’s equity increased by 4.92%.

Mr. Cabarco also reported on the following key performance indicators:

KPI	Calculation	December 31, 2021	December 31, 2020
Current Ratio	Current Assets/Current Liabilities	4.24x	4.10x
Quick Ratio	Current Assets(cash and equivalents + marketable securities + accounts receivable) /Current Liabilities	4.19x	4.08x
Debt to Equity Ratio	Liabilities/ Stockholders’ Equity	0.21x	0.24x
Book Value per share	Stockholders’ Equity/ Number of Shares Outstanding	1.84	1.76
Income per Share	Net Income/Weighted Average Number of Shares Outstanding	0.09	0.06

Mr. Cabarco then presented the interim financial report for the nine-month period which ended on September 30, 2022, and the comparative period which ended on September 30, 2021. The revenue increased by 4% from Php244.90 Million in 2021 to Php255.04 Million in 2022. Meanwhile, expenses increased by 7% from Php190.29 Million in 2021 to Php202.83 in 2022. The result was a decrease of 7% in the total comprehensive income from Php49.41 Million in 2021 to Php45.91 Million in 2022.

Thereafter, Mr. Cabarco summarized the Corporation’s current financial position as of September 30, 2022, with total current assets of Php979.44 Million, total assets of Php1,559.09 Million, total current liabilities of Php208.18 Million, total liabilities of Php240.22 Million, and total stockholders’ equity of Php1,318.87 Million. He mentioned that the total assets increased by 1.6% from September 2021 to September 2022. Meanwhile, the total liabilities saw a decrease of 8% from September 2021 to September 2022. As a result, the total stockholders’ equity increased by 4%.

Following the reports, and upon motion made and duly seconded, the following resolution was approved by the stockholders:

“**RESOLVED**, that the annual report of management as presented by the officers of IPM Holdings, Inc. and the Corporation’s audited financial statements for year ended December 31, 2021 be, as it is hereby, approved.”

The Corporate Secretary noted that stockholders owning at least 612,824,500 shares representing at least 88.82% of the outstanding capital stock, voted in favor of approving the management report and audited financial statements for the year ended December 31, 2021, -0- shares voted against, and -0- shares abstained on the matter.

6. **Ratification of All Acts of the Board of Directors and Management**

The Chairman announced that the next item on the Agenda was the ratification and approval of the acts of management and of the directors of the Corporation undertaken from the date of the last Annual Stockholders’ Meeting up to the present. After some discussion and upon motion made and duly seconded, the following resolution was approved by the stockholders:

“**RESOLVED**, that all acts, contracts, resolutions and actions of the Board of Directors and Management of the Corporation from the date of the last annual stockholder’s meeting up to the present be, as they are hereby, approved, ratified and confirmed.”

The Corporate Secretary noted that stockholders owning at least 612,824,500 shares representing at least 88.82% of the outstanding capital stock, voted in favor of ratifying and approving the acts, -0- shares voted against, and -0- shares abstained on the matter.

## 7. Election of Directors

The meeting proceeded with the election of directors for the current year. The Corporate Secretary stated that under the Sixth Article of the Amended Articles of Incorporation, there were seven (7) seats in the Board of Directors, and that the Corporation was required to have at least two (2) independent directors. It was explained that under the Securities and Exchange Commission ("SEC") rules, only nominees whose names have been submitted to and evaluated by the Nominations Committee and whose names appear in the Final List of Candidates set forth in the Definitive Information Statement shall be eligible for election as Independent Directors.

The background and qualifications of the nominees were provided in the Definitive Information Statement. The Corporation received a total of four (4) nominations for Regular Directors, and two (2) for Independent Directors, namely:

### *For Regular Directors:*

ISABELITA P. MERCADO  
FRANCIS NEIL P. MERCADO  
ANTONIO VICTORIANO F. GREGORIO III  
JAN VINCENT P. MERCADO

### *For Independent Directors:*

ALFREDO P. JAVELLANA II  
DAVID L. KHO

The Corporate Secretary then informed the stockholders that Management was proposing the re-nomination of Atty. Alfredo P. Javellana II who has served as independent director for more than nine years. Management believes that the re-election of Atty. Javellana as an independent director will be beneficial to the continuing growth, strategic direction, and corporate governance of the Company. Management further believes that his industry experience and knowledge will be most valuable in the successful governance of the Company.

On motion made and duly seconded, the above nominees were elected as directors of the Corporation for the current year to serve as such for a period of one year and until their successors are duly elected and qualified. The Corporate Secretary noted that, based on the tabulation and validation by the stock and transfer agent, stockholders owning at least 612,824,500 shares representing at least 88.82% of the outstanding capital stock, voted to elect all the six (6) nominees to the Board of Directors.

## 8. Appointment of External Auditors

The Chairman announced that the next item on the agenda was the proposal to appoint the audit firm of SGV & Co. as the Corporation's external auditor for the current year 2022-2023. The Corporate Secretary, speaking for the Chairman of the Audit Committee, Independent Director Alfredo P. Javellana II, informed the stockholders that the committee reviewed the qualifications and performance of the Corporation's external auditor SGV & Co. and was endorsing its reappointment for the current year.

Upon motion made and duly seconded, the following resolution was approved by the stockholders:

**"RESOLVED**, that the audit firm Sycip Gorres Velayo & Co. be, as it is hereby, appointed as the Corporation's external auditor for the current year 2022-2023."

The Corporate Secretary noted that stockholders owning at least 612,824,500 shares representing at least 88.82% of the outstanding capital stock, voted in favor of the appointment of Sycip Gorres Velayo & Co., -0- shares voted against, and -0- shares abstained on the matter.

**9. Other Matters**

The Chairman inquired whether any questions were raised or comments made on the agenda, by email or through the meeting portal. The Corporate Secretary replied that no questions or comments were received by email or through the meeting portal prior to the meeting. The Corporate Secretary also said that in case any questions were raised through email or on the meeting portal during the meeting, the response would also be sent via email.

**10. Adjournment**

There being no further business to transact, the meeting was thereupon adjourned.

**ATTEST:**

**ISABELITA P. MERCADO**

Chairman of the Stockholders' Meeting

**ANA MARIA A. KATIGBAK**

Secretary of the Stockholders' Meeting

ANNEX A  
(Voting Results)

AGENDA ITEMS	ACTION			
Item 1: Call to Order	No action necessary.			
Item 2: Proof of Notice of Meeting	No action necessary.			
Item 3: Certification of Quorum	No action necessary.			
	FOR	%	AGAINST	ABSTAIN
Item 4: Approval of the Minutes of the Previous Annual Stockholders’ Meeting held on September 30, 2021	612,824,500	88.82%	0	0
Item 5: Approval of Management Report and Audited Financial Statements for the Year Ended December 31, 2021	612,824,500	88.82%	0	0
Item 6: Ratification of All Acts of the Board of Directors and Management	612,824,500	88.82%	0	0
Item 7: Election of Directors				
For Regular Directors:				
1. Isabelita P. Mercado	612,824,500	88.82%	0	0
2. Jan Vincent P. Mercado	612,824,500	88.82%	0	0
3. Antonio Victoriano F. Gregorio III	612,824,500	88.82%	0	0
4. Francis Neil P. Mercado	612,824,500	88.82%	0	0
For Independent Directors:				
1. Alfredo P. Javellana II	612,824,500	88.82%	0	0
2. David L. Kho	612,824,500	88.82%	0	0
Item 8: Approval of Appointment of Sycip Gorres Velayo & Co. as the Company’s Independent External Auditor	612,824,500	88.82%	0	0
Item 9: Adjournment	No action necessary.			

ANNEX B

IPM HOLDINGS, INC.  
TABULATION OF ATTENDANCE  
2022 ANNUAL STOCKHOLDERS' MEETING  
November 29, 2022

	STOCKHOLDER'S NAME	NOMINEE/ BENEFICIAL OWNER	NO. OF SHARES	% TO TOTAL ISSUED & OUTSTANDING
1	IPM Construction & Devt Corp	The Chairman	350,000,000	50.72
2	IPM Realty & Devt Corp.	The Chairman	50,000,000	7.25
3	Meridian Securities (PCD)	The Chairman	211,808,500	30.70
4	Isabelita Mercado	Patrick Louie Mercado	1	0.00
5	Isabelita Mercado	Celerino Paredes	1	0.00
6	Isabelita Mercado	Ma. Teresa Paredes	1	0.00
7	Isabelita Mercado	Jade Lapinig	1	0.00
8	Isabelita Mercado	Roberto Cabarco	1	0.00
9	Isabelita Mercado	Noly Valentino	1	0.00
10	Isabelita Mercado	Arturo Gungon	1	0.00
11	Isabelita Mercado	Dwight Ramos	1	0.00
12	Isabelita Mercado	Emelita Aguinaldo	1	0.00
13	Isabelita Mercado	Elpidio Cruz	1	0.00
14	Isabelita Mercado	Logivico Quintos	1	0.00
15	Isabelita Mercado	Rosana Franco	1	0.00
16	Gener Mendoza	Bienvenida R. Mondragon	1	0.00
17	Gener Mendoza	Yolanda Eleazar	1	0.00
18	Gener Mendoza	Ana Maria A. Katigbak	1	0.00
19	Gener Mendoza	Dana Genevieve Dela Cruz	1	0.00
20	Gener Mendoza	Patrizia Adeline A. Lucindo	1	0.00
	Subtotal With Proxy		611,808,517	88.67%
1	Isabelita P. Mercado		999,983	0.14
2	Jan Vincent P. Mercado		2,000	0.00
3	Francis Neil P. Mercado		2,000	0.00
4	Antonio Victoriano F. Gregorio III		1,000	0.00
5	Alfredo P. Javellana II		1,000	0.00
6	David Kho		10,000	0.00
	Subtotal In Person		1,015,983	0.15%
	TOTAL ATTENDANCE		612,824,500	88.82%

TOTAL ISSUED & OUTSTANDING

690,000,000