

May 28, 2025

ATTY. SUZY CLAIRE R. SELLEZA

Head – Issuer Compliance and Disclosure Department
Philippine Dealing & Exchange Corp.

Dear Atty. Selleza:

We write in compliance with the Exchange’s request for clarification with respect to the news article in The Philippine Star on May 27, 2025, entitled “*EDC drilling 19 new geothermal wells*”. The article reported in part that:

"MANILA, Philippines - Lopez-led Energy Development Corp. (EDC) is digging deep into expansion this year as it intends to drill 19 new geothermal wells ahead of its golden anniversary.

EDC, which turns 50 in 2026, is also set to conduct re-entry operations in previously drilled geothermal fields and carry out multiple workovers as part of its expansion efforts this year.

Through these initiatives, the renewable energy arm of the Lopez Group aims to deliver an additional 141 megawatts (MW) of clean power to the grid.

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"EDC remains steadfast in driving growth and delivering value as we ensure that every step we take brings us closer to a more resilient and regenerative future," Cainglet said.

For its drilling program this year, EDC has kept its investment figures under wraps.

But Energy Undersecretary Rowena Cristina Guevara earlier estimated around \$6 million to \$8 million to drill one hole for geothermal exploration.

The high cost has prompted the government to launch a de-risking strategy aimed at cost-sharing exploration drilling with qualified developers.

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We confirm that we intend to drill 19 new wells this year, and that our drilling activities and well workovers are estimated to deliver 141MW gross capacity this year.

Very truly yours,



Ryan Z. Velasco

Vice President,

Corporate Information Officer,

Head of Corporate Strategy and Planning