

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, 2025

(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, 2025**
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**
Address of issuer's principal office
- Postal Code **1604**
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, 2025</u>
Common Stock, P1,000,000.00 par value	17,028.076527
Preferred Stock, P10,000.00 par value	9,375
Non-Voting Preferred Stock, P10.00 par value	42,000,000
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 []

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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

Our unaudited consolidated financial statements for the three-month period ended March 31, 2025 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, 2025. 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.

Business Overview

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 electric cooperatives, privately-owned distribution utilities, and 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 Supplier ("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 plants located in Nueva Ecija.

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 EDC 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 297.5 GWh of electricity sold by Unified Leyte was delivered mainly to the WESM, electric cooperatives, industrial customers and to Meralco.

The 104.4 GWh of electricity sold by the Mindanao geothermal power plants were delivered mainly to the WESM and other industrial customers.

The 76.0 GWh of electricity sold by the Nasulo geothermal power plant was delivered mainly to a distribution utility in Negros and to the WESM.

A total of 769.4 GWh sold by the geothermal power plants in Tongonan and Palinpinon was delivered mainly to electric cooperatives and to the WESM in the Visayas region. Tongonan also delivered electricity through its RES/GEOP contracts.

The 463.6 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 115.2 GWh, and 2.1 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.")

113.0 GWh of electricity was sold by FG Hydro mainly to the WESM and through Power Supply Agreements with various customers. FG Hydro also sold 28.9 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. Various policies and programs allow for the sale of electricity to different markets and buyer groups and encourage investment from RE developers and generators through policy mechanisms.

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 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 guarantees its dispatch to the grid at prevailing merchant WESM prices.

The Group has multiple power projects in Luzon, Visayas, and Mindanao. While the 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.

In addition, 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. After temporarily being suspended on March 26, 2024, the Department of Energy (“DOE”) directed the Market Operator to resume commercial operations of the Reserve Market on August 5, 2024.

Aside from selling through the market, the RCOA, which started commercial operations on 26 June 2013, is another mechanism which allows competition in the retail level wherein qualified end-users, called Contestable Customers, may directly contract with RES for the supply of electricity instead of coursing the same through the franchised distribution utility.

Moreover, 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 electric cooperatives, distribution utilities and RES are required to source a portion of their energy requirement from RPS-eligible plants. In line with this, a Renewable Energy Market (“REM”) was established where Renewable Energy Certificates corresponding to energy generated from eligible RE facilities can be traded, which shall be used by Mandated Participants to comply with their RPS obligations. On December 26, 2024, DOE declared the full commercial operations of the REM.

In addition, GEOP gives end-users the opportunity to source their power supply purely from renewable energy suppliers. On August 16, 2021, the ERC issued Resolution No. 08, Series of 2021 adopting the Rules for the GEOP, which took effect on September 3, 2021. Following the issuance of GEOP rules,

the Independent Electricity Market Operator of the Philippines (“IEMOP”) launched the GEOP on December 3, 2021.

Furthermore, 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. The DOE published the Notice of Auction and Terms of Reference for Green Energy Auction-3 for geothermal, impounding hydro, and pumped-storage hydro facilities on November 14, 2024 and issued the succeeding supplementary GEA Advisory No.1 on December 27, 2024.

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. This 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

For the period ended March 31, 2025, the Group’s revenue from sale of electricity is not dependent on one or a few major customers.

Concessions

As of March 31, 2025, the Group holds the following service contracts:

Geothermal Resource

The Group is the holder of five (5) Geothermal Renewable Energy Service Contracts (“GRESCs”) and the corresponding DOE Certificates of Registration as an RE Developer for the following geothermal projects:

- 1) Tongonan Geothermal Project;
- 2) Southern Negros Geothermal Project;
- 3) Bacon-Manito Geothermal Project;
- 4) Mt. Apo Geothermal Project; and
- 5) 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:

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

The Parent Company also holds Geothermal Service Contracts (“GSC”) for the following prospect areas:

Project	Location	GSC Owner	Pre-development period Expiration	GSC Expiration*
1) Mt. Zion 2 Geothermal Project**	North Cotabato/ Davao del Sur	EDC	2028	2040
2) Amacan Geothermal Project**	Compostela Valley	EDC	2025	2041
3) Mainit-Sadanga Geothermal Project	Sadanga and Bontoc, Mountain Province	EDC	2028	2046
4) Mt. Sembrano Geothermal Power Project	Pililla and Jalajala Rizal; Pangil and Pakil Laguna	EDC	2030	2048
5) Buguias-Tinoc Power Project	Buguias and Tinoc, Ifugao	EDC	2030	2048

* Twenty-five (25)-year contract period, renewable for another twenty-five (25) years

** Converted to the new RE contract template per DOE Department Circular No. DC2019-10-0013

Wind Resource

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:

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

* Renewable for another twenty-five (25) years

**Surrendered WESCs on May 8, 2024

***Submitted request for contract area amendment on May 8, 2024

Solar Resource

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

Project	Installed Capacity (in MW)	SESC Owner	DOE Certificates of Registration	SESC Expiration*
1) 6.82 MW Burgos Solar Project in Burgos, Ilocos Norte	6.82	EDC	SESC No. 2014-07-088	2039
2) Gaisano Iloilo, Iloilo City Solar Rooftop Project	1.03	ESPC	SESC No. 2016-11-352	2042

* Renewable for another twenty-five (25) years

New Products or Services

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

In 2024, EDC had been building three (3) Battery Energy Storage Systems (“BESS”), i.e., 20MW BESS in Bac-Man, 10MW in Tongonan, Leyte, and 10MW in Southern Negros. These are co-located at its existing geothermal facilities. The BESS are aimed to help provide grid stability and reliability through the provision of ancillary services. Last November 2024, the BESS projects achieved electromechanical completion. Currently the BESS projects are in their testing and commissioning stage and are expected to achieve commercial operations by the third quarter of 2025.

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 the National Irrigation Administration (“NIA”). Construction of the Aya pumped-storage facility is targeted to start in the fourth quarter of 2025.

Financial Highlights

YTD March 2025 vs. YTD March 2024 Results

During the period ended March 31, 2025, recurring net income attributable to equity holders of the Parent Company (“RNIA”) posted at ₱2,681.2 million, lower by 21.6% as compared to the ₱3,419.1 million RNIA during the same period in 2024.

The recurring net income for the period ended March 31, 2025 decreased by 19.8% or ₱715.9 million to ₱2,905.0 million from the ₱3,620.9 million during the same period in 2024. The decline was mainly from the decrease in revenue by ₱398.8 million and the increase in net financial expense by ₱386.4 million.

The net income for the period ended March 31, 2025 decreased by 18.1% or ₱652.4 million to ₱2,960.6 million from the ₱3,613.0 million net income during the same period in 2024. The decline was mainly from the decrease in revenue by ₱398.8 million and the increase in net financial expense by ₱386.4 million, partly offset by the increase in other income by ₱85.2 million.

Net income is equivalent to 26.8% of total revenue for the period ended March 31, 2025 as compared to the 31.6% during the same period in 2024.

Net income attributable to equity holders of the Parent Company at ₱2,737.8 million for the period ended March 31, 2025, was a ₱662.9 million decrease from the ₱3,400.7 million during the same period in 2024.

Results of Operations

The following table details the results of operations of the Group for the period ended March 31, 2025 and 2024.

Statements of Income

Horizontal and Vertical Analysis of Material Changes as of March 31, 2025 and 2024

(Amounts in PHP millions)	HORIZONTAL ANALYSIS Favorable (Unfavorable) Variance				VERTICAL ANALYSIS	
	March 2025	March 2024	Amount	%	March 2025	March 2024
REVENUE						
Sale of electricity	11,042.8	11,441.6	(398.8)	-3.5%	100.0%	100.0%
COSTS OF SALE OF ELECTRICITY						
Costs of sale of electricity	(5,101.0)	(4,905.1)	(195.9)	4.0%	-46.2%	-42.9%
GENERAL AND ADMINISTRATIVE EXPENSES	(1,614.9)	(1,819.2)	204.3	-11.2%	-14.6%	-15.9%
FINANCIAL INCOME (EXPENSE)						
Interest expense	(1,168.9)	(878.4)	(290.5)	33.1%	-10.6%	-7.7%
Interest income	82.2	178.1	(95.9)	-53.8%	0.7%	1.6%
	(1,086.7)	(700.3)	(386.4)	55.2%	-9.8%	-6.1%
OTHER INCOME (CHARGES)						
Foreign exchange gains (losses) - net	59.8	(15.5)	75.3	-485.8%	0.5%	-0.1%
Miscellaneous income (charges) - net	13.9	4.0	9.9	247.5%	0.1%	0.0%
	73.7	(11.5)	85.2	-740.9%	0.7%	-0.1%
INCOME BEFORE INCOME TAX	3,313.9	4,005.5	(691.6)	-17.3%	30.0%	35.0%
PROVISION FOR (BENEFIT FROM) INCOME TAX						
Current	365.2	364.5	0.7	0.2%	3.3%	3.2%
Deferred	(11.9)	28.0	(39.9)	-142.5%	-0.1%	0.2%
	353.3	392.5	(39.2)	-10.0%	3.2%	3.4%
NET INCOME	2,960.6	3,613.0	(652.4)	-18.1%	26.8%	31.6%
Net income attributable to:						
Equity holders of the Parent Company	2,737.8	3,400.7	(662.9)	-19.5%	24.8%	29.7%
Non-controlling interest	222.8	212.3	10.5	4.9%	2.0%	1.9%
EBITDA	6,165.3	6,499.4	(334.1)	-5.1%	55.8%	56.8%
RECURRING NET INCOME	2,905.0	3,620.9	(715.9)	-19.8%	26.3%	31.6%
Recurring net income attributable to:						
Equity holders of the Parent Company	2,681.2	3,419.1	(737.9)	-21.6%	24.3%	29.9%
Non-controlling interest	223.8	201.8	22.0	10.9%	2.0%	1.8%

Revenue

Revenue decreased by 3.5% or P398.8 million to P11,042.8 million for the period ended March 31, 2025 from P11,441.6 million during the same period in 2024 from the combined decline in average sales price and sales volume.

Costs of Sale of Electricity

Costs of sale of electricity increased by 4.0% or P195.9 million to P5,101.0 million for the period ended March 31, 2025 from P4,905.1 million during the same period in 2024 mainly due to the increase in purchased services and utilities by P135.0 million, parts and supplies issued by P91.1 million and depreciation and amortization by P82.5 million, partly offset by the decrease in rental, insurance and taxes by P68.6 million and repairs and maintenance by P39.8 million.

General and Administrative Expenses

General and administrative expenses decreased by 11.2% or ₱204.3 million to ₱1,614.9 million in the period ended March 31, 2025 from ₱1,819.2 million during the same period in 2024 mainly due to decrease in purchased services and utilities by ₱177.1 million and rental, insurance and taxes by ₱60.2 million, partly offset by the increase in business and related expenses by ₱27.1 million.

Financial Income (Expense)

Net financial expense increased by 55.2% or ₱386.4 million to ₱1,086.7 million for the period ended March 31, 2025 from ₱700.3 million during the same period in 2024.

Interest Expense

Interest expense increased by 33.1% or ₱290.5 million to ₱1,168.9 million for the period ended March 31, 2025 from ₱878.4 million during the same period in 2024 mainly due to the increase in interest on long-term debts including amortization of transaction costs.

Interest Income

Interest income decreased by 53.8% or ₱95.9 million to ₱82.2 million for the period ended March 31, 2025 from ₱178.1 million during the same period in 2024 mainly from the lower money market placements.

Other Income (Charges)

Other income increased by 740.9% or a ₱85.2 million turnaround to ₱73.7 million other income for the period ended March 31, 2025 from the other expense of ₱11.5 million during the same period in 2024.

Foreign exchange gains (losses) - net

Net foreign exchange gain for the period ended March 31, 2025 amounted to ₱59.8 million, a 485.8% or ₱75.3 million turnaround from the ₱15.5 million net foreign exchange loss during the same period in 2024. This was mainly due to the realignment of accounts of EBWPC and EDC Chile Limitada.

The comparative foreign exchange rates were as follows:

	PHP:US\$
December 31, 2023	55.370
March 31, 2024	56.240
December 31, 2024	57.845
March 31, 2025	57.210

Miscellaneous income (charges) - net

Net miscellaneous income increased by 247.5% or ₱9.9 million to ₱13.9 million for the period ended March 31, 2025 from ₱4.0 million during the same period in 2024. This was mainly due to the income from the sale of renewable energy certificates in 2025.

Provision for (Benefit from) Income Tax

Current

Provision for current income tax increased by 0.2% or ₱0.7 million to ₱365.2 million for the period ended March 31, 2025 from ₱364.5 million during the same period in 2024 mainly due to the higher taxable income.

Deferred

Benefit from deferred income tax for the period ended March 31, 2025 amounted to ₱11.9 million, a 142.5% or ₱39.9 million turnaround from the ₱28.0 million provision from deferred income tax during the same period in 2024. This was mainly from deferred tax related to movement of foreign exchange rates and FG Hydro's net operating loss carry-over.

Net Income

As a result, the Group's net income declined by 18.1% or ₱652.4 million to ₱2,960.6 million for the period ended March 31, 2025 from the ₱3,613.0 million net income for the same period in 2024.

Net income is equivalent to 26.8% of total revenue for the period ended March 31, 2025 as compared to 31.6% for the same period in 2024.

Financial Condition

The following table details the financial condition of the Group as of March 31, 2025 and December 31, 2024.

Statement of Financial Position

Horizontal and Vertical Analysis of Material Changes as of March 31, 2025 and December 31, 2024

(Amounts in PHP millions)	HORIZONTAL ANALYSIS				VERTICAL ANALYSIS	
	March 2025	December 2024	Favorable (Unfavorable) Variance		March 2025	December 2024
			Amount	%		
ASSETS						
Current Assets						
Cash and cash equivalents	12,548.2	13,579.4	(1,031.2)	-7.6%	6.3%	7.0%
Financial assets at fair value through profit or loss	246.2	65.5	180.7	275.9%	0.1%	0.0%
Trade and other receivables	7,478.8	7,066.3	412.5	5.8%	3.8%	3.7%
Due from related parties	58.4	58.4	-	0.0%	0.0%	0.0%
Parts and supplies inventories	13,236.7	12,709.4	527.3	4.1%	6.7%	6.6%
Derivative assets	-	0.2	(0.2)	-100.0%	0.0%	0.0%
Other current assets	2,856.5	2,980.9	(124.4)	-4.2%	1.4%	1.5%
Total Current Assets	36,424.8	36,460.1	(35.3)	-0.1%	18.3%	18.9%
Noncurrent Assets						
Property, plant and equipment	140,708.3	138,574.0	2,134.3	1.5%	70.8%	71.7%
Goodwill and intangible assets	3,302.7	3,332.4	(29.7)	-0.9%	1.7%	1.7%
Exploration and evaluation assets	2,731.4	2,649.6	81.8	3.1%	1.4%	1.4%
Deferred tax assets - net	867.5	865.5	2.0	0.2%	0.4%	0.4%
Derivative assets - net of current portion	-	0.9	(0.9)	-100.0%	0.0%	0.0%
Financial assets at fair value through other comprehensive income	3,096.8	301.2	2,795.6	928.2%	1.6%	0.2%
Other noncurrent assets	11,701.6	11,001.3	700.3	6.4%	5.9%	5.7%
Total Noncurrent Assets	162,408.3	156,724.9	5,683.4	3.6%	81.7%	81.1%
TOTAL ASSETS	198,833.1	193,185.0	5,648.1	2.9%	100.0%	100.0%
LIABILITIES AND EQUITY						
LIABILITIES						
Current Liabilities						
Trade and other payables	18,419.9	21,871.5	(3,451.6)	-15.8%	9.3%	11.3%
Due to related parties	2.7	1.8	0.9	50.0%	0.0%	0.0%
Income tax payable	321.2	37.8	283.4	749.7%	0.2%	0.0%
Current portion of:						
Long-term debts	8,456.5	9,095.0	(638.5)	-7.0%	4.3%	4.7%
Lease liability	720.4	620.4	100.0	16.1%	0.4%	0.3%
Derivative liabilities	11.1	0.0	11.1	0.0%	0.0%	0.0%
Total Current Liabilities	27,931.8	31,626.5	(3,694.7)	-11.7%	14.0%	16.4%
Noncurrent Liabilities						
Long-term debts - net of current portion	75,977.3	65,428.7	10,548.6	16.1%	38.2%	33.9%
Long-term lease liability - net of current portion	4,026.4	4,164.0	(137.6)	-3.3%	2.0%	2.2%
Net retirement and other post-employment benefits	2,539.1	2,439.8	99.3	4.1%	1.3%	1.3%
Derivative liabilities - net of current portion	45.0	-	45.0	0.0%	0.0%	0.0%
Deferred tax liabilities - net	81.6	93.5	(11.9)	-12.7%	0.0%	0.0%
Provisions and other long-term liabilities	4,438.4	4,147.7	290.7	7.0%	2.2%	2.1%
Total Noncurrent Liabilities	87,107.8	76,273.7	10,834.1	14.2%	43.8%	39.5%
TOTAL LIABILITIES	115,039.6	107,900.2	7,139.4	6.6%	57.9%	55.9%
EQUITY						
Equity Attributable to Equity Holders of the Parent						
Preferred stock	93.8	93.8	-	0.0%	0.0%	0.0%
Common stock	19,076.3	19,076.3	-	0.0%	9.6%	9.9%
Treasury Stock	(14,832.0)	(14,832.0)	-	0.0%	-7.5%	-7.7%
Additional paid-in capital	8,715.1	8,715.1	-	0.0%	4.4%	4.5%
Equity reserve	(3,706.4)	(3,706.4)	-	0.0%	-1.9%	-1.9%
Net accumulated unrealized gain on financial assets at fair value through other comprehensive income	105.0	109.4	(4.4)	-4.0%	0.1%	0.1%
Fair value adjustments on hedging transactions	(417.1)	(212.5)	(204.6)	96.3%	-0.2%	-0.1%
Cumulative translation adjustment	1,992.6	1,875.9	116.7	6.2%	1.0%	1.0%
Retained earnings						
Unappropriated	35,844.4	37,464.8	(1,620.4)	-4.3%	18.0%	19.4%
Appropriated	35,000.0	35,000.0	-	0.0%	17.6%	18.1%
	81,871.7	83,584.4	(1,712.7)	-2.0%	41.2%	43.3%
Non-controlling interests	1,921.8	1,700.4	221.4	13.0%	1.0%	0.9%
Total Equity	83,793.5	85,284.8	(1,491.3)	-1.7%	42.1%	44.1%
TOTAL LIABILITIES AND EQUITY	198,833.1	193,185.0	5,648.1	2.9%	100.0%	100.0%

Cash and cash equivalents

Cash and cash equivalents decreased by 7.6% or ₱1,031.2 million to ₱12,548.2 million as of March 31, 2025 from the ₱13,579.4 million balance as of December 31, 2024 mainly due to the ₱4,356.1 million payments for cash dividends, ₱3,991.9 million acquisition of property, plant and equipment, ₱3,554.0 million payments for long-term debt and interest and other financing charges, ₱2,800.0 acquisition of financial assets at fair value through other comprehensive income, and increase in noncurrent assets by ₱700.3 million, partly offset by the ₱12,577.4 million loan proceeds, and ₱2,118.8 million net cash generated from operating activities.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss increased by 275.9% or ₱180.7 million to ₱246.2 million as of March 31, 2025 from the ₱65.5 million balance as of December 31, 2024 mainly due to FG Hydro's additional investments for the period.

Trade and other receivables

Trade and other receivables increased by 5.8% or ₱412.5 million to ₱7,478.8 million as of March 31, 2025 from the ₱7,066.3 million balance as of December 31, 2024 mainly due to EBWPC's increased receivables from customers.

Parts and supplies inventories

Parts and supplies inventories increased by 4.1% or ₱527.3 million to ₱13,236.7 million as of March 31, 2025 from the ₱12,709.4 million as of December 31, 2024 mainly due to the various materials and supplies purchased during the period.

Derivative asset

In PHP millions	March 31, 2025	December 31, 2024	Favorable (Unfavorable) Variance	
			Amount	%
Current	–	0.2	(0.2)	-100.0%
Noncurrent	–	0.9	(0.9)	-100.0%
	–	1.1	(1.1)	-100.0%

Derivative asset decreased by 100.0% or ₱1.1 million to nil as of March 31, 2025 from the ₱1.1 million balance as of December 31, 2024 mainly due to EDC's valuation for the period, resulting to a derivative liability position.

Property, plant and equipment

Property, plant and equipment increased by 1.5% or ₱2,134.3 million to ₱140,708.3 million as of March 31, 2025 from the ₱138,574.0 million balance as of December 31, 2024 mainly due to the ₱4,012.6 million additions, partly offset by the ₱1,926.6 million depreciation and amortization.

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income increased by 928.2% or ₱2,795.6 million to ₱3,096.8 million as of March 31, 2025 from the ₱301.2 million balance as of December 31, 2024 mainly due to FG Hydro's investment to First Gen Corporation ("First Gen") for the period. On February 10, 2025, FG Hydro entered into subscription agreement to subscribe 28,000,000 Series "H" preferred stocks of First Gen with a par value of ₱10.0 per share for a total subscription price of ₱ 2,800.0 million.

Other noncurrent assets

Other noncurrent assets increased by 6.4% or ₱700.3 million to ₱11,701.6 million as of March 31, 2025 from the ₱11,001.3 million balance as of December 31, 2024 mainly due to the increase in noncurrent prepaid taxes by ₱307.1 million, long-term receivables by ₱153.7 million, noncurrent prepaid expenses by ₱139.3 million, and noncurrent advances to contractors by ₱125.3 million.

Trade and other payables

Trade and other payables decreased by 15.8% or ₱3,451.6 million to ₱18,419.9 million as of March 31, 2025 from the ₱21,871.5 million balance as of December 31, 2024 mainly due to the increase in payments to contractors.

Due to related parties

Due to related parties increased by 50.0% or ₱0.9 million to ₱2.7 million as of March 31, 2025 from the ₱1.8 million balance as of December 31, 2024 mainly due to the transactions with First Gen.

Income tax payable

Income tax payable increased by 749.7% or ₱283.4 million to ₱321.2 million as of March 31, 2025 from the ₱37.8 million balance as of December 31, 2024 mainly due to the income tax payable recognized for the period.

Long-term debts

In PHP millions	March 31, 2025	December 31, 2024	(Favorable) Unfavorable Variance	
			Amount	%
Current	8,456.5	9,095.0	(638.5)	-7.0%
Noncurrent	75,977.3	65,428.7	10,548.6	16.1%
	84,433.8	74,523.7	9,910.1	13.3%

Long-term debts increased by 13.3% or ₱9,910.1 million to ₱84,433.8 million as of March 31, 2025 from the ₱74,523.7 million balance as of December 31, 2024 mainly due to the loan drawdowns during the period, partly offset by the principal payments.

Lease liability

In PHP millions	March 31, 2025	December 31, 2024	(Favorable) Unfavorable Variance	
			Amount	%
Current	720.4	620.4	100.0	16.1%
Noncurrent	4,026.4	4,164.0	(137.6)	-3.3%
	4,746.8	4,784.4	(37.6)	-0.8%

Lease liability decreased by 0.8% or ₱37.6 million to ₱4,746.8 million as of March 31, 2025 from the ₱4,784.4 million balance as of December 31, 2024 mainly due to the payments for lease liabilities for the period.

Deferred tax liabilities - net

Deferred tax liabilities decreased by 12.7% or ₱11.9 million to ₱81.6 million as of March 31, 2025 from the ₱93.5 million balance as of December 31, 2024 mainly due to EBWPC's deferred tax on the movement of foreign exchange rates.

Provisions and other long-term liabilities

Provisions and other long-term liabilities increased by 7.0% or ₱290.7 million to ₱4,438.4 million as of March 31, 2025 from the ₱4,147.7 million balance as of December 31, 2024 mainly due to the increase in security deposits from customers and asset retirement obligation.

Fair value adjustments on hedging transactions

Fair value adjustments on hedging transactions increased by 96.3% or ₱204.6 million to ₱417.1 million as of March 31, 2025 from the ₱212.5 million balance as of December 31, 2024 mainly due to the valuation of hedging transactions.

Cumulative translation adjustments

Fair value adjustments on hedging transactions increased by 6.2% or ₱116.7 million to ₱1,992.6 million as of March 31, 2025 from the ₱1,875.9 million balance as of December 31, 2024 mainly from the translation adjustments from the international subsidiaries and local subsidiary with USD functional currency.

Retained Earnings

Unappropriated

Unappropriated retained earnings decreased by 4.3% or ₱1,620.4 million to ₱35,844.4 million as of March 31, 2025 from the ₱37,464.8 million balance as of December 31, 2024 mainly due to the declaration of cash dividends of ₱4,356.1 million, partly offset by the ₱2,737.8 million net income attributable to the equity holders of the Parent Company.

Non-controlling interests

Non-controlling interests increased by 13.0% or ₱221.4 million to ₱1,921.8 million as of March 31, 2025 from the ₱1,700.4 million balance as of December 31, 2024, mainly due to the share in net income for the period.

Capital and Liquidity Resources

As of March 31 (in millions of pesos)	2025	2024	YoY change
Statement of Financial Position Data			
Total Assets	198,833.1	171,074.1	27,759.0
Total Liabilities	115,039.6	83,962.7	31,076.9
Total Stockholder's Equity	83,793.5	87,111.4	-3,317.9

The Group's total assets as of March 31, 2025 amounted to ₱198,833.1 million, 16.2% higher as compared to the ₱171,074.1 million level as of March 31, 2024.

Cash Flow

YTD March 31, 2025 vs. YTD March 31, 2024

Net cash flows from operating activities decreased by 66.7% or ₱4,243.4 million to ₱2,118.8 million for the period ended March 31, 2025 from the ₱6,362.2 million during the same period in 2024 mainly due to the:

- lower decrease in other current assets by ₱2,591.7 million;
- higher decrease in trade and other payables ₱2,305.8 million; and
- lower operating income before working capital changes by ₱262.2 million

These were partly offset by the:

- lower increase in parts and supplies inventories by ₱525.4 million; and
- lower income taxes paid including creditable withholding taxes by ₱236.4 million

Net cash flows used in investing activities increased by 83.5% or ₱3,486.9 million to ₱7,663.5 million for the period ended March 31, 2025 from ₱4,176.6 million during the same period in 2024 mainly due to the higher acquisition of financial assets at fair value through other comprehensive income by ₱2,698.0 million and increase in additions to other noncurrent assets by ₱675.4 million.

Net cash flows from financing activities increased by ₱3,805.3 million to ₱4,530.5 million for the period ended March 31, 2025 from ₱725.2 million during the same period in 2024. This was mainly due to the higher proceeds from loan availment by ₱9,600.8 million, partly offset by the higher payments of cash dividends by ₱4,356.1 million and higher payments of long-term debt by ₱1,321.4 million.

Discussion on the Subsidiaries

Green Core Geothermal Inc. (GCGI)

(Amounts in PHP millions)	For the periods ended March 31 (Unaudited)	
	2024	2023
Revenue	4,695.2	4,406.1
Costs of sale of electricity	(4,345.7)	(3,842.5)
General and administrative expenses	(189.8)	(179.6)
Other income (charges) - net	10.2	15.5
Income before income tax	169.9	399.5
Provision for income tax	(15.9)	(34.7)
Net income	154.0	364.8
	As of	
	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Total current assets	4,204.8	4,170.1
Total noncurrent assets	14,074.2	14,006.7
Total current liabilities	5,190.9	5,275.5
Total noncurrent liabilities	124.5	91.7
Total equity	12,963.6	12,809.6

Revenue increased by 6.6% or ₱289.1 million, to ₱4,695.2 million for the period ended March 31, 2025 from ₱4,406.1 million for the same period in 2024 due to higher sales volume, partly offset by lower average sales price.

Costs of sale of electricity increased by 13.1 % or ₱503.2 million to ₱4,345.7 million for the period ended March 31, 2025 from ₱3,842.5 million for the same period in 2024 mainly due to higher cost of steam by ₱276.5 million, replacement power cost by ₱210.2 million and purchased services and utilities by ₱22.5 million.

General and administrative expenses increased by 5.7% or ₱10.2 million to ₱189.8 million for the period ended March 31, 2025 from ₱179.6 million for the same period in 2024 mainly due to higher business and related expenses by ₱16.9 million.

Other income - net decreased by 34.2% or ₱5.3 million to ₱10.2 million for the period ended March 31, 2025 from ₱15.5 million for the same period in 2024. This was mainly due to the foreign exchange loss of ₱6.3 for the period ended March 31, 2025, a ₱13.4 million turnaround from the foreign exchange gain last year of ₱7.1 million for the same period in 2024. Further, interest income was lower by ₱2.7 million. These were partly offset by the higher miscellaneous income by ₱10.8 million.

Provision for income tax decreased by 54.2% or ₱18.8 million to ₱15.9 million for the period ended March 31, 2025 from ₱34.7 million for the same period in 2024 on account of lower taxable income.

Total current assets increased by 0.8% or ₱34.7 million to ₱4,204.8 million as of March 31, 2025 from the ₱4,170.1 million balance as of December 31, 2024 mainly due to higher cash and cash equivalents by ₱234.9 million, other current assets by ₱90.3 million, partly offset by the lower trade and other receivables by ₱293.7 million.

Total noncurrent assets increased by 0.5% or ₱67.5 million, to ₱14,074.2 million as of March 31, 2025 from the ₱14,006.7 million balance as of December 31, 2024 mainly due to higher other noncurrent assets by ₱158.9 million, partly offset by the lower property, plant and equipment by ₱87.0 million.

Total current liabilities decreased by 1.6% or ₱84.6 million, to ₱5,190.9 million as of March 31, 2025 from the ₱5,275.5 million balance as of December 31, 2024 mainly due to lower trade and other payables by ₱101.2 million, partly offset by higher income tax payable by ₱11.8 million.

Total noncurrent liabilities increased by 35.8% or ₱32.8 million to ₱124.5 million as of March 31, 2025 from the ₱91.7 million balance as of December 31, 2024 mainly due to higher provisions and other long-term liabilities by ₱29.2 million.

Total equity increased by 1.2% or ₱154.0 million to ₱12,963.6 million as of March 31, 2025 from the ₱12,809.6 million balance as of December 31, 2024, mainly due to this year's net income of ₱154.0 million.

Bac-Man Geothermal Inc. (BGI)

(Amounts in PHP millions)	For the periods ended March 31 (Unaudited)	
	2025	2024
Revenue	2,571.3	2,503.1
Costs of sale of electricity	(2,080.6)	(1,949.4)
General and administrative expenses	(100.4)	(86.8)
Other income (charges) – net	22.5	35.3
Income before income tax	412.8	502.2
Provision for income tax	(55.9)	(35.7)
Net income	356.9	466.5
	As of	
	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Total current assets	5,816.0	5,598.2
Total noncurrent assets	13,698.3	13,685.5
Total current liabilities	2,144.4	2,481.2
Total noncurrent liabilities	1,566.7	1,347.1
Total equity	15,803.2	15,455.4

Revenue increased by 2.7% or ₱68.2 million to ₱2,571.3 million for the period ended March 31, 2025 from ₱2,503.1 million for the same period in 2024. The favorable variance was due to higher sales volume partially offset by decrease in average price.

Costs of sale of electricity increased by 6.7% or ₱131.2 million to ₱2,080.6 million for the period ended March 31, 2025 from ₱1,949.4 million for the same period in 2024. The increase was primarily attributed to higher purchased services and utilities by ₱94.2 million caused by higher replacement power cost partly offset by lower RES/GEOP lower subsidized WESM fees. Further, cost of sale of electricity increased due to higher rental, insurance and taxes by ₱14.3 million, parts and supplies issued by ₱11.5 million, depreciation and amortization by ₱8.3 million, and steam purchase by ₱5.3 million, partly offset by lower government share by ₱2.6 million.

General and administrative expense increased by 15.7% or ₱13.6 million to ₱100.4 million for the period ended March 31, 2025 from ₱86.8 million for the same period in 2024. This was mainly due to higher purchased services and utilities by ₱9.7 million, personnel costs by ₱4.3 million, business and related expenses by ₱3.4 million, partly offset by lower rental, insurance and taxes by ₱5.6 million.

Other income - net decreased by 36.3% or ₱12.8 million to ₱22.5 million for the period ended March 31, 2025 from ₱35.3 million for the same period in 2024. The variance was mainly due to the decrease in interest income by ₱16.9 million, partly offset by the foreign exchange gain of ₱1.5 million for the

period ended March 31, 2025, a ₱2.1 million turnaround from the foreign exchange loss of ₱0.6 million for the same period in 2024. Further, miscellaneous income posted at ₱1.0 million for the period ended March 31, 2025, a ₱1.9 million turnaround from the miscellaneous expense of ₱0.9 million for the same period in 2024.

Total current assets increased by 3.9% or ₱217.8 million to ₱5,816.0 million as of March 31, 2025 from the ₱5,598.2 million balance as of December 31, 2024. The decrease was attributed to the higher trade and other receivables by ₱135.1 million, other current assets particularly on tax credits by ₱52.2 million, parts and supplies inventories by ₱20.1 million, and increase of due from related parties by ₱11.2 million, partly offset by decrease in cash and cash equivalents by ₱0.8 million.

Total noncurrent assets increased by 0.1% or ₱12.8 million to ₱13,698.3 million as of March 31, 2025 from the ₱13,685.5 million balance as of December 31, 2024. The increase was attributed to additional capital expenditures of ₱137.0 million, reduced by this period's depreciation of plant, property and equipment of ₱73.5 million, decrease of deferred tax assets by ₱7.4 million, and other noncurrent assets by ₱43.3 million.

Total current liabilities decreased by 13.6% or ₱336.8 million to ₱2,144.4 million as of March 31, 2025 from the ₱2,481.2 million as of December 31, 2024. The decrease was attributed to the decrease of trade and other payables by ₱414.3 million, partly offset by increase of income tax payable by ₱48.4 million and increase of due to related parties by ₱29.1 million.

Total noncurrent liabilities increased by 16.3% or ₱219.6 million to ₱1,566.7 million as of March 31, 2025 from the ₱1,347.1 million balance as of December 31, 2024. The increase was mainly contributed by the increase of other long-term liabilities by ₱217.1 million, and net retirement and other post-employment by ₱2.5 million.

Total equity increased by 2.3% or ₱347.8 million to ₱15,803.2 million as of March 31, 2025 from the ₱15,455.4 million balance as of December 31, 2024 due to this year's net income of ₱356.9 million.

EDC Burgos Wind Power Corporation (EBWPC)

(Amounts in USD millions)	For the periods ended March 31 (Unaudited)	
	2025	2024
Revenue	19.3	17.8
Costs of sale of electricity	(6.2)	(6.9)
General and administrative expenses	(0.8)	(0.7)
Other charges - net	(1.0)	(2.1)
Income before income tax	11.3	8.1
Provision for income tax	(1.0)	(1.2)
Net income	10.3	6.9
	As of	
	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Total current assets	51.5	37.2
Total noncurrent assets	250.9	251.8
Total current liabilities	21.2	18.5
Total noncurrent liabilities	124.6	124.1
Total equity	156.6	146.4

Revenue increased by 8.4% or US\$1.5 million to US\$19.3 million for the period ended March 31, 2025 from US\$17.8 million for the same period in 2024 mainly due to the higher actual generation for the period due to stronger winds and more sustained Amihan winds.

Costs of sale of electricity decreased by 10.1% or US\$0.7 million to US\$6.2 million for the period ended March 31, 2025 from US\$6.9 million for the same period in 2024 mainly due to the lower repairs and maintenance by US\$0.5 million, depreciation and amortization by US\$0.1 million, and purchased services and utilities by US\$0.1 million.

General and administrative expenses increased by 14.3% or US\$0.1 million to US\$0.8 million for the period ended March 31, 2025 from US\$0.7 million for the same period in 2024 mainly due to the higher purchased services and utilities by US\$0.1 million.

Other charges - net decreased by 52.4% or US\$1.1 million to US\$1.0 million for the period ended March 31, 2025 from US\$2.1 million for the same period in 2024 mainly due to the turnaround of foreign exchange gain by US\$1.0 million in 2025 from foreign exchange loss in 2024.

Total current assets increased by 38.4% or US\$14.3 million to US\$51.5 million as of March 31, 2025 from the US\$37.2 million balance as of December 31, 2024 mainly due to the increase in trade and other receivables by US\$7.7 million, cash and cash equivalents by US\$6.5 million and due from related parties by US\$0.5 million, partly offset by the decrease in other current assets by US\$0.4 million.

Total noncurrent assets decreased by 0.4% or US\$0.9 million to US\$250.9 million as of March 31, 2025 from the US\$251.8 million balance as of December 31, 2024 mainly due to the decrease in the book value of property, plant and equipment by US\$3.2 million, partly offset by the increase in other noncurrent assets US\$2.3 million.

Total current liabilities increased by 14.6% or US\$2.7 million to US\$21.2 million as of March 31, 2025 from the US\$18.5 million balance as of December 31, 2024 mainly due to the increase in trade and other payables by US\$1.4 million and income tax payable by US\$1.2 million.

Total noncurrent liabilities increased by 0.4% or US\$0.5 million to US\$124.6 million as of March 31, 2025 from the US\$124.1 million balance as of December 31, 2024 mainly due to the increase of long-term debt - net of current portion by US\$0.6 million and provision for rehabilitation and restoration costs by US\$0.1 million, partly offset by the decrease in deferred tax liabilities - net by US\$0.2 million.

Total equity increased by 7.0% or US\$10.2 million to US\$156.6 million as of March 31, 2025 from the US\$146.4 million balance as of December 31, 2024 mainly due to the net income of US\$10.3 million during the year.

FG Hydro Power Corporation (FG Hydro)

(Amounts in PHP millions)	For the periods ended March 31 (Unaudited)	
	2025	2024
Revenue	939.4	868.1
Costs of sale of electricity	(171.6)	(249.9)
General and administrative expenses	(102.4)	(82.7)
Operating income	665.4	535.5
Net income	559.8	525.1
	As of	
	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Total assets	12,012.6	4,492.1
Total liabilities	7,137.8	177.0
Total equity	4,874.8	4,315.1

Revenue increased by 8.2% or ₱71.3 million to ₱939.4 million for the period ended March 31, 2025 from ₱868.1 million for the same period in 2024. The increase was primarily due to higher starting water elevation in 2025 which led to higher generation. This also resulted in higher electricity sold to the WESM and increased capacity available for ancillary services offered to the Reserve Market. This was partly offset by the decrease in average WESM selling prices.

Costs of sale of electricity decreased by 31.3% or ₱78.3 million to ₱171.6 million for the period ended March 31, 2025 from ₱249.9 million for the same period in 2024. This decline was primarily due to lower depreciation expenses following the extension of the remaining useful life of the major assets of the Pantabangan and Masiway hydroelectric power plants, effective January 1, 2024, with the adjustment booked in September 2024, as well as lower WESM purchases due to reduced replacement power requirements.

General and administrative expenses increased by 23.8% or ₱19.7 million to ₱102.4 million for the period ended March 31, 2025 from ₱82.7 million for the same period in 2024 mainly due to higher costs for contracted manpower and other services.

Net income increased by 6.6% or ₱34.7 million to ₱559.8 million for the period ended March 31, 2025 from ₱525.1 million for the same period in 2024 driven by higher operating income, partially offset by the interest expense on long-term debt obtained in February 2025 and lower interest income.

Total assets increased by 167.4% or ₱7,520.5 million to ₱12,012.6 million as of March 31, 2025 from the ₱4,492.1 million balance as of December 31, 2024. The increase was primarily driven by FG Hydro's subscription to the non-voting preferred stocks of EDC and Series "H" redeemable preferred stocks of First Gen in February 2025, as well as higher balances in cash and investment management account.

Total liabilities increased by 3,932.7% or ₱6,960.8 million to ₱7,137.8 million as of March 31, 2025 from the ₱177.0 million balance as of December 31, 2024 mainly due to the ₱7,000.0 million long-term debt obtained in February 2025.

Total equity increased by 13.0% or ₱559.7 million to ₱4,874.8 million as of March 31, 2025 from the ₱4,315.1 million balance as of December 31, 2024 level mainly due to the net income earned during the period.

EDC Siklab Power Corporation (EDC Siklab)

(Amounts in PHP millions)	For the periods ended March 31 (Unaudited)	
	2025	2024
Revenue	10.0	9.8
Costs of sale of electricity	(3.9)	(4.4)
General and administrative expenses	(4.5)	(5.3)
Other income – net	–	0.2
Income before income tax	1.6	0.3
Provision for income tax	(0.6)	(0.2)
Net income	1.0	0.1
	As of	
	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Total current assets	126.3	123.1
Total noncurrent assets	240.2	243.6
Total current liabilities	8.7	9.9
Total equity	357.8	356.8

Revenue increased by 2% or ₱0.2 million to ₱10.0 million for the period ended March 31, 2025 from ₱9.8 million for the same period in 2024 due to higher sales volume.

Cost of sale of electricity decreased by 11.4% or ₱0.5 million to ₱3.9 million for the period ended March 31, 2025 from ₱4.4 million for the same period in 2024 due to lower rental, insurance and taxes by ₱0.7 million, partly offset by higher purchased services and utilities by ₱0.2 million.

General and administrative expenses decreased by 15.1% or ₱0.8 million to ₱4.5 million for the period ended March 31, 2025 from ₱5.3 million for the same period in 2024 due to the lower provision for doubtful accounts by ₱0.3 million, business and related expenses by ₱0.3 million, and rental, insurance and taxes by ₱0.2 million.

Net income increased by 900.0% or ₱0.9 million to ₱1.0 million for the period ended March 31, 2025 from ₱0.1 million for the same period in 2024.

Total current assets increased by 2.6% or ₱3.2 million to ₱126.3 million as of March 31, 2025 from the ₱123.1 million balance as of December 31, 2024 due to higher cash and cash equivalents by ₱2.8 million, and other current assets by ₱0.4 million.

Total noncurrent assets decreased by 1.4% or ₱3.4 million to ₱240.2 million as of March 31, 2025 from the ₱243.6 million balance as December 31, 2024 due to lower property, plant, & equipment by ₱3.0 million and other non-current assets by ₱0.4 million.

Total current liabilities decreased by 12.1% or ₱1.2 million to ₱8.7 million as of March 31, 2025 from the ₱9.9 million balance as December 31, 2024 due to lower trade and other payables by ₱2.2 million, partly offset by the higher due to a related party by ₱0.5 million and income tax payable by ₱0.5 million.

Total equity increased by 0.3% or ₱1.0 million to ₱357.8 million as of March 31, 2025 from the ₱356.8 million balance as of December 31, 2024 due to this period's net income of ₱1.0 million.

Key Performance Indicators

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

	March 31, 2025	March 31, 2024
Current Ratio	1.30	1.33
Debt-to-Equity Ratio	1.01	0.66
Net Debt-to-Equity Ratio	0.86	0.42
Return on Assets (%)	4.64	8.03
Return on Equity (%)	10.05	15.66
Solvency Ratio	0.06	0.09
Interest Rate Coverage Ratio	3.87	5.54
Asset-to-Equity Ratio	2.37	1.96

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 Volatility

EDC, which has a Philippine peso functional currency, has ₱7,069.0 million in long-term US dollar denominated loans as of March 31, 2025 which is 8.4% of the Group's total long-term loans.

EBWPC, a subsidiary of EDC, which has a US dollar functional currency, has ₱2,680.8 million in long-term Philippine peso denominated loans as of March 31, 2025 which is 3.2% of the Group's total long-term loans.

PART II - OTHER INFORMATION

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, 2025, the Group has unserved purchase orders and awarded contracts for capital expenditures amounting to ₱2,133.3 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.

On April 23, 2025, EDC drew ₱2.0 billion from a new term loan facility signed with China Banking Corporation last December 4, 2024.

In April 2025, EDC and EBWPC entered into various cross currency swap (“CCS”) and interest rate swap (“IRS”) contracts to hedge its US dollar denominated long-term floating rate debts, as set out in detail below:

<u>Company</u>	<u>Trade Date</u>	<u>Derivative</u>	<u>Notional amount</u>	<u>Hedged Loans</u>
EDC	April 2, 2025	CCS	10.0 million	Mizuho US\$50.0 million
EDC	April 2, 2025	IRS	10.0 million	Mizuho US\$50.0 million
EBWPC	April 3, 2025	IRS	10.0 million	Mizuho US\$80.0 million
EBWPC	April 4, 2025	IRS	10.0 million	Mizuho US\$80.0 million

Cash Dividends

On January 23, 2025, the Board of the Parent Company approved the declaration of cash dividends to holders of common and preferred shares amounting to ₱4,200.0 million or ₱246,651.43 per share and ₱156.1 million or ₱16,650.67 per share, respectively, in favor of holders of record as of February 3, 2025. Cash dividends were paid by February 28, 2025.

Major Stockholders

As of March 31, 2025, the total number of stockholders was 332. Public float level was at 0.11% (or 19.076527 common shares).

List of Top 20 Stockholders as of March 31, 2025

Rank	Name	Nationality	Number of Shares			Percentage
			Preferred	Common	Total	
1	Red Vulcan Holdings Corporation	Filipino	9,375	7,494	16,869	63.890%
2	Philippines Renewable Energy Holdings Corporation	Dutch	-	9,223	9,223	34.932%
3	First Gen Corporation	Filipino	-	148	148	0.561%
4	Northern Terracotta Power Corporation	Filipino	-	144	144	0.545%
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	Jerome H. Cainglet	Filipino	-	1.000001	1.000001	0.004%
10	Manuel I. Ayala	Filipino	-	1.000001	1.000001	0.004%
11	Richard B. Tantoco	Filipino	-	1.000001	1.000001	0.004%
12	Teresa Grace Socorro G. Lara	Filipino	-	1.000001	1.000001	0.004%
13	Federico R. Lopez	Filipino	-	1.000000	1.000000	0.004%
14	Francis Giles B. Puno	Filipino	-	1.000000	1.000000	0.004%
15	Jonathan C. Russell	British	-	1.000000	1.000000	0.004%
16	Jose Victor P. Paterno	Filipino	-	1.000000	1.000000	0.004%
17	Sebastian C. Quiniones, Jr.	Filipino	-	1.000000	1.000000	0.004%
18	Elizabeth L. Bengzon	Filipino	-	0.956000	0.956000	0.004%
19	Rosalind Camara	Filipino	-	0.663750	0.663750	0.003%
20	Ting Mei	Chinese	-	0.195000	0.195000	0.001%

Board of Directors

As of March 31, 2025, the members of the Board of Directors of EDC are as follows:

Federico R. Lopez	Chairman of the Board and Chief Strategy Officer
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, 2025, the officers of EDC are as follows:

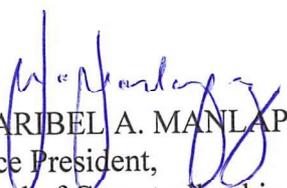
Name	Position
Federico R. Lopez	Chairman of the Board and Chief Strategy Officer
Francis Giles B. Puno	Vice Chairman and Chief Executive Officer
Jerome H. Cainglet	President and Chief Operating Officer
Victor Emmanuel B. Santos, Jr.	Executive Vice President
Erwin O. Avante	Senior Vice President, Chief Financial Officer/Treasurer and Compliance Officer for Securities and Exchange Commission
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
Miguel Lorenzo S. De Vera	Vice President and Head of New Business and Technologies
Gabriel S. Vergara	Vice President and Head of Enterprise Commercial
Glenn L. Tee	Vice President, Chief Audit Executive and Head of Internal Audit
Jeffrey D. Junsay	Vice President, Head of Integrated Subsurface
Ryan Z. Velasco	Vice President, Corporate Information Officer and Head of Corporate Strategy and Planning
Ma. Cecilia R. Batalla	Vice President, Head of Human Resources Management
Joseph P. Guevarra	Assistant Vice President, Chief Risk Officer and Head of Risk & Insurance Management
Bernadette Ann V. Policarpio	Vice President, Corporate Secretary, Head of Legal and Regulatory Affairs and Legal Services Division, and Regulatory Compliance Officer for Department of Energy and Energy Regulatory Commission
Ana Maria A. Katigbak-Lim	Assistant Corporate Secretary

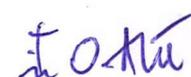
SIGNATURE

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


MARIBEL A. MANLAPAZ
Vice President,
Head of Comptrollership


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

May 7, 2025

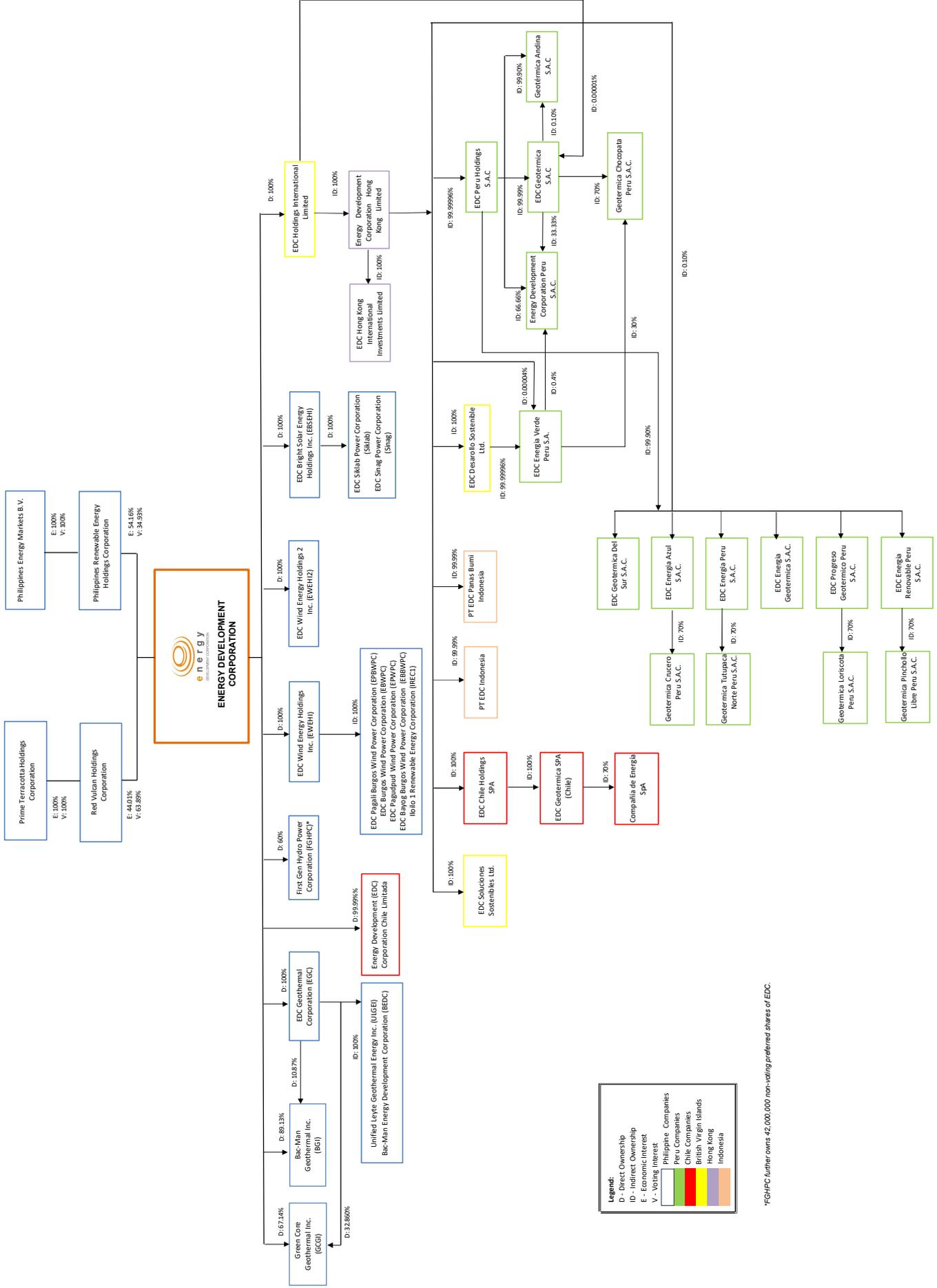
SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS

Energy Development Corporation and Subsidiaries

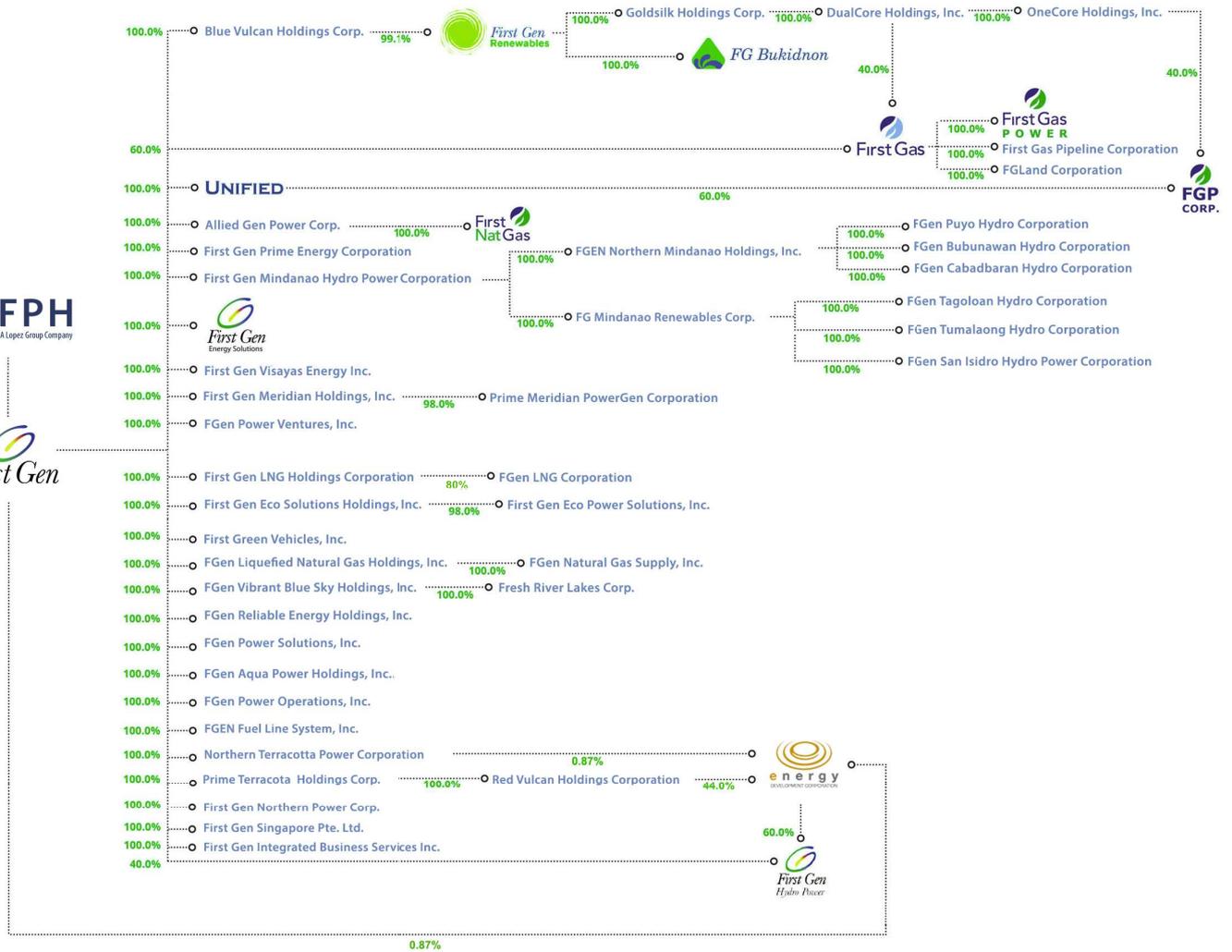
Ratio	Formula	March 31, 2025	March 31, 2024
Current ratio	Dividing total current assets over total current liabilities	1.30	1.33
Solvency ratio	Dividing net income excluding depreciation and non-cash provisions over total debt obligations	0.06	0.09
Debt-to-equity ratio	Dividing total interest-bearing debts over stockholders' equity	1.01	0.66
Asset-to-equity ratio	Dividing total assets over total stockholders' equity	2.37	1.96
Interest rate coverage ratio	Dividing earnings before interest and taxes of one period over interest expense of the same period	3.87	5.54
Net debt-to-equity Ratio	Dividing total interest-bearing debts less cash and cash equivalents over total stockholders' equity	0.86	0.42
Return on equity (%)	Dividing the net income (annual basis) by total stockholders' equity (average)	10.05%	15.66%
Return on assets (%)	Dividing the net income (annual basis) by the total assets (average)	4.64%	8.03%

Ownership Structure of Energy Development Corporation

(As of March 31, 2025)



*FGHPC further owns 42,000,000 non-voting preferred shares of EDC.



*Corporate Structure as of March 31, 2025



FIRST PHILIPPINE HOLDINGS CORP. AND SUBSIDIARIES CORPORATE STRUCTURE

March 31, 2025

*15.76%

FPH
A Lopez Group Company
POWERED BY GOOD

55.66%
First Philippine Holdings

Power Generation

67.84%
First Gen Corporation

Healthcare and Education

- 82.78% Asian Eye Institute, Inc.*
- 100% PI Health Manufacturing and Distribution Services, Inc.
- 100% PI Health Science & Technology College, Inc.
- 100% The Medical Services of America (Philippines) Inc.
- 57.7% First Batangas Hotel Corp.

Real Estate

- 86.58% Rockwell Land
- 100% Rockwell Integrated Property Services, Inc.
- 100% Rockwell Primaries Development Corporation
- 100% Rockwell Performing Arts Theater Corp.
- 100% Rockwell Leisure Club, Inc.
- 100% Rockwell Hotels and Leisure Management Corp.
- 100% Retailscapes, Inc.
- 80% Rockwell MFA Corp.
- 70.0% Rockwell Carmelray Development Corp.
- 70.00% Rockwell Nepo Development Corp.
- 70.00% First Philippine Industrial Park
- 100% FPIP Property Developers and Management Corporation
- 100% FPIP Utilities Incorporated
- 85.00% Grand Batangas Resort Development Incorporated
- 100% First Industrial Township, Inc.
- 100% First Industrial Township Water, Inc.
- 100% FPIP Commercial Properties Inc.

Energy Solutions

- 100% First Philec Electric Corporation
- 99.15% Philippine Electric Corporation
- 100% 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% First Philec Solar Solutions
- 100% PI Energy Inc.
- fpi

Construction

100% First Balfour, Inc.

First Balfour

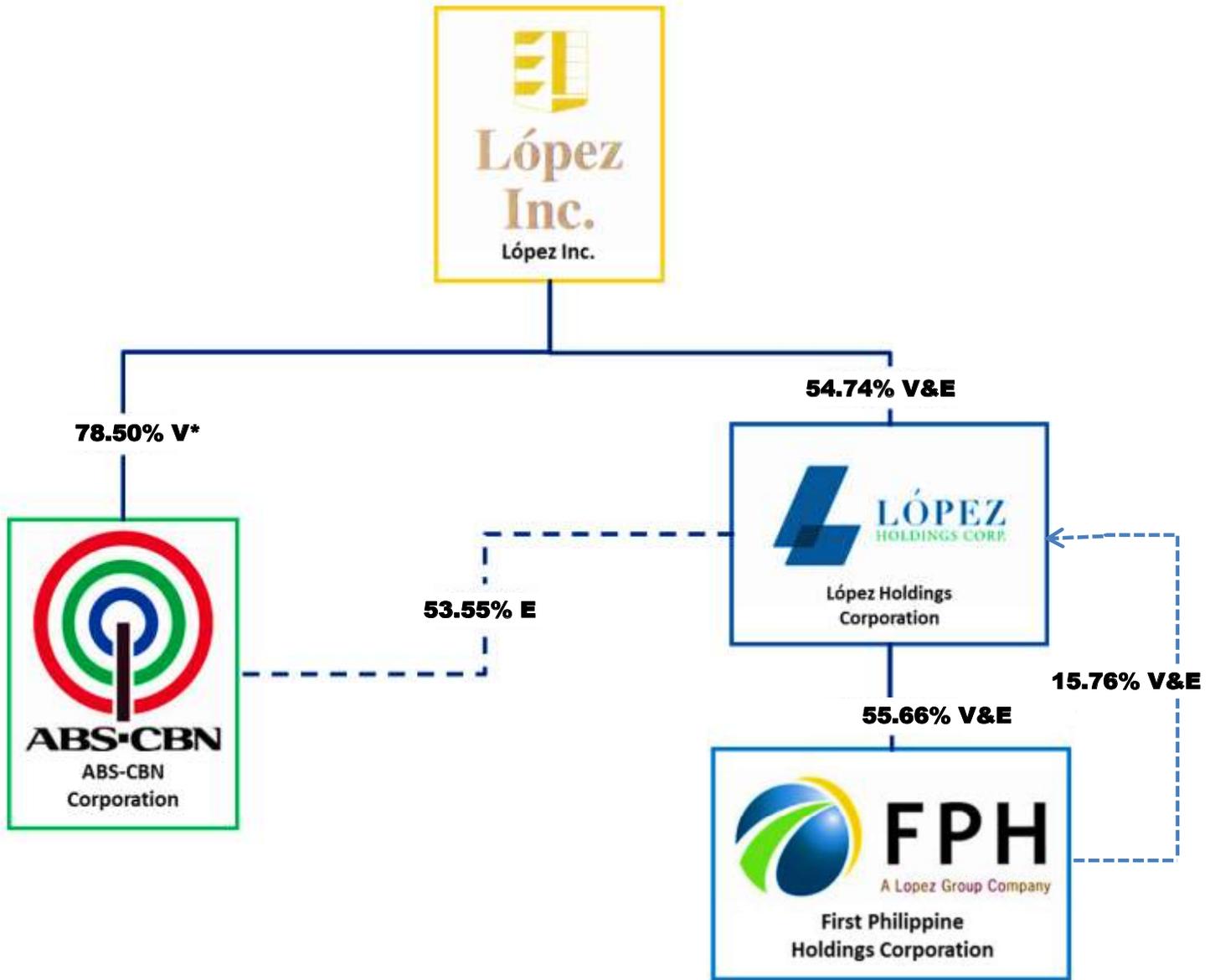
- 100% ThermoPrime Drilling Corporation
- 100% Thermo One Transport Corporation
- 100% Torreverde Corp.
- 100% First Balfour Management Technical Services, Inc.
- 100% ThermoPrime
- 100% ThermoTowaige, Inc.

Other Businesses

- 30.00% Panay Electric Company
- 66.92% InfoPro Business Solutions Inc.
- 98% FPDC
- 100% First Philippine Industrial Corporation
- 100% First Philippine Utilities Corporation
- 100% First Philippine Realty Corporation
- 100% FPH Capital Resources Inc.
- 100% FPH PI Ventures
- 100% FGHC International
- 100% FPH Fund
- 100% Securities Transfer Services, Inc.
- 100% First Philippine Properties Corp.
- 100% FPH Land Ventures Inc.
- 100% First Industrial Township Utilities, Inc.
- 67% TerraPrime, Inc.
- 100% First Philippine Biofields Dev't Corp.
- 60% First Suniden Realty, Inc.
- 100% Legacy Homes Inc.

*Includes shares equivalent to 5.89% with pending Issuance of Certificate Authorizing Registration.

**LOPEZ HOLDINGS CORPORATION AND SUBSIDIARIES
MAP OF RELATIONSHIP OF THE COMPANIES WITHIN THE GROUP
MARCH 31, 2025**



* voting rights include preferred shares

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

Unaudited Interim Condensed Consolidated
Financial Statements
March 31, 2025
(With Comparative Audited Figures as of
December 31, 2024)
and For the Three-Month Periods Ended
March 31, 2025 and 2024

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

**UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF
FINANCIAL POSITION**

As of March 31, 2025

(With Comparative Audited Figures as of December 31, 2024)

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
ASSETS		
Current Assets		
Cash and cash equivalents (Notes 5 and 23)	₱12,548,216,605	₱13,579,439,221
Financial assets at fair value through profit or loss (Note 23)	246,239,101	65,482,214
Trade and other receivables (Notes 6, 22 and 23)	7,478,813,746	7,066,307,649
Due from related parties (Notes 22 and 23)	58,397,010	58,387,506
Parts and supplies inventories (Note 7)	13,236,666,239	12,709,418,518
Derivative assets (Note 23)	–	213,687
Other current assets (Note 8)	2,856,448,888	2,980,908,878
Total Current Assets	36,424,781,589	36,460,157,673
Noncurrent Assets		
Property, plant and equipment (Note 9)	140,708,315,850	138,573,987,979
Goodwill and intangible assets (Note 10)	3,302,633,737	3,332,392,800
Exploration and evaluation assets	2,731,416,150	2,649,609,275
Deferred tax assets – net	867,522,412	865,508,396
Derivative assets - net of current portion (Note 23)	–	854,749
Financial assets at fair value through other comprehensive income (Note 23)	3,096,807,722	301,210,271
Other noncurrent assets (Notes 11 and 23)	11,701,613,535	11,001,289,553
Total Noncurrent Assets	162,408,309,406	156,724,853,023
TOTAL ASSETS	₱198,833,090,995	₱193,185,010,696
LIABILITIES AND EQUITY		
Current Liabilities		
Trade and other payables (Notes 12 and 23)	₱18,419,966,514	₱21,871,459,285
Due to related parties (Notes 22 and 23)	2,697,463	1,793,895
Income tax payable	321,175,546	37,751,717
Current portion of:		
Long-term debts (Notes 13 and 23)	8,456,454,051	9,095,041,512
Lease liability (Note 23)	720,428,107	620,383,717
Derivative liabilities (Note 23)	11,103,395	–
Total Current Liabilities	27,931,825,076	31,626,430,126

(Forward)

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Noncurrent Liabilities		
Long-term debts - net of current portion (Notes 13 and 23)	₱75,977,346,288	₱65,428,738,667
Long-term lease liability - net of current portion (Note 23)	4,026,356,944	4,163,975,068
Net retirement and other post-employment benefits	2,539,086,406	2,439,840,226
Derivative liabilities – net of current portion (Note 23)	45,005,208	–
Deferred tax liabilities – net	81,550,994	93,512,275
Provisions and other long-term liabilities	4,438,374,596	4,147,746,778
Total Noncurrent Liabilities	87,107,720,436	76,273,813,014
Total Liabilities	115,039,545,512	107,900,243,140
Equity		
Equity attributable to equity holders of the Parent Company:		
Preferred stock	93,750,000	93,750,000
Common stock	19,076,250,000	19,076,250,000
Treasury stock	(14,832,014,694)	(14,831,995,944)
Additional paid-in capital	8,715,108,001	8,715,108,001
Equity reserve	(3,706,430,769)	(3,706,430,769)
Net accumulated unrealized gain on financial assets at fair value through other comprehensive income	104,965,792	109,368,342
Fair value adjustments on hedging transactions (Note 23)	(417,053,443)	(212,516,994)
Cumulative translation adjustments	1,992,651,854	1,875,975,250
Retained earnings:		
Unappropriated	35,844,446,695	37,464,827,269
Appropriated	35,000,000,000	35,000,000,000
Non-controlling interests	81,871,673,436	83,584,335,155
Total Equity	1,921,872,047	1,700,432,401
TOTAL LIABILITIES AND EQUITY	₱198,833,090,995	₱193,185,010,696

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

	For the Three-Month Periods Ended March 31	
	2025	2024
REVENUE FROM SALE OF ELECTRICITY	₱11,042,812,230	₱11,441,630,946
COSTS OF SALE OF ELECTRICITY (Note 14)	(5,100,966,930)	(4,905,059,980)
GENERAL AND ADMINISTRATIVE EXPENSES (Note 15)	(1,614,948,625)	(1,819,214,248)
FINANCIAL INCOME (EXPENSES)		
Interest expense (Notes 4 and 16)	(1,168,864,405)	(878,448,253)
Interest income (Notes 4 and 17)	82,198,247	178,082,096
	(1,086,666,158)	(700,366,157)
OTHER INCOME (CHARGES)		
Foreign exchange gains (losses) - net (Note 18)	59,842,778	(15,519,164)
Miscellaneous income - net (Note 19)	13,826,375	4,036,207
	73,669,153	(11,482,957)
INCOME BEFORE INCOME TAX	3,313,899,670	4,005,507,604
PROVISION FOR (BENEFIT FROM) INCOME TAX		
Current	365,266,536	364,456,064
Deferred	(11,920,273)	28,033,860
	353,346,263	392,489,924
NET INCOME	₱2,960,553,407	₱3,613,017,680
Net income attributable to:		
Equity holders of the Parent Company	₱2,737,756,027	₱3,400,708,589
Non-controlling interests	222,797,380	212,309,091
	₱2,960,553,407	₱3,613,017,680
Basic/Diluted Earnings Per Share (Note 20)	₱143,542.67	₱182,331.12

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**

	For the Three-Month Periods Ended March 31	
	2025	2024
NET INCOME	₱2,960,553,407	₱3,613,017,680
OTHER COMPREHENSIVE INCOME (LOSS)		
<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 ₱69,498,584 in 2025 and (₱21,347,452) in 2024	(204,536,449)	63,985,880
Cumulative translation adjustments	116,676,604	45,553,516
Changes in fair value of debt instruments at fair value through other comprehensive income	598,860	(643,970)
NET OTHER COMPREHENSIVE INCOME TO BE RECLASSIFIED TO PROFIT OR LOSS IN SUBSEQUENT PERIODS	(87,260,985)	108,895,426
<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	(5,001,410)	18,043,831
Remeasurements of retirement and other post-employment benefits	(3,394,335)	–
NET OTHER COMPREHENSIVE INCOME NOT TO BE RECLASSIFIED TO PROFIT OR LOSS IN SUBSEQUENT PERIODS	(8,395,745)	18,043,831
TOTAL OTHER COMPREHENSIVE INCOME (LOSS), NET OF TAX	(95,656,730)	126,939,257
TOTAL COMPREHENSIVE INCOME, NET OF TAX	₱2,864,896,677	₱3,739,956,937
Total comprehensive income attributable to:		
Equity Holders of the Parent Company	₱2,643,457,031	₱3,527,647,846
Non-controlling interests	221,439,646	212,309,091
	₱2,864,896,677	₱3,739,956,937

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, 2025 AND 2024**

	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
Balances, January 1, 2025	₱93,750,000	₱19,076,250,000	(₱14,831,995,944)	₱8,715,108,001	(₱3,706,430,769)	₱109,368,342	(₱212,516,994)	₱1,875,975,250	₱37,464,827,269	₱35,000,000,000	₱83,584,335,155	₱1,700,432,401	₱85,284,767,556
Total comprehensive income	-	-	-	-	-	-	-	-	2,737,756,027	-	2,737,756,027	222,797,380	2,960,553,407
Fair value adjustments on hedging transactions (Note 23)	-	-	-	-	-	-	(204,536,449)	-	-	-	(204,536,449)	-	(204,536,449)
Cumulative translation adjustments on foreign subsidiaries	-	-	-	-	-	-	-	116,676,604	-	-	116,676,604	-	116,676,604
Changes in fair value of equity instruments at FVOCI recognized in equity	-	-	-	-	-	(5,001,410)	-	-	(2,036,601)	-	(5,001,410)	(1,357,734)	(5,001,410)
Remeasurements of retirement and other post-employment benefits	-	-	-	-	-	-	-	-	-	-	-	-	-
Changes in fair value of debt instruments designated at FVOCI recognized in equity	-	-	-	-	-	598,860	-	-	-	-	598,860	-	598,860
Total other comprehensive loss	-	-	-	-	-	(4,402,550)	(204,536,449)	116,676,604	(2,036,601)	-	(94,298,996)	(1,357,734)	(95,656,730)
Dividends declared	-	-	-	-	-	(4,402,550)	(204,536,449)	116,676,604	2,735,719,426	-	2,643,457,031	221,459,646	2,864,896,677
Acquisition of treasury stock	-	-	(18,750)	-	-	-	-	-	(4,356,100,000)	-	(4,356,100,000)	-	(4,356,100,000)
	-	-	-	-	-	-	-	-	-	-	(18,750)	-	(18,750)
Balances, March 31, 2025	₱93,750,000	₱19,076,250,000	(₱14,832,014,694)	₱8,715,108,001	(₱3,706,430,769)	₱104,965,792	(₱417,053,443)	₱1,992,651,854	₱35,844,446,695	₱35,000,000,000	₱81,871,673,436	₱1,921,872,047	₱83,793,545,483

See accompanying Notes to Unaudited Interim Consolidated Financial Statements.

	Preferred Stock	Common Stock	Treasury Stock	Additional Paid-in Capital	Equity Reserve	Net Accumulated Unrealized Gain on FVOCI Assets at FYDCI	Fair Value Adjustments on Hedging Transactions	Cumulative Translation Adjustments	Unappropriated Retained Earnings	Appropriated Retained Earnings	Subtotal	Non-controlling Interests	Total Equity
Balances, January 1, 2024	₱93,750,000	₱19,076,250,000	(₱14,730,745,981)	₱8,715,108,001	(₱3,706,430,769)	₱100,286,395	(₱3,594,339)	₱1,593,080,261	₱26,051,220,323	₱43,795,570,045	₱80,984,493,936	₱2,388,322,999	₱83,372,816,935
Total comprehensive income	-	-	-	-	-	-	-	-	3,400,708,589	-	3,400,708,589	212,309,091	3,613,017,680
Fair value adjustments on hedging transactions (Note 22)	-	-	-	-	-	-	63,985,880	-	-	-	(1,532,688,720)	-	(1,532,688,720)
Cumulative translation adjustments on foreign subsidiaries	-	-	-	-	-	-	-	45,553,516	-	-	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)
Total other comprehensive loss	-	-	-	-	-	14,256,619	63,985,880	45,553,516	3,143,242	-	126,939,257	-	126,939,257
Acquisition of treasury stock	-	-	-	-	-	14,256,619	63,985,880	45,553,516	3,403,851,831	-	3,527,647,846	212,309,091	3,739,956,937
Reversal of appropriation of retained earnings	-	-	(1,330,125)	-	-	-	-	-	-	-	(1,330,125)	-	(1,330,125)
	-	-	-	-	-	-	-	-	1,455,641,920	(1,455,641,920)	-	-	-
Balances, March 31, 2024	₱93,750,000	₱19,076,250,000	(₱14,732,076,106)	₱8,715,108,001	(₱3,706,430,769)	₱114,543,014	₱60,391,541	₱1,638,633,777	₱30,910,714,074	₱42,339,928,125	₱84,510,811,657	₱2,600,632,090	₱87,111,443,747

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

	For the Three-Month Periods	
	Ended March 31	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	₱3,313,899,670	₱4,005,507,604
Adjustments for:		
Depreciation and amortization (Notes 9, 10, 14 and 15)	1,818,781,975	1,742,781,225
Interest expense (Note 16)	1,168,864,405	878,448,253
Change in net retirement and other post-employment benefits	95,851,844	66,081,971
Interest income (Note 17)	(82,198,247)	(178,082,096)
Unrealized foreign exchange losses - net (Note 18)	(41,652,343)	(60,363)
Provisions for impairment of trade and other receivables, and prepaid taxes (Note 15)	26,234,290	37,461,385
Provision for impairment of parts and supplies (Note 7 and 15)	(6,567,593)	1,759,773
Loss on disposal and retirement of property, plant and equipment	1,810,200	2,823,144
Mark-to-market gains on financial assets at fair value through profit or loss (Note 19)	(757,070)	(186,875)
Realized gains from redemption of financial assets at fair value through profit or loss	183	(6,929)
Operating income before working capital changes	6,294,267,314	6,556,527,092
Decrease (increase) in:		
Trade and other receivables	(450,794,837)	(430,031,674)
Due from a related party	(9,504)	2,560,740
Parts and supplies inventories	(520,680,128)	(1,046,093,155)
Other current assets	128,240,996	2,719,894,903
Increase (decrease) in:		
Trade and other payables	(3,463,502,811)	(1,157,654,570)
Due to related parties	903,568	1,163,520
Provisions and other long-term liabilities	216,014,736	37,789,933
Cash generated from operations	2,204,439,334	6,684,156,789
Income taxes paid including creditable withholding taxes	(85,623,713)	(321,955,925)
Net cash flows from operating activities	2,118,815,621	6,362,200,864
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisitions of:		
Property, plant and equipment (Note 9)	(3,991,921,627)	(4,290,252,223)
Financial assets at fair value through other comprehensive income	(2,800,000,000)	(102,000,000)
Financial assets at FVPL	(180,000,000)	-
Exploration and evaluation assets	(84,402,838)	(92,478,558)
Intangible assets	(3,097,186)	(576,065)
Additions to other noncurrent assets	(700,323,983)	(24,892,444)
Interest received	94,252,697	230,135,515
Proceeds from:		
Sale of property, plant and equipment	1,988,062	1,435,512
Sale of financial assets at FVOCI	-	102,000,000
Net cash flows used in investing activities	(7,663,504,875)	(4,176,628,263)

(Forward)

**For the Three-Month Periods
Ended March 31**

	2025	2024
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from availment of long-term debts	₱12,577,402,868	₱2,976,587,748
Payments of:		
Cash dividends	(4,356,100,000)	–
Long term debt	(2,777,016,920)	(1,455,641,920)
Interest and other financing charges	(767,020,587)	(769,112,384)
Lease liability	(146,779,710)	(25,263,619)
Purchase of treasury stock	(18,750)	(1,330,125)
Net cash flows from (used in) in financing activities	4,530,466,901	725,239,700
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,014,222,353)	2,910,812,301
EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(17,000,263)	59,334,444
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	13,579,439,221	17,421,012,635
CASH AND CASH EQUIVALENTS AT END OF PERIOD (Notes 5 and 22)	₱12,548,216,605	₱20,391,159,380

See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statements.

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

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

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 Holdings Corporation (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, 2025, 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 7, 2025.

2. Basis of Preparation

The unaudited interim condensed consolidated financial statements of the Group as of March 31, 2025 and for the three-month periods ended March 31, 2025 and 2024 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, 2024.

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 ₱, except when otherwise indicated.

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, 2024, except for the adoption of new standards effective as of January 1, 2025.

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 2025, but do not have an impact on the unaudited interim condensed consolidated financial statements of the Group.

- Amendments to PAS 21, *Lack of Exchangeability*

The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not.

The amendments are effective for annual reporting periods beginning on or after January 1, 2025 and must be applied retrospectively.

- Amendments to the SASB standards to enhance their international applicability

The amendments remove and replace jurisdiction-specific references and definitions in the SASB standards, without substantially altering industries, topics or metrics

The amendments are effective for annual reporting periods beginning on or after January 1, 2025 and must be applied retrospectively.

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 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. 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 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.

	Leyte	Negros Island	Bacon-Manito	Mt. Apo	Pantabangan / Masiway	Wind	Solar	Elimination	Total
For the Three-Month Period Ended									
March 31, 2025									
Segment assets	P123,593,531,517	P43,750,571,693	P30,449,083,344	P15,815,253,480	P12,012,609,893	P17,302,744,565	P799,933,625	(P123,311,002,315)	P120,412,725,802
Unallocated corporate assets									78,420,365,193
Total assets									P198,833,090,995
Segment liabilities	P66,845,104,234	P28,161,768,560	P26,259,605,549	P10,549,893,208	P7,137,457,179	P8,341,354,038	P549,210,647	(P74,166,789,525)	P73,677,603,890
Unallocated corporate liabilities									41,361,941,622
Total liabilities									P115,039,545,512
Capital expenditure	P2,288,631,015	P586,790,217	P570,846,267	P475,478,094	P22,376,473	P39,155,420	P-	P-	P3,983,277,486
Unallocated capital expenditure									29,282,242
Total capital expenditure									P4,012,559,728
Depreciation and amortization	P856,243,006	P274,306,556	P173,499,399	P184,440,564	P81,249,164	P225,033,792	P10,960,317	P6,797,640	P1,812,530,438
Unallocated depreciation and amortization									6,251,537
Total depreciation and amortization									P1,818,781,975
Other non-cash items	P9,408,846	P6,083,874	(P1,359,589)	(P1,721,280)	P-	P7,031,992	P222,855	(P22,374,175)	(P2,707,477)
Unallocated non-cash items									22,374,175
Total non-cash items									P19,666,698
As of and for the									
year ended December 31, 2024									
Segment assets	P124,926,336,205	P45,443,267,352	P30,056,881,233	P16,205,725,444	P4,491,743,501	P16,719,311,888	P744,256,855	(P142,979,718,879)	P95,607,803,599
Unallocated corporate assets									97,577,207,097
Total assets									P193,185,010,696
Segment liabilities	P67,056,396,571	P28,269,129,977	P26,402,899,621	P10,567,846,806	P173,554,979	P8,252,542,669	P494,626,391	(P98,958,197,294)	P42,258,799,720
Unallocated corporate liabilities									65,641,443,420
Total liabilities									P107,900,243,140
Capital expenditure	P16,084,111,668	P3,398,199,000	P5,051,016,687	P1,838,867,526	P237,178,569	P140,728,680	P1,317,500	P-	P26,751,419,630
Unallocated capital expenditure									6,681,439,820
Total capital expenditure									P33,432,859,450
Depreciation and amortization	P3,272,100,397	P1,073,751,827	P640,708,660	P745,261,847	P315,917,403	P910,139,615	P43,199,259	P26,526,212	P7,027,605,220
Unallocated depreciation and amortization									35,081,600
Total depreciation and amortization									P7,062,686,820
Other non-cash items	P186,034,588	P133,988,947	P40,569,387	P20,155,671	P-	P29,973,993	P2,144,900	(P1,203,336,218)	(P790,468,732)
Unallocated non-cash items									1,261,413,664
Total non-cash items									P470,944,932

The following table shows the Group's reconciliation of EBITDA to the consolidated net income for the three-month periods ended March 31, 2025 and 2024:

	March 31, 2025 (Unaudited)	March 31, 2024 (Unaudited)
EBITDA	₱6,165,345,347	₱6,499,359,101
Add (deduct):		
Depreciation and amortization (Notes 9, 10, 14 and 15)	(1,818,781,975)	(1,742,781,225)
Interest expense (Note 16)	(1,168,864,405)	(878,448,253)
Provision for income tax	(353,346,263)	(392,489,924)
Interest income (Note 17)	82,198,247	178,082,096
Provision for impairment of trade and other receivables, and prepaid taxes (Note 15)	(26,234,290)	(37,461,385)
Provision for impairment of parts and supplies inventories (Note 15)	6,567,593	(1,759,773)
Miscellaneous income (charges) - net (Note 19)	13,826,375	4,036,207
Foreign exchange losses - net (Note 18)	59,842,778	(15,519,164)
Consolidated net income	₱2,960,553,407	₱3,613,017,680

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

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Cash on hand and in banks	₱7,850,445,582	₱6,624,700,847
Cash equivalents	4,697,771,023	6,954,738,374
	₱12,548,216,605	₱13,579,439,221

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

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Trade receivable:		
Third parties	P7,980,061,633	P7,182,645,667
Related parties (Note 22)	87,319,243	113,692,907
	8,067,380,876	7,296,338,574
Others:		
Non-trade accounts receivable	521,745,841	879,954,921
Advances to employees	37,262,938	39,159,659
Loans and notes receivables	48,535,463	45,270,720
	607,544,242	964,385,300
	8,674,925,118	8,260,723,874
Less allowance for doubtful accounts	1,196,111,372	1,194,416,225
	P7,478,813,746	P7,066,307,649

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

7. Parts and Supplies Inventories

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Parts and supplies inventories:		
At cost	P9,887,970,352	P9,402,393,089
At net realizable value (NRV)	3,348,695,887	3,307,025,429
	P13,236,666,239	P12,709,418,518

Allowance for inventory obsolescence:

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Balance at beginning of year	P687,820,614	P548,948,904
Provision for (reversal of) impairment (Note 15)	(6,567,592)	138,871,710
Balance at end of year	P681,253,022	P687,820,614

Parts and supplies inventories include items that are carried at NRV amounting to P3,348.7 million and P3,307.0 million as of March 31, 2025 and December 31, 2024, respectively, and have costs amounting P4,029.9 million and P3,994.8 million, respectively. The rest of the parts and supplies inventories are carried at cost.

8. Other Current Assets

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Creditable withholding taxes	₱1,203,358,735	₱952,552,821
Prepaid expenses	597,461,385	732,353,254
Deposits and special funds	507,337,257	476,642,394
Advances to suppliers	324,581,311	409,449,970
Short-term investments	–	200,000,000
Others	223,710,200	209,910,439
	₱2,856,448,888	₱2,980,908,878

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 and cash held in escrow accounts of the Group as required under the retail supply contracts and green energy option program supply contracts.

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

9. Property, Plant and Equipment

March 31, 2025 (Unaudited)

	Fluid Collection and Recycling System (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		Total	
	Land	Power Plants	Production Wells	FCRS and Production Wells	Buildings, Improvements and Other Structures	Exploration, Machinery and Equipment	Transportation Equipment	Furniture, Fixtures and Equipment	Laboratory Equipment	Buildings, Improvements and Other Structures	Construction in Progress	Construction in Progress	Construction in Progress	Construction in Progress	Construction in Progress	Construction in Progress	Construction in Progress	Construction in Progress	Construction in Progress		
Cost																					
Balances at January 1	P967,442,269	P85,704,839,851	P68,921,477,739	P10,561,222,052	P3,911,400,009	P198,413,746	P2,034,126,400	P1,230,805,849	P5,651,622,477											P225,545,094,138	
Additions	41,369,547	—	—	371,002	13,743,347	10,839,069	14,187,431	4,181,544	20,638,101											4,012,559,728	
Disposals/retirements	—	(4,302,212)	—	—	(1,886,386)	(5,933,041)	(2,781,201)	(2,781,783)	—											(17,684,623)	
Reclassifications/adjustments	—	6,052,965,203	3,060,559,593	34,271,961	209,927	—	2,452,086	(41,609,512)	—											187,930,223	
Foreign exchange adjustments	—	(220,832,452)	—	(15,707,194)	(14,591)	(101,311)	51,770	(89,159)	(2,051,765)											(238,724,665)	
Balances at March 31	1,008,811,816	91,532,670,390	71,982,037,332	10,580,157,821	3,923,452,306	203,218,463	2,048,036,486	1,190,506,939	5,670,208,813											229,489,174,801	
Accumulated Depreciation, Amortization and Impairment																					
Balances at January 1	17,627,581	49,069,841,185	25,709,534,279	5,276,305,811	3,079,425,349	125,290,655	1,739,918,717	905,765,216	900,410,547											86,971,106,159	
Depreciation and amortization (Notes 14 and 15)	—	947,604,828	586,735,336	119,109,993	30,756,547	6,719,586	35,714,248	23,838,993	176,129,278											1,926,608,809	
Disposals/retirements	—	(2,705,897)	—	(78,388)	(1,815,106)	(4,045,178)	(2,764,493)	(2,477,299)	—											(17,077,724)	
Reclassifications/adjustments	—	—	—	—	(3,878,941)	—	—	—	—											—	
Foreign exchange adjustments	—	(93,188,757)	—	(7,727,805)	12,109	(85,773)	(43,056)	(31,212)	(463,064)											(99,020,611)	
Balances at March 31	17,627,581	49,921,551,359	26,296,269,615	5,387,609,611	3,104,499,958	127,879,290	1,772,825,416	927,095,698	1,076,076,761											88,780,858,951	
Net Book Value	P991,184,235	P41,611,119,031	P45,685,767,717	P5,192,548,210	P818,952,348	P75,339,173	P275,211,070	P263,411,241	P4,594,132,052											P140,708,315,850	

December 31, 2024 (Audited)

	Fluid Collection and Recycling System (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 - Rigs, Buildings, Improvements and Other Structures		Total	
	Land	Power Plants	Production Wells	FCRS and Production Wells	Buildings, Improvements and Other Structures	Exploration, Machinery and Equipment	Transportation Equipment	Furniture, Fixtures and Equipment	Laboratory Equipment	Buildings, Improvements and Other Structures	Construction in Progress	Construction in Progress	Construction in Progress	Construction in Progress	Construction in Progress	Construction in Progress	Construction in Progress	Construction in Progress	Construction in Progress		
Cost																					
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											P191,556,934,888	
Additions	43,065,547	23,221,319	8,142,761	7,422,542	113,177,491	12,848,383	117,447,053	119,014,123	4,773,702,911											33,432,859,450	
Disposals/retirements	—	(497,382,748)	—	(1,980,165)	(120,241,228)	(6,814,814)	(6,973,081)	(10,697,974)	(613,229)											(644,703,237)	
Reclassifications/adjustments	—	3,613,866,401	6,754,081,729	1,100,655,353	104,579,830	(1,273,300)	75,675,585	31,388,913	89,404,449											355,804,246	
Foreign exchange adjustments	—	(772,192,477)	—	(59,903,503)	204,015	—	205,157	149,876	(7,999,366)											(417,355,767)	
Balances at December 31	967,442,269	85,704,839,851	68,921,477,739	10,561,222,052	3,911,400,009	198,413,746	2,034,126,400	1,230,805,849	5,651,622,477											225,545,094,138	
Accumulated Depreciation, Amortization and Impairment																					
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											79,689,592,586	
Depreciation and amortization (Notes 14 and 15)	—	3,754,427,200	2,229,472,390	443,551,650	113,177,491	25,993,792	146,068,548	94,580,008	482,688,817											7,289,959,896	
Disposals/retirements	—	(202,332,475)	—	(1,915,558)	(116,661,097)	(3,363,123)	(6,933,040)	(10,094,564)	(613,228)											(341,933,085)	
Reclassifications	—	(1,173,563)	35,322	1,550,151	10,614,403	(1,273,300)	—	—	(417,246)											9,335,767	
Foreign exchange adjustments	—	284,563,107	—	32,397,972	(790,544)	—	(219,163)	74,200	3,001,830											324,150,995	
Balances at December 31	17,627,581	49,069,841,185	25,709,534,279	5,276,305,811	3,079,425,349	125,290,655	1,739,918,717	905,765,216	900,410,547											86,971,106,159	
Net Book Value	P949,814,688	P36,634,998,666	P43,211,943,460	P5,284,916,241	P831,974,660	P73,123,091	P294,207,683	P325,040,633	P4,751,211,930											P138,573,987,979	

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:

	March 31, 2025 (Unaudited)	March 31, 2024 (Unaudited)
Property, plant and equipment	₱1,926,608,809	₱1,712,712,288
Intangible assets (Note 10)	32,856,249	32,516,473
Capitalized depreciation	(140,683,083)	(2,447,536)
	₱1,818,781,975	₱1,742,781,225
Costs of sales of electricity (Note 14)	₱1,728,037,526	₱1,645,570,801
General and administrative (Note 15)	90,744,449	97,210,424
	₱1,818,781,975	₱1,742,781,225

Reclassification

The reclassifications in the cost of property, plant and equipment include adjustments to the provision for rehabilitation and restoration costs amounting to ₱47.2 million and ₱29.5 million in period ended March 31, 2025 and December 31, 2024 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

	March 31, 2025 (Unaudited)			
	Goodwill	Water Rights	Other Intangible Assets	Total
Cost				
Balances at January 1	₱2,676,889,008	₱2,404,778,918	₱858,018,763	₱5,939,686,689
Additions	-	-	3,097,186	3,097,186
Balances at March 31	2,676,889,008	2,404,778,918	861,115,949	5,942,783,875
Accumulated Amortization and Allowance for Impairment				
Balances at January 1	₱141,837,475	₱1,743,464,718	₱721,991,696	₱2,607,293,889
Amortization	-	24,047,789	8,808,460	32,856,249
Balances at March 31	141,837,475	1,767,512,507	730,800,156	2,640,150,138
Net Book Value	₱2,535,051,533	₱637,266,411	₱130,315,793	₱3,302,633,737

December 31, 2024 (Audited)				
	Goodwill	Water Rights	Other Intangible Assets	Total
Cost				
Balances at January 1	₱2,676,889,008	₱2,404,778,918	₱819,978,111	₱5,901,646,037
Additions	-	-	38,040,652	38,040,652
Foreign exchange translation adjustment	-	-	-	-
Balances at December 31	2,676,889,008	2,404,778,918	858,018,763	5,939,686,689
Accumulated Amortization and Allowance for Impairment				
Balances at January 1	141,837,475	1,647,273,561	687,671,041	2,476,782,077
Amortization (Notes 12, 22 and 23)	-	96,191,157	33,509,756	129,700,913
Impairment/adjustments (Notes 1 and 23)	-	-	810,899	810,899
Balances at December 31	141,837,475	1,743,464,718	721,991,696	2,607,293,889
Net Book Value	₱2,535,051,533	₱661,314,200	₱136,027,067	₱3,332,392,800

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 6.7 years and 6.9 years as of March 31, 2025 and December 31, 2024, respectively.

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

11. Other Noncurrent Assets

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Prepaid taxes	₱8,572,264,131	₱8,265,182,904
Long-term receivables and special deposits	3,005,007,600	2,851,284,119
Advances to contractors	443,560,209	318,217,278
Prepaid expenses - net of current portion	246,467,102	107,191,967
Deposits and special funds	8,318,959	8,318,959
Others	1,203,890,962	1,205,961,581
	13,479,508,963	12,756,156,808
Less allowance for impairment	1,777,895,428	1,754,867,255
	₱11,701,613,535	₱11,001,289,553

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

Others include capital expenditures funding made by the Group to Compañía De Energia amounting to ₱1,191.6 million and ₱1,141.5 million as of March 31, 2025 and December 31, 2024, 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, 2025 (Unaudited)	December 31, 2024 (Audited)
Trade payables:		
Third parties	P9,241,566,384	P13,565,549,053
Related parties (Note 22)	4,872,703,398	4,433,456,860
	14,114,269,782	17,999,005,913
Others:		
Accrued interest on long-term debts	1,134,559,994	821,011,275
Withholding and other taxes payable	693,125,965	905,958,094
Government share payable	66,626,455	49,699,363
SSS and other contributions payable	64,443,037	59,124,926
Dividends payable	15,867,687	14,103,516
Other payables	2,331,073,594	2,022,556,198
	4,305,696,732	3,872,453,372
	P18,419,966,514	P21,871,459,285

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 P1,433.5 million as of March 31, 2025 and December 31, 2024. Other payables also include deferred output VAT and other accruals (see Note 15).

13. Long-term Debts

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

Creditor/Project	Maturities	Interest Rate	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
EDC Loans				
International Finance Corporation (IFC)				
▪ IFC 2 - P3.3 Billion	October 15, 2025	4.68% from April 16, 2021 until maturity	P246,161,528	P244,770,575
▪ IFC 3 - P4.8 Billion	March 15, 2033	7.8048%	2,620,118,847	2,784,032,627
DBP P291.2 Million Term Loan	December 17, 2030	5.50%	133,983,754	133,950,541
UBP P1.5 Billion Term Loan	December 5, 2026	5.25%	899,175,883	899,005,427
SBC P1.0 Billion Term Loan	December 5, 2031	5.5788%	727,249,931	727,127,945
UBP P2.0 Billion Term Loan	April 10, 2032	5.4382%	996,823,992	996,624,848
SBC P3.0 Billion Term Loan	May 4, 2027	5.3166%	898,790,533	898,536,052
SBC P1.0 Billion Term Loan	May 4, 2032	5.4277%	498,379,814	498,276,228
BPI P1.0 Billion Term Loan	June 1, 2027	5.2059%	299,644,229	299,573,864
SBC P500.0 Million Term Loan	May 4, 2032	5.4904%	249,174,498	249,123,626
BPI				
▪ P3.0 Billion Term Loan	April 15, 2030	5.1323%	1,943,074,884	1,942,447,349
▪ P3.0 Billion Term Loan	April 15, 2030	3.56%	1,942,930,640	1,942,280,175
BDO				
▪ P4.5 Billion Term Loan	September 10, 2030	4.25% until next repricing date in September 2025	2,696,691,334	2,965,277,097

(Forward)

Creditor/Project	Maturities	Interest Rate	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
		4.25% until next repricing date in September 2025		
▪ P2.0 Billion Loan	September 10, 2030		₱1,198,012,948	₱1,317,336,280
Fixed Rate ASEAN Green Bonds				
▪ Series B	June 25, 2026	3.7305%	2,490,843,285	2,489,031,974
▪ Series C	May 27, 2027	6.7478%	2,970,471,340	2,967,317,546
▪ Series D	May 27, 2029	6.8873%	3,460,189,260	3,458,141,062
▪ Series E	May 27, 2031	7.0626%	3,457,887,998	3,456,536,115
US\$50 Million Mizuho Loan	March 24, 2027	5.33523% until next repricing date in September 2025	1,427,987,372	2,889,465,719
BPI				
▪ P2.0 Billion Term Loan	March 21, 2032	7.25% until next repricing date in September 2025	1,596,222,101	1,695,992,349
▪ P2.0 Billion Term Loan	March 21, 2032	6.21% until next repricing date in September 2025	1,591,785,021	1,691,256,889
▪ P3.0 Billion Term Loan	March 21, 2032	6.21% until next repricing date in September 2025	2,382,618,092	2,531,581,864
UBP P1.0 Billion Term Loan	March 24, 2032	5.831567% until next repricing date in March 2027	696,042,586	745,775,803
SBC P2.6 Billion Term Loan	April 19, 2032	5.7829% until next repricing date in April 2027	1,939,568,604	1,938,886,477
CTBC P1.5 Billion Term Loan	June 8, 2027	6.1869%	1,118,448,850	1,117,656,943
BDO				
▪ P2.0 Billion Term Loan	September 3, 2032	6.3248% until next repricing date in September 2025	1,495,584,473	1,595,392,066
▪ P3.0 Billion Term Loan	September 3, 2032	6.3248 % until next repricing date in September 2025	2,236,873,915	2,386,194,560
CBC				
▪ P2.0 Billion Term Loan	October 5, 2032	6.1589% until next repricing date in October 2027	1,597,950,092	1,597,031,449
▪ P2.0 Billion Term Loan	October 5, 2032	6.1589% until next repricing date in October 2027	1,593,274,807	1,592,076,112
BDO				
▪ P2.0 Billion Term Loan	September 1, 2033	6.3235% until next repricing date in September 2025	1,688,489,950	1,788,023,420
▪ P3.0 Billion Term Loan	September 1, 2033	6.3235% until next repricing date in September 2025	2,680,392,945	2,829,650,314
BPI P3.0 Billion Term Loan	September 12, 2034	6.23552% until next repricing date in September 2025	2,979,398,808	2,978,486,020
BDO				
▪ P3.0 Billion Term Loan	November 7, 2034	6.3220% until next repricing date in May 2025	2,978,909,901	2,978,483,675
▪ P2.0 Billion Term Loan	November 7, 2034	6.2240% until next repricing date in May 2025	1,984,937,848	–
▪ P2.0 Billion Term Loan	November 7, 2034	6.0921% until next repricing date in May 2025	1,985,064,801	–
CTBC US\$50 Million Term Loan	December 12, 2029	5.43598% until next repricing date in June 2025	2,826,682,954	2,856,559,210
CBC				
▪ P3.0 Billion Term Loan	December 12, 2034	6.5305% until next repricing date in June 2025	2,979,044,717	2,977,739,948
▪ P2.0 Billion Term Loan	December 12, 2034	5.9067% until next repricing date in June 2025	1,985,618,283	–
Mizuho US\$50 Million Term Loan	December 12, 2029	5.18598% until next repricing date in June 2025	2,814,302,625	2,841,787,750
EBWPC Loans				
▪ BDO P2.7 Billion Term Loan	December 19, 2034	6.5889% until next repricing date in June 2025	2,680,770,441	2,680,194,724
▪ Mizuho US\$80 Million Term Loan	December 20, 2029	5.30318% until next repricing date in June 2025	4,496,228,034	4,542,155,556
FG Hydro Loans				
▪ BDO P2.5 Billion Term Loan	February 6, 2040	6.0645% until next repricing date in August 2025	2,481,428,007	–
▪ BPI P2.5 Billion Term Loan	February 6, 2040	6.0645% until next repricing date in August 2025	2,481,428,007	–
▪ RCBC P2 Billion Term Loan	February 6, 2040	6.0645% until next repricing date in August 2025	1,985,142,407	–
Total			84,433,800,339	74,523,780,179
Less current portion			8,456,454,051	9,095,041,512
Noncurrent portion			₱75,977,346,288	₱65,428,738,667

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= ₱57.21 on March 31, 2025 and US\$1= ₱57.85 on December 31, 2024).

BDO ₱2.0 Billion Term Loan

On January 21, 2025, EDC secured a ₱2.0 billion loan maturing on November 7, 2034 with BDO Unibank, Inc. The loan was priced at a six (6)-month floating rate of 6.2240% per annum until its next repricing date in May 2025.

BDO ₱2.5 Billion Term Loan

On February 6, 2025, FG Hydro secured a ₱2.5 billion loan maturing on February 6, 2040 from BDO Unibank, Inc. The loan was priced at a six (6)-month floating rate of 6.0645% per annum until its next repricing date in August 2025.

BPI ₱2.5 Billion Term Loan

On February 6, 2025, FG Hydro secured a ₱2.5 billion loan maturing on February 6, 2040 from Bank of the Philippine Islands. The loan was priced at a six (6)-month floating rate of 6.0645% per annum until its next repricing date in August 2025.

RCBC ₱2.0 Billion Term Loan

On February 6, 2025, FG Hydro secured a ₱2.5 billion loan maturing on February 6, 2040 from Rizal Commercial Banking Corporation. The loan was priced at a six (6)-month floating rate of 6.0645% per annum until its next repricing date in August 2025.

CBC ₱2.0 Billion Term Loan

On February 26, 2025, EDC secured a ₱2.0 billion loan maturing on December 12, 2034 with China Banking Corporation. The loan was priced at a six (6)-month floating rate of 5.9067% per annum until its next repricing date in June 2025.

BDO ₱2.0 Billion Term Loan

On March 24, 2025, EDC secured a ₱2.0 billion loan maturing on November 7, 2034 with BDO Unibank, Inc. The loan was priced at a six (6)-month floating rate of 6.0921% per annum until its next repricing date in May 2025.

14. Costs of Sale of Electricity

	March 31, 2025	March 31, 2024
	(Unaudited)	(Unaudited)
Purchased services and utilities (Note 22)	₱1,467,947,266	₱1,332,950,021
Depreciation and amortization (Notes 9 and 10)	1,728,037,526	1,645,570,801
Rental, insurance and taxes	651,307,344	719,949,569
Personnel costs	502,001,794	504,971,224
Parts and supplies issued	349,642,522	258,514,057
Repairs and maintenance	290,515,662	330,330,259
Government share	69,630,445	80,255,381
Business and related expenses	41,884,371	32,518,668
	₱5,100,966,930	₱4,905,059,980

15. General and Administrative Expenses

	March 31, 2025	March 31, 2024
	(Unaudited)	(Unaudited)
Purchased services and utilities	₱552,561,799	₱729,691,982
Personnel costs	547,142,046	523,566,714
Rental, insurance and taxes	254,006,561	314,200,581
Business and related expenses	114,649,902	87,560,165
Depreciation and amortization (Notes 9 and 10)	90,744,449	97,210,424
Provisions for impairment of trade and other receivables, and prepaid taxes	26,234,290	37,461,385
Parts and supplies issued	22,565,706	16,744,364
Repairs and maintenance	13,611,464	9,460,940
Provision for (reversal of) impairment of parts and supplies inventories (Note 7)	(6,567,592)	1,759,773
Government share	–	1,557,920
	₱1,614,948,625	₱1,819,214,248

16. Interest Expense

	March 31, 2025	March 31, 2024
	(Unaudited)	(Unaudited)
Interest on long-term debts including amortization of transaction costs (Note 13)	₱1,118,467,390	₱850,006,225
Interest accretion on provision for rehabilitation and restoration costs	25,820,955	23,759,443
Interest expense on lease liability	24,467,420	2,729,808
Interest on liability from litigation	108,640	1,952,777
	₱1,168,864,405	₱878,448,253

17. Interest Income

	March 31, 2025	March 31, 2024
	(Unaudited)	(Unaudited)
Interest income on cash and cash equivalents, debt service reserve account and other short-term investments (Notes 5 and 8)	₱76,683,905	₱170,944,143
Others	5,514,342	7,137,953
	₱82,198,247	₱178,082,096

18. Foreign Exchange Gains (Losses)

	March 31, 2025 (Unaudited)	March 31, 2024 (Unaudited)
Realized foreign exchange gains (losses) – net	₱18,190,435	(₱15,579,527)
Unrealized foreign exchange gains – net	41,652,343	60,363
	₱59,842,778	(₱15,519,164)

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.

19. Miscellaneous Income (Charges) - net

	March 31, 2025 (Unaudited)	March 31, 2024 (Unaudited)
Mark-to-market gain - financial asset at FVPL	₱757,070	₱186,875
Gain (loss) on inventory variations	–	(80,905)
Others	13,069,305	3,849,332
	₱13,826,375	₱4,036,207

20. Cash Dividends

On January 23, 2025, the Board of the Parent Company approved the declaration of cash dividends to holders of common and preferred shares amounting to ₱4,200.0 million or ₱246,651.43 per share and ₱156.1 million or ₱16,650.67 per share, respectively, in favor of holders of record as of February 3, 2025. Cash dividends were paid on or before February 28, 2025.

21. Basic/Diluted Earnings Per Share

The earnings per share amounts were computed as follows:

	March 31, 2025 (Unaudited)	March 31, 2024 (Unaudited)
Net income attributable to equity shareholders of the Parent Company	₱2,737,756,027	₱3,400,708,589
Less dividends on preferred shares	293,500,000	293,500,000
(a) Net income attributable to common shareholders of the Parent Company	₱2,444,256,027	₱3,107,208,589
(b) Weighted average number of common shares outstanding	17,028.08	17,041.57
Basic/diluted earnings per share (a/b)	₱143,542.67	₱182,331.12

The Parent Company does not have dilutive common stock equivalents as of March 31, 2025 and 2024.

22. Related Party Transactions

Following are the amounts of transactions for three-month periods ended March 31, 2025 and 2024 and outstanding balances as of March 31, 2025 and December 31, 2024:

Related Party	Nature of Transaction	Terms	Transactions for the three-month period		Balances	
			ended March 31 (Unaudited) 2025	2024	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Due to related parties						
<i>Entities under common control</i>						
First Gen Corporation (First Gen)	Interest-free advances	Unsecured and will be settled in cash	₱1,214,318	₱2,199,955	₱2,638,075	₱1,734,507
FGP Corp	- do -	- do -	-	-	59,388	59,388
					₱2,697,463	₱1,793,895
Dividends payable						
<i>Affiliate</i>						
PREHC	Dividend	Unsecured and will be settled in cash	₱2,275,606,070	₱1,353,491,537	₱-	₱-
<i>Entities under common control</i>						
Red Vulcan	- do -	- do -	2,005,739,055	1,393,750,561	-	-
First Gen	- do -	- do -	36,504,411	21,845,190	-	-
North Terracotta Power Corp	- do -	- do -	36,504,411	21,725,242	-	-
					₱-	₱-
Due from related parties						
<i>Entities under common control</i>						
First GES	Other services	Unsecured and will be settled in cash	₱-	₱-	₱55,242,520	₱55,242,519
Thermaprime Drilling Corporation (Thermaprime)	Lease drilling	- do -	-	-	1,941,251	1,941,251
First Gen	Other services	- do -	9,504	-	1,213,239	1,203,736
					₱58,397,010	₱58,387,506
Other noncurrent assets						
(Note 11)						
Thermaprime	Loan to affiliate	Payable in 3 years from effectivity of agreement	₱-	₱-	₱1,016,901,738	₱1,025,476,524
					₱1,016,901,738	₱1,025,476,524
Trade and other receivables						
(Note 6)						
<i>Entities under common control</i>						
Rockwell Land Corporation	Sale of electricity	Unsecured and will be settled in cash	₱67,227,794	₱68,468,894	₱30,830,636	₱36,395,328
First GES	- do -	- do -	50,661,173	306,447,446	21,588,358	34,082,364
PI Energy Inc.	- do -	- do -	29,230,671	72,898,887	10,616,082	9,959,127
First Industrial Township, Inc	- do -	- do -	12,135,769	12,361,256	8,371,013	9,742,550
First Philippine Industrial Park (FPIP)	- do -	- do -	7,169,071	5,049,786	5,092,480	3,223,263
Prime Meridian Powergen Corporation	- do -	- do -	55,930	3,477	4,160,746	-
FPIP Utilities, Incorporated	- do -	- do -	6,348,208	3,631,512	2,389,332	2,071,093
First Philec Inc.	- do -	- do -	5,943,768	3,382,650	2,166,806	2,030,200
Meralco	- do -	- do -	660,615,130	804,292,088	1,014,654	-
FGen Natural Gas Supply, Inc.	- do -	- do -	520,225	4,561,002	603,672	534,370
Fresh River Lakes Corp.	- do -	- do -	140,350	21,175	281,618	17,138
First Gas Power Corp.	- do -	- do -	267,414	353,626	153,015	170,143
TG Services Inc	- do -	- do -	-	-	49,179	-
ABS-CBN	- do -	- do -	-	36,558,244	-	15,467,331
<i>(Forward)</i>						

Related Party	Nature of Transaction	Terms	Transactions for the three-month period ended March 31		Balances	
			2025 (Unaudited)	2024	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Others	- do -	- do -	₱1,450	₱3,439	₱1,652	₱-
					₱87,319,243	₱113,692,907

Trade and other payables

(Note 12)

Entities under common control]

Related Party	Nature of Transaction	Terms	Unsecured and will be settled in cash	2025	2024	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
First Balfour Inc.	Civil Works and other services	- do -	Unsecured and will be settled in cash	₱1,008,013,136	₱1,334,357,759	₱2,680,504,300	₱2,647,788,952
Thermaprime	Drilling and other related services	- do -		815,457,480	1,027,514,250	1,087,888,826	605,580,070
Meralco	- do -	- do -		638,635,056	698,581,615	831,714,015	855,212,965
TG Services Inc	- do -	- do -		47,740,254	26,996,121	52,340,597	49,958,553
Fresh River Lakes Corp.	Purchase of services and utilities	- do -		118,618,606	-	48,770,146	67,794,169
InfoPro Business Solutions, Inc	- do -	- do -		45,553,814	52,531,177	45,417,744	29,394,746
Silverlink Security & Investigative Services, Inc.	- do -	- do -		53,966,268	31,865,054	45,580,653	46,693,328
Powerlink Security & Investigative Services, Inc.	- do -	- do -		22,570,951	12,883,808	34,359,738	36,936,299
First Natgas Power Corp.	- do -	- do -		368,725	-	12,291,404	524,492
PI Energy Inc.	- do -	- do -		25,667,856	27,002,007	11,173,447	11,455,586
FPIP Property Developers and Management Corporation	- do -	- do -		1,515,495	1,069,131	7,052,665	7,993,189
First GES	- do -	- do -		-	39,517,276	5,318,434	63,522,323
Bayan Telecommunications Holdings Corporation	- do -	- do -		-	-	2,253,289	2,253,289
Prime Meridian Powergen Corporation	- do -	- do -		-	-	2,167,452	1,372,211
Therma One Transport Corp.	- do -	- do -		608,748	1,129,631	1,507,005	1,634,760
Skycable	- do -	- do -		411,000	698,218	1,294,252	1,297,722
INAEC Aviation Corporation	- do -	- do -		2,123,732	-	726,578	726,578
First Philec Inc.	- do -	- do -		-	-	568,555	568,555
First Philippine Industrial Corporation	- do -	- do -		-	-	482,445	22,412
Asian Eye Institute, Inc.	- do -	- do -		-	-	443,991	443,991
First Philec Manufacturing Technologies Corp	- do -	- do -		-	-	328,720	328,720
Pilipino Cable Corporation	- do -	- do -		-	-	150,000	150,000
First Philippine Realty Corporation	- do -	- do -		1,068,176	1,917,295	118,174	897,174
Goldlink Security & Investigative Services, Inc.	- do -	- do -		-	-	77,512	77,512
ABS-CBN Foundation, Inc.	- do -	- do -		-	-	63,000	63,000
FGP Corp.	- do -	- do -		-	-	61,858	61,073
Lopez, Inc.	- do -	- do -		-	-	-	44,451
Securities Transfer Services, Inc.	- do -	- do -		-	-	36,720	36,720
Endeavor Entrepreneurs	- do -	- do -		-	980,000	-	-
FPIP Utilities Incorporated	- do -	- do -		73,834	93,019	-	20,791
Lopez Holdings Corporation	- do -	- do -		28,500	-	-	126,000
First Philippine Holdings Corporation	- do -	- do -		-	35,479	-	-
Others	- do -	- do -		45,480	33,778	11,878	477,229
First Gen	Consultancy fee	- do -	Unsecured and will be settled in cash	-	46,445,882	-	-
Other related party							
PREHC Directors	Directors' Fee	- do -		-	776,000	-	-
						₱4,872,703,398	₱4,433,456,860

Lease Liability

Entities under common control

Related Party	Nature of Transaction	Terms	Unsecured and will be settled in cash	2025	2024	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Thermaprime	Lease	- do -	Unsecured and will be settled in cash	₱-	₱-	₱4,513,241,620	₱4,541,598,894
Rockwell Land Corporation	- do -	- do -		-	-	106,100,281	125,583,141

The Group has not recognized any impairment loss on trade and other receivables relating to intercompany transactions as of March 31, 2025 and December 31, 2024.

23. 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, 2025 (Unaudited)					
Amortized Cost	Financial Assets at FVOCI	Financial Assets at FVPL	Derivatives Designated as Cash Flow Hedges	Total	
<i>(In Thousand Pesos)</i>					
Financial Assets					
Cash and cash equivalents	P12,548,217	P-	P-	P-	P12,548,217
Trade receivables	6,963,704	-	-	-	6,963,704
Non-trade receivables	437,957	-	-	-	437,957
Deposits and special funds ¹	515,656	-	-	-	515,656
Loans and notes receivables	48,535	-	-	-	48,535
Advances to employees	28,616	-	-	-	28,616
Due from related parties	58,397	-	-	-	58,397
Long-term receivables	1,016,902	-	-	-	1,016,902
Financial assets at FVOCI:					
Debt investments	-	188,016	-	-	188,016
Equity investments	-	2,908,791	-	-	2,908,791
Financial assets at FVPL	-	-	246,239	-	246,239
Total financial assets	P21,617,984	P3,096,807	P246,239	P-	P24,961,030
Financial Liabilities					
Accounts payable ²	P13,834,047	P-	P-	P-	P13,834,047
Accrued interest on					
long-term debts	1,134,560	-	-	-	1,134,560
Other payables ³	429,171	-	-	-	429,171
Due to related parties	2,697	-	-	-	2,697
Long-term debts	84,433,800	-	-	-	84,433,800
Lease liability	4,746,785	-	-	-	4,746,785
Customer deposits	397,079	-	-	-	397,079
Derivative liabilities	-	-	-	56,109	56,109
Total financial liabilities	P104,978,139	P-	P-	P56,109	P105,034,248

¹Includes current and non-current portion

²Excluding statutory liabilities to the Government

³Excluding non-financial liabilities

December 31, 2024 (Audited)					
	Amortized Cost	Financial Assets at FVOCI	Financial Assets at FVPL	Derivatives Designated as Cash Flow Hedges	Total
(In Thousands)					
Financial Assets					
Cash and cash equivalents	P13,579,439	P-	P-	P-	P13,579,439
Trade receivables	6,194,157	-	-	-	6,194,157
Non-trade receivables	796,367	-	-	-	796,367
Deposits and special funds ¹	484,961	-	-	-	484,961
Loans and notes receivables	45,271	-	-	-	45,271
Advances to employees	30,513	-	-	-	30,513
Due from related parties	58,388	-	-	-	58,388
Short term investments	200,000	-	-	-	200,000
Long-term receivables	1,025,477	-	-	-	1,025,477
Financial assets at FVOCI:					
Debt investments	-	187,417	-	-	187,417
Equity investments	-	113,793	-	-	113,793
Financial assets at FVPL					
Derivative assets	-	-	65,482	-	65,482
	-	-	-	1,068	1,068
Total financial assets	P22,414,573	P301,210	P65,482	P1,068	P22,782,333
Financial Liabilities					
Accounts payable ²	P17,771,072	P-	P-	P-	P17,771,072
Accrued interest on					
long-term debts	821,011	-	-	-	821,011
Other payables ³	424,551	-	-	-	424,551
Due to related parties	1,794	-	-	-	1,794
Long-term debts	74,523,780	-	-	-	74,523,780
Lease liabilities	4,784,359	-	-	-	4,784,359
Customer deposits	148,021	-	-	-	148,021
Total financial liabilities	P98,474,588	P-	P-	P-	P98,474,588

¹Includes current and non-current portion

²Excluding statutory liabilities to the Government

³Excluding 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, 2025 and December 31, 2024 other than those with carrying amounts that are reasonable approximations of fair values.

	March 31, 2025 (Unaudited)		December 31, 2024 (Audited)	
	Carrying Amounts	Fair Values	Carrying Amounts	Fair Values
Financial Assets				
Amortized cost:				
Long-term receivables	P1,016,901,738	P911,839,188	P1,025,476,524	P864,675,464
Deposits and special funds	515,656,216	514,796,731	484,961,353	484,066,114
	P1,532,557,954	P1,426,635,919	P1,510,437,877	P1,348,741,578
Financial Liabilities:				
Financial liabilities at amortized cost:				
Long-term debts	P84,433,800,339	P95,677,427,015	P74,523,780,179	P84,125,455,912
Lease liabilities	4,746,785,051	4,788,103,195	4,784,358,785	4,823,648,422
Customer deposits	397,078,634	356,053,929	148,021,283	132,092,085
	P89,577,664,024	P100,821,584,139	P79,456,160,247	P89,081,196,419

Due to their relatively short maturity, ranging from one (1) to three (3) 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 5.60% and 5.85% as of March 31, 2025 and December 31, 2024, 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 2.20% to 8.75% as of March 31, 2025 and 2.90% to 3.266% as of December 31, 2024.

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 6.35% to 7.10% as of March 31, 2025 and 6.65% to 7.23% as of December 31, 2024.

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)

	March 31, 2025 (Unaudited)			
	Total	Level 1	Level 2	Level 3
Financial Assets				
Loans and receivables:				
Long-term receivables	₱911,839,188	₱-	₱-	₱911,839,188
Deposits and special funds	514,796,731	-	-	514,796,731
Financial assets at FVPL	246,239,101	246,239,101	-	-
Financial assets at FVOCI:				
Debt investments	188,016,300	188,016,300	-	-
Equity investments	2,908,791,421	2,806,041,421	102,750,000	-

	March 31, 2025 (Unaudited)			
	Total	Level 1	Level 2	Level 3
Financial Liabilities				
Financial liabilities at amortized cost:				
Long-term debts	₱95,677,427,015	₱15,311,633,464	₱-	₱80,365,793,551
Lease liabilities	4,788,103,195	-	-	4,788,103,195
Customer deposits	356,053,929	-	-	356,053,929
Derivative liabilities designated as cash flow hedges	56,108,603	-	56,108,603	-
	December 31, 2024 (Audited)			
	Total	Level 1	Level 2	Level 3
Financial Assets				
Loans and receivables:				
Long-term receivables	₱864,675,464	₱-	₱-	₱864,675,464
Deposits and special funds	484,066,114	-	-	484,066,114
Financial assets at FVPL	65,482,214	65,482,214	-	-
Financial assets at FVOCI:				
Debt investments	187,417,440	187,417,440	-	-
Equity investments	113,792,831	6,042,831	107,750,000	-
Derivative assets designated as cash flow hedges	1,068,436	-	1,068,436	-
Financial Liabilities				
Financial liabilities at amortized cost:				
Long-term debts	84,125,455,912	14,707,866,835	-	69,417,589,077
Lease liabilities	4,823,648,422	-	-	4,823,648,422
Customer deposits	132,092,085	-	-	132,092,085

For the three (3) months ended March 31, 2025, 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, 2025 (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%	1.0%	100.0%	13.7%
Estimated total gross carrying amount at default (Note 6)	₱2,900,109	₱691,435	₱884,365	₱502,220	₱2,005,369	₱1,083,883	₱8,067,381
Expected credit loss	-	-	-	-	19,793	1,083,883	1,103,676

December 31, 2024 (Audited)

	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%	0.9%	100.0%	15.1%
Estimated total gross carrying amount at default (Note 6)	₱3,713,796	₱174,932	₱80,363	₱24,852	₱2,220,007	₱1,082,389	₱7,296,339
Expected credit loss	-	-	-	-	19,793	1,082,389	1,102,182

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, 2025 and December 31, 2024, 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, 2025 (Unaudited)		December 31, 2024 (Audited)	
	Derivative Assets	Derivative Liabilities	Derivative Assets	Derivative Liabilities
Derivatives designated as accounting hedges				
Cross currency swaps	₱-	₱24,421,350	₱-	₱-
Call spread swaps	-	17,219,790	-	-
Interest rate swaps	-	14,467,464	1,068,436	-
Total derivatives	₱-	₱56,108,604	₱1,068,436	₱-
Presented as:				
Current	₱-	₱11,103,395	₱213,687	₱-
Noncurrent	-	45,005,208	854,749	-
Total derivatives	₱-	₱56,108,603	₱1,068,436	₱-

Cross Currency Swap Contracts

As of March 31, 2025, EDC entered into various cross currency swap (CCS) with aggregate notional amount of US\$30.0 million. This is to partially hedge the interest rate and foreign exchange risks on its Commercial Debt Facility (Foreign Facility) that is benchmarked against six (6)-month USD Term SOFR and with flexible interest reset feature that allows EDC to select what interest reset frequency to apply (i.e., monthly, quarterly or semi-annually). As it is the EDC's intention to reprice the interest rate on the Foreign facility semi-annually, the EDC utilizes CCS with semi-annual interest payments and receipts.

As of March 31, 2025 and December 31, 2024, the outstanding aggregate notional amount of the Group's CCS amounted to US\$30.0 million and nil, respectively.

Call Spread Swap Contracts

EDC entered into various call spread swap (CSS) with aggregate notional amount of US\$60.0 million in the first quarter of 2025. This is to partially hedge the foreign exchange risk on its Commercial Debt Facility (Foreign Facility) that is benchmarked against six (6)-month USD Term SOFR and with flexible interest reset feature that allows EDC to select what interest reset frequency to apply (i.e., monthly, quarterly or semi-annually). As it is the EDC's intention to reprice the interest rate on the Foreign facility semi-annually, the EDC utilizes CSS with semi-annual interest payments and receipts.

As of March 31, 2025 and December 31, 2024, the outstanding aggregate notional amount of the Group's CSS amounted to US\$60.0 million and nil, respectively.

The aggregate fair value change of these CSS amounted to ₱20.3 million and nil as of March 31, 2025 and December 31, 2024, respectively.

Interest Rate Swap Contracts

EDC and EBWPC entered into various interest rate swap (IRS) with aggregate notional amount of US\$40.0 million and US\$10.0 million, respectively in the first quarter of 2025. This is to partially hedge the interest rate risk on its Commercial Debt Facility (Foreign Facility) that is benchmarked against six (6)-month USD Term SOFR and with flexible interest reset feature that allows the Group to select what interest reset frequency to apply (i.e., monthly, quarterly or semi-annually). As it is the Group's intention to reprice the interest rate on the Foreign facility semi-annually, the Group utilizes IRS with semi-annual interest payments and receipts.

As of March 31, 2025 and December 31, 2024, the outstanding aggregate notional amount of the Group's IRS amounted to US\$60.0 million and US\$10.0 million, respectively.

The aggregate fair value losses on these IRS amounted to ₱15.0 million and ₱1.1 million as of March 31, 2025 and December 31, 2024, 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:

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Balance at beginning of year	(₱212,516,994)	(₱3,594,339)
Changes in fair value	(312,554,448)	(495,762,394)
	(525,071,442)	(499,356,733)
<i>Transferred to consolidated statements of income</i>		
Foreign exchange loss (gain)	39,709,700	–
Interest expense	(1,190,285)	154,386,099
Gain on unwinding of derivatives	–	202,397,116
	38,519,415	356,783,215
Balance before tax	(486,552,027)	(142,573,518)
Tax	69,498,584	(69,943,476)
Balance at end of year	(₱417,053,443)	(₱212,516,994)

Fair Value Changes of Derivatives

The table below summarizes the net movement in fair values of the Group's derivatives as of March 31, 2025 and December 31, 2024.

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Balance at beginning of year	₱1,068,436	₱267,803,283
Net changes in fair value of derivatives designated as accounting hedges	(55,986,754)	(421,120,946)
Fair value of settled instruments: Designated as accounting hedges	(1,190,285)	154,386,099
Balance at end of year	(₱56,108,603)	₱1,068,436
Presented as:		
Derivative assets	₱–	₱1,068,436
Derivative liabilities	(56,108,603)	–
	(₱56,108,603)	₱1,068,436

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.

24. Events After Financial Reporting Date

On April 23, 2025, EDC drew ₱2.0 billion from a new term loan facility signed with CBC last December 4, 2024.

In April 2025, EDC and EBWPC entered into various CCS and IRS contracts to hedge its US dollar denominated long-term floating rate debts, as set out in detail below:

Company	Trade Date		Notional amount	Hedged Loans
EDC	April 2, 2025	CCS	10.0 million	Mizuho US\$50.0 million
EDC	April 2, 2025	IRS	10.0 million	Mizuho US\$50.0 million
EBWPC	April 3, 2025	IRS	10.0 million	Mizuho US\$80.0 million
EBWPC	April 4, 2025	IRS	10.0 million	Mizuho US\$80.0 million

25. Other Matters

Seasonality or Cyclicity of Interim Operations

For Wind Ilocos Norte Business Unit, higher revenue and operating profits are expected in the first and last quarters 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

Except for the availment of new long-term debts disclosed in Note 13, 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, 2024.

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, 2025
 In Million Pesos

	Amount
Trade receivables	
Neither past due nor impaired	2,900.1
Less than 30 days past due	691.4
31 days to 1 year past due	3,392.0
Credit impaired	1,083.9
Subtotal	8,067.4
Other receivables	607.5
Total receivables	8,674.9
Allowance for doubtful accounts	1,196.1
Trade and other receivables – net	7,478.8

Certified true and correct:

ERWIN O. AVANTE
 Senior Vice President, Chief Financial Officer,
 Treasurer and Compliance Officer
 May 7, 2025
 Date Signed