

COVER SHEET

P	W	-	1	0	2				
---	---	---	---	---	---	--	--	--	--

S.E.C Registration Number

[illegible]

(Company's Full Name)

L	O	P	E	Z		B	U	I	L	D	I	N	G	,	O	R	T	I	G	A	S		A	V	E	N	U	E	,	
---	---	---	---	---	--	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	--	---	---	---	---	---	---	---	--

[illegible]

(Business Address: No. Street City / Town / Province)

ATTY. WILLIAM S. PAMINTUAN

Contact Person

(632) 8632-8014

Company Telephone Number _____

1	2	-	3	1
---	---	---	---	---

Month Day

	1	7	-	C	
--	---	---	---	---	--

FORM TYPE

0	5
---	---

2	7
---	---

Month Day

Fiscal Year

Annual Meeting

Secondary License Type, if Applicable

--	--	--

Dept. Requiring this Doc.

Art. I, Sec. 2 and Art. II Sec. 6 of the By-Laws

Amended Articles Number/Section

40,371 (as of Mar 2025)

Total No. of Stockholders

Total Amount of Borrowings

Domestic

--

Foreign

To be accomplished by SEC Personnel concerned

[illegible]

File Number

LCU

[illegible]

Document I.D.

Cashier

STAMPS

STAMPS

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17.2(c) THEREUNDER

1. **Date of Report:** April 28, 2025
2. **SEC Identification Number:** PW-102
3. **BIR Tax Identification Code:** 000-101-528-000
4. **Name of Issuer as specified in its Charter:** Manila Electric Company
5. **Country of Incorporation:** Philippines
6. **Industry Classification:** (SEC use only)
7. **Address of principal office:** Lopez Building, Ortigas Avenue, Barangay Ugong, Pasig City
Postal Code: 1605
8. **Issuer's telephone numbers including area code:** (02) 8632-8014
9. **Former name, former address and former fiscal year, if changed since last report:** Not Applicable
10. **Securities registered pursuant to Sections 18 and 12 of the SRC or Sections 4 and 8 of the RSA:**

Number of Shares of Common Stock Outstanding

1,127,092,509

Debt Securities

PhP2.868 Billion

11. Item Number reported: *Item 9 (Other Events)*

The Board of Directors of Manila Electric Company (the "Company"), in its regular meeting held today, April 28, 2025, approved the Company's Financial and Operating Results for the First Quarter of 2025 with comparatives for 2024.

	MANILA ELECTRIC COMPANY Consolidated Financial Highlights <i>(In Million Pesos, except per share data)</i>		
	For the Three (3) Months Ended March 31		% Change
	2025	2024	
REVENUES			
Electricity	111,753	101,363	10
Non-electricity	2,758	3,185	(13)
	114,511	104,548	10
COSTS AND EXPENSES	103,060	93,444	10
EQUITY IN NET EARNINGS OF ASSOCIATES AND JOINT VENTURES	3,317	1,709	94
OTHER EXPENSES – net	1,901	646	194
INCOME BEFORE INCOME TAX	12,867	12,167	6
PROVISION FOR INCOME TAX	1,920	2,409	(20)
NET INCOME	10,947	9,758	12
NET INCOME – REPORTED	10,448	9,597	9
CORE NET INCOME	11,172	10,083	11
EARNINGS PER SHARE			
On Reported Net Income			
Basic	9.270	8.514	9
Diluted	9.270	8.514	9
On Core Net Income ¹			
Basic	9.912	8.946	11
Diluted	9.912	8.946	11

¹ Reported net income, adjusted to exclude the effect of foreign exchange gains or losses, and other one-time, exceptional transactions.

Please refer to the attached press release for more details.

The Company will disclose the First Quarter Results using SEC Form 17-Q once available.

SIGNATURE

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

MANILA ELECTRIC COMPANY

Issuer



WILLIAM S. PAMINTUAN

Senior Vice President
Assistant Corporate Secretary and
Information Disclosure Officer

Date: April 28, 2025

*Cc: Disclosure Department Listings and Disclosure Group Philippine Stock Exchange
Issuer Compliance and Disclosure Department
Philippine Dealing & Exchange Corp.*



PRESS RELEASE

FINANCIAL AND OPERATING RESULTS FOR THE QUARTER ENDED MARCH 31, 2025 WITH COMPARATIVES FOR 2024

FIRST QUARTER HIGHLIGHTS

- CONSOLIDATED CORE NET INCOME (CCNI) ROSE 10.8% TO PESOS 11.2 BILLION; CONSOLIDATED REPORTED NET INCOME (CRNI) INCREASED 8.9% TO PESOS 10.4 BILLION
- CORE EARNINGS PER SHARE (EPS) AT PESOS 9.912; REPORTED EPS AT PESOS 9.270
- CONSOLIDATED REVENUES UP 10% TO PESOS 114.5 BILLION, DRIVEN BY VOLUME GROWTH OF THE DISTRIBUTION UTILITY (DU), POWER GENERATION AND RETAIL ELECTRICITY SUPPLY (RES) BUSINESSES; HIGHER PASS-THROUGH TRANSMISSION AND GENERATION CHARGES, INCLUDING RESERVE MARKET
- CONSOLIDATED POWER SALES VOLUME AT 15,621 GWH, REFLECTING 475 GWH OR 3% GROWTH
- CONSOLIDATED DU SALES VOLUME WAS AT 12,493 GWH, UP BY 2% OWING TO NEWLY ENERGIZED ACCOUNTS THAT DROVE GROWTH IN RESIDENTIAL SEGMENT
- POWER GENERATION ACCOUNTED FOR 31% OF CCNI, CONTRIBUTING PESOS 3.4 BILLION FROM POWER PLANTS IN THE PHILIPPINES AND IN SINGAPORE
- MERALCO FRANCHISE RENEWED FOR ANOTHER 25 YEARS BY VIRTUE OF REPUBLIC ACT NO. 12146, WHICH PRESIDENT FERDINAND R. MARCOS, JR. SIGNED INTO LAW ON APRIL 11, 2025. RA NO. 12146 RUNS FROM THE EXPIRATION OF THE EXISTING FRANCHISE ON JUNE 28, 2028.
- MERALCO POWERGEN CORPORATION (MGEN) EXTENDED ITS GROWTH TRACK WITH THE INAUGURATION OF THREE (3) NEW SOLAR PLANTS THAT COLLECTIVELY CONTRIBUTED 152.7 MW_{ac} RENEWABLE ENERGY CAPACITY IN LUZON; ACHIEVED NEW MILESTONES FOR TERRA SOLAR PHILIPPINES, INC. (MTERRA SOLAR) AS IT SECURED PESOS 150.0 BILLION PROJECT FINANCING AND PESOS 10.0 BILLION EQUITY INFUSION FROM ACTIS RUBYRED (SINGAPORE) PTE LTD (ACTIS) AS PART OF A \$600-MILLION INVESTMENT FROM ACTIS' ACQUISITION OF 40% OF MTERRA SOLAR.
- MGEN COMPLETED THE ACQUISITION OF A 40.2% EFFECTIVE INTEREST IN THE COUNTRY'S FIRST AND MOST EXPANSIVE INTEGRATED LIQUEFIED NATURAL GAS (LNG) FACILITY IN BATANGAS.
- PREPARED FOR THE MAY 2025 NATIONAL AND LOCAL ELECTIONS, MERALCO HAS ENSURED DELIVERY OF STABLE AND RELIABLE ELECTRICITY SERVICE TO OVER 3,000 POLLING AND CANVASSING CENTERS AND VITAL ELECTION SITES

FINANCIAL HIGHLIGHTS

In the first three (3) months of 2025, the *DU* business accounted for the largest share of 60% or Pesos 6.7 billion of *CCNI* of Pesos 11.2 billion. Power Generation share grew to 31% with Pesos 3.4 billion contribution. The *RES* business and non-electricity businesses brought in a combined Pesos 1.1 billion or 9%.

CRNI similarly increased by 9% to Pesos 10.4 billion from Pesos 9.6 billion. Core *EPS* amounted to Pesos 9.912, up 11% versus 2024, while Reported *EPS* increased by 9% to Pesos 9.270.

Meralco's average retail rate grew by 3% to Pesos 11.06 per kWh in the first quarter from Pesos 10.78 per kWh in the same period in 2024, mainly due to an equivalent increase in generation charge, which accounted for 63% of total retail rate. This came as a result of higher cost of natural gas, as well as full recovery of previously deferred charges for First Gas Sta. Rita and San Lorenzo plants, as approved by the Energy Regulatory Commission (*ERC*). The Peso depreciation, which weakened to an average of Pesos 57.96 per US dollar in the first quarter of 2025 versus Pesos 55.964 in the same period last year, also lifted generation charge for the three-month period.

Transmission charge, comprising 8% of the retail rate, also rose by 11% due to higher ancillary service charges stemming from additional capacity sourced by the National Grid Corporation of the Philippines (*NGCP*) from new Ancillary Services Procurement Agreements (*ASPAs*) and the Reserve Market. Ancillary Service charges in the first quarter of 2025 also included the collection of the remaining 70% of *NGCP's* March 2024 ancillary service costs from the Reserve Market, which was approved by the *ERC*.

On the other hand, *Meralco's* actual weighted average distribution charge of Peso 1.4038 per kWh, which accounted for 13% of the total retail rate, was lower than 2024 with the implementation of refunds relating to regulatory reset fees across all *DUs* in February 2025. With 10% share of the total rate, subsidies, taxes and universal charge also went down by 4% with the lower universal charges and full implementation of the new lifeline program.

Purchased power cost (*PPC*) for the year increased by 13% to Pesos 86.4 billion from Pesos 76.5 billion in 2024, due to the increase in volumes purchased as well as higher generation and transmission charges.

Consolidated capital expenditures (*CAPEX*) was at Pesos 25.4 billion, the bulk of which or Pesos 18.3 billion were utilized for development of the *MTerra Solar* project in Nueva Ecija. The balance was used for *Meralco's* distribution network projects that included new connections, asset renewals, and load growth projects, among others.

Operating expenditures (*OPEX*) amounted to Pesos 10.3 billion, primarily covering manpower, contracted services, and other manpower-related expenses. Additionally, there is an increasing spend for IS/IT-related costs of critical IT infrastructure. These operational investments are essential for maintaining an efficient, reliable, and resilient electricity distribution network system. The ongoing efforts to enhance advanced IT capabilities enable *Meralco* to manage demand, forecast load requirements, and ensure a stable and sustainable power supply, consistently beating our already high standards for service quality and operational performance.

Consolidated interest-bearing debts stood at Pesos 188.1 billion, including Pesos 72.6 billion debts of subsidiaries. In January this year, *Meralco* utilized its Pesos 75 billion credit facility with major banks and drew on such facility to finance investments, among others. Separately, in March, *MTerra Solar* secured project financing amounting to Pesos 25.2 billion, with Pesos 18.0 billion for the re-payment of a bridge loan. Debt

maturities are well spread through 2039. As of end-March, net debt stood at Pesos 76.0 billion with net debt to earnings before interest, taxes, depreciation, and amortization (*EBITDA*) ratio of 1.06x.

DISTRIBUTION BUSINESS

The consolidated *DU* energy sales volumes, mainly from *Meralco* and Clark Electric Distribution Corporation (*Clark Electric*) in the first quarter grew 2% to 12,493 GWh from 12,307 GWh same period of the previous year.

Accounting for the largest share of the sales mix at 38%, the Commercial segment closed the quarter with 4,744 GWh of energy sales volume, up by 1% from 4,679 GWh.

Sales volumes from the Residential sector grew 3% to 4,257 GWh from 4,144 GWh, owing to the energization of new residential customers that drove consumption growth and contributed 95 GWh in the first quarter.

Sales volumes from the Industrial segment rose marginally to 3,456 GWh from 3,448 GWh.

By the end of March 2025, consolidated customer count was at 8.1 million, marking a 3% increase from 7.9 million in the first quarter of 2024.

Meralco's Advanced Metering Infrastructure (*AMI*) that enables its customer choice programs, including the Retail Aggregation Program (*RAP*) which successfully switched a total of five (5) aggregated groups comprising 110 services by the end of the quarter. *Meralco's AMI* was also instrumental to the successful pilot of smart meters to 5,000 postpaid customers, with more planned to be converted in the coming years.

At end-March, *Meralco's* 12-month moving average (*12-MMA*) system loss of 6.04% remained below the indicative regulatory cap, while *Clark Electric's* and *Shin Clark's* were at 2.08% and 3.35%, respectively.

POWER GENERATION BUSINESS

MGEN's power generation units ended the quarter with a 25% increase in *CCNI* contribution from a year ago, owing largely to stable plant availability across its portfolio, sustained revenue generation from the Reserve Market, and contribution of Chromite Gas Holdings, Inc. (*Chromite Gas*) beginning February this year. With a net saleable capacity of 4,953.3 MW across its diversified portfolio in the Philippines and Singapore as of end-March, *MGEN* delivered a total of 5,294 GWh of energy which was 64% higher than the same period last year. It achieved over 46 million safe man-hours with zero lost-time incidents and total recordable incidents.

MGEN Renewable Energy, Inc. (MGreen) delivered 174 GWh of clean power on the back of steady plant availability across all its solar plants, which averaged at more than 93% during the period. The renewable energy unit continued its expansion track in the first quarter with the completion of the 52.8-MWac Cordon plant in Isabela. This project along with two (2) solar projects – the 19.8-MWac Bongabon plant in Nueva Ecija and the 80.1-MWac Baras plant in Rizal – were inaugurated in the first quarter.

In the first quarter of the year, *MGEN* achieved two (2) milestones achievements. First, the landmark US\$600-million investment from Actis, which acquired a 40% equity stake in MTerra Solar – project company of the world's largest integrated 3,500 MWp solar plants with 4,500 MWhr of battery energy storage project – was concluded. As of the end of March 2025, the overall project completion rate stood at 35%, with ongoing construction works on the substation and the assembly of structures for the solar panels.

Additionally, related to the project, *MTerra Solar* executed a Pesos 150.0-billion Omnibus Loan and Security Agreement (*OLSA*) with six (6) local banks to finance the ongoing development and construction of the project.

Second, *MGEN* together with a partner, closed the investment for a joint stake in the country's first integrated liquefied natural gas (*LNG*) facility in Batangas. Through *Chromite Gas*, *MGEN* now holds an effective 40.2% attributable interest in two gas-fired power plants—the 1,200 MW facility of South Premiere Power Corporation and the 1,275 MW facility of Excellent Energy Resources, Inc. (*EERI*)—along with an *LNG* import regasification terminal.

Overseas, Singapore-based PacificLight Power Pte. Ltd. (*PacificLight*) reported a core income of S\$70.8 million (Pesos 3.1 billion), up by 31% due to higher plant availability, resulting in higher blended non-fuel margin at S\$82.4/MWh compared with last year's S\$75.8/MWh. Total energy delivered stood at 1,403 GWh at end-March, 6% more from a year ago.

RETAIL ELECTRICITY SUPPLY BUSINESS

Meralco continued to deliver competitively priced power to contestable customers through its local *RES* unit *MPower* and *Clark Electric's* Cogent, as well as three (3) other affiliate suppliers: *MGEN's* Global Energy Supply Corporation (*GESC*), Vantage Energy Solutions and Management, Inc. (*Vantage Energy*) and MeridianX Inc. As of end-March, combined energy delivered by the *RES* business stood at 1,671 GWh.

REGULATORY DEVELOPMENTS

On April 11, 2025, President Ferdinand R Marcos, Jr. signed into law Republic Act. No. 12146, renewing *Meralco's* franchise for another 25 years from June 2028. This follows the approval and endorsement of House Bill No. 10926 by the Senate and the House of Representatives.

Public hearings on *Meralco's* Application of Annual Revenue Requirement and Performance Incentive Scheme under the new 5th Regulatory Period (*SRP*) covering July 1, 2025, to June 30, 2029, were concluded on April 4, 2025.

Meanwhile, *Meralco* in February 2025 implemented a one-time refund of Pesos 987.1 million regulatory reset fees, equivalent to Pesos 0.2264 per kWh in accordance with the *ERC* Resolution directing all *DUs* to refund the total amount of collected and unutilized regulatory reset expert costs as well as cease any future collection. Moving forward, *Meralco's* tariff will be lower with the deduction of the Pesos 0.0023 per kWh fee from its distribution wheeling rate.

In March 2025, *Meralco* also received the *ERC* Order granting a Provisional Authority (*PA*) on *Meralco's* distribution rate true-up application amounting to around Pesos 20.0 billion, equivalent to an average rate of Peso 0.1189 per kWh for a period of 36 months or until such time that the total amount is fully refunded. This was in compliance with an *ERC* Order that declared July 2022 to June 2025 as Lapsed Period. The total amount covers the difference between *Meralco's* Actual Weighted Average Tariff (*AWAT*) and Maximum Average Price (*MAP*) from July 2022 to December 2024. Another application will be filed after *Meralco* has incurred, completed, and determined the *AWAT* for the remaining period from January to June 2025.

On its strategic sourcing efforts, *Meralco* received the *DOE's* approval of its updated Power Supply Procurement Plan (*PSPP*), which covers the planned Competitive Selection Processes (*CSPs*) to be conducted

for 200-MW renewable energy baseload, 450-MW mid-merit, and 1,500-MW baseload supply, with deliveries scheduled to commence in the next five (5) years.

POWERING THE GOOD LIFE THROUGH SUSTAINABILITY AND SOCIAL DEVELOPMENT

As an integral part of its operations, Meralco made significant strides in environmental, social, and governance (ESG) performance. This allowed the Company to maintain its 'BBB' ESG rating from MSCI, reflecting its leadership in sustainability, carbon emissions disclosures, and governance policies. Meralco also retained 'C' scores for Climate Change and Water Security from CDP, aligning with the global average.

One Meralco Foundation (OMF) powered 238 low-income homes in Metro Manila and Laguna and distributed 200 solar lamps in Calayan Island, Cagayan. OMF also conducted an inclusive basketball clinic, provided hygiene kits to inmates at New Bilibid Prisons, and distributed relief packs to over 1,100 families affected by fires.

MGEN and its subsidiaries supported host communities in Nueva Ecija by installing solar-powered streetlights, conducting job readiness training for 630 scholars, and setting up temporary marketplaces for local products and services.

OUTLOOK

"The recent 25-year renewal of Meralco's franchise, signed by President Marcos, is a milestone for the Company, for which we are grateful indeed. This reinforces our commitment to public service, to sustainable growth, to nation-building. It is as well a reminder of our public accountability. As we move forward, we remain dedicated to enhancing our services, and ensuring that our stakeholders receive the best value from partnering with us for development," **Chairman M.V. Pangilinan** concludes.

-----000-----

	MANILA ELECTRIC COMPANY Consolidated Financial Highlights (In Million Pesos, except per share data)		
	For the Three (3) Months Ended March 31		% Change
	2025	2024	
REVENUES			
Electricity	111,753	101,363	10
Non-electricity	2,758	3,185	(13)
	114,511	104,548	10
COSTS AND EXPENSES	103,060	93,444	10
EQUITY IN NET EARNINGS OF ASSOCIATES AND JOINT VENTURES	3,317	1,709	94
OTHER EXPENSES – net	1,901	646	194
INCOME BEFORE INCOME TAX	12,867	12,167	6
PROVISION FOR INCOME TAX	1,920	2,409	(20)
NET INCOME	10,947	9,758	12
NET INCOME – REPORTED	10,448	9,597	9
CORE NET INCOME	11,172	10,083	11
EARNINGS PER SHARE			
On Reported Net Income			
Basic	9.270	8.514	9
Diluted	9.270	8.514	9
On Core Net Income ¹			
Basic	9.912	8.946	11
Diluted	9.912	8.946	11

¹ Reported net income, adjusted to exclude the effect of foreign exchange gains or losses and other one-time, exceptional transactions.

This press release may contain some statements, which constitute “forward-looking statements” that are subject to a number of risks and uncertainties that may affect the business and results of operations of *Meralco*. Although the management of *Meralco* believes that expectations reflected in any of the forward-looking statements are reasonable, it cannot guarantee any future performance, action, or events.

For further information, please contact:

Betty C. Siy-Yap

Senior Vice President

Chief Finance Officer

Tel. No. (632) 1622 1571

Joe R. Zaldarriaga

Vice President

Head of Corporate Communications

Tel. No. (632) 8632 8603

Paul Jayson I. Ramos

Vice President

Chief Investor Relations Officer

Tel. No. (632) 1622 2272