

**SEC Number** 66381

**File Number** \_\_\_\_\_

**ENERGY DEVELOPMENT CORPORATION**

(Company's full Name)

**Rockwell Business Center Tower 3, Ortigas Avenue, Pasig City, Philippines**

(Company's Address)

**(02) 7755-2332**

(Telephone Number)

**March 31, 2024**

(Quarter Ending)

**SEC FORM 17-Q**

(Form Type)



SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES  
REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER

1. For the quarterly period ended **March 31, 2024**
2. Commission identification number: **66381**
3. BIR Tax Identification No. **000-169-125-000**
4. Exact name of issuer as specified in its charter: **ENERGY DEVELOPMENT CORPORATION**
5. **PHILIPPINES**  
Province, country or other jurisdiction of  
incorporation or organization
6.  (SEC Use Only)  
Industry Classification Code
7. **Rockwell Business Center Tower 3, Ortigas Avenue,  
Pasig City** **1604**  
Address of issuer's principal office Postal Code
8. **(02) 7755-2332**  
Issuer's telephone number, including area code:
9. Former name, former address and former fiscal year, if changed since last report:
10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA  

<u>Title of each Class</u>	<u>Number of shares outstanding as of March 31, 2024</u>
Common Stock, P1,000,000.00 par value	17,041.395422
Preferred Stock, P10,000.00 par value	9,375
11. Are any or all of the securities listed on a Stock Exchange?  
Yes [ ] No [  ]  
If yes, state the name of such Stock Exchange and the class/es of securities listed therein:
12. Indicate by check mark whether the registrant:  
(a) has filed all reports required to be filed by Section 17 of the Securities Regulation Code ("SRC") and SRC Rule 17 thereunder or Sections 11 of the Revised Securities Act ("RSA") and RSA Rule 11(a)-1 thereunder, and Sections 23 and 177 of the Revised Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period the registrant was required to file such reports)  
Yes [  ] No [ ]  
(b) has been subject to such filing requirements for the past ninety (90) days.  
Yes [  ] No [ ]

## **PART I - FINANCIAL INFORMATION**

### **ITEM 1. FINANCIAL STATEMENTS**

Our unaudited consolidated financial statements for the three-month period ended March 31, 2024 have been prepared in accordance with Philippine Accounting Standards (PAS) 34, Interim Financial Reporting, and are filed as Annex I of this report.

### **ITEM 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (“MD&A”)**

The following is a discussion and analysis of the Group’s consolidated financial performance for the three-month period ended March 31, 2024. The prime objective of this MD&A is to help the readers understand the dynamics of the Group’s business and the key factors underlying our financial results. Hence, our MD&A is comprised of a discussion of our core business and an analysis of the results of operations. This section also focuses on key statistics from the unaudited financial statements and pertains to risks and uncertainties relating to the geothermal and other renewable power industry in the Philippines where we operate up to the stated reporting period. However, our MD&A should not be considered all inclusive, as it excludes unknown risks, uncertainties and changes that may occur in the general economic, political, and environmental condition after the stated reporting date.

Our MD&A should be read in conjunction with our unaudited consolidated financial statements and the accompanying notes. All financial information is reported in Philippine Pesos (Php) unless otherwise stated.

Any references in this MD&A to “we”, “us”, “our”, or “Group” pertains to the Energy Development Corporation and its subsidiaries. "EDC" pertains to the Parent Company, Energy Development Corporation.

Additional information about the Group can be found on our corporate website [www.energy.com.ph](http://www.energy.com.ph).

The following is a summary of the key sections of this MD&A:

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## **OVERVIEW OF OUR BUSINESS**

### **Principal products or services**

The Group has evolved into being the country’s premier pure renewable energy player, having interests in geothermal, hydro, wind, and solar power.

For geothermal energy, its standing relationships and/or expertise spans the entire geothermal value chain, i.e., from geothermal energy exploration and development, reservoir engineering and management, engineering design and construction to environmental management and energy research and development. The Group, through EDC, GCGI and BGI, commercially operates in the four (4) geothermal service contract areas, where it is principally involved in the generation and sale of electricity through company-owned geothermal power plants to National Power Corporation (“NPC”) / Power Sector Assets and Liabilities Management Corporation (“PSALM”), electric cooperatives, privately-owned distribution utilities, large and mid-sized industrial clients thru Retail Competition and Open Access (“RCOA”) and the Green Energy Option Program (“GEOP”), and sales to the Wholesale Electricity Spot Market (“WESM”). Each of GCGI and BGI holds a Retail Electricity Suppliers (“RES”) license and a GEOP operating permit, through which it contracts with contestable customers and end-users.

The Group’s wind energy expertise covers project research and development and wind data assessment. EBWPC’s Burgos Wind Power project has a concession area in Burgos, Ilocos Norte and is under the Feed-in-Tariff (“FIT”) arrangement.

With FG Hydro, the Group has not only acquired expertise in hydropower operation and maintenance, but also improved its capability to sell power on a merchant basis. Through its 60% equity interest in FG Hydro, EDC indirectly operates the 132 MW Pantabangan-Masiway Hydroelectric Plant (“PAHEP/MAHEP”) located in Nueva Ecija. The power plants supply electricity to the Luzon grid to service the consumption of its distribution utility clients covered by power supply agreements (“PSA”).

EDC also operates the Burgos Solar Project (Phases 1 and 2), which is inside the same concession area as EBWPC wind farm and are also under the FIT arrangement. The Group, through Siklab, also has solar rooftop projects in Gaisano La Paz, Kalibo, Oton, Passi, Balasan, Sogod, Ormoc and Sorsogon.

### **Distribution methods of products or services**

The 432.1 GWh of electricity sold by Unified Leyte was delivered mainly to the WESM, Meralco, electric cooperatives and to other customers through First Gen Energy Solutions Inc. (“FGES”).

The 174.1 GWh of electricity sold by the Mindanao geothermal power plants were delivered mainly to NPC/PSALM, the WESM and other industrial customers.

The 79.6 GWh of electricity sold by the Nasulo geothermal power plant was delivered mainly to the WESM and to FGES.

A total of 672.9 GWh sold by the geothermal power plants in Tongonan and Palinpinon was delivered to electric cooperatives, industrial customers and to the WESM in the Visayas region. Tongonan also delivered electricity through its RES/GEOP contracts.

The 446.6 GWh of electricity sold by the Bac-Man geothermal power plants was delivered mainly through RES/GEOP contracts, to the WESM and electric cooperatives in the Luzon region.

The 101.3 GWh, and 2.2 GWh of electricity sold by the Burgos Wind power plants, and Burgos Solar power plants, respectively, were delivered mainly to WESM and National Transmission Corporation (“TransCo.”)

107.5 GWh of electricity was sold by FG Hydro mainly to the WESM and through PSAs with various customers. FG Hydro also sold 5.4 GWh as sale of electricity as contingency and dispatchable reserves under an Ancillary Services Purchase Agreement (“ASPA”).

1.7 GWh of electricity sold by EDC Siklab pertained to solar rooftop projects.

The electricity generated by the Group’s power plants is transmitted to its customers through the high voltage backbone system of the National Grid Corporation of the Philippines (“NGCP”).

### **Competition**

The government, in implementing the thrust of the Electric Power Industry Reform Act (“EPIRA”), has paved the way for a more independent and market-driven Philippine power industry. Essentially, selling power and consequently the dispatch of power plants depend on the ability to offer competitively priced power supply to the market. However, unique to the renewable energy (“RE”) resources is the granting of its preferential dispatch in the market. Wind, solar, run-of-river hydro or ocean energy, are considered “Must Dispatch” units while geothermal, biomass and impounding hydro were granted “Priority Dispatch” which guarantee its dispatch to the grid at prevailing merchant WESM prices.

The Group has multiple power projects in Luzon, Visayas, and Mindanao. While Luzon and Visayas grids have been in operation since 2006 and 2010, respectively, the WESM in Mindanao commenced operations last January 26, 2023. In addition, the Mindanao Visayas Interconnection Line, which connects the island to the rest of the Luzon and Visayas grids, was energized last April 30, 2023. These enabled the unified market across the three islands and allowed the transfer of energy surplus to the region experiencing deficit.

The Reserve Market, which aims to co-optimize the dispatch schedule and prices for both the energy and reserve requirements of the grid, was launched on January 26, 2024. On March 26, 2024, the Energy Regulatory Commission (“ERC”) ordered the temporary suspension of the billing and settlement of the Reserve Market for the March billing period (February 26 to March 25, 2024) until ERC finalizes the Price Determination Methodology (“PDM”) used by the market system.

Pursuant to the RCOA, a new electricity buyer group consisting of individual retail customers has emerged. “Retail Competition” means that eligible end-users of electricity (or retail customers) may directly contract for the supply of electricity with authorized RES, instead of coursing the same through the franchised distribution facility. “Open Access”, on the other hand, means that retail electricity customers and suppliers of electricity may contract with the transmission company and the distribution company for the “wheeling” or delivery of energy/electricity through the transmission or distribution wires. Open Access is thus a means by which Retail Competition is achieved.

Republic Act No. 9513, otherwise known as the Renewable Energy Act of 2008 (the “RE Act”), provides for policy mechanisms, such as the Renewable Portfolio Standards (“RPS”) and the GEOP, to further promote the development and utilization of renewable energy resources.

Under the RPS, mandated participants such as but not limited to distribution utilities and suppliers of electricity for the contestable market are required to source a portion of their energy requirement from RPS-eligible plants while GEOP gives end-users the opportunity to source their power supply from renewable energy suppliers. On August 16, 2021, the ERC issued Resolution No. 08, Series of 2021, A Resolution Adopting the Rules for the GEOP. On September 3, 2021, the ERC GEOP rules took effect. Following the issuance of GEOP rules, the Independent Electricity Market Operator of the Philippines (“IEMOP”) launched the GEOP on December 3, 2021.

Pursuant to the RE Act, a Renewable Energy Market (“REM”) shall be established where Renewable Energy Certificates corresponding to energy generated from eligible RE facilities can be traded. Participants under the RPS and GEOP must register in the REM. EDC and its operating subsidiaries intend to participate in the REM.

To further provide more avenues to meet the RPS compliance of mandated participants and provide additional market options for RE developers and generators, the DOE issued Department Circular No. DC 2021-11-0036 providing the Revised Guidelines for the Green Energy Auction Program (“GEAP”) in the Philippines. The GEAP succeeds the FIT award mechanism; however, the twenty (20)-year tariffs will be determined through a competitive selection process. DOE further clarified under DC 2023-09-0027 published in September 2023 that the Green Energy Tariff (“GET”) from the Green Energy Auction of the winning bidder is considered as the FIT.

The GEAP was designed to continuously trigger the increase of RE capacity in the country, which will help realize the government’s target of 35% RE in the energy mix by 2030 and 50% by 2040. For its first round of auction in 2022 or Green Energy Auction-1, DOE set an installation target of 2,000 MW of RE capacity for 2023-2025 and awarded nineteen (19) winning bidders. This was able to generate 1,967 MW of committed renewable energy capacity or 98% of installation target to be delivered between 2023 to 2025. The first round offered capacities utilizing hydro, biomass, solar and wind generation technologies, with the bulk (1,490 MW) of awarded capacities coming from solar projects. In 2023, for Green Energy Auction-2, DOE set an installation target of 11,600 MW of RE capacity for 2024-2026 and released the Notice of Award to a hundred and five (105) winning bidders. While it was able to raise 3,581 MW worth of committed RE capacity targeted to be delivered between 2024 to 2026, it was only 32% of the DOE's ambitious target. Currently, the DOE is gearing up for the conduct of the third round of GEAP in 2024, which will auction out geothermal, run-of-river and pumped storage hydro capacities for the first time.

Further enhancing competition in the renewable energy sector is the passage of Republic Act No. 11659 or the Public Services Act (“RA 11659”), as amended, which was signed into law on March 21, 2022, removed foreign equity restrictions on most public service companies, except those considered as public utility and critical infrastructure. The government’s move to open competition in the RE market is further strengthened with the issuance of DOE Department Circular No. DC2022-11-0034 on November 15, 2022, amending the Implementing Rules and Regulations of RA 9513, which now allows foreign citizens or 100% foreign-owned companies to undertake the exploration, development, and utilization of solar, wind, hydro, and ocean or tidal energy resources. This shift in government policy to allow full foreign ownership of certain renewable energy projects aims to attract more investments in the renewable energy sector and meet the long-term climate target commitments of the country.

The Group will face competition in both the development of new power generation facilities and the acquisition of existing power plants, as well as in the financing for these activities.

The performance of the Philippine economy and the historical high returns of power projects in the country have attracted many potential competitors, including multinational development groups and equipment suppliers, to explore opportunities in the development of electric power generation projects in the

Philippines. Accordingly, competition for and from new power projects may increase in line with the long-term economic growth of the Philippines.

The Group believes that it will be able to compete because of its competitively priced power, the reliability of its power plants, its use of clean and renewable fuels, and its expertise and experience in power supply contracting and trading.

### **Dependence on one or a few major customers and identity of any such major customers**

For the period ended March 31, 2024, the Group's revenue from sale of electricity is not dependent on one or a few major customers.

### **Concessions**

As of March 31, 2024, the Group holds the following service contracts:

#### **Geothermal Resource**

The Group is the holder of five (5) Geothermal Renewable Energy Service Contracts ("GRES-Cs") and the corresponding DOE Certificate of Registration as an RE Developer for the following geothermal projects:

- Tongonan Geothermal Project
- Southern Negros Geothermal Project
- Bacon-Manito Geothermal Project
- Mt. Apo Geothermal Project
- Northern Negros Geothermal Project

On May 8, 2012, EDC, through its subsidiaries GCGI and BGI, secured three (3) Geothermal Operating Contracts ("GOCs"), each with a twenty-five (25)-year contract period expiring in 2037 and renewable for another twenty-five (25) years, covering the following power plant operations:

- Tongonan Geothermal Power Plant under DOE Certificate of Registration No. GOC 2012-04-038;
- Palinpinon Geothermal Power Plant under DOE Certificate of Registration No. GOC 2012-04-037; and
- Bacon-Manito Geothermal Power Plant under DOE Certificate of Registration No. GOC 2012-04-039.

EDC also holds Geothermal Service Contracts ("GSC") for the following prospect areas:

- Mt. Zion 2 Geothermal Project (converted to the new RE contract template per DOE Department Circular No. DC2019-10-0013, with pre-development period expiring in 2028, twenty-five (25)-year contract period expiring in 2040, renewable for another twenty-five (25) years);
- Amacan Geothermal Project (currently undergoing conversion to the new RE contract template per DOE Department Circular No. DC2019-10-0013, with pre-development period expiring in 2025, twenty-five (25)-year contract period expiring in 2041, renewable for another twenty-five (25) years);
- Mainit-Sadanga Geothermal Project (with a seven (7)-year pre-development period expiring in 2028, twenty-five (25)-year contract period expiring in 2046, renewable for another twenty-five (25) years);
- Mt. Sembrano Geothermal Power Project (with pre-development period expiring in 2030, twenty-five (25)-year contract period expiring in 2048, renewable for another twenty-five (25) years); and

- Buguias-Tinoc Geothermal Power Project (with pre-development period expiring in 2030, twenty-five (25)-year contract period expiring in 2048, renewable for another twenty-five (25) years).

## Wind Resource

As of March 31, 2024, the Group holds fifteen (15) Wind Energy Service Contracts (“WESC”) with the DOE, each with a twenty-five (25)-year contract period. The WESCs cover the following:

<b>Projects</b>	<b>DOE Certificates of Registration</b>
1) 150 MW Wind Project in Burgos, Ilocos Norte	WESC 2009-09-004 (expiring in 2034)
2) 84 MW Wind Project in Pagudpud, Ilocos Norte	WESC 2010-02-040 (expiring in 2035)
3) Burgos 1 Wind Project in Burgos, Ilocos Norte	WESC 2013-12-063 (expiring in 2038)
4) Burgos 2 Wind Project in Burgos, Ilocos Norte	WESC 2013-12-064 (expiring in 2038)
5) Iloilo 1 Wind Project in Batad and San Dionisio, Iloilo	WESC 2014-07-078 (expiring in 2039)
6) Burgos 3 Wind Project in Burgos and Pasuquin, Ilocos Norte	WESC 2015-09-085 (expiring in 2040)
7) Burgos 4 Wind Project in Burgos, Ilocos Norte	WESC 2015-09-086 (expiring in 2040)
8) Ilocos Norte Wind Power Project in Burgos and Pasuquin, Ilocos Norte	WESC 2021-01-147 (expiring in 2046)
9) Pasuquin Wind Power Project in Pasuquin Ilocos Norte	WESC 2021-01-148 (expiring in 2046)
10) Guimaras Onshore Wind Project	WESC 2022-03-199 (expiring in 2047)
11) Guimaras 1 Offshore Wind Project	WESC 2022-05-202 (expiring in 2047)
12) Iloilo-Guimaras Offshore Wind Project	WESC 2022-05-203 (expiring in 2047)
13) Guimaras-Negros Occidental Offshore Wind Project	WESC 2022-05-204 (expiring in 2047)
14) Laguna 1 Onshore Wind Project	WESC 2022-10-224 (expiring in 2047)
15) Negros Occidental Offshore Wind Project	WESC 2022-10-225 (expiring in 2047)

## Solar Resource

The Group holds two (2) Solar Energy Service Contracts (“SESC”) with the DOE, each with a twenty-five (25)-year contract period. The SESCOs cover the following:

<b>Projects</b>	<b>DOE Certificates of Registration</b>	<b>SESC Owner</b>
1) 6.82 MW Burgos Solar Project in Burgos, Ilocos Norte	SESC No. 2014-07-088 (expiring in 2039 and renewable for another twenty-five (25) years)	EDC
2) Gaisano Iloilo, Iloilo City Solar Rooftop Project	SESC No. 2016-11-352 (expiring in 2042 and renewable for another twenty-five (25) years)	EDC Siklab

## New Products or Services

The Group is in various phases of early stage/pre-development activities in some of its concession areas.

In September 2020, EDC and its subsidiaries registered as member participants in the REM. Once the REM fully operates, the Group intends to engage in trading of Renewable Energy Certificates (“RECs”) and complying with the Renewable Portfolio Standards.

EDC's subsidiaries, BGI and GCGI, secured its GEOP operating permit from the DOE in October 2020 and May 2021, respectively. In September 2021, the ERC released the implementing rules and regulations on GEOP, which officially took effect upon the Central Registration Body's or the IEMOP's acceptance of companies for registration in December 2021. Pursuant to the rules, both BGI and GCGI submitted their registration as a GEOP RE supplier in December 2021. BGI and GCGI completed their registration process as GEOP RE supplier and commenced its GEOP supply to more end-users.

In December 2020, the ERC issued Resolution No. 12, Series of 2020 expanding the RCOA coverage to include electricity end-users with an average monthly peak demand of at least 500 kilowatts (kW) for the preceding twelve (12) months on a voluntary basis. The implementation started on February 26, 2021.

FG Hydro is currently developing the Aya pumped-storage facility designed to increase the capacity of the Pantabangan-Masiway plant complex by up to 120MW. The facility is expected to store and generate electricity by moving water between the Pantabangan reservoir and the Masiway reservoir, which are situated at different elevations. The project is designed to allow full year operations independent of the irrigation demands from National Irrigation Administration ("NIA"). This is expected to be operational by 2027.

The Group is also building three (3) Battery Energy Storage Systems ("BESS") which will be co-located at the Group's existing geothermal facilities. EDC will be installing a 20MWh BESS in Bac-Man, 10MWh in Tongonan, Leyte, and 10MWh in Southern Negros. These BESS projects are expected to be installed and provide ancillary services to the grid by the end of 2024.

## **FINANCIAL HIGHLIGHTS**

### **YTD March 2024 vs. YTD March 2023 Results**

During the period ended March 31, 2024, recurring net income attributable to equity holders of the Parent Company ("RNIA") posted at ₱3,419.1 million, lower by 31.8% as compared to the ₱5,010.6 million RNIA for the same period in 2023.

The recurring net income ("RNI") for the period ended March 31, 2024 decreased by 30.9% or ₱1,616.6 million to ₱3,620.9 million from the ₱5,237.5 million RNI posted during the same period in 2023. The decline was mainly due to the decrease in revenue (₱2,374.4 million) and increase in net financial expense (₱78.2 million), partly offset by lower recurring operating expenses (₱640.7 million) and lower recurring provision for income tax (₱175.0 million).

The net income of ₱3,613.0 million for the period ended March 31, 2024, a 26.3% or ₱1,291.1 million decline from the ₱4,904.1 million net income for the same period in 2023. The decrease was mainly due to the decrease in revenue (₱2,374.4 million) and increase in net financial expense (₱78.2 million), partly offset by lower operating expenses (₱991.4 million) and lower provision for income tax (₱203.7 million).

Net income is equivalent to 31.6% of total revenues for the period ended March 31, 2024 as compared to the 35.5% for the same period in 2023.

Net income attributable to equity holders of the Parent Company at ₱3,400.7 million for the period ended March 31, 2024 was a ₱1,287.1 million decrease from the ₱4,678.8 million during the same period in 2023.

## RESULTS OF OPERATIONS

The following table details the results of operations of the Group for the period ended March 31, 2024 and 2023.

### STATEMENTS OF INCOME

#### Horizontal and Vertical Analysis of Material Changes as of March 31, 2024 and 2023

(Amounts in PHP millions)	HORIZONTAL ANALYSIS Favorable (Unfavorable) Variance				VERTICAL ANALYSIS	
	March 2024	March 2023	Amount	%	March 2024	March 2023
<b>REVENUE</b>						
Sale of electricity	11,441.6	13,816.0	(2,374.4)	-17.2%	100.0%	100.0%
<b>COSTS OF SALE OF ELECTRICITY</b>						
Costs of sale of electricity	(4,905.1)	(5,978.0)	1,072.9	-17.9%	-42.9%	-43.3%
<b>GENERAL AND ADMINISTRATIVE EXPENSES</b>	(1,819.2)	(1,737.7)	(81.5)	4.7%	-15.9%	-12.6%
<b>FINANCIAL INCOME (EXPENSE)</b>						
Interest expense	(878.4)	(774.0)	(104.4)	13.5%	-7.7%	-5.6%
Interest income	178.1	151.9	26.2	17.2%	1.6%	1.1%
	(700.3)	(622.1)	(78.2)	12.6%	-6.1%	-4.5%
<b>OTHER INCOME (CHARGES)</b>						
Foreign exchange gains (losses) – net	(15.5)	25.4	(40.9)	-161.0%	-0.1%	0.2%
Miscellaneous, net	4.0	(3.3)	7.3	-221.2%	0.0%	0.0%
	(11.5)	22.1	(33.6)	-152.0%	-0.1%	0.2%
<b>INCOME BEFORE INCOME TAX</b>	4,005.5	5,500.3	(1,494.8)	-27.2%	35.0%	39.8%
<b>BENEFIT FROM (PROVISION FOR) INCOME TAX</b>						
Current	(364.5)	(604.6)	240.1	-39.7%	-3.2%	-4.4%
Deferred	(28.0)	8.4	(36.4)	-433.3%	-0.2%	0.1%
	(392.5)	(596.2)	203.7	-34.2%	-3.4%	-4.3%
<b>NET INCOME</b>	3,613.0	4,904.1	(1,291.1)	-26.3%	31.6%	35.5%
<b>Net income attributable to:</b>						
Equity holders of the Parent Company	3,400.7	4,687.8	(1,287.1)	-27.5%	29.7%	33.9%
Non-controlling interest	212.3	216.3	(4.0)	-1.8%	1.9%	1.6%
<b>EBITDA</b>	6,499.4	8,127.5	(1,628.1)	-20.0%	56.8%	58.8%
<b>RECURRING NET INCOME</b>	3,620.9	5,237.5	(1,616.6)	-30.9%	31.6%	37.9%
<b>Recurring net income attributable to:</b>						
Equity holders of the Parent Company	3,419.1	5,010.6	(1,591.5)	-31.8%	29.9%	36.3%
Non-controlling interest	201.8	226.9	(25.1)	-11.1%	1.8%	1.6%

#### YTD March 31, 2024 vs. YTD March 31, 2023

##### Revenue

Revenue decreased by 17.2% or ₱2,374.4 million to ₱11,441.6 million for the period ended March 31, 2024 from ₱13,816.0 million for the same period in 2023 due to the combined lower sales volume and lower average sales price.

##### Costs of Sale of Electricity

Costs of sale of electricity decreased by 17.9% or ₱1,072.9 million to ₱4,905.1 million for the period ended March 31, 2024 from ₱5,978.0 million for the same period in 2023 mainly due to the ₱1,174.2 million decrease in purchased services and utilities, mainly attributable to lower replacement power cost, partly offset by the increase in rental, insurance and taxes by ₱89.5 million.

## **General and Administrative Expenses**

General and administrative expenses increased by 4.7% or ₱81.5 million to ₱1,819.2 million in the period ended March 31, 2024 from ₱1,737.7 million for the same period in 2023 mainly due to increase in purchased services and utilities by ₱214.6 million and rental, insurance and taxes by ₱154.9 million. These were partly offset by the decline in provision for impairment of parts and supplies inventories by ₱263.2 million.

## **Financial Income (Expense)**

Net financial expense increased by 12.6% or ₱78.2 million to ₱700.3 million for the period ended March 31, 2024 from ₱622.1 million during the same period in 2023.

### ***Interest Expense***

Interest expense increased by 13.5% or ₱104.4 million to ₱878.4 million for the period ended March 31, 2024 from ₱774.0 million for the same period in 2023 mainly due to the interest on long-term debts including amortization of transaction costs.

### ***Interest Income***

Interest income increased by 17.2% or ₱26.2 million to ₱178.1 million for the period ended March 31, 2024 from ₱151.9 million for the same period in 2023 mainly from the higher interest on cash and cash equivalents.

## **Other Income (Charges)**

Other charges for the period ended March 31, 2024 amounted to ₱11.5 million, 152.0% or ₱33.6 million turnaround from ₱22.1 million other income for the same period in 2023.

### ***Foreign exchange gains (losses) - net***

Net foreign exchange losses for the period ended March 31, 2024 amounted to ₱15.5 million, a 161.0% or ₱40.9 million turnaround from the ₱25.4 million foreign exchange gains for the same period in 2023 mainly due to the realignment of foreign currency denominated accounts.

The comparative foreign exchange rates were as follows:

	PHP:US\$
December 29, 2022	55.755
March 31, 2023	54.360
December 29, 2023	55.370
March 27, 2024	56.240

### ***Miscellaneous, net***

Miscellaneous income - net for the period ended March 31, 2024 amounted to ₱4.0 million, a 221.2% or ₱7.3 million turnaround from the ₱3.3 million net miscellaneous charges for the same period in 2023. This was mainly due to the higher net RES related charges in 2023, partly offset by the proceeds from insurance claims in 2023.

## **Provision for Income Tax**

### ***Current***

Provision for current income tax decreased by 39.7% or ₱240.1 million to ₱364.5 million for the period ended March 31, 2024 from ₱604.6 million during the same period in 2023 mainly due to the lower taxable income.

### ***Deferred***

Provision for deferred income tax for the period ended March 31, 2024 amounted to ₱28.0 million, a 433.3% or ₱36.4 million turnaround from the ₱8.4 million benefit from deferred income tax during the same period in 2023. This was mainly due to the movement of foreign exchange rates.

## **Net Income**

As a result, the Group's net income decreased by 26.3% or ₱1,291.1 million to ₱3,613.0 million for the period ended March 31, 2024 from the ₱4,904.1 million net income for the same period in 2023.

Net income is equivalent to 31.6% of total revenue for the period ended March 31, 2024 as compared to 35.5% for the same period in 2023.



### **Cash and cash equivalents**

Cash and cash equivalents increased by 17.0% or ₱2,970.2 million to ₱20,391.2 million as of March 31, 2024 from the ₱17,421.0 million balance as of December 31, 2023 mainly due to the ₱6,362.2 million net cash generated from operating activities and loan proceeds amounting to ₱2,976.6 million, partly offset by the ₱2,224.7 million payments for long-term debt and interest and other financing charges and the ₱4,290.3 million acquisition of property, plant and equipment.

### **Due from related parties**

Due from related parties decreased by 6.2% or ₱2.6 million to ₱39.1 million as of March 31, 2024 from the ₱41.7 million balance as of December 31, 2023 mainly from the transactions with First Gen Energy Solutions and First Gen Corporation.

### **Parts and supplies inventories**

Parts and supplies inventories increased by 12.3% or ₱1,044.3 million to ₱9,536.3 million as of March 31, 2024 from the ₱8,492.0 million as of December 31, 2023 mainly due to the various materials and supplies purchased during the period.

### **Derivative asset**

In PHP millions	March 31, 2024	December 31, 2023	Favorable (Unfavorable) Variance	
			Amount	%
Current	45.8	34.3	11.5	33.5%
Noncurrent	311.6	233.5	78.1	33.4%
	357.4	267.8	89.6	33.5%

Derivative asset increased by 33.5% or ₱89.6 million to ₱357.4 million as of March 31, 2024 from the ₱267.8 million balance as of December 31, 2023 mainly due to EBWPC's valuation adjustments for the period.

### **Other current assets**

Other current assets decreased by 40.2% or ₱2,469.7 million to ₱3,672.1 million as of March 31, 2024 from the ₱6,141.8 million balance as of December 31, 2023 mainly due to the lower short term investments (₱3,160.1 million), partly offset by the increase in advances to contractors (₱746.7 million).

### **Financial assets at fair value through other comprehensive income**

Financial assets at fair value through other comprehensive income increased by 6.0% or ₱17.4 million to ₱306.4 million as of March 31, 2024 from the ₱289.0 million balance as of December 31, 2023 mainly due to the investment valuation during the period.

### **Trade and other payables**

Trade and other payables decreased by 4.9% or ₱1,002.4 million to ₱19,481.4 million as of March 31, 2024 from the ₱20,483.8 million balance as of December 31, 2023 mainly due to payments to vendors for period.

### **Due to related parties**

Due to related parties increased by 64.7% or ₱1.1 million to ₱2.8 million as of March 31, 2024 from the ₱1.7 million balance as of December 31, 2023 mainly due to the transactions with First Gen Corporation.

### **Income tax payable**

Income tax payable increased by 133.7% or ₱292.6 million to ₱511.5 million as of March 31, 2024 from the ₱218.9 million balance as of December 31, 2023 mainly due to the income tax payable recognized for the period.

### **Long-term debts**

In PHP millions	March 31, 2024	December 31, 2023	(Favorable) Unfavorable Variance	
			Amount	%
Current	10,536.8	8,964.6	1,572.2	17.5%
Noncurrent	46,876.2	46,769.8	106.4	0.2%
	57,413.0	55,734.4	1,678.6	3.0%

Long-term debts increased by 3.0% or ₱1,678.6 million to ₱57,413.0 million as of March 31, 2024 from the ₱55,734.4 million balance as of December 31, 2023 mainly due to the loan drawdown during the period, partly offset by the principal payments.

### **Lease liability**

In PHP millions	March 31, 2024	December 31, 2023	(Favorable) Unfavorable Variance	
			Amount	%
Current	167.8	166.3	1.5	0.9%
Noncurrent	135.6	157.6	(22.0)	-14.0%
	303.4	323.9	(20.5)	-6.3%

Lease liability decreased by 6.3% or ₱20.5 million to ₱303.4 million as of March 31, 2024 from the ₱323.9 million balance as of December 31, 2023 mainly due to lease liability payments.

### **Deferred tax liabilities - net**

Deferred tax liabilities increased by 22.8% or ₱30.8 million to ₱165.7 million as of March 31, 2024 from the ₱134.9 million balance as of December 31, 2023 mainly due to EBWPC's deferred tax on derivatives.

### **Net accumulated unrealized gain on financial assets at fair value through other comprehensive income**

Net accumulated unrealized gain on financial assets at fair value through other comprehensive income increased by 14.2% or ₱14.2 million to ₱114.5 million as of March 31, 2024 from the ₱100.3 million balance as of December 31, 2023 mainly due to the valuation adjustments for the period.

### **Fair value adjustments on hedging transactions**

Fair value adjustments on hedging transactions increased by ₱64.0 million to ₱60.4 million as of March 31, 2024 from the (₱3.6) million balance as of December 31, 2023 mainly due to the valuation of hedging transactions.

## **Retained Earnings**

### ***Unappropriated***

Unappropriated retained earnings increased by 18.7% or ₱4,859.6 million to ₱30,910.7 million as of March 31, 2024 from the ₱26,051.1 million balance as of December 31, 2023 mainly due to the ₱3,400.7 million net income attributable to the equity holders of the Parent Company and ₱1,455.7 million reversal of appropriation of retained earnings.

### ***Appropriated***

Appropriated retained earnings decreased by 3.3% or ₱1,455.7 million to ₱42,339.9 million as of March 31, 2024 from the ₱43,795.6 million balance as of December 31, 2023 mainly due to the ₱1,455.7 million reversal of appropriation of retained earnings.

## **Non-controlling interests**

Non-controlling interests increased by 8.9% or ₱212.3 million to ₱2,600.6 million as of March 31, 2024 from the ₱2,388.3 million balance as of December 31, 2023 due to the share in net income for the period.

## **CAPITAL AND LIQUIDITY RESOURCES**

<b>As of March 31 (in millions of pesos)</b>	<b>2024</b>	<b>2023</b>	<b>YoY change</b>
Statement of Financial Position Data			
Total Assets	171,074.1	155,107.6	15,966.5
Total Liabilities	83,962.7	74,875.6	9,087.1
Total Stockholder's Equity	87,111.4	80,232.0	6,879.4

The Group's total assets as of March 31, 2024 amounted to ₱171,074.1 million, 10.3% higher as compared to the ₱155,107.6 million level as of March 31, 2023.

## **CASH FLOW**

### **YTD March 31, 2024 vs. YTD March 31, 2023**

Net cash flows from operating activities increased by 12.3% or ₱698.9 million to ₱6,362.2 million for the period ended March 31, 2024 from the ₱5,663.3 million during the same period in 2023 mainly due to the:

- decrease in other current assets (₱2,466.8 million)
- lower decrease in trade and other payables (₱1,197.6 million)
- lower income taxes paid including creditable withholding taxes (₱238.1 million).

These were partly offset by the:

- lower operating income before working capital changes (₱1,642.7 million)
- increase in trade and other receivables, compared to the decrease in trade and other receivables in 2023 (₱1,052.3 million)
- higher increase in parts and supplies inventories (₱518.1 million)

Net cash flows used in investing activities increased by 50.9% or ₱1,409.4 million to ₱4,176.6 million for the period ended March 31, 2024 from the ₱2,767.2 million during the same period in 2023 mainly due to the higher net acquisition of property, plant and equipment (₱1,520.1 million).

Net cash flows from financing activities decreased by 57.0% or ₱961.4 million to ₱725.3 million for the period ended March 31, 2024 from the ₱1,686.7 million during the same period in 2023 mainly due to the higher payments of long-term debts (₱669.6 million) and of interest and other financing charges (₱294.5 million).

## DISCUSSION ON THE SUBSIDIARIES

### Green Core Geothermal Inc. (GCGI)

(Amounts in PHP millions)	For the periods ended March 31 (Unaudited)	
	2024	2023
Revenue	4,406.1	5,248.2
Cost of sale of electricity	(3,842.5)	(4,426.1)
General and administrative income (expenses)	(179.6)	(154.3)
Other income (charges) - net	15.5	(3.1)
Income (loss) before income tax	399.5	664.7
Provision for income tax	(34.7)	(79.6)
Net income (loss)	364.8	585.1
	<b>As of</b>	
	<b>March 31, 2024 (Unaudited)</b>	<b>December 31, 2023 (Audited)</b>
Total current assets	5,792.0	4,613.8
Total noncurrent assets	13,272.8	13,327.2
Total current liabilities	7,327.1	6,608.2
Total noncurrent liabilities	201.4	161.3
Total equity	11,536.3	11,171.5

Revenue decreased by 16.0% or ₱842.1 million, to ₱4,406.1 million for the period ended March 31, 2024, from ₱5,248.2 million for the same period in 2023 due to lower sales volume, offset by higher average sales price.

Cost of sale of electricity decreased by 13.2% or ₱583.6 million, to ₱3,842.5 million for the period ended March 31, 2024, from ₱4,426.1 million for the same period in 2023 mainly due to lower replacement power cost (₱758.4 million), lower cost of steam (₱24.8 million), partly offset by higher purchased services and utilities (₱194.3 million).

General and administrative expenses increased by 16.4% or ₱25.3 million, to ₱179.6 million for the period ended March 31, 2024, from ₱154.3 million for the same period in 2023 mainly due to higher purchased services and utilities (₱16.1 million), higher rental, insurance and taxes (₱13.4 million), partly offset by lower materials and supplies (₱3.4 million).

Other income - net increased by 600.0% or ₱18.6 million, to ₱15.5 million other income for the period ended March 31, 2024, from ₱3.1 million other charges for the same period in 2023 mainly due to turnaround of miscellaneous income this year from miscellaneous charges last year (₱24.0 million), offset by lower interest income (₱4.6 million) and lower foreign exchange gain (₱1.1 million).

Provision for income tax decreased by 56.4% or ₱44.9 million, to ₱34.7 million from the ₱79.6 million last year on account of lower taxable income.

Total current assets increased by 25.5% or ₱1,178.2 million, to ₱5,792 million as of March 31, 2024 from the ₱4,613.8 million as of December 31, 2023 mainly due to higher cash and cash equivalents (₱1,213 million), trade and other receivables (₱193.5 million), offset by lower other current assets (₱254.9 million).

Total noncurrent assets decreased by 0.4% or ₱54.4 million, to ₱13,272.8 million as of March 31, 2024, from the ₱13,327.2 million as of December 31, 2023, mainly due to lower property, plant and equipment (₱139.3 million), partly offset by higher other noncurrent assets (₱91.7 million).

Total current liabilities increased by 10.9% or ₱718.9 million to ₱7,327.1 million as of March 31, 2024, from ₱6,608.2 million as of December 31, 2023, mainly due to higher trade and other payables (₱691.0 million) and income tax payable (₱28.0 million).

Total noncurrent liabilities increased by 24.9% or ₱40.1 million, to ₱201.4 million as of March 31, 2024, from ₱161.3 million as of December 31, 2023, mainly due to higher other noncurrent liabilities (₱37.7 million) and higher net retirement and other post-retirement benefits (₱3.1 million).

Total equity increased by 3.3% or ₱364.8 million, to ₱11,536.3 million as of March 31, 2024, from ₱11,171.5 million as of December 31, 2023, due to this year's net income (₱364.8 million).

### **Bac-Man Geothermal Inc. (BGI)**

<b>(Amounts in PHP millions)</b>	<b>For the periods ended March 31 (Unaudited)</b>	
	<b>2024</b>	<b>2023</b>
Revenue	2,503.1	2,689.0
Cost of sale of electricity	(1,949.4)	(2,266.2)
General and administrative income (expenses)	(86.8)	778.3
Other income (charges) - net	35.3	5.7
Income (loss) before income tax	502.2	1,206.8
Provision for income tax	(35.7)	(135.4)
Net income (loss)	466.5	1,071.4
	<b>As of</b>	
	<b>March 31, 2024 (Unaudited)</b>	<b>December 31, 2023 (Audited)</b>
Total current assets	6,222.9	6,889.3
Total noncurrent Assets	11,644.8	10,879.7
Total current liabilities	2,631.0	3,321.7
Total noncurrent liabilities	931.9	928.0
Total equity	14,304.8	13,519.3

Revenues decreased by 6.9% or ₱185.9 million to ₱2,503.1 million for the period ended March 31, 2024, from ₱2,689.0 for the same period in 2023. The unfavorable variance was due to the decrease in average price and lower sales volume.

Cost of sales decreased by 14.0% or ₱316.8 million to ₱1,949.4 million for the period ended March 31, 2024, from ₱2,266.2 million for the same period in 2023. The decrease was primarily attributed to lower purchased services and utilities (₱340.2 million) attributed to lower replacement power cost, lower depreciation charges (₱34.9 million), and lower repairs and maintenance (₱1.7 million), partly offset by higher steam purchase (₱53.4 million), higher rental, insurance, and taxes (₱4.3 million), and higher personnel costs (₱2.1 million).

General and administrative expense increased by 111.2% or ₱865.1 million to ₱86.8 million for the period ended March 31, 2024 from general and administrative income of ₱778.3 million for the same period in 2023. The increase was mainly due to the reversal in 2023 of allowance for doubtful accounts (₱860.2 million) and none for the period March 31, 2024, and higher rental, insurance and taxes (₱8.3 million), partially reduced by lower business and related expenses (₱3.6 million).

Other income - net increased by 519.3% or ₱29.6 million to ₱35.3 million for the period ended March 31, 2024, ₱5.7 million for the same period in 2023. The favorable variance was mainly from this period's higher financial income - net (₱23.9 million), lower foreign exchange loss - net (₱7.1 million), lower bank charges (₱6.4 million), partially offset by prior year's income on RES market charges (₱4.8 million), and lower other miscellaneous income by (₱3.4 million).

Total current assets decreased by 9.7% or ₱666.4 million to ₱6,222.9 million as of March 31, 2024, from ₱6,889.3 million as of December 31, 2023. The decrease was from the lower cash and cash equivalents (₱378.4 million), decrease of other current assets particularly on short-term investment (₱320.9 million), partly offset by increase of trade and other receivable (₱27.6 million), increase of parts and supplies inventories (₱2.7 million), and increase of due from related parties (₱2.5 million).

Total noncurrent assets increased by 7.0% or ₱765.1 million to ₱11,644.8 million as of March 31, 2024, from ₱10,879.7 million as of December 31, 2023. The increase was attributed to additional capital expenditures (₱720.1 million) and increase of other non-current assets particularly on input VAT and other deposit (₱118.7 million) reduced by this period's depreciation of plant, property and equipment (₱65.2 million) and decrease of deferred tax assets (₱8.5 million).

Total current liabilities decreased by 20.8% or ₱690.7 million to ₱2,631.0 million as of March 31, 2024, from ₱3,321.7 million as of December 31, 2023. The decrease was attributed to the decrease of trade and other payables (₱717.9 million), partly offset by increase of income tax payable (₱27.2 million).

Total noncurrent liabilities increased by 0.4% or ₱3.9 million to ₱931.9 million as of March 31, 2024, from ₱928.0 million as of December 31, 2023. The increase was from the increase of net retirement and other post-employment benefits (₱2.4 million), and increase of provisions and other long-term liabilities (₱1.5 million).

Total equity increased by 5.8% or ₱785.5 million to ₱14,304.8 million as of March 31, 2024, from ₱13,519.3 million as of December 31, 2023. The increase pertained to the additions to unappropriated retained earnings during the period (₱466.5 million), increase in preferred stocks (₱3.1 million), and increase in additional paid-in capital (₱315.8 million).

**EDC Burgos Wind Power Corporation (EBWPC)**

<b>(Amounts in USD millions)</b>	<b>For the periods ended March 31 (Unaudited)</b>	
	<b>2024</b>	<b>2023</b>
Revenue	17.8	25.6
Costs of sale of electricity	(6.9)	(7.1)
General and administrative expenses	(0.7)	(0.7)
Other charges - net	(2.1)	(2.7)
Income before income tax	8.1	15.1
Provision for income tax	(1.2)	(1.3)
Net Income	6.9	13.8
	<b>As of</b>	
	<b>March 31, 2024 (Unaudited)</b>	<b>December 31, 2023 (Audited)</b>
Total current assets	46.8	33.5
Total noncurrent assets	275.4	278.6
Total current liabilities	35.0	33.0
Total noncurrent liabilities	129.9	129.9
Total equity	157.3	149.2

Revenue decreased by 30.5% or US\$7.8 million to US\$17.8 million for the period ended March 31, 2024, from US\$25.6 million for the same period in 2023 mainly due to the lower actual generation for the period due to early low wind season caused by El Niño.

Costs of sale of electricity decreased by 2.8% or US\$0.2 million to US\$6.9 million for the period ended March 31, 2024, from US\$7.1 million for the same period in 2023 mainly due to the lower purchased services and utilities (US\$0.2 million), and government share (US\$0.1 million), partly offset by higher rental, insurance, and taxes (US\$0.1 million).

Other charges - net decreased by 22.2% or US\$0.6 million to US\$2.1 million for the period ended March 31, 2024, from US\$2.7 for the same period in 2023 mainly due to the lower net finance charges (US\$0.2 million) and foreign exchange losses - net (US\$0.4 million).

Total current assets increased by 39.7% or US\$13.3 million to US\$46.8 million as of March 31, 2024, from the US\$33.5 million balance as of December 31, 2023, mainly due to the increased in cash and cash equivalents (US\$21.2 million) and derivative asset (US\$0.2 million), partly offset by decreased in trade and other receivables (US\$7.8 million) and other current assets (US\$0.3 million).

Total noncurrent assets decreased by 1.1% or US\$3.2 million to US\$275.4 million as of March 31, 2024, from the US\$278.6 million balance as of December 31, 2023, mainly due to the net decreased in the book value of property, plant and equipment (US\$4.0 million), and other noncurrent assets (US\$0.6 million), partly offset by increased in derivative asset - non-current (US\$1.3 million).

Total current liabilities increased by 6.1% or US\$2.0 million to US\$35.0 million as of March 31, 2024, from the US\$33.0 million balance as of December 31, 2023, mainly due to the increased in trade and other payables (US\$1.5 million) and income tax payable (US\$0.6 million), partly offset by lower current portion of long-term debts (US\$0.1 million).

Total equity increased by 5.4% or US\$8.1 million to US\$157.3 million as of March 31, 2024, from the US\$149.2 million balance as of December 31, 2023, mainly due to the net income during the year (US\$6.9 million) and decrease in cumulative translation adjustments (US\$1.1 million).

**Unified Leyte Geothermal Energy Inc. (ULGEI)**

<b>(Amounts in PHP millions)</b>	<b>For the periods ended March 31 (Unaudited)</b>	
	<b>2024</b>	<b>2023</b>
Revenue	4.9	-
General and administrative expenses	-	(0.2)
Income (loss) before income tax	4.9	(0.2)
Net income (loss)	4.9	(0.2)
	<b>As of</b>	
	<b>March 31, 2024 (Unaudited)</b>	<b>December 31, 2023 (Audited)</b>
Total current assets	59.6	54.2
Total noncurrent assets	15.4	15.4
Total current liabilities	64.0	63.4
Total equity	11.0	6.2

Revenue for the period ended March 31, 2024 pertained to the billing adjustment on 2021 line rental subsidy. For the same period in 2023, there is no revenue due to the expiration of Independent Power Producer Agreement with PSALM on July 25, 2021.

General and administrative expenses decreased by 100.0% or ₱0.2 million to nil for the period ended March 31, 2024, from ₱0.2 million for the same period in 2023 due to the decrease in local taxes.

Total current assets increased by 10.0% or ₱5.4 million to ₱59.6 million as of March 31, 2024, from the ₱54.2 million balance as of December 31, 2023 mainly due to the increase in cash and cash equivalents.

Total noncurrent assets remained unchanged at ₱15.4 million as of March 31, 2024, from the ₱15.4 million balance as of December 31, 2023.

Total current liabilities increased by 0.9% or ₱0.6 million to ₱64.0 million as of March 31, 2024, from the ₱63.4 million balance as of December 31, 2023, mainly due to the increase in trade payables.

Total equity increased by 77.4% or ₱4.8 million to ₱11.0 million as of March 31, 2024, from ₱6.2 million as of December 31, 2023, due to the net income for the period.

**FG Hydro Power Corporation (FG Hydro)**

<b>(Amounts in PHP millions)</b>	<b>For the periods ended March 31 (Unaudited)</b>	
	<b>2024</b>	<b>2023</b>
Revenue	868.1	952.8
Costs of sale of electricity	(249.9)	(247.4)
General and administrative expenses	(82.7)	(95.7)
Operating income	535.5	609.7
Net income	525.1	544.6
	<b>As of</b>	
	<b>March 31, 2024 (Unaudited)</b>	<b>December 31, 2023 (Audited)</b>
Total assets	6,684.1	6,244.1
Total liabilities	124.9	210.0
Total equity	6,559.2	6,034.1

Revenue decreased by 8.9% or ₱84.7 million to ₱868.1 million for the period ended March 31, 2024 from the revenues of ₱952.8 million in 2023. The decrease was primarily due to lower WESM revenues on account of lower average selling prices. This was offset by the increase in revenue from contracted power, driven by higher average prices, and increase in ancillary services due to the higher average prices in the Reserve Market which commenced in January 2024.

Cost of sales for the period ended March 31, 2024 of ₱249.9 million was ₱2.5 million or 1.0% higher than the ₱247.4 million in 2023. The slight increase was mainly due to the rate escalation of water fees paid to NIA, offset by lower replacement power purchases from the WESM.

General and administrative expenses decreased by ₱13.0 million or 13.6% to ₱82.7 million during the period as compared to ₱95.7 million in 2023 mainly on account of lower taxes and licenses.

Net income of ₱525.1 million for the period ended March 31, 2024, lower by 3.6% or ₱19.5 million compared to ₱544.6 million in 2023 mainly due to lower operating income, partially offset by higher interest income.

Total assets as of March 31, 2024 stood at ₱6,684.1 million, ₱440.0 million or 7.0% higher than the December 31, 2023 level of ₱6,244.1 million. The favorable variance was mainly on account of higher cash and accounts receivable balances.

As of March 31, 2024, total liabilities stood at ₱124.9 million, ₱85.1 million or 40.5% lower than the December 31, 2023 level of ₱210.0 million primarily due to lower balances of outstanding trade payables and retirement benefits liability.

Total equity as of March 31, 2024 rose to ₱6,559.2 million, ₱525.1 million or 8.7% better than the December 31, 2023 level of ₱6,034.1 million mainly from net income earned during the period.

**EDC Siklab Power Corporation (EDC Siklab)**

<b>(Amounts in PHP millions)</b>	<b>For the periods ended March 31 (Unaudited)</b>	
	<b>2024</b>	<b>2023</b>
Revenue	9.8	6.3
Costs of sale of electricity	(4.4)	(5.2)
General and administrative expenses	(5.3)	(4.3)
Other income - net	0.1	-
Income (loss) before income tax	0.2	(3.2)
Provision for income tax	(0.1)	-
Net income (loss)	0.1	(3.2)
	<b>As of</b>	
	<b>March 31, 2024 (Unaudited)</b>	<b>December 31, 2023 (Audited)</b>
Total current assets	107.5	100.7
Total noncurrent assets	254.7	256.8
Total current liabilities	8.9	4.3
Total equity	353.3	353.2

Revenue increased by 55.6% or ₱3.5 million to ₱9.8 million for the period ended March 31, 2024, from ₱6.3 million for the same period in 2023 due to higher sales volume.

Cost of sales decreased by 15.4% or ₱0.8 million to ₱4.4 million for the period ended March 31, 2024, from ₱5.2 million for the same period in 2023 due to last year's repairs & maintenance (₱1.0 million), partly offset by higher rental, insurance & taxes (₱0.2 million).

General and administrative expenses increased by 23.3% or ₱1.0 million to ₱5.3 million for the period ended March 31, 2024, from ₱4.3 million for the same period in 2023 due to this year's provision for doubtful accounts (₱0.5 million), coupled with higher business and related expenses (₱0.3 million) and rental, insurance and taxes (₱0.2 million).

Other income - net increased to ₱0.1 million from nil in 2023 due to this year's foreign exchange gain (₱0.1 million).

Net income for the period amounted to ₱0.1 million, in contrast to last year's net loss of ₱3.2 million.

Total current assets increased by 6.8% or ₱6.8 million to ₱107.5 million as of March 31, 2024, from the ₱100.7 million balance as of December 31, 2023, due to higher cash and cash equivalents (₱6.2 million), and trade and other receivables (₱1.3 million), partly offset by lower other current assets (₱0.7 million).

Total noncurrent assets decreased by 0.8% or ₱2.1 million to ₱254.7 million as of March 31, 2024, from the ₱256.8 million balance as December 31, 2023 due to lower property, plant, & equipment (₱3.0 million), partly offset by higher other noncurrent assets (₱0.9 million).

Total current liabilities increased by 107.0% or ₱4.6 million to ₱8.9 million as of March 31, 2024, from the ₱4.3 million balance as December 31, 2023, due to higher trade and other payables (₱4.4 million) and this period's income tax payable (₱0.2 million).

Total equity increased by ₱0.1 million to ₱353.3 million as of March 31, 2024, from the ₱353.2 million balance as of December 31, 2023, due to this period's net income (₱0.1 million).

## KEY PERFORMANCE INDICATORS

The top eight (8) key performance indicators are set forth below:

	March 31, 2024	March 31, 2023
Current Ratio	1.33	1.68
Debt-to-Equity Ratio	0.66	0.69
Net Debt-to-Equity Ratio	0.42	0.41
Return on Assets (%)	8.03	8.99
Return on Equity (%)	15.66	17.73
Solvency Ratio	0.09	0.13
Interest Rate Coverage Ratio	5.54	8.15
Asset-to-Equity Ratio	1.96	1.93

**Current Ratio** – Total current assets divided by total current liabilities. This ratio is a rough indication of a company's ability to pay its short-term obligations. Generally, a current ratio above 1.00 is indicative of a company's greater capability to settle its current obligations.

**Debt-to-Equity Ratio** – Total interest-bearing debts divided by stockholders' equity. This ratio expresses the relationship between capital contributed by the creditors and the owners. The higher the ratio, the greater the risk being assumed by the creditors. A lower ratio generally indicates greater long-term financial safety.

**Net-Debt-to-Equity Ratio** – Total interest-bearing debts less cash & cash equivalents divided by stockholders' equity. This ratio measures a company's financial leverage and stability. A negative net debt-to-equity ratio means that the total of cash and cash equivalents exceeds interest-bearing liabilities.

**Return on Assets** – Net income (annual basis) divided by total assets (average). This ratio indicates how profitable a company is relative to its total assets. This also gives an idea as to how efficient management is at using its assets to generate earnings.

**Return on Equity** – Net income (annual basis) divided by total stockholders' equity (average). This ratio reveals how much profit a company earned in comparison to the total amount of shareholder equity found on the balance sheet. A business that has a high return on equity is more likely to be one that is capable of internally generating cash. For the most part, the company's return on equity is compared with the industry average. The company is considered superior if its return on equity is greater than the industry average.

**Solvency Ratio** – Net income excluding depreciation and non-cash provisions divided by total debt obligations. This ratio gauges a company's ability to meet its long-term obligations.

**Interest Rate Coverage Ratio** – Earnings before interest and taxes of one period divided by interest expense of the same period. This ratio determines how easily a company can pay interest on outstanding debt.

**Asset-to-Equity Ratio** – Total assets divided by total stockholders' equity. This ratio shows a company's leverage, the amount of debt used to finance the firm.

## FOREIGN EXCHANGE RATE VOLATILITY

EDC, which has a Philippine peso functional currency, has ₱2,807.5 million in long-term US dollar denominated loans as of March 31, 2024 which is 4.9% of the Group's total long-term loans.

EBWPC, a subsidiary of EDC, which has a US dollar functional currency, has ₱2,861.0 million in long-term Philippine peso denominated loans as of March 31, 2024 which is 5.0% of the Group's total long-term loans.

## OTHER DISCLOSURES

- (i) **Any events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation.**

There are no material changes in the contingent financial obligations since the last annual balance sheet date.

- (ii) **Any material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons created during the period.**

During the reporting period, there were no off-balance sheet transactions, arrangements and obligations with unconsolidated entities or persons.

- (iii) **Any known trends or any known demands, commitments, events or uncertainties that will result in or that are reasonably likely to result in the company's liquidity increasing or decreasing in any material way.**

During the reporting period, there were no known demands, commitments, events or uncertainties that will result in or that are reasonably likely to result in the Group's liquidity increasing or decreasing in any material way.

- (iv) **Any material commitments for capital expenditures, general purpose of such commitments, and the expected sources of funds for such expenditures should be described.**

As of March 31, 2024, the Group has unserved purchase orders and awarded contracts for capital expenditures amounting to ₱1,436.5 million.

- (v) **Any known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales or revenues or income from continuing operations should be described.**

The Group has sales to the WESM. These may be favorable or unfavorable depending on the spot market prices. Spot prices are mostly determined by the supply and demand situation prevailing in the market.

- (vi) **Any significant elements of income or loss that did not arise from the registrant's continuing operations.**

There were no significant elements of income or loss from continuing operations.

**(vii) Any seasonal aspects that had a material effect on the financial condition or results of operations.**

FG Hydro's sale of electricity is affected by seasonality or cyclicity of interim operations. For Burgos Wind, higher revenue and operating profits are expected in the first and last quarters of the year based on the wind generation profile of Burgos. Meanwhile, the solar projects are expected to generate higher revenues during the summer months.

**(viii) Any material events subsequent to the end of interim period that have not been reflected in the financial adjustments of the interim period.**

There were no material events subsequent to the end of interim period that have not been reflected in the financial adjustments of the interim period.

## PART II - OTHER INFORMATION

### Cash Dividends

No cash dividends have been declared for the period ended March 31, 2024.

### Major Stockholders

As of March 31, 2024, the total number of stockholders was 1,829. Public float level was at 0.11% (or 29.142136 common shares).

#### List of Top 20 Stockholders as of March 31, 2024

Rank	Name	Nationality	Number of Shares			Percentage
			Preferred	Common	Total	
1	Red Vulcan Holdings Corporation	Filipino	9,375	7,494.999999	16,869.999999	63.862%
2	Philippines Renewable Energy Holdings Corporation	Dutch	-	9,223.249810	9,223.249810	34.915%
3	First Gen Corporation	Filipino	-	148.910559	148.910559	0.564%
4	Northern Terracotta Power Corporation	Filipino	-	145.092918	145.092918	0.549%
5	Boston Common International Sustainable Climate Fund, LLC	American	-	2.820130	2.820130	0.011%
6	Ang Eng Seng	Singaporean	-	1.000001	1.000001	0.004%
7	Christopher Eu Sun Low	Malaysian	-	1.000001	1.000001	0.004%
8	David Andrew Baldwin	Australian	-	1.000001	1.000001	0.004%
9	Federico R. Lopez	Filipino	-	1.000001	1.000001	0.004%
10	Francis Giles B. Puno	Filipino	-	1.000001	1.000001	0.004%
11	Jerome H. Cainglet	Filipino	-	1.000001	1.000001	0.004%
12	Jonathan C. Russell	British	-	1.000001	1.000001	0.004%
13	Manuel I. Ayala	Filipino	-	1.000001	1.000001	0.004%
14	Richard B. Tantoco	Filipino	-	1.000001	1.000001	0.004%
15	Sebastian C. Quiniones, Jr.	Filipino	-	1.000001	1.000001	0.004%
16	Teresa Grace Socorro G. Lara	Filipino	-	1.000001	1.000001	0.004%
17	Elizabeth L. Bengzon	Filipino	-	0.956000	0.956000	0.004%
18	HSBC Manila OBO 000-596551-550	Others	-	0.933298	0.933298	0.004%
19	HSBC Manila OBO 000-599746-550	Others	-	0.849500	0.849500	0.003%
20	Deutsche Bank AG Manila OBO UBS LDN IPB SCA A/C 12107074001	Others	-	0.833827	0.833827	0.003%

## **Board of Directors**

As of March 31, 2024, the members of the Board of Directors of EDC are as follows:

Federico R. Lopez	Chairman of the Board
Francis Giles B. Puno	Vice-Chairman and Chief Executive Officer
Jerome H. Cainglet	Director, President and Chief Operating Officer
Richard B. Tantoco	Director
Jonathan C. Russell	Director
David Andrew Baldwin	Director
Christopher Low Eu Sun	Director
Ang Eng Seng	Director
Manuel I. Ayala	Independent Director
Sebastian C. Quiniones, Jr.	Independent Director
Teresa Grace Socorro G. Lara	Independent Director

## **Officers**

As of March 31, 2024, the officers of EDC are as follows:

Name	Position
Federico R. Lopez	Chairman of the Board
Francis Giles B. Puno	Vice Chairman and Chief Executive Officer
Jerome H. Cainglet	President and Chief Operating Officer
Victor Emmanuel B. Santos, Jr.	Executive Vice President and Regulatory Compliance Officer
Erwin O. Avante	Senior Vice President, Chief Financial Officer/Treasurer and Compliance Officer for SEC
Ma. Elizabeth D. Nasol	Senior Vice President and Head of Human Resource Management
Liberato S. Virata	Senior Vice President and Head of Facilities O&M
Jennifer Joy S. Santos	Chief Transformation Officer and Head of Transformation Office
Jay Joel L. Soriano	Vice President
Edwin H. Alcober	Vice President and Head of Production Optimization of Integrated Subsurface
James E. Jumawan	Vice President and Head of Execution of Integrated Subsurface
Maribel A. Manlapaz	Vice President and Head of Comptrollership
Marvin Kenneth S. Bailon	Vice President and Head of Business Development and International Business
Glenn L. Tee	Vice President, Chief Audit Executive and Head of Internal Audit
Jeffrey D. Junsay	Vice President, Head of Integrated Sub-Surface
Ryan Z. Velasco	Vice President, Corporate Information Officer and Head of Corporate Strategy and Planning
Miguel Lorenzo S. De Vera	Vice President and Head of New Business and Technologies
Gabriel S. Vergara	Vice President and Head of Enterprise Commercial
Joseph P. Guevarra	Assistant Vice President, Chief Risk Officer and Head of Risk and Insurance Management
Bernadette Ann V. Policarpio	Vice President, Corporate Secretary, Head of Legal and Regulatory Affairs and Legal Services Division
Ana Maria A. Katigbak-Lim	Assistant Corporate Secretary

**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 thereunto duly authorized.

Registrant

**ENERGY DEVELOPMENT CORPORATION**



ERWIN O. AVANTE  
Senior Vice President, Chief Financial Officer,  
Treasurer and Compliance Officer

May 9, 2024  
Date Signed

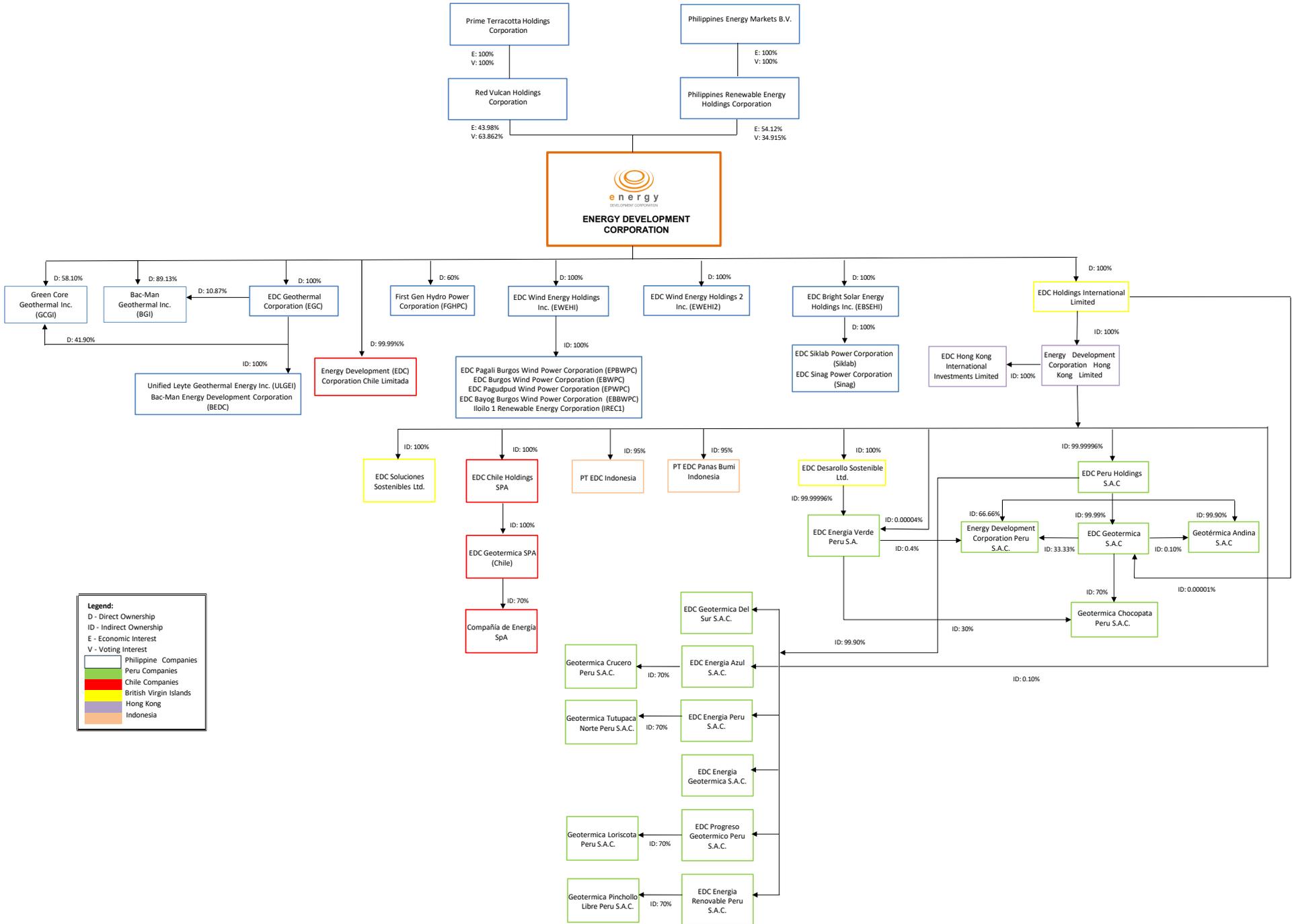
## SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS

### Energy Development Corporation and Subsidiaries

<b>Ratio</b>	<b>Formula</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Current ratio	Dividing total current assets over total current liabilities	1.33	1.68
Solvency ratio	Dividing net income excluding depreciation and non-cash provisions over total debt obligations	0.09	0.13
Debt-to-equity ratio	Dividing total interest-bearing debts over stockholders' equity	0.66	0.69
Asset-to-equity ratio	Dividing total assets over total stockholders' equity	1.96	1.93
Interest rate coverage ratio	Dividing earnings before interest and taxes of one period over interest expense of the same period	5.54	8.15
Net debt-to-equity Ratio	Dividing total interest-bearing debts less cash and cash equivalents over total stockholders' equity	0.42	0.41
Return on equity (%)	Dividing the net income (annual basis) by total stockholders' equity (average)	15.66%	17.73%
Return on assets (%)	Dividing the net income (annual basis) by the total assets (average)	8.03%	8.99%

# Ownership Structure of Energy Development Corporation

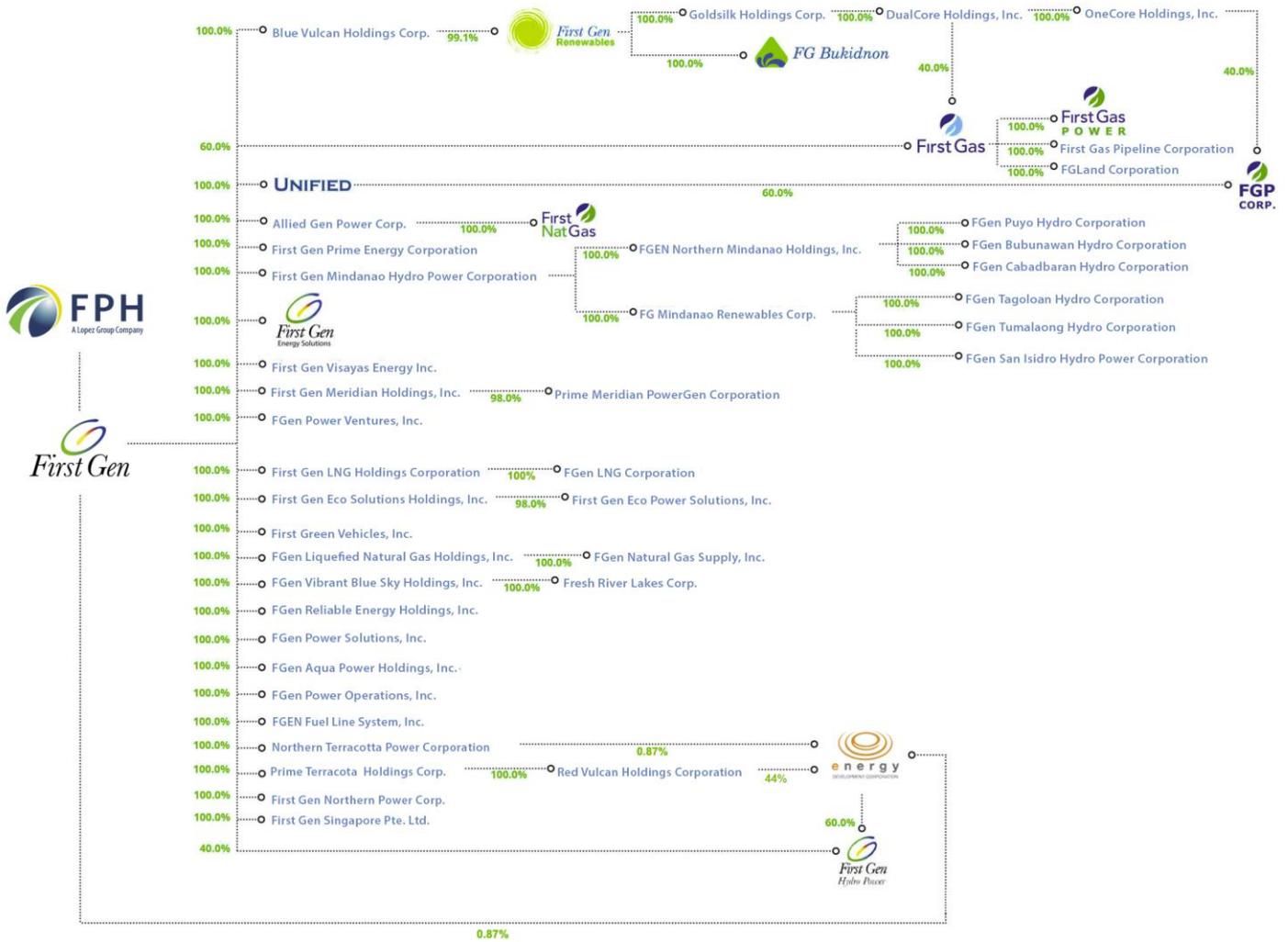
(As of March 31, 2024)



**Legend:**

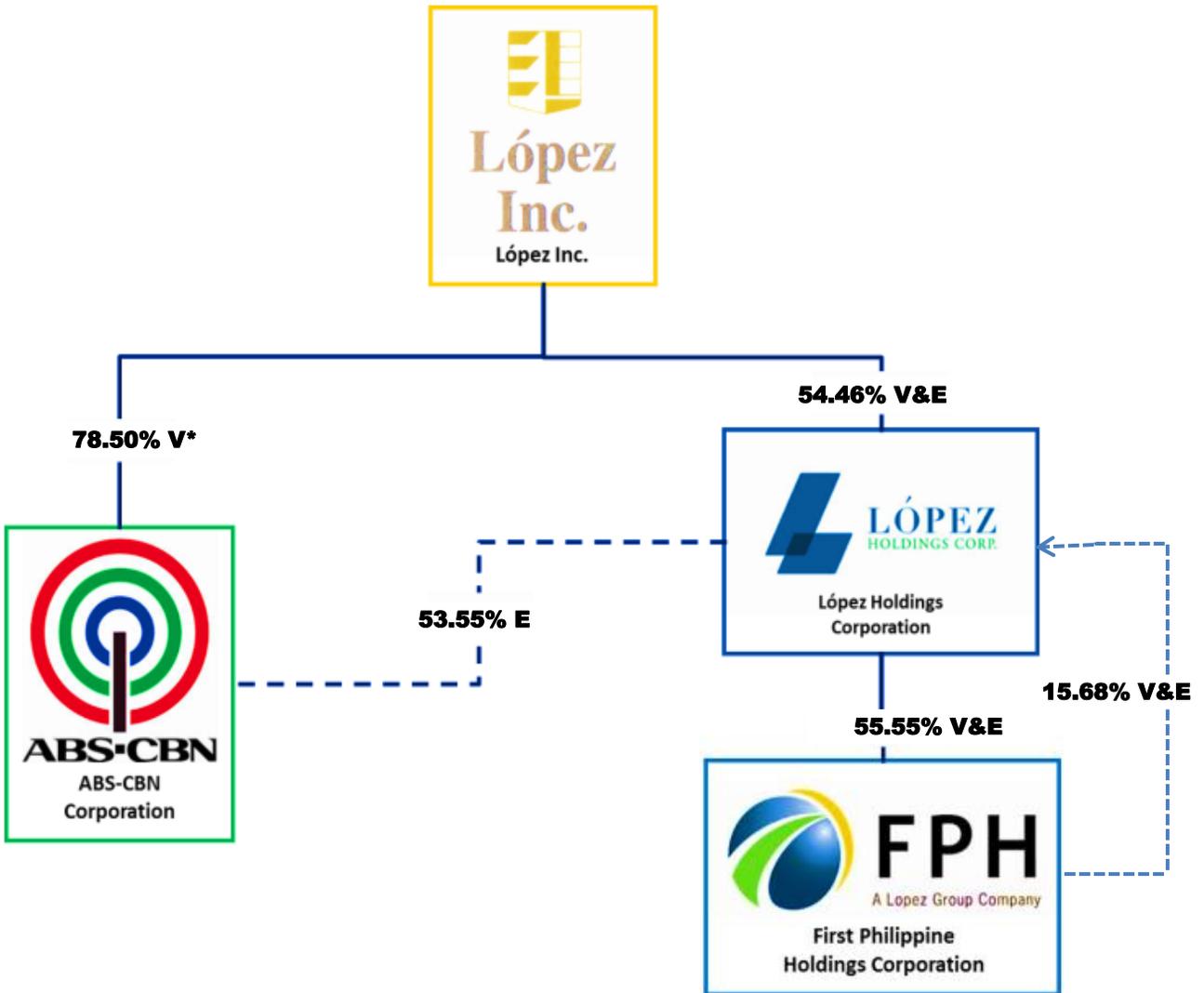
- D - Direct Ownership
- ID - Indirect Ownership
- E - Economic Interest
- V - Voting Interest

Philippine Companies
Peru Companies
Chile Companies
British Virgin Islands
Hong Kong
Indonesia



Corporate Structure  
is as of March 31, 2024

**LOPEZ HOLDINGS CORPORATION AND SUBSIDIARIES  
MAP OF RELATIONSHIP OF THE COMPANIES WITHIN THE GROUP  
MARCH 31, 2024**



\* voting rights include preferred shares



**FIRST PHILIPPINE HOLDINGS CORP. AND SUBSIDIARIES**  
**CORPORATE STRUCTURE**  
 March 31, 2024

\*15.68%


**FPH**  
 A Lopez Group Company  
 POWERED BY GOOD

55.55%  
**First Philippine Holdings**

**Power Generation**

67.84%  
**First Gen Corporation**



**Healthcare and Education**

78.86% **Asian Eye Institute, Inc.**  
  
 100% **PI Health Manufacturing and Distribution Services, Inc.**  
  
 100% **PI Health Inc.**  
  
 100% **First Industrial Science & Technology College, Inc.**  
  
 100% **The Medical Services of America (Philippines) Inc.**  


**Real Estate**

86.58%  
 **ROCKWELL LAND**  
 100% **Rockwell Integrated Property Services, Inc.**  
 100% **Rockwell Primaries Development Corporation**  
     100% **Rockwell Primaries South Development Corp.**  
 100% **Stonewell Property Development Corporation**  
 100% **Rockwell Performing Arts Theater Corp.**  
 74.67% **Rockwell Leisure Club, Inc.**  
 100% **Rockwell Hotels and Leisure Management Corp.** 50% **Rockwell IPI Retailscapes, Inc.** Development Corp.  
 80% **Rockwell MFA Corp.** 60% **Rockwell GMC Development Corp.**  
 70.0% **Rockwell Carmelray Development Corp.** 65.00% **Rockwell Nepo Development Corp.**  
 70.00% **First Philippine Industrial Park**  
 **First Philippine Industrial Park**  
 100% **FPIP Property Developers and Management Corporation**  
 **FPIP Utilities Incorporated** 100%  
 **Grand Batangas Resort Development Incorporated** 85.00%  
 **First Industrial Township, Inc.** 100%  
 **First Industrial Township Water, Inc.** 100%  
 **First Batangas Hotel Corp.** 57.7%

**Energy Solutions**

100% **First Philec**  
 100% **First Philippine Electric Corporation** 99.15% **Philippine Electric Corporation**  
  
 100% **First Philec, Inc.** Formerly (FPCOR) **First Philec Inc.**  
  
 100% **First Philippine Power Systems**  
  
 100% **First Philec Manufacturing Technologies Corporation**  
  
 89.04% **First Philec Solar Corporation**  
  
 100.00% **First Philec Energy Solutions, Inc.**  
 100% **First PV Ventures Corporation**  
 70.00% **First Philec Nexolon Corporation**  
  
 100% **FP Island Energy Corp.**  
  
 100% **PI Energy Inc.**  


**Construction**

100% **First Balfour, Inc.**  
  
 100% **ThermaPrime Drilling Corporation**  
  
 100% **Therma One Transport Corporation**  
  
 100% **Torreverde Corp.**  
  
 100% **First Balfour Management Technical Services, Inc.**  
 100% **Thermafina Towage, Inc.**

**Other Businesses**

30.00% **Panay Electric Company**  
  
 100% **First Philippine Realty Corporation**  
  
 66.92% **InfoPro Business Solutions Inc.**  
  
 98% **FPHC Realty and Development Corporation**  
  
 100% **First Philippine Industrial Corporation**  
  
 100% **First Philippine Utilities Corporation**  
 100% **Securities Transfer Services, Inc.**  
 100% **FPH Capital Resources Inc.**  
 100% **FPH Pi Ventures**  
 100% **FGHC International**  
 100% **FPH Fund**  
 100% **FPH Ventures**  
 100% **First Philippine Properties Corp.**  
 100% **FPH Land Ventures Inc.**  
 67% **TerraPrime, Inc.**  
  
 100% **First Industrial Township Utilities, Inc.**  
  
 100% **First Philippine Dev't Corp.**  
 100% **FWV Biofields Corp.**  
 60% **First Sumiden Realty, Inc.**  
 100% **Legacy Homes Inc.**

Energy Development Corporation  
*(A Subsidiary of Red Vulcan Holdings  
Corporation)*  
and Subsidiaries

Unaudited Interim Condensed Consolidated  
Financial Statements  
March 31, 2024  
(With Comparative Audited Figures as of  
December 31, 2023)  
and For the Three-Month Periods Ended  
March 31, 2024 and 2023

**ENERGY DEVELOPMENT CORPORATION**  
**(A Subsidiary of Red Vulcan Holdings Corporation)**  
**AND SUBSIDIARIES**

**UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF**  
**FINANCIAL POSITION**

As of March 31, 2024

(With Comparative Audited Figures as of December 31, 2023)

	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents (Notes 5 and 22)	<b>₱20,391,159,380</b>	₱17,421,012,635
Financial assets at fair value through profit or loss (Note 22)	<b>17,939,617</b>	17,745,812
Trade and other receivables (Notes 6 and 22)	<b>7,227,077,127</b>	6,886,560,258
Due from related parties (Notes 21 and 22)	<b>39,148,422</b>	41,709,163
Parts and supplies inventories (Note 7)	<b>9,536,284,450</b>	8,491,951,068
Derivative assets (Note 22)	<b>45,820,635</b>	34,333,755
Other current assets (Note 8)	<b>3,672,065,548</b>	6,141,840,185
Total Current Assets	<b>40,929,495,179</b>	39,035,152,876
<b>Noncurrent Assets</b>		
Property, plant and equipment (Note 9)	<b>114,652,942,088</b>	111,867,342,302
Goodwill and intangible assets (Note 10)	<b>3,392,112,654</b>	3,424,863,960
Exploration and evaluation assets	<b>2,223,639,894</b>	2,150,964,593
Deferred tax assets – net	<b>855,396,837</b>	875,533,081
Derivative assets - net of current portion (Note 22)	<b>311,580,310</b>	233,469,528
Financial assets at fair value through other comprehensive income (Note 22)	<b>306,384,944</b>	288,985,082
Other noncurrent assets (Notes 11 and 22)	<b>8,402,527,453</b>	8,376,824,110
Total Noncurrent Assets	<b>130,144,584,180</b>	127,217,982,656
<b>TOTAL ASSETS</b>	<b>₱171,074,079,359</b>	₱166,253,135,532
<b>LIABILITIES AND EQUITY</b>		
<b>Current Liabilities</b>		
Trade and other payables (Notes 12 and 22)	<b>₱19,481,350,988</b>	₱20,483,824,584
Due to related parties (Notes 21 and 22)	<b>2,831,854</b>	1,668,334
Income tax payable	<b>511,513,284</b>	218,892,879
Current portion of:		
Long-term debts (Notes 13 and 22)	<b>10,536,752,765</b>	8,964,648,449
Lease liability (Note 22)	<b>167,769,243</b>	166,254,090
Total Current Liabilities	<b>30,700,218,134</b>	29,835,288,336

(Forward)

	<b>March 31, 2024 (Unaudited)</b>	December 31, 2023 (Audited)
<b>Noncurrent Liabilities</b>		
Long-term debts - net of current portion (Notes 13 and 22)	<b>₱46,876,237,605</b>	₱46,769,771,820
Long term lease liability - net of current portion (Note 22)	<b>135,623,995</b>	157,640,912
Net retirement and other post-employment benefits	<b>2,693,493,330</b>	2,627,411,359
Deferred tax liabilities - net	<b>165,690,907</b>	134,863,515
Provisions and other long-term liabilities	<b>3,391,371,641</b>	3,355,342,655
Total Noncurrent Liabilities	<b>53,262,417,478</b>	53,045,030,261
Total Liabilities	<b>83,962,635,612</b>	82,880,318,597
<b>Equity</b>		
Equity attributable to equity holders of the Parent Company:		
Preferred stock	<b>93,750,000</b>	93,750,000
Common stock	<b>19,076,250,000</b>	19,076,250,000
Treasury stock	<b>(14,732,076,106)</b>	(14,730,745,981)
Additional paid-in capital	<b>8,715,108,001</b>	8,715,108,001
Equity reserve	<b>(3,706,430,769)</b>	(3,706,430,769)
Net accumulated unrealized gain on financial assets at fair value through other comprehensive income	<b>114,543,014</b>	100,286,395
Fair value adjustments on hedging transactions (Note 22)	<b>60,391,541</b>	(3,594,339)
Cumulative translation adjustments	<b>1,638,633,777</b>	1,593,080,261
Retained earnings:		
Unappropriated	<b>30,910,714,074</b>	26,051,220,323
Appropriated	<b>42,339,928,125</b>	43,795,570,045
	<b>84,510,811,657</b>	80,984,493,936
Non-controlling interests	<b>2,600,632,090</b>	2,388,322,999
Total Equity	<b>87,111,443,747</b>	83,372,816,935
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>₱171,074,079,359</b>	₱166,253,135,532

*See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statements.*

**ENERGY DEVELOPMENT CORPORATION**  
**(A Subsidiary of Red Vulcan Holdings Corporation)**  
**AND SUBSIDIARIES**

**UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF INCOME**

	<b>For the Three-Month Periods Ended March 31</b>	
	<b>2024</b>	<b>2023</b>
<b>REVENUE FROM SALE OF ELECTRICITY</b>	<b>₱11,441,630,946</b>	₱13,816,019,034
<b>COSTS OF SALE OF ELECTRICITY</b> (Note 14)	<b>(4,905,059,980)</b>	(5,978,041,948)
<b>GENERAL AND ADMINISTRATIVE EXPENSES</b> (Note 15)	<b>(1,819,214,248)</b>	(1,737,665,135)
<b>FINANCIAL INCOME (EXPENSES)</b>		
Interest expense (Notes 4 and 16)	<b>(878,448,253)</b>	(773,987,667)
Interest income (Notes 4 and 17)	<b>178,082,096</b>	151,922,913
	<b>(700,366,157)</b>	(622,064,754)
<b>OTHER INCOME (CHARGES)</b>		
Foreign exchange gains (losses) - net (Note 18)	<b>(15,519,164)</b>	25,395,208
Miscellaneous charges - net (Note 19)	<b>4,036,207</b>	(3,262,009)
	<b>(11,482,957)</b>	22,133,199
<b>INCOME BEFORE INCOME TAX</b>	<b>4,005,507,604</b>	5,500,380,396
<b>PROVISION FOR (BENEFIT FROM) INCOME TAX</b>		
Current	<b>364,456,064</b>	604,647,780
Deferred	<b>28,033,860</b>	(8,406,293)
	<b>392,489,924</b>	596,241,487
<b>NET INCOME</b>	<b>₱3,613,017,680</b>	₱4,904,138,909
<b>Net income attributable to:</b>		
Equity holders of the Parent Company	<b>₱3,400,708,589</b>	₱4,687,852,548
Non-controlling interests	<b>212,309,091</b>	216,286,361
	<b>₱3,613,017,680</b>	₱4,904,138,909
<b>Basic/Diluted Earnings Per Share</b> (Note 20)	<b>₱182,331.12</b>	₱0.275

*See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statements.*

**ENERGY DEVELOPMENT CORPORATION**  
**(A Subsidiary of Red Vulcan Holdings Corporation)**  
**AND SUBSIDIARIES**

**UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF  
COMPREHENSIVE INCOME**

	<b>For the Three-Month Periods Ended March 31</b>	
	<b>2024</b>	<b>2023</b>
<b>NET INCOME</b>	<b>₱3,613,017,680</b>	<b>₱4,904,138,909</b>
<b>OTHER COMPREHENSIVE INCOME (LOSS)</b>		
<i>Other comprehensive income (loss) to be reclassified to profit or loss in subsequent periods:</i>		
Fair value adjustments on hedging transactions, net of tax effect amounting to ₱379,578 in 2024 and ₱1,529,844 in 2023	<b>(1,532,688,720)</b>	547,800,397
Cumulative translation adjustments	<b>1,642,228,116</b>	(809,812,088)
Changes in fair value of debt instruments at fair value through other comprehensive income	<b>(643,970)</b>	6,859,095
<b>NET OTHER COMPREHENSIVE INCOME TO BE RECLASSIFIED TO PROFIT OR LOSS IN SUBSEQUENT PERIODS</b>	<b>108,895,426</b>	<b>(255,152,596)</b>
<i>Other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods:</i>		
Changes in fair value of equity instruments designated at fair value through other comprehensive income	<b>18,043,831</b>	5,516,745
<b>NET OTHER COMPREHENSIVE INCOME NOT TO BE RECLASSIFIED TO PROFIT OR LOSS IN SUBSEQUENT PERIODS</b>	<b>18,043,831</b>	<b>5,516,745</b>
<b>TOTAL OTHER COMPREHENSIVE INCOME (LOSS), NET OF TAX</b>	<b>126,939,257</b>	<b>(249,635,851)</b>
<b>TOTAL COMPREHENSIVE INCOME, NET OF TAX</b>	<b>₱3,739,956,937</b>	<b>₱4,654,503,058</b>
<b>Total comprehensive income attributable to:</b>		
Equity Holders of the Parent Company	<b>₱3,527,647,846</b>	₱4,438,216,697
Non-controlling interests	<b>212,309,091</b>	216,286,361
	<b>₱3,739,956,937</b>	<b>₱4,654,503,058</b>

*See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statements.*

**ENERGY DEVELOPMENT CORPORATION**  
**(A Subsidiary of Red Vulcan Holdings Corporation)**  
**AND SUBSIDIARIES**

**UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2024 AND 2023**

	Preferred Stock	Common Stock	Treasury Stock	Additional Paid-in Capital	Equity Reserve	Net Accumulated Unrealized Gain on Financial Assets at FVOCI	Fair Value Adjustments on Hedging Transactions	Cumulative Translation Adjustments	Unappropriated Retained Earnings	Appropriated Retained Earnings	Subtotal	Non-controlling Interests	Total Equity
<b>Balances, January 1, 2024</b>	<b>₱93,750,000</b>	<b>₱19,076,250,000</b>	<b>(₱14,730,745,981)</b>	<b>₱8,715,108,001</b>	<b>(₱3,706,430,769)</b>	<b>₱100,286,395</b>	<b>₱1,593,080,261</b>	<b>(₱3,594,339)</b>	<b>₱26,051,220,323</b>	<b>₱43,795,570,045</b>	<b>₱80,984,493,936</b>	<b>₱2,388,322,999</b>	<b>₱83,372,816,935</b>
Total comprehensive income													
Net income	-	-	-	-	-	-	-	-	3,400,708,589	-	3,400,708,589	212,309,091	3,613,017,680
Fair value adjustments on hedging transactions (Note 22)	-	-	-	-	-	-	(1,532,688,720)	-	-	-	(1,532,688,720)	-	(1,532,688,720)
Cumulative translation adjustments on foreign subsidiaries	-	-	-	-	-	-	-	1,642,228,116	-	-	1,642,228,116	-	1,642,228,116
Changes in fair value of equity instruments at FVOCI recognized in equity	-	-	-	-	-	18,043,831	-	-	-	-	18,043,831	-	18,043,831
Transfer of net accumulated unrealized gain on financial assets at FVOCI to retained earnings	-	-	-	-	-	(3,143,242)	-	-	3,143,242	-	-	-	-
Changes in fair value of debt instruments designated at FVOCI recognized in equity	-	-	-	-	-	(643,970)	-	-	-	-	(643,970)	-	(643,970)
<b>Total other comprehensive loss</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14,256,619</b>	<b>(1,532,688,720)</b>	<b>1,642,228,116</b>	<b>3,143,242</b>	<b>-</b>	<b>126,939,257</b>	<b>-</b>	<b>126,939,257</b>
Acquisition of treasury stock	-	-	(1,330,125)	-	-	14,256,619	(1,532,688,720)	1,642,228,116	3,403,851,831	-	3,527,647,846	212,309,091	3,739,956,937
Reversal of appropriation of retained earnings	-	-	-	-	-	-	-	-	1,455,641,920	(1,455,641,920)	-	-	-
<b>Balances, March 31, 2024</b>	<b>₱93,750,000</b>	<b>₱19,076,250,000</b>	<b>(₱14,732,076,106)</b>	<b>₱8,715,108,001</b>	<b>(₱3,706,430,769)</b>	<b>₱114,543,014</b>	<b>₱60,391,541</b>	<b>₱1,638,633,777</b>	<b>₱30,910,714,074</b>	<b>₱42,339,928,125</b>	<b>₱84,510,811,657</b>	<b>₱2,600,632,090</b>	<b>₱87,111,443,747</b>

See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statements.

	Preferred Stock	Common Stock	Treasury Stock	Additional Paid-in Capital	Equity Reserve	Net Accumulated Unrealized Gain on Financial Assets at FVOCI	Fair Value Adjustments on Hedging Transactions	Cumulative Translation Adjustments	Unappropriated Retained Earnings	Appropriated Retained Earnings	Subtotal	Non-controlling Interests	Total Equity
<b>Balances, January 1, 2023</b>	<b>₱93,750,000</b>	<b>₱19,076,250,000</b>	<b>(₱14,730,745,981)</b>	<b>₱8,715,108,001</b>	<b>(₱3,706,430,769)</b>	<b>₱70,143,690</b>	<b>₱72,138,661</b>	<b>₱1,678,432,949</b>	<b>₱24,774,924,243</b>	<b>₱37,261,489,718</b>	<b>₱73,305,060,512</b>	<b>₱2,272,433,564</b>	<b>₱75,577,494,076</b>
Total comprehensive income													
Net income	-	-	-	-	-	-	-	-	4,687,852,548	-	4,687,852,548	216,286,361	4,904,138,909
Fair value adjustments on hedging transactions (Note 22)	-	-	-	-	-	-	547,800,397	-	-	-	547,800,397	-	547,800,397
Cumulative translation adjustments on foreign subsidiaries (Note 19)	-	-	-	-	-	-	-	(809,812,088)	-	-	(809,812,088)	-	(809,812,088)
Changes in fair value of equity instruments at FVOCI recognized in equity	-	-	-	-	-	5,516,745	-	-	-	-	5,516,745	-	5,516,745
Changes in fair value of debt instruments designated at FVOCI recognized in equity	-	-	-	-	-	6,723,580	-	-	135,515	-	6,859,095	-	6,859,095
Total other comprehensive income	-	-	-	-	-	12,240,325	547,800,397	(809,812,088)	135,515	-	(249,635,851)	-	(249,635,851)
Reversal of appropriation of retained earnings	-	-	-	-	-	12,240,325	547,800,397	(809,812,088)	4,687,988,063	-	4,438,216,697	216,286,361	4,654,503,058
	-	-	-	-	-	-	-	-	790,641,920	(790,641,920)	-	-	-
<b>Balances, March 31, 2023</b>	<b>₱93,750,000</b>	<b>₱19,076,250,000</b>	<b>(₱14,730,745,981)</b>	<b>₱8,715,108,001</b>	<b>(₱3,706,430,769)</b>	<b>₱82,384,015</b>	<b>₱619,939,058</b>	<b>₱868,620,861</b>	<b>₱30,253,554,226</b>	<b>₱36,470,847,798</b>	<b>₱77,743,277,209</b>	<b>₱2,488,719,925</b>	<b>₱80,231,997,134</b>

See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statements.

**ENERGY DEVELOPMENT CORPORATION**  
**(A Subsidiary of Red Vulcan Holdings Corporation)**  
**AND SUBSIDIARIES**

**UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS**

	<b>For the Three-Month Periods Ended March 31</b>	
	<b>2024</b>	<b>2023</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income before income tax	<b>₱4,005,507,604</b>	₱5,500,380,396
Adjustments for:		
Depreciation and amortization (Notes 9, 10, 14 and 15)	<b>1,742,781,225</b>	1,713,978,525
Interest expense (Note 16)	<b>878,448,253</b>	773,987,667
Interest income (Note 17)	<b>(178,082,096)</b>	(151,922,913)
Impairment of goodwill and property plant and equipment	–	205,616,360
Change in net retirement and other post-employment benefits	<b>66,081,971</b>	65,420,231
Provisions for impairment of trade and other receivables, and prepaid taxes (Note 15)	<b>37,461,385</b>	48,129,913
Loss on disposal and retirement of property, plant and equipment	<b>2,823,144</b>	–
Provision for impairment of parts and supplies (Note 7 and 15)	<b>1,759,773</b>	59,418,901
Mark-to-market gain on financial assets at fair value through profit or loss (Note 19)	<b>(186,875)</b>	(661,113)
Unrealized foreign exchange gain - net (Note 18)	<b>(60,363)</b>	(15,152,725)
Realized losses (gains) from redemption of financial assets at fair value through profit or loss	<b>(6,929)</b>	7,754
Operating income before working capital changes	<b>6,556,527,092</b>	8,199,202,996
Decrease (Increase) in:		
Trade and other receivables	<b>(430,031,674)</b>	622,329,388
Due from a related party	<b>2,560,740</b>	3,119,099
Parts and supplies inventories	<b>(1,046,093,155)</b>	(528,044,798)
Other current assets	<b>2,719,894,903</b>	253,081,736
Increase (Decrease) in:		
Trade and other payables	<b>(1,157,654,570)</b>	(2,355,296,767)
Due to related parties	<b>1,163,520</b>	(31,728,100)
Provisions and other long-term liabilities	<b>37,789,933</b>	60,743,314
Cash generated from operations	<b>6,684,156,789</b>	6,223,406,868
Income taxes paid including creditable withholding taxes	<b>(321,955,925)</b>	(560,141,754)
Net cash flows from operating activities	<b>6,362,200,864</b>	5,663,265,114
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisitions of property, plant and equipment (Note 9)	<b>(4,290,252,223)</b>	(2,770,223,968)
Interest received	<b>230,135,515</b>	169,749,748
Proceeds from sale of property, plant and equipment	<b>1,435,512</b>	401,754
Proceeds redemption of financial assets at FVPL	–	–
Proceeds from disposal of financial assets at FVOCI	<b>102,000,000</b>	35,000,000
Acquisition of financial assets at FVPL	–	(50,000,000)
Acquisition of financial assets at FVOCI	<b>(102,000,000)</b>	–
Decrease (Increase) in:		
Exploration and evaluation assets	<b>(92,478,558)</b>	(26,150,495)
Intangible assets	<b>(576,065)</b>	(3,539,325)
Other noncurrent assets	<b>(24,892,444)</b>	(122,449,205)
Net cash flows used in investing activities	<b>(4,176,628,263)</b>	(2,767,211,491)

(Forward)

	<b>Ended March 31</b>	
	<b>2024</b>	2023
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Payments of:		
Long term debt	<b>(P1,455,641,920)</b>	(P786,000,885)
Lease liability	<b>(25,263,619)</b>	(30,235,483)
Purchase of treasury stock	<b>(1,330,125)</b>	–
Interest and other financing charges	<b>(769,112,384)</b>	(474,588,789)
Proceeds from availment of long-term debts - net of transaction cost	<b>2,976,587,748</b>	2,977,500,000
Net cash flows from (used in) in financing activities	<b>725,239,700</b>	1,686,674,843
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>2,910,812,301</b>	4,582,728,466
<b>EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS</b>	<b>59,334,444</b>	(72,181,751)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	<b>17,421,012,635</b>	17,597,790,076
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b> (Notes 5 and 22)	<b>P20,391,159,380</b>	P22,108,336,791

*See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statements.*

**ENERGY DEVELOPMENT CORPORATION**  
(A Subsidiary of Red Vulcan Holdings Corporation)  
**AND SUBSIDIARIES**

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**NOTES TO UNAUDITED INTERIM CONDENSED CONSOLIDATED  
FINANCIAL STATEMENTS**

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**1. Corporate Information**

General

Energy Development Corporation (the “Parent Company” or “EDC”) was incorporated in the Philippines and registered with the Philippine Securities and Exchange Commission (SEC) on March 5, 1976.

The Parent Company and its subsidiaries (collectively referred to as the “Group”) are primarily engaged in the business of exploring, developing and operating geothermal energy and other indigenous renewable energy projects in the Philippines.

Red Vulcan is the parent company of EDC, while Lopez, Inc. is the ultimate parent company.

Red Vulcan and Lopez, Inc. are both incorporated in the Philippines.

As of March 31, 2024, Red Vulcan holds the controlling voting interest with 63.9% ownership of EDC’s outstanding voting shares while Philippines Renewable Energy Holdings Corp. (PREHC) owns 34.9%.

Principal Office Address

The registered principal office address of the Parent Company is Rockwell Business Center Tower 3, Ortigas Avenue, Pasig City, Philippines.

Authorization for Issuance of the Unaudited Interim Condensed Consolidated Financial Statements

The unaudited interim condensed consolidated financial statements were reviewed, approved and authorized for issuance by the Board of Directors (Board) thru the Audit and Governance Committee on May 9, 2024.

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**2. Basis of Preparation**

The unaudited interim condensed consolidated financial statements of the Group as of March 31, 2024 and for the three-month periods ended March 31, 2024 and 2023 have been prepared in accordance with Philippine Accounting Standard (PAS) 34, *Interim Financial Reporting*. The unaudited interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual financial statements as at December 31, 2023.

The unaudited interim condensed consolidated financial statements have been prepared on a historical cost basis, except for the financial assets at fair value through profit or loss (FVPL), derivative instruments and financial asset at fair value through other comprehensive income (FVOCI) that are measured at fair value. The unaudited interim condensed consolidated financial statements are presented in Philippine peso (₱), which is the Parent Company’s functional currency. All values are rounded to the nearest peso, except when otherwise indicated.

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### 3. Summary of Significant Accounting Policies

The accounting policies adopted in the preparation of the unaudited interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements as of and for the year ended December 31, 2023, except for the adoption of new standards effective as of January 1, 2024.

The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Several amendments apply for the first time in 2024, but do not have an impact on the unaudited interim condensed consolidated financial statements of the Group.

- Amendments to PAS 1, *Classification of Liabilities as Current or Non-current*

The amendments clarify:

- That only covenants with which an entity must comply on or before reporting date will affect a liability's classification as current or non-current.
- That classification is unaffected by the likelihood that an entity will exercise its deferral right.
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

The amendments are effective for annual reporting periods beginning on or after January 1, 2024 and must be applied retrospectively.

The Group is currently assessing the impact the amendments will have on current practice and whether existing loan agreements may require renegotiation.

- Amendments to PFRS 16, *Lease Liability in a Sale and Leaseback*

The amendments specify how a seller-lessee measures the lease liability arising in a sale and leaseback transaction in a way that it does not recognize any amount of the gain or loss that relates to the right of use retained.

The amendments are effective for annual reporting periods beginning on or after January 1, 2024 and must be applied retrospectively.

- Amendments to PAS 7 and PFRS 7, *Disclosures: Supplier Finance Arrangements*

The amendments specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The amendments are effective for annual reporting periods beginning on or after January 1, 2024.

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### 4. Operating Segment Information

The Group's operating segments are determined based on geographical segment, with each segment representing a strategic business location that has similar economic and political conditions, proximity of operations and specific risks associated with operations in a particular area.

The Group's identified reportable segments below are consistent with the segments reported to the Board, which is the Chief Operating Decision Maker (CODM) of the Group:

- a. Leyte Geothermal Facilities - This segment pertains to Leyte Geothermal Production Field and Power Plants. This includes projects in Tongonan, Mahanagdong, Upper Mahiao, Malitbog, Unified Leyte Geothermal Energy, Inc. (ULGEI) and other projects in Leyte Province.
- b. Negros Island Geothermal Facility - This segment refers to Southern Negros Geothermal Production Field and Power Plants. Power plants included in Negros are Palinpinon I, Palinpinon II and Nasulo.
- c. Bacon-Manito Geothermal Facility - This segment relates to Bacon-Manito Geothermal Production Field and Power Plants.
- d. Mt. Apo Geothermal Business Facility - This segment refers to Mt. Apo Geothermal Production Field and Power Plants.
- e. Pantabangan/Masiway - This segment relates to Pantabangan-Masiway hydroelectric complex located in Nueva Ecija Province.
- f. Wind Business Facility - This segment pertains to wind project commercially operating in Northern Luzon.
- g. Solar Business Facility - This segment pertains to solar projects commercially operating in Northern Luzon and Visayas.
- h. Others - This refers to other renewable energy projects including foreign investments and Head Office of the Group.

Management monitors the operating results of the business segments separately for the purpose of making decisions about resources to be allocated and of assessing performance. Finance costs, finance income, income taxes and other charges and income are managed on a group basis.

Segment performance is evaluated based on net income for the period and earnings before interest, taxes, and depreciation and amortization (EBITDA). Net income for the period is measured consistent with consolidated net income reported in the unaudited interim condensed consolidated financial statements. EBITDA is calculated as revenue from sale of electricity minus costs of sale of electricity and general and administrative expenses, excluding non-cash items such as depreciation and amortization, impairment losses on non-financial assets, and loss on disposal of property, plant and equipment, among others.





The following table shows the Group's reconciliation of EBITDA to the consolidated net income for the three-month periods ended March 31, 2024 and 2023:

	<b>March 31, 2024 (Unaudited)</b>	March 31, 2023 (Unaudited)
EBITDA	<b>₱6,499,359,101</b>	₱8,127,455,650
Add (deduct):		
Depreciation and amortization (Notes 9, 10, 14 and 15)	<b>(1,742,781,225)</b>	(1,713,978,525)
Interest expense (Note 16)	<b>(878,448,253)</b>	(773,987,667)
Provision for income tax	<b>(392,489,924)</b>	(596,241,487)
Interest income (Note 17)	<b>178,082,096</b>	151,922,913
Provision for impairment of trade and other receivables, and prepaid taxes (Note 15)	<b>(37,461,385)</b>	(48,129,913)
Provision for impairment of goodwill (Note 10)	-	(205,616,360)
Provision for impairment of parts and supplies inventories (Note 15)	<b>(1,759,773)</b>	(59,418,901)
Foreign exchange losses - net (Note 18)	<b>(15,519,164)</b>	25,395,208
Miscellaneous income (charges) - net (Note 19)	<b>4,036,207</b>	(3,262,009)
<b>Consolidated net income</b>	<b>₱3,613,017,680</b>	₱4,904,138,909

In the normal course of business, entities within the Group engage in intercompany sale and purchase of steam and electricity. Intersegment revenues are all eliminated in consolidation. Segment information is measured in conformity with the accounting policies adopted for preparing and presenting the consolidated financial statements. Intersegment revenues are made at normal commercial terms and conditions.

Unallocated expenses pertain to expenses of the corporate, technical and administrative support groups while unallocated corporate assets and liabilities which include among others certain cash and cash equivalents, property, plant and equipment, parts and supplies inventories, trade and other payables and retirement and post-employment benefits, pertain to the Head Office and are managed on a group basis.

## 5. Cash and Cash Equivalents

	<b>March 31, 2024 (Unaudited)</b>	December 31, 2023 (Audited)
Cash on hand and in banks	<b>₱9,220,633,247</b>	₱5,727,422,112
Cash equivalents	<b>11,170,526,133</b>	11,693,590,523
	<b>₱20,391,159,380</b>	₱17,421,012,635

Cash in banks earn interest at the respective bank deposit rates. Cash equivalents consist of money market placements, which are made for varying periods of up to three (3) months depending on the immediate cash requirements of the Group.

## 6. Trade and Other Receivables

	<b>March 31, 2024 (Unaudited)</b>	December 31, 2023 (Audited)
Trade receivable:		
Third parties	<b>₱7,283,538,442</b>	₱6,805,568,984
Related parties (Note 22)	<b>156,665,353</b>	132,724,064
	<b>7,440,203,795</b>	6,938,293,048
Others:		
Non-trade accounts receivable	<b>755,024,753</b>	974,796,042
Advances to employees	<b>56,583,186</b>	51,985,748
Loans and notes receivables	<b>39,772,462</b>	45,345,974
	<b>851,380,401</b>	1,072,127,764
	<b>8,291,584,196</b>	8,010,420,812
Less allowance for doubtful accounts	<b>1,064,507,069</b>	1,123,860,554
	<b>₱7,227,077,127</b>	₱6,886,560,258

Trade receivables are noninterest-bearing and are generally collectible in 30 to 60 days. Non-trade receivables are non-interest-bearing and include receivable accrued interest and other receivables arising from transactions not in the usual course of the Group's business.

## 7. Parts and Supplies Inventories

	<b>March 31, 2024 (Unaudited)</b>	December 31, 2023 (Audited)
Parts and supplies inventories:		
At Cost	<b>₱7,710,294,247</b>	₱6,919,246,902
At NRV	<b>1,825,990,203</b>	1,572,704,166
	<b>₱9,536,284,450</b>	₱8,491,951,068

Allowance for inventory obsolescence:

	<b>March 31, 2024 (Unaudited)</b>	December 31, 2023 (Audited)
Balance at beginning of year	<b>₱548,948,904</b>	₱618,722,774
Provision for (reversal of) impairment (Note 15)	<b>1,759,773</b>	(69,773,870)
Balance at end of year	<b>₱550,708,677</b>	₱548,948,904

Parts and supplies inventories include items that are carried at net realizable value amounting to ₱1,826.0 million and ₱1,572.7 million as of March 31, 2024 and December 31, 2023, respectively, and have costs amounting ₱2,095.8 million and ₱2,121.6 million, respectively. The rest of the parts and supplies inventories are carried at cost.

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8. Other Current Assets

	<b>March 31, 2024 (Unaudited)</b>	December 31, 2023 (Audited)
Short-term investments	<b>₱200,000,000</b>	₱3,360,111,078
Advances to suppliers	<b>949,913,190</b>	203,235,922
Creditable withholding taxes	<b>1,087,287,966</b>	837,167,700
Prepaid expenses	<b>962,999,593</b>	1,244,244,132
Deposits and special funds	<b>284,446,071</b>	300,757,961
Others	<b>187,418,728</b>	196,323,392
	<b>₱3,672,065,548</b>	₱6,141,840,185

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Short-term investments consist of money market securities with maturity of more than three (3) months but less than 12 months.

Advances to suppliers pertains mainly to the advances made by the Group for the purchase of parts and supplies, and other goods and services.

Deposits and special funds include deposits to distribution utilities as required under the Distribution Wheeling Service Agreements (DWSAs) and cash held in escrow accounts of the Group as required under the retail supply contracts (RSCs) and green energy option program supply contracts (GEOPSCs).

## 9. Property, Plant and Equipment

March 31, 2024 (Unaudited)											
	Land	Power Plants	FCRS and Production Wells	Buildings, Improvements and Other Structures	Exploration, Machinery and Equipment	Transportation Equipment	Furniture, Fixtures and Equipment	Laboratory Equipment	Right of Use of Assets - Buildings, Improvements and Other Structures	Construction in Progress	Total
<b>Cost</b>											
Balances at January 1	P924,376,722	P81,792,942,402	P62,159,253,249	P9,395,220,817	P3,706,527,124	P193,653,477	P1,847,771,686	P1,090,950,911	P781,128,980	P29,665,109,520	P191,556,934,888
Additions	41,901,531	5,025,052	—	—	11,400,087	2,292,523	14,335,968	6,218,670	1,028,306	4,209,078,392	4,291,280,529
Disposals/retirements	—	—	—	—	(103,210,005)	(644,393)	(2,315,691)	—	—	—	(106,170,089)
Reclassifications/adjustments	—	264,436,623	1,748,366,332	98,581,733	8,270,245	(1,273,300)	2,801,585	(28,593,472)	88,789,759	(2,181,424,766)	(45,261)
Foreign exchange adjustments	—	312,440,567	—	21,012,657	67,527	(42,120)	(250,527)	51,822	2,811,751	2,203,354	338,295,031
Balances at March 31	966,278,253	82,374,844,644	63,907,619,581	9,514,815,207	3,623,054,978	193,986,187	1,862,343,021	1,068,627,931	873,758,796	31,694,966,500	196,080,295,098
<b>Accumulated Depreciation, Amortization and Impairment</b>											
Balances at January 1	17,627,581	45,234,376,916	23,480,026,567	4,800,721,596	3,073,085,096	103,933,286	1,601,002,372	821,205,572	415,750,374	141,863,226	79,689,592,586
Depreciation and amortization (Notes 14 and 15)	—	928,897,112	537,985,518	115,252,076	25,307,852	6,526,173	36,052,702	29,118,581	33,572,274	—	1,712,712,288
Disposals/retirements	—	—	—	—	(99,597,047)	(32,220)	(2,282,166)	—	—	—	(101,911,433)
Reclassifications/adjustments	—	(1,138,242)	—	1,550,150	13,401	(1,273,300)	—	—	(417,245)	—	(1,265,236)
Foreign exchange adjustments	—	114,880,493	—	10,831,264	(647,868)	(42,120)	(304,634)	24,983	597,773	2,884,914	128,224,805
Balances at March 31	17,627,581	46,277,016,279	24,018,012,085	4,928,355,086	2,998,161,434	109,111,819	1,634,468,274	850,349,136	449,503,176	144,748,140	81,427,353,010
<b>Net Book Value</b>	<b>P948,650,672</b>	<b>P36,097,828,365</b>	<b>P39,889,607,496</b>	<b>P4,586,460,121</b>	<b>P624,893,544</b>	<b>P84,874,368</b>	<b>P227,874,747</b>	<b>P218,278,795</b>	<b>P424,255,620</b>	<b>P31,550,218,360</b>	<b>P114,652,942,088</b>

December 31, 2023 (Audited)											
	Land	Power Plants	FCRS and Production Wells	Buildings, Improvements and Other Structures	Exploration, Machinery and Equipment	Transportation Equipment	Furniture, Fixtures and Equipment	Laboratory Equipment	Right of Use of Assets - Buildings, Improvements and Other Structures	Construction in Progress	Total
<b>Cost</b>											
Balances at January 1	P881,311,175	P80,698,073,760	P58,067,215,102	P9,056,798,123	P3,598,942,574	P166,859,435	P1,646,987,358	P896,774,039	P749,782,809	P17,840,990,917	P173,603,735,292
Additions	43,065,547	22,765,701	—	6,116,627	94,711,812	41,388,378	167,108,863	198,269,604	29,340,646	17,518,339,972	18,121,107,150
Disposals/retirements	—	(36,993,692)	—	(13,048,599)	(32,440,084)	(14,594,336)	(31,803,827)	(164,547)	—	—	(129,045,085)
Reclassifications/adjustments	—	1,251,296,316	4,092,038,147	353,752,858	43,526,952	—	65,201,943	(3,907,579)	3,134,211	(5,697,477,873)	107,564,975
Foreign exchange adjustments	—	(142,199,683)	—	(8,398,192)	1,785,870	—	277,349	(20,606)	(1,128,686)	3,256,504	(146,427,444)
Balances at December 31	924,376,722	81,792,942,402	62,159,253,249	9,395,220,817	3,706,527,124	193,653,477	1,847,771,686	1,090,950,911	781,128,980	29,665,109,520	191,556,934,888
<b>Accumulated Depreciation, Amortization and Impairment</b>											
Balances at January 1	17,627,581	41,238,852,995	21,411,687,783	4,325,075,887	2,974,121,088	93,558,888	1,543,722,726	746,834,663	299,989,683	23,322,433	72,674,793,727
Depreciation and amortization (Notes 14 and 15)	—	4,096,876,588	2,068,338,784	480,637,573	117,451,006	22,311,724	88,408,535	74,524,025	116,725,245	—	7,065,273,480
Disposals/retirements	—	(36,993,687)	—	(9,752,599)	(29,387,304)	(11,937,326)	(30,846,756)	(142,146)	—	—	(119,059,818)
Impairment	—	—	—	—	666,085	—	—	—	—	116,918,361	117,584,446
Reclassifications	—	(8,052,542)	—	8,050,516	9,532,270	—	2,026	—	—	—	9,532,270
Foreign exchange adjustments	—	(56,306,438)	—	(3,289,781)	701,951	—	(284,159)	(10,970)	(964,554)	1,622,432	(58,531,519)
Balances at December 31	17,627,581	45,234,376,916	23,480,026,567	4,800,721,596	3,073,085,096	103,933,286	1,601,002,372	821,205,572	415,750,374	141,863,226	79,689,592,586
<b>Net Book Value</b>	<b>P906,749,141</b>	<b>P36,558,565,486</b>	<b>P38,679,226,682</b>	<b>P4,594,499,221</b>	<b>P633,442,028</b>	<b>P89,720,191</b>	<b>P246,769,314</b>	<b>P269,745,339</b>	<b>P365,378,606</b>	<b>P29,523,246,294</b>	<b>P111,867,342,302</b>

Estimated Rehabilitation and Restoration Costs

FCRS and production wells include the estimated rehabilitation and restoration costs of the Group's steam fields and power plants' contract areas at the end of the contract period. These were based on technical estimates of probable costs, which may be incurred by the Group in the rehabilitation and restoration of the said steam fields and power plants' contract areas, using a risk-free discount rate and adjusted the cash flows to settle the provision.

Also, the Group has recorded provision for asset retirement obligation relating to the removal and disposal of all wind farm materials, equipment and facilities from the contract areas at the end of contract period. The amount of provision was recorded as part of the costs of power plants.

Depreciation and Amortization

Details of depreciation and amortization charges recognized in the unaudited interim consolidated statements of income are shown below:

	<b>March 31, 2024 (Unaudited)</b>	March 31, 2023 (Unaudited)
Property, plant and equipment	<b>₱1,712,712,288</b>	₱1,665,613,409
Intangible assets (Note 10)	<b>32,516,473</b>	48,365,116
Capitalized depreciation	<b>(2,447,536)</b>	-
	<b>₱1,742,781,225</b>	₱1,713,978,525
Costs of sales of electricity (Note 14)	<b>₱1,645,570,801</b>	₱1,641,044,261
General and administrative (Note 15)	<b>97,210,424</b>	72,934,264
	<b>₱1,742,781,225</b>	₱1,713,978,525

Reclassification

The reclassifications in the cost of property, plant and equipment include adjustments to the provision for rehabilitation and restoration costs amounting to ₱8.9 million and ₱103.4 million in period ended March 31, 2024 and December 31, 2023 respectively. Other reclassifications were due to the results of reassessment made by the Group on the nature of the assets.

**10. Goodwill and Intangible Assets**

	<b>March 31, 2024 (Unaudited)</b>			<b>Total</b>
	<b>Goodwill</b>	<b>Water Rights</b>	<b>Other Intangible Assets</b>	
<b>Cost</b>				
Balances at January 1	<b>₱2,676,889,008</b>	<b>₱2,404,778,918</b>	<b>₱819,978,111</b>	<b>₱5,901,646,037</b>
Additions	-	-	<b>576,066</b>	<b>576,066</b>
Balances at March 31	<b>2,676,889,008</b>	<b>2,404,778,918</b>	<b>820,554,177</b>	<b>5,902,222,103</b>
<b>Accumulated Amortization and Allowance for Impairment</b>				
Balances at January 1	<b>₱141,837,475</b>	<b>₱1,647,273,561</b>	<b>₱687,671,041</b>	<b>₱2,476,782,077</b>
Amortization	-	<b>24,047,790</b>	<b>8,468,683</b>	<b>32,516,473</b>
Reclassification/adjustments	-	-	<b>810,899</b>	<b>810,899</b>
Balances at March 31	<b>141,837,475</b>	<b>1,671,321,351</b>	<b>696,950,623</b>	<b>2,510,109,449</b>
<b>Net Book Value</b>	<b>₱2,535,051,533</b>	<b>₱733,457,567</b>	<b>₱123,603,554</b>	<b>₱3,392,112,654</b>

	December 31, 2023 (Audited)			
	Goodwill	Water Rights	Other Intangible Assets	Total
<b>Cost</b>				
<b>Balances at January 1</b>	₱2,679,045,019	₱2,404,778,918	₱749,359,167	₱5,833,183,104
Additions	-	-	70,618,944	70,618,944
Foreign exchange translation adjustment	(2,156,011)	-	-	(2,156,011)
<b>Balances at December 31</b>	2,676,889,008	2,404,778,918	819,978,111	5,901,646,037
<b>Accumulated Amortization and Allowance for Impairment</b>				
<b>Balances at January 1</b>	55,999,570	1,551,082,404	593,986,098	2,201,068,072
Amortization	-	96,191,157	92,284,944	188,476,101
Impairment/adjustments	85,837,905	-	1,399,999	87,237,904
<b>Balances at December 31</b>	141,837,475	1,647,273,561	687,671,041	2,476,782,077
<b>Net Book Value</b>	₱2,535,051,533	₱757,505,357	₱132,307,070	₱3,424,863,960

Water rights are amortized using the straight-line method over 25 years, which is the term of the agreement with National Irrigation Administration. The remaining amortization period of water rights is 7.65 years and 7.90 years as of March 31, 2024 and December 31, 2023, respectively.

Other intangible assets pertain to the Group's computer software and licenses.

## 11. Other Noncurrent Assets

	<b>March 31, 2024 (Unaudited)</b>	December 31, 2023 (Audited)
Prepaid taxes	<b>₱6,355,669,384</b>	₱5,884,341,462
Long-term receivables and special deposits	<b>1,979,350,753</b>	1,922,986,502
Advances to contractors	<b>300,377,571</b>	651,512,675
Deposits and special funds	<b>21,837,616</b>	21,837,616
Prepaid expenses - net of current portion	<b>44,731,076</b>	18,828,779
Others	<b>1,165,155,745</b>	1,240,510,419
	<b>9,867,122,145</b>	9,740,017,453
Less allowance for impairment	<b>1,464,594,692</b>	1,363,193,343
	<b>₱8,402,527,453</b>	₱8,376,824,110

Long-term receivables include receivable from TransCo arising from FIT rate adjustments.

Others include capital expenditures funding made by the Group to Enerco amounting to ₱1,136.3 million and ₱1,225.3 million as of March 31, 2024 and December 31, 2023, respectively.

The Group's continued participation in the Mariposa project is subject to positive results being obtained from resource assessment studies to be conducted by the Group for the project.

## 12. Trade and Other Payables

	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)
Trade payables:		
Third parties	₱12,019,269,272	₱12,656,386,583
Related parties (Note 22)	3,345,303,127	3,948,085,516
	<b>15,364,572,399</b>	16,604,472,099
Others:		
Accrued interest on long-term debts	680,753,875	624,810,038
Withholding and other taxes payable	443,740,146	600,261,686
Government share payable	79,642,194	54,725,380
SSS and other contributions payable	43,894,790	37,268,089
Dividends payable	10,904,712	10,904,712
Other payables	2,857,842,872	2,551,382,580
	<b>4,116,778,589</b>	3,879,352,485
	<b>₱19,481,350,988</b>	₱20,483,824,584

Trade payables are noninterest-bearing and are normally settled on a 30 to 60 days term.

The accrued interest represents interest accrual on outstanding loans.

“Other payables” account includes provision for shortfall generation amounting to ₱1,591.8 million and ₱1,581.2 million as of March 31, 2024 and December 31, 2023. Other payables also include deferred output VAT and other accruals.

## 13. Long-term Debts

The details of the Group’s long-term debts are as follows:

Creditor/Project	Maturities	Interest Rate	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)
<b>EDC Loans</b>				
<b>International Finance Corporation (IFC)</b>				
▪ IFC 2 - ₱3.3 Billion	October 15, 2025	4.68% from April 16, 2021 until maturity	489,830,976	487,095,849
▪ IFC 3 - ₱4.8 Billion	March 15, 2033	7.8048%	2,944,401,772	3,108,177,056
<b>DBP ₱291.2 Million Term Loan</b>	December 17, 2030	5.50%	156,242,117	156,204,404
<b>UBP ₱1.5 Billion Term Loan</b>	December 5, 2026	5.25%	1,048,458,188	1,048,266,929
<b>SBC ₱1.0 Billion Term Loan</b>	December 5, 2031	5.5788%	786,726,977	786,597,512
<b>UBP ₱2.0 Billion Term Loan</b>	April 10, 2032	5.4382%	1,129,296,062	1,129,073,584
<b>SBC ₱3.0 Billion Term Loan</b>	May 4, 2027	5.3166%	1,257,583,537	1,257,232,640
<b>SBC ₱1.0 Billion Term Loan</b>	May 4, 2032	5.4277%	564,609,714	564,495,302
<b>BPI ₱1.0 Billion Term Loan</b>	June 1, 2027	5.2059%	419,302,579	419,205,493
<b>SBC ₱500.0 Million Term Loan</b>	May 4, 2032	5.4904%	282,286,421	282,229,602
<b>BPI</b>				
▪ ₱3.0 Billion Term Loan	April 15, 2030	5.1323%	2,240,438,692	2,239,727,144
▪ ₱3.0 Billion Term Loan	April 15, 2030	3.56%	2,240,191,327	2,239,447,752

(Forward)

<b>Creditor/Project</b>	<b>Maturities</b>	<b>Interest Rate</b>	<b>March 31, 2024 (Unaudited)</b>	<b>December 31, 2023 (Audited)</b>
<b>BDO</b>				
▪ P4.5 Billion Loan	September 10, 2030	4.25% until next repricing date in September 2025	<b>3,230,892,466</b>	3,499,257,133
▪ P2.0 Billion Loan	September 10, 2030	4.25% until next repricing date in September 2025	<b>1,435,237,459</b>	1,554,454,251
<b>Fixed Rate ASEAN Green Bonds</b>				
• Series A	June 25, 2024	2.8565%	<b>2,497,302,425</b>	2,494,412,166
• Series B	June 25, 2026	3.7305%	<b>2,483,735,991</b>	2,481,995,667
<b>US\$50 Million Mizuho Loan</b>	March 24, 2027	6.34578% until next repricing date in September 2024	<b>2,807,495,041</b>	2,763,484,308
<b>BPI</b>				
• P2.0 Billion Term Loan	March 21, 2032	8.00% until next repricing date in September 2024	<b>1,795,271,712</b>	1,895,021,866
• P2.0 Billion Term Loan	March 21, 2032	6.6016% until next repricing date in September 2024	<b>1,789,937,864</b>	1,888,412,890
▪ P3.0 Billion Term Loan	March 21, 2032	6.6016% until next repricing date in September 2024	<b>2,678,859,901</b>	2,977,675,988
<b>UBP P1.0 Billion Term Loan</b>	March 24, 2032	5.831567% until next repricing date in March 2027	<b>794,965,977</b>	844,681,246
<b>SBC P2.6 Billion Term Loan</b>	April 19, 2032	5.7829% until next repricing date in April 2027	<b>2,196,754,698</b>	2,196,002,265
<b>CTBC P1.5 Billion Term Loan</b>	June 8, 2027	6.1869%	<b>1,265,001,944</b>	1,264,134,512
<b>BDO</b>				
• P2.0 Billion Term Loan	September 3, 2032	6.6485% until next repricing date in September 2024	<b>1,694,789,141</b>	1,794,706,375
• P3.0 Billion Term Loan	September 3, 2032	6.6485% until next repricing date in September 2024	<b>2,534,053,088</b>	2,683,575,152
<b>CBC</b>				
• P2.0 Billion Term Loan	October 5, 2032	7.0488% until next repricing date in April 2024	<b>1,795,702,761</b>	1,795,596,226
• P2.0 Billion Term Loan	October 5, 2032	7.0488% until next repricing date in April 2024	<b>1,789,807,075</b>	1,787,937,353
<b>BDO</b>				
• P2.0 Billion Term Loan	September 1, 2033	6.7174% until next repricing date in September 2024	<b>1,885,532,594</b>	1,985,219,658
• P3.0 Billion Term Loan	September 1, 2033	6.6742% until next repricing date in September 2024	<b>2,977,620,502</b>	—
<b>EBWPC Loans</b>				
▪ Commercial Debt Facility US\$37.5 Million	October 23, 2029	2% margin +plus 6M Term SOFR + Credit Adjustment Spread (CAS)LIBOR	<b>1,070,640,222</b>	1,053,055,565
▪ ECA Debt Facility US\$150 Million	October 23, 2029	2.35% margin + 6M Term SOFR + CASplus LIBOR	<b>4,269,049,698</b>	4,197,615,090
▪ Commercial Debt Facility P5.6 Billion	October 23, 2029	2% + PDST-F rate	<b>2,860,971,449</b>	2,859,429,291
Total			<b>57,412,990,370</b>	55,734,420,269
Less current portion			<b>10,536,752,765</b>	8,964,648,449
Noncurrent portion			<b>P46,876,237,605</b>	P46,769,771,820

The Group's foreign-currency denominated long-term debts were translated into Philippine pesos based on the prevailing foreign exchange rates as at financial reporting date (US\$1= P56.24 on March 31, 2024 and US\$1= P55.37 on December 31, 2023).

**BDO P3.0 Billion Term Loan**

On March 6, 2024, EDC secured a P3.0 billion loan maturing on September 1, 2033 from BDO Unibank, Inc. The loan was priced at a six (6)-month floating rate of 6.6742% per annum until its next repricing date in September 2024.

#### 14. Costs of Sale of Electricity

	March 31, 2024 (Unaudited)	March 31, 2023 (Unaudited)
Depreciation and amortization (Notes 9 and 10)	P1,645,570,801	P1,641,044,261
Purchased services and utilities (Note 22)	1,332,950,021	2,507,174,500
Rental, insurance and taxes	719,949,569	630,372,834
Personnel costs	504,971,224	473,302,714
Repairs and maintenance	330,330,259	294,122,495
Parts and supplies issued	258,514,057	286,444,989
Government share	80,255,381	103,791,242
Business and related expenses	32,518,668	41,788,913
	<b>P4,905,059,980</b>	<b>P5,978,041,948</b>

#### 15. General and Administrative Expenses

	March 31, 2024 (Unaudited)	March 31, 2023 (Unaudited)
Purchased services and utilities	P729,691,982	P515,051,428
Personnel costs	523,566,714	508,846,129
Rental, insurance and taxes	314,200,581	159,294,622
Depreciation and amortization (Notes 9 and 10)	97,210,424	72,934,264
Business and related expenses	87,560,165	126,091,241
Provisions for impairment of trade and other receivables, and prepaid taxes	37,461,385	48,129,913
Impairment of goodwill and property, plant and equipment	–	205,616,360
Parts and supplies issued	16,744,364	26,624,612
Repairs and maintenance	9,460,940	15,657,665
Provision for impairment of parts and supplies inventories (Note 7)	1,759,773	59,418,901
Government Share	1,557,920	–
	<b>P1,819,214,248</b>	<b>P1,737,665,135</b>

#### 16. Interest Expense

	March 31, 2024 (Unaudited)	March 31, 2023 (Unaudited)
Interest on long-term debts including amortization of transaction costs (Note 13)	P627,900,065	P746,801,801
Interest on liability from litigation	224,058,937	1,952,777
Interest accretion on provision for rehabilitation and restoration costs	23,759,443	23,281,327
Interest expense on lease liability	2,729,808	1,951,762
	<b>P878,448,253</b>	<b>P773,987,667</b>

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**17. Interest Income**

	<b>March 31, 2024 (Unaudited)</b>	March 31, 2023 (Unaudited)
Interest income on cash and cash equivalents, debt service reserve account and other short-term investments (Notes 5 and 8)	<b>₱170,944,143</b>	₱142,829,151
Others	<b>7,137,953</b>	9,093,762
	<b>₱178,082,096</b>	₱151,922,913

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**18. Foreign Exchange Gains (Losses)**

	<b>March 31, 2024 (Unaudited)</b>	March 31, 2023 (Unaudited)
Realized foreign exchange gains (losses) - net	<b>(₱15,579,527)</b>	₱10,242,483
Unrealized foreign exchange losses – net	<b>60,363</b>	15,152,725
	<b>(₱15,519,164)</b>	₱25,395,208

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This account pertains mainly to foreign exchange adjustments on repayment of loans and restatement of outstanding balances of foreign currency-denominated loans, short-term placements and cash in banks.

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**19. Miscellaneous Income (Charges) - net**

	<b>March 31, 2024 (Unaudited)</b>	March 31, 2023 (Unaudited)
Mark-to-market gain - financial asset at fair value through profit or loss	<b>₱186,875</b>	₱661,113
Gain (loss) on inventory variations	<b>(80,905)</b>	(4,800,537)
Proceeds from insurance claims	–	22,927,096
Others	<b>3,930,237</b>	(22,049,681)
	<b>₱4,036,207</b>	(₱3,262,009)

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## 20. Earnings Per Share

The earnings per share amounts were computed as follows:

	<b>March 31, 2024 (Unaudited)</b>	March 31, 2023 (Unaudited)
(a) Net income attributable to equity shareholders of the Parent Company	<b>₱3,400,708,589</b>	₱4,687,852,548
Less dividends on preferred shares	<b>293,500,000</b>	7,500,000
(b) Net income attributable to common shareholders of the Parent Company	<b>₱3,107,208,589</b>	₱4,680,352,548
(c) Weighted average number of common shares outstanding	<b>17,042</b>	17,042
<b>Basic/diluted earnings per share (b/c)</b>	<b>₱182,331.12</b>	₱274,636.34

The Parent Company does not have dilutive common stock equivalents as of March 31, 2024 and 2023.

## 21. Related Party Transactions

Following are the amounts of transactions for three-month periods ended March 31, 2024 and 2023 and outstanding balances as of March 31, 2024 and December 31, 2023:

Related Party	Nature of Transaction	Terms	Transactions for the three-month period ended March 31		Balances	
			2024 (Unaudited)	2023	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)
<b>Due to related parties</b>						
First Gen	Interest-free advances	- do -	<b>₱48,645,837</b>	₱2,111,814	<b>₱2,831,854</b>	₱1,668,334
					<b>₱2,831,854</b>	₱1,668,334
<b>Due from related parties</b>						
First GES	Other services	Unsecured and will be settled in cash	<b>(₱1,429,831)</b>	₱-	<b>₱36,003,435</b>	₱37,433,266
Thermaprime	Lease drilling	- do -	-	-	<b>1,941,251</b>	1,941,251
First Gen	Other services	- do -	<b>(1,130,910)</b>	-	<b>1,203,736</b>	2,334,646
					<b>₱39,148,422</b>	₱41,709,163
<b>Trade and other receivables (Note 6)</b>						
First GES	Sale of electricity	Unsecured and will be settled in cash	<b>₱328,985,113</b>	₱226,029,561	<b>₱99,014,846</b>	₱85,859,472
Rockwell Powerplant	- do -	- do -	<b>86,191,239</b>	72,020,405	<b>37,759,340</b>	40,827,619
PI Energy Inc.	- do -	- do -	<b>63,596,563</b>	29,298,669	<b>19,891,167</b>	6,036,973
					<b>₱156,665,353</b>	₱132,724,064

Related Party	Nature of Transaction	Terms	Transactions for the three-month period ended March 31		Balances	
			2024 (Unaudited)	2023	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)
<b>Trade and other payables</b>						
(Note 12)						
<b>Entities under common control]</b>						
First Balfour Inc.	Civil Works and other services	Unsecured and will be settled in cash	<b>₱1,411,387,709</b>	₱790,775,604	<b>₱2,849,142,926</b>	₱3,424,205,698
Thermaprime	Drilling and other related services	- do -	<b>1,027,514,250</b>	211,213,960	<b>259,848,669</b>	258,058,514
First GES Powerlink Security & Investigative Services, Inc.	Purchase of services and utilities	- do -	<b>39,517,276</b>	89,161,208	<b>49,864,059</b>	105,673,610
Silverlink Security & Investigative Services, Inc.	- do -	- do -	<b>12,883,808</b>	14,470,964	<b>31,976,191</b>	33,455,682
InfoPro Business Solutions, Inc.	- do -	- do -	<b>31,865,054</b>	31,549,000	<b>31,471,221</b>	37,503,119
TG Services Inc	- do -	- do -	<b>51,601,610</b>	38,151,705	<b>58,218,598</b>	30,224,982
PI Energy Inc.	- do -	- do -	<b>27,925,688</b>	31,374,361	<b>49,058,172</b>	44,353,649
Skycable	- do -	- do -	<b>27,002,007</b>	23,273,632	<b>11,403,828</b>	10,363,399
First Philippine Realty Corporation	- do -	- do -	<b>698,218</b>	1,139,142	<b>1,631,306</b>	1,115,371
First Philippine Realty Corporation	- do -	- do -	<b>1,917,295</b>	405,251	<b>1,190,605</b>	679,817
First Philec Inc.	- do -	- do -	-	-	<b>328,720</b>	328,720
First Philippine Industrial Corporation	- do -	- do -	-	-	<b>482,445</b>	478,792
Adtel	- do -	- do -	-	-	-	957,776
First Philec Manufacturing Technologies Corp.	- do -	- do -	-	-	<b>568,555</b>	568,555
Goldlink Security & Investigative Services, Inc.	- do -	- do -	-	408,622	<b>77,512</b>	77,512
Securities Transfer Services, Inc.	- do -	- do -	-	-	<b>36,720</b>	36,720
ABS-CBN Publishing, Inc.	- do -	- do -	-	-	<b>3,600</b>	3,600
<b>Other related party</b>						
PREHC Directors	Directors' Fee	- do -	<b>776,000</b>	12,657,423	-	-
					<b>₱3,345,303,127</b>	<b>₱3,948,085,516</b>
<b>Lease Liability</b>						
<b>Entities under common control</b>						
Rockwell Land Corporation	Lease	Unsecured and will be settled in cash	<b>₱-</b>	₱-	<b>₱182,733,148</b>	₱283,523,857

The Group has not recognized any impairment loss on trade and other receivables relating to intercompany transactions as of March 31, 2024 and December 31, 2023.

## 22. Financial Risk Management Objectives and Policies

The Group's financial instruments consist mainly of cash and cash equivalents, trade receivables, financial assets at FVPL and FVOCI, derivative asset and liability, trade payables, long-term debts, and lease liabilities. The main purpose of these financial instruments is to finance the Group's operations and accordingly manage its exposure to financial risks. The Group has various other financial assets and liabilities such as short-term investments, other receivables, other payables and due to/from related parties, which arise directly from operations.

The Group classifies its financial instruments in the following categories.

March 31, 2024 (Unaudited)

	Amortized Cost	Financial Assets at FVOCI	Financial Assets at FVPL	Derivatives Designated as Cash Flow Hedges	Total
<i>(In Thousand Pesos)</i>					
<b>Financial Assets</b>					
Cash and cash equivalents	₱20,391,159	₱-	₱-	₱-	₱20,391,159
Trade receivables	6,405,077	-	-	-	6,405,077
Non-trade receivables	734,291	-	-	-	734,291
Deposits and special funds <sup>1</sup>	306,284	-	-	-	306,284
Loans and notes receivables	39,772	-	-	-	39,772
Advances to employees	47,937	-	-	-	47,937
Due from related parties	39,148	-	-	-	39,148
Short term investments	200,000	-	-	-	200,000
Long-term receivables	1,811,849	-	-	-	1,811,849
Financial assets at FVOCI:					
Debt investments	-	186,529	-	-	186,529
Equity investments	-	119,856	-	-	119,856
Financial assets at FVPL	-	-	17,940	-	17,940
Derivative assets	-	-	-	357,401	357,401
<b>Total financial assets</b>	<b>₱29,975,517</b>	<b>₱306,385</b>	<b>₱17,940</b>	<b>₱357,401</b>	<b>₱30,657,243</b>
<b>Financial Liabilities</b>					
Accounts payable <sup>2</sup>	₱18,389,969	₱-	₱-	₱-	₱18,389,969
Accrued interest on					
long-term debts	680,754	-	-	-	680,754
Other payables <sup>3</sup>	778,181	-	-	-	778,181
Due to related parties	2,832	-	-	-	2,832
Long-term debts	57,412,990	-	-	-	57,412,990
Lease liability	303,393	-	-	-	303,393
Customer deposits	196,854	-	-	-	196,854
<b>Total financial liabilities</b>	<b>₱77,764,973</b>	<b>₱-</b>	<b>₱-</b>	<b>₱-</b>	<b>₱77,764,973</b>

<sup>1</sup>Includes current and non-current portion

<sup>2</sup>Excluding statutory liabilities

<sup>3</sup>Excluding non-financial liabilities

December 31, 2023 (Audited)

	Amortized Cost	Financial Assets at FVOCI	Financial Assets at FVPL	Derivatives Designated as Cash Flow Hedges	Total
<i>(In Thousand Pesos)</i>					
<b>Financial Assets</b>					
Cash and cash equivalents	₱17,421,013	₱-	₱-	₱-	₱17,421,013
Trade receivables	5,906,130	-	-	-	5,906,130
Non-trade receivables	891,745	-	-	-	891,745
Deposits and special funds <sup>1</sup>	322,596	-	-	-	322,596
Loans and notes receivables	45,346	-	-	-	45,346
Advances to employees	43,339	-	-	-	43,339
Due from related parties	41,709	-	-	-	41,709
Short term investments	3,360,111	-	-	-	3,360,111
Long-term receivables	1,675,145	-	-	-	1,675,145
Financial assets at FVOCI:					
Debt investments	-	187,173	-	-	187,173
Equity investments	-	101,812	-	-	101,812
Financial assets at FVPL	-	-	17,746	-	17,746
Derivative assets	-	-	-	267,803	267,803
<b>Total financial assets</b>	<b>₱29,707,134</b>	<b>₱288,985</b>	<b>₱17,746</b>	<b>₱267,803</b>	<b>₱30,281,668</b>

December 31, 2023 (Audited)					
	Amortized Cost	Financial Assets at FVOCI	Financial Assets at FVPL	Derivatives Designated as Cash Flow Hedges	Total
<i>(In Thousand Pesos)</i>					
<b>Financial Liabilities</b>					
Accounts payable <sup>2</sup>	P16,415,651	P-	P-	P-	P16,415,651
Accrued interest on					
long-term debts	624,810	-	-	-	624,810
Other payables <sup>3</sup>	781,695	-	-	-	781,695
Due to related parties	1,668	-	-	-	1,668
Long-term debts	55,734,420	-	-	-	55,734,420
Lease liabilities	323,895	-	-	-	323,895
Customer deposits	154,621	-	-	-	154,621
<b>Total financial liabilities</b>	<b>P74,036,760</b>	<b>P-</b>	<b>P-</b>	<b>P-</b>	<b>P74,036,760</b>

<sup>1</sup>Includes current and non-current portion

<sup>2</sup>Excluding statutory liabilities to the Government

<sup>3</sup>Excluding non-financial liabilities

### Financial Assets and Financial Liabilities

Set out below is a comparison of carrying amounts and fair values of the Group's financial instruments as of March 31, 2024 and December 31, 2023 other than those with carrying amounts that are reasonable approximations of fair values.

	March 31, 2024 (Unaudited)		December 31, 2023 (Audited)	
	Carrying Amounts	Fair Values	Carrying Amounts	Fair Values
<b>Financial Assets</b>				
Amortized cost:				
Long-term receivables	<b>P1,811,849,001</b>	<b>P1,615,799,601</b>	P1,675,144,611	P1,496,571,218
Deposits and special funds	<b>306,283,687</b>	<b>303,920,769</b>	322,595,577	320,267,648
	<b>P2,118,132,688</b>	<b>P1,919,720,379</b>	P1,997,740,188	P1,816,838,866
<b>Financial Liabilities:</b>				
Financial liabilities at amortized cost:				
Long-term debts	<b>P57,412,990,370</b>	<b>P63,758,994,160</b>	P55,734,420,269	P57,301,469,168
Lease liabilities	<b>303,393,237</b>	<b>226,281,228</b>	323,895,002	229,833,244
Customer deposits	<b>196,853,768</b>	<b>175,553,393</b>	154,621,477	138,138,552
	<b>P57,913,237,375</b>	<b>P64,160,828,781</b>	P56,212,936,748	P57,669,440,964

Due to their relatively short maturity, which ranging range from one to three months, the carrying amounts approximate the fair values for cash and cash equivalents, trade and other receivables, short-term investments, amounts due to related parties and trade and other payables.

The methods and assumptions used by the Group in estimating the fair value of financial instruments are:

#### *Long-term Receivables, Deposits and Special Funds, and Customer Deposits*

The fair value of long-term receivables was computed by discounting the expected cash flow using the applicable rate of 5.89% and 5.80% as of March 31, 2024 and December 31, 2023, respectively.

#### *Financial Assets at FVOCI*

Fair values of quoted debt and equity securities are based on quoted market prices and other observable data.

#### *Financial assets at Fair Value through Profit or Loss*

The fair values of financial assets at fair value through profit or loss are based on quotations provided by the investment manager.

*Derivatives designated as Cash Flow Hedges*

The fair values of derivative instruments designated as cash flow hedges are based on quotations provided by the counterparty banks.

*Long-term Debts*

The fair values for the Group's long-term debts are estimated using the discounted cash flow methodology with the applicable rates ranging from 3.27% to 3.36% as of March 31, 2024 and 4.10% to 6.06% as of December 31, 2023.

*Lease Liabilities*

The fair values for the Group's lease liabilities are estimated using the discounted cash flow methodology with the applicable rates ranging from 6.69% to 7.23% as of March 31, 2024 and 6.50% to 6.99% as of December 31, 2023.

The following tables show the fair value information of financial instruments classified under loans and receivables, financial assets at FVPL, financial assets at FVOCI, and derivatives designated as cash flow hedges and analyzed by sources of inputs on fair valuation as follows:

- Quoted prices in active markets for identical assets or liabilities (Level 1);
- Those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (Level 2); and
- Those with inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3)

	<b>March 31, 2024 (Unaudited)</b>			
	<b>Total</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
<b>Financial Assets</b>				
Loans and receivables:				
Long-term receivables	<b>₱1,615,799,601</b>	<b>₱-</b>	<b>₱-</b>	<b>₱1,615,799,601</b>
Deposits and special funds	<b>303,920,769</b>	<b>-</b>	<b>-</b>	<b>303,920,769</b>
Financial assets at FVPL	<b>17,939,617</b>	<b>17,939,617</b>	<b>-</b>	<b>-</b>
Financial assets at FVOCI:				
Debt investments	<b>186,528,540</b>	<b>186,528,540</b>	<b>-</b>	<b>-</b>
Equity investments	<b>119,856,403</b>	<b>6,056,403</b>	<b>113,800,000</b>	<b>-</b>
Derivative assets designated as cash flow hedges	<b>357,400,945</b>	<b>-</b>	<b>357,400,945</b>	<b>-</b>
<b>Financial Liabilities</b>				
Financial liabilities at amortized cost:				
Long-term debts	<b>63,758,994,160</b>	<b>5,110,701,037</b>	<b>-</b>	<b>58,648,293,123</b>
Lease liabilities	<b>226,281,228</b>	<b>-</b>	<b>-</b>	<b>226,281,228</b>
Customer deposits	<b>175,553,393</b>	<b>-</b>	<b>-</b>	<b>175,553,393</b>

	December 31, 2023 (Audited)			
	Total	Level 1	Level 2	Level 3
<b>Financial Assets</b>				
<b>Loans and receivables:</b>				
Long-term receivables	₱1,496,571,218	₱–	₱–	₱1,496,571,218
Deposits and special funds	320,267,648	–	–	320,267,648
Financial assets at FVPL	17,745,812	17,745,812	–	–
<b>Financial assets at FVOCI:</b>				
Debt investments	187,172,510	187,172,510	–	–
Equity investments	101,812,572	6,062,572	95,750,000	–
Derivative assets designated as cash flow hedges	267,803,283	–	267,803,283	–
<b>Financial Liabilities</b>				
<b>Financial liabilities at amortized cost:</b>				
Long-term debts	57,301,469,168	4,882,043,402	–	52,419,425,766
Lease liabilities	229,833,244	–	–	229,833,244
Customer deposits	138,138,552	–	–	138,138,552

For the three months ended March 31, 2024, there were no transfers between Level 1 and Level 2 fair value measurements and no transfers into and out of Level 3 fair value measurements.

#### Financial Risk Management Policy

The main financial risks arising from the Group's financial instruments are credit risk, foreign currency risk, interest rate risk, and liquidity risk. The Group's policies for managing the aforementioned risks are summarized hereinafter below.

#### Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

#### *Trade receivables*

The Group trades with customers such as distribution utilities, electric cooperatives, industrial customers, contestable customers and government-owned-and-controlled corporations. Credit risk is controlled by the application of credit approval limit and monitoring procedures. It is the Group's policy to enter into credit-worthy parties to mitigate any significant concentration of credit risk. Trade receivables balances are monitored on an ongoing basis to ensure that the Group's exposure to bad debts is not significant. The maximum exposure of trade receivable is equal to its carrying amount.

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

#### March 31, 2024 (Unaudited)

	Trade receivables					Credit Impaired	Total
	Days past due						
	Current	<30 days	30-60 days	61-90 days	>90 days		
Expected credit loss rate	0.0%	0.0%	0.0%	0.0%	1.1%	100.0%	13.9%
Estimated total gross carrying amount at default (Note 6)	₱3,426,545	₱941,076	₱173,325	₱54,619	₱1,829,305	₱1,015,334	₱7,440,204
Expected credit loss	–	–	–	–	19,793	1,015,334	1,035,127

December 31, 2023 (Audited)

	Trade receivables					Credit Impaired	Total
	Days past due						
	Current	<30 days	30-60 days	61-90 days	>90 days		
	<i>(In Thousand Pesos)</i>						
Expected credit loss rate	0.0%	0.0%	0.0%	0.0%	2.0%	100.0%	14.9%
Estimated total gross carrying amount at default	₱3,953,076	₱873,352	₱55,077	₱56,731	₱987,687	₱1,012,370	₱6,938,293
Expected credit loss	-	-	-	-	19,793	1,012,370	1,032,163

*Financial instruments and cash deposits*

With respect to the credit risk arising from other financial assets of the Group, which comprise of cash and cash equivalents excluding cash on hand, financial asset at FVPL, short-term investments, other receivables, financial assets at FVOCI, and due from related party, the Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments. Credit risk from these instruments is mitigated by the short-term and/or liquid nature of its cash investments mainly in bank deposits and placements, which are placed with financial institutions and entities of high credit standing.

Credit Quality of Financial Assets

Financial assets are classified as high grade if the counterparties are not expected to default in settling their obligations. Thus, the credit risk exposure is minimal. These counterparties normally include customers, banks and related parties who pay on or before due date. Financial assets are classified as a standard grade if the counterparties settle their obligation with the Group with tolerable delays. Low grade accounts are accounts, which have probability of impairment based on historical trend.

These accounts show propensity of default in payment despite regular follow-up actions and extended payment terms. As of March 31, 2024 and December 31, 2023, financial assets categorized as neither past due nor impaired are viewed by management as high grade, considering the collectability of the receivables and the credit history of the counterparties. Meanwhile, past due but not impaired financial assets are classified as standard grade.

Derivative Financial Instruments

The Group engages in derivative transactions, particularly foreign currency swaps, cross currency swaps, interest rate swaps and call spread swaps to manage its foreign currency risk and/or interest rate risk arising from its foreign-currency denominated loans. These derivatives are accounted for either as derivatives designated as accounting hedges or derivatives not designated as accounting hedges.

The table below shows the derivative financial instruments of the Group:

	March 31, 2024 (Unaudited)		December 31, 2023 (Audited)	
	Derivative Assets	Derivative Liabilities	Derivative Assets	Derivative Liabilities
Derivatives designated as accounting hedges				
Interest rate swaps	₱357,400,945	₱-	₱267,803,283	₱-
<b>Total derivatives</b>	<b>₱357,400,945</b>	<b>₱-</b>	<b>₱267,803,283</b>	<b>₱-</b>
Presented as:				
Current	₱45,820,635	₱-	₱34,333,755	₱-
Noncurrent	311,580,310	-	233,469,528	-
<b>Total derivatives</b>	<b>₱357,400,945</b>	<b>₱-</b>	<b>₱267,803,283</b>	<b>₱-</b>

*Interest Rate Swap Contracts*

In the last quarter of 2014, EBWPC entered into four (4) interest rate swaps (IRS) with aggregate notional amount of US\$150.0 million. This is to partially hedge the interest rate risks on its ECA and Commercial Debt Facility (Foreign Facility) that is benchmarked against US LIBOR and with flexible interest reset feature that allows EBWPC to select what interest reset frequency to apply (i.e., monthly, quarterly or semi-annually). As it is EBWPC's intention to reprice the interest rate on the Foreign facility semi-annually, EBWPC utilizes IRS with semi-annual interest payments and receipts. In the first quarter of 2016, EBWPC entered into three (3) IRS with aggregate notional amount of US\$30.0 million.

Under the IRS agreement, EBWPC will receive semi-annual interest of 6-month USD-LIBOR and will pay fixed interest. EBWPC designated the IRS as hedging instruments in cash flow hedge against the interest rate risks arising from the Foreign Facility.

As of March 31, 2024 and December 31, 2023, the outstanding aggregate notional amount of EBWPC's IRS amounted to US\$106.0 million.

The aggregate fair value losses/(gains) on these IRS amounted to ₱60.4 million and (₱3.6 million) as of March 31, 2024 and December 31, 2023, respectively.

*Fair Value Adjustments*

The net movement of fair value changes made to "Fair value adjustments on hedging transactions" account for the Group's cash flow hedges is as follows:

	<b>March 31, 2024 (Unaudited)</b>	December 31, 2023 (Audited)
Balance at beginning of year	<b>(₱3,594,339)</b>	₱72,138,661
Changes in fair value	<b>128,702,661</b>	117,824,574
	<b>125,108,322</b>	189,963,235
<i>Transferred to consolidated statements of income</i>		
Interest expense	<b>(43,369,329)</b>	(168,479,285)
Balance before tax	<b>81,738,993</b>	21,483,950
Tax	<b>(21,347,452)</b>	(25,078,289)
Balance at end of year	<b>₱60,391,541</b>	(₱3,594,339)

*Fair Value Changes of Derivatives*

The table below summarizes the net movement in fair values of the Group’s derivatives as of March 31, 2024 and December 31, 2023.

	<b>March 31, 2024 (Unaudited)</b>	December 31, 2023 (Audited)
Balance at beginning of year	<b>₱267,803,283</b>	₱370,676,037
Net changes in fair value of derivatives designated as accounting hedges	<b>132,966,991</b>	65,606,531
Fair value of settled instruments: Designated as accounting hedges	<b>(43,369,329)</b>	(168,479,285)
<b>Balance at end of year</b>	<b>₱357,400,945</b>	₱267,803,283
Presented as:		
Derivative assets	<b>₱357,400,945</b>	₱267,803,283
Derivative liabilities	-	-
	<b>₱357,400,945</b>	₱267,803,283

The effective portion of the changes in the fair value of the derivatives designated as accounting hedges were deferred in equity under “Fair Value Adjustment on Hedging Transactions” account.

Capital Management

The primary objective of the Group’s capital management is to ensure that it maintains a healthy capital ratio in order to comply with its financial loan covenants and support its business operations.

**23. Other Matters**

*Seasonality or Cyclicity of Interim Operations*

For Wind Ilocos Norte Business Unit, higher revenue and operating profits are expected in the last quarter of the year due to stronger average wind speed. Solar power plants are expected to generate their highest revenue during summer months. For the rest of the entities, except for FG Hydro’s sale of electricity coming from hydroelectric power/operations, seasonality or cyclicity of interim operations is not applicable. GCGI’s and BGI’s sales to cooperatives, distribution utilities, and industrial customers are also not subject to seasonality or cyclicity.

*Issuances, Repurchases, and Repayments of Debt and Equity Securities*

There are no issuances, repurchases and repayments of debt and equity securities during the current period.

*Changes in Estimates and Amounts Reported in Prior Financial Years*

The key assumptions concerning the future and other key sources of estimation uncertainty used in preparation of the unaudited interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group’s annual consolidated financial statements as of and for the year ended December 31, 2023.

*Changes in the Composition of the Group During the Interim Period*

There are no material changes in the composition of the registrant during the period.

*Changes in Contingent Liabilities or Contingent Assets Since the Last Annual Reporting Date*

There are no material changes in the contingent liabilities or contingent assets since the last annual reporting date.

*Existence of Material Contingencies and Any Other Events or Transactions that are Material to an Understanding of the Current Interim Period*

There are no material contingencies and any other events or transactions during the period.

**Energy Development Corporation and Subsidiaries**  
**Aging of Trade Receivables**  
**As of March 31, 2024**  
**In Million Pesos**

	<b>Amount</b>
Trade receivables	
Neither past due nor impaired	3,426.6
Less than 30 days past due	941.1
31 days to 1 year past due	2,057.2
Credit impaired	1,015.3
Subtotal	7,440.2
Other receivables	851.4
Total receivables	8,291.6
Allowance for doubtful accounts	(1,064.5)
<b>Trade and other receivables – net</b>	<b>7,227.1</b>

*Certified true and correct:*

**ERWIN O. AVANTE**  
Senior Vice President, Chief Financial Officer,  
Treasurer and Compliance Officer  
May 9, 2024  
Date Signed