

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 20-IS

INFORMATION STATEMENT PURSUANT TO SECTION 20 OF
THE SECURITIES REGULATION CODE

1. Check the appropriate box:
☐ Preliminary Information Statement
☒ Definitive Information Statement
2. Name of Registrant as specified in its charter **Citicore Energy REIT Corp.**
3. **Philippines**
Province, country or other jurisdiction of incorporation or organization
4. SEC Identification Number **CS201010780**
5. BIR Tax Identification Code **007-813-849-00001**
6. Address of principal office **11F Rockwell Santolan Town Plaza, 276 Col. Bonny Serrano Avenue, San Juan City 1500**
7. Registrant's telephone number, including area code **(02) 8826-5698**
8. Date, time and place of the meeting of security holders **June 9, 2025 at 10:00am through remote communication via Microsoft Teams, using the following link: [Insert Link here](#). The Presiding Officer shall preside the meeting in San Juan City, Metro Manila.**
9. Approximate date on which the Information Statement is first to be sent or given to security holders: **May 19, 2025**
10. Proxy Solicitation
Name of Person filing the Statement/Solicitor: Mr. Oliver Y. Tan
Address and Telephone No.: 11F Rockwell Santolan Town Plaza, 276 Col. Bonny Serrano Avenue, San Juan City
11. Securities registered pursuant to Sections 8 and 12 of the Code or Sections 4 and 8 of the RSA (information on number of shares and amount of debt is applicable only to corporate registrants):
- | Title of Each Class | Number of Shares of Common Stock Outstanding or Amount of Debt Outstanding |
|---|--|
| <u>Common Shares</u> | <u>6,545,454.004¹</u> |
| <u>Fixed Rate ASEAN Green Bonds Due 2028</u> | <u>Php4,500,000,000.00¹</u> |
12. Are any or all of registrant's securities listed in a Stock Exchange?
Yes X No
If yes, disclose the name of such Stock Exchange and the class of securities listed therein:
The Philippine Stock Exchange, Inc. – Common Shares¹
The Philippine Dealing & Exchange Corp. – Fixed Rate ASEAN Green Bonds Due 2028¹

¹ As of 15 May 2025

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

Please be informed that the Annual Meeting of the Stockholders of CITICORE ENERGY REIT CORP. (the "Company") will be conducted virtually via **MS Teams** on **June 9, 2025 at 10:00 am.**

The agenda for the Annual Stockholders' Meeting shall be as follows:

1. Call to Order
2. Certification of Notice
3. Determination and Declaration of Quorum
4. Reading and approval of the minutes of the last Annual Stockholders' Meeting
5. President's Report – Annual Sustainability Report
6. Ratification of the Acts, Resolutions, and Proceedings of the Board of Directors
7. Presentation, approval, and ratification of the Audited Financial Statements for the year ended December 31, 2024
8. Election of Directors for 2025
9. Appointment of External Auditor
10. Other Matters
11. Adjournment

The Board of Directors has fixed the close of business day of **19 May 2025** (the "Record Date") as the record date for the determination of stockholders entitled to notice of and to vote at the Annual Meeting of the Stockholders. Only holders of shares of common stock as at the Record Date will be entitled to vote at the Annual Meeting of the Stockholders.

In order that your stock may be represented at the meeting, please accomplish the enclosed Proxy Form and return it via mail / email on or before **04 June 2025** to the company's Stock Transfer Agent and Corporate Secretary through the following:

OFFICE OF THE CORPORATE SECRETARY

Via Mail: 10th Floor, Rockwell Santolan Town Plaza, 276 Col. Bonny Serrano Avenue, San Juan City
Via Email: corporatesecretary@creit.com.ph

PROFESSIONAL STOCK TRANSFER SERVICES, INC.

Via Mail: 10th Floor, Telecom Plaza, 316 Sen. Gil Puyat Avenue, 1209 Makati City
Via Email: info@professionalstocktransfer.com

Stockholders who intend to participate in the meeting through remote communication shall notify the Corporate Secretary by sending an email to corporatesecretary@crec.com.ph from **19 May 2025 to 04 June 2025**. Registered Stockholders will receive an email confirmation containing the details about joining the meeting and the voting procedure. Stockholders may exercise the right to vote through remote communication or *in absentia*, subject to validation by the Company's stock transfer agent.

Very truly yours,


DANICA C. EVANGELISTA
Corporate Secretary

A. GENERAL INFORMATION

Item 1. Date, time and place of meeting of security holders.

- (a) The annual stockholder's meeting of Citicore Energy REIT Corp. (the "Company" or "CREIT") is scheduled to be held on **June 9, 2025 at 10:00 a.m.** through remote communication via Microsoft Teams, using the following link: **Please click here**

The Presiding Officer shall preside the meeting in San Juan City, Metro Manila. The principal office and complete mailing address of the Company is 11th Floor, Rockwell Santolan Town Plaza, 276 Col. Bonny Serrano Ave., San Juan City.

- (b) Approximate date on which copies of the information statement are first to be sent or given to security holder: **19 May 2025.**

- (c) Registrant's Mailing Address: **11F, Rockwell Santolan Town Plaza, 276 Col. Bonny Serrano Rd., San Juan City**

As described in the Procedure for Voting and Participation via Remote Communication, attached herein as **Exhibit "1"**, stockholders shall submit their questions, comments, or concerns, prior to the ASM by emailing the same to the Corporate Secretary of the Company at corporatesecretary@crec.com.ph **on or before 04 June 2025**. Further, during the ASM, stockholders may raise any questions or comments, through a chat box that will be available to them throughout the live broadcast of the ASM. The Company will, as far as practicable, acknowledge, read out loud, and answer all questions and comments raised.

A copy of this Information Statement and Management Report may also be accessed by interested parties by May 19, 2025 at the Company website: <https://creit.com.ph/company-disclosures/annual-stockholders-meeting/>.

Item 2. Dissenters' Right of Appraisal

A stockholder of the Company has the right to dissent and demand payment of the fair value of his shares in the following instances: (a) in case any amendment to the articles of incorporation has the effect of changing or restricting the rights of any stockholder or class of shares, or of authorizing preferences in any respect superior to those of outstanding shares or any shares of any class, or of extending or shortening the term of corporate existence; (b) in case of sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets as provided in the Revised Corporation Code of the Philippines (the "Revised Corporation Code"); (c) in case of investment of corporate funds in any other corporation or business or for any purpose other than the Company's primary purpose; and (d) in case of merger or consolidation.

The stockholder concerned must have voted against the proposed corporate action in order to avail himself of the appraisal right. As provided in the Revised Corporation Code, the procedure in the exercise of the appraisal right is as follows:

- a. The dissenting stockholder files a written demand within thirty (30) days after the date on which the vote was taken. Failure to file the demand within the thirty-day period constitutes a waiver of the right. Within ten (10) days from demand, the dissenting stockholder shall submit the stock certificate/s to the Company for notation that such shares are dissenting shares. From the time of the demand until either the abandonment of the corporate action in question or the purchase of the shares by the Company, all rights accruing to the shares shall be suspended, except the stockholder's right to receive payment of the fair value thereof.
- b. If the corporate action is implemented, the Company shall pay the stockholder the fair value of his shares upon surrender of the corresponding certificate/s of stock. Fair value is determined by the value of the shares of the Company on the day prior to the date on which vote is taken on the corporate action, excluding any appreciation or depreciation in value in anticipation of the vote on the corporate action.
- c. If the fair value is not determined within sixty (60) days from the date of the vote, it will be determined by three (3) disinterested persons (one chosen by the Company, another chosen by the stockholder, and the third one chosen jointly by the Company and the stockholder). The findings of the appraisers will be final, and their award will be paid by the Company within thirty (30) days following such award, provided the Company has sufficient unrestricted retained earnings. Upon such payment, the stockholder shall forthwith transfer his shares to the Company. No payment shall be made to the dissenting stockholder unless the Company has unrestricted retained earnings sufficient to cover such payment.
- d. If the stockholder is not paid within thirty (30) days from such award, his voting and dividend rights shall be immediately restored.

There will be no matters that will be taken up at the meeting which may warrant the exercise of this right.

Item 3. Interest of Certain Persons in or Opposition to Matters to be Acted Upon

- (a) No director or executive officer of the Company or nominee for election as such director or officer has any substantial interest, direct or indirect, in any matter to be acted upon at the annual stockholders' meeting, other than election to office (in the case of directors).
- (b) Likewise, none of the directors has informed the Company of his/her opposition to any matter to be taken up at the meeting.

B. CONTROL AND COMPENSATION INFORMATION

Item 4. Voting Securities and Principal Holders Thereof

- (a) As of May 15, 2025, CREIT has 6,545,454,004 issued and outstanding common shares. Each share is entitled to (1) one vote in accordance with the By-Laws of the Company.
- (b) The record date for purposes of determining the stockholders entitled to vote is **May 19, 2025**.
- (c) Stockholders are entitled to cumulative voting in the election of directors of the Company, as provided for in the Revised Corporation Code. Under Section 23 of the Revised Corporation Code, a stockholder may vote such number of shares for as many persons as there are directors to be elected or he may cumulate said shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of his shares shall equal, or he may distribute them on the same principle among as many candidates as he shall see fit: Provided, That the total number of votes cast by him shall not exceed the number of shares owned by him as shown in the books of the Company multiplied by the whole number of directors to be elected. The stockholder must be a stockholder of record as of May 19, 2025 in order that he may exercise cumulative voting rights. There are no conditions precedent to the exercise of the stockholders' cumulative voting right.
- (d) Security Ownership of Certain Record and Beneficial Owners
 - (1) The names, addresses, citizenship, number of shares held, and percentage to total of persons owning more than five percent (5%) of the outstanding voting shares of the Company as of May 15, 2025:

Title of Class	Name and Address of Record Owner/Relationship with Company	Name of Beneficial Owner/Relationship with Record Owner	Citizenship	No. of Shares Held	% Held
Common	Citicore Renewable Energy Corp. ("CREC") - Stockholder	Edgar B. Saavedra Mr. Saavedra is the ultimate beneficial owner of CREC.	Filipino	2,151,987,996 (Indirect)	32.88%
Common	SM Investments Corporation ("SMIC") - Stockholder	SM INVESTMENTS CORPORATION ¹	Filipino	1,884,374,000 (Indirect)	28.79%

¹ Ms. Elizabeth Anne C. Uychaco and/or Mr. Ian Jason R. Aguirre will represent and vote the shares of SM Investments Corporation.

- (2) Security Ownership of Directors and Management as of May 15, 2025:

The names, citizenship, number of shares held and percentage to total of persons forming part of the Board and Management of the Company as of May 15, 2025 are as follows:

Title of Class	Name of Beneficial Owner	Amount and Nature of Beneficial Owner	Citizenship	Percentage
Common	Edgar B. Saavedra <i>Chairman of the Board</i>	1 (Direct)	Filipino	Nil

Common	Oliver Y. Tan <i>Director, CEO, and President</i>	1 (Direct) 7,423,000 (Indirect)	Filipino	0.11%
Common	Manuel Louie B. Ferrer <i>Director</i>	1 (Direct)	Filipino	Nil
Common	Elizabeth Anne C. Uychaco <i>Director</i>	1 (Direct)	Filipino	Nil
Common	Ian Jason R. Aguirre <i>Director</i>	1 (Direct)	Filipino	Nil
Common	Jose M. Layug, Jr. <i>Lead Independent Director</i>	1 (Direct)	Filipino	Nil
Common	Emmanuel G. Herbosa <i>Independent Director</i>	1 (Direct)	Filipino	Nil
Common	Pacita U. Juan <i>Independent Director</i>	1 (Direct)	Filipino	Nil
Common	Michelle A. Magdato <i>Treasurer, Chief Financial Officer, and Chief Risk Officer</i>	10,000 (Indirect)	Filipino	Nil
Common	Abigail Joan R. Cosico <i>Chief Investor Relations, Corporate Communications, and Branding Officer</i>	200,000 (Indirect)	Filipino	Nil
Aggregate Shareholdings of Directors and Officers as a Group		7,633,008	-	0.12%

The indirect shareholdings of Oliver Y. Tan are lodged with PCD Nominee Corporation (Filipino) under the name of a family member. The indirect shareholdings of Michelle A. Magdato and Abigail Joan R. Cosico are lodged with PCD Nominee Corporation (Filipino).

No director or member of the Company's management owns 2.0% or more of the outstanding capital stock of the Company.

(3) Voting Trust Holders of 5% or more

As of 30 April 2025, the Company is not aware of any person holding more than 5% of common shares under a voting trust or similar agreement.

(4) Changes in Control

As of 30 April 2025, the Company is not aware of any arrangements which may result in a change of control of the Company.

(5) Foreign Ownership level as of 30 April 2025:

Class of Securities	Total Outstanding Shares	Shares Owned by Foreigners	Percent of Ownership
Common Shares	6,545,454,004	145,823,515	2.23%

Item 5. Directors and Executive Officers

(a) The following are the current directors and executive officers of the Company:

Name	Age	Citizenship	Position	Term
EDGAR B. SAAVEDRA	50	FILIPINO	Chairman of the Board	1 year (2024-2025)
OLIVER Y. TAN	47	FILIPINO	President, CEO, and Director	1 year (2024-2025)
MANUEL LOUIE B. FERRER	49	FILIPINO	Director	1 year (2024-2025)
ELIZABETH ANNE C. UYCHACO	69	FILIPINO	Director	1 year (2024-2025)
IAN JASON R. AGUIRRE	50	FILIPINO	Director	1 year (2024-2025)

JOSE M. LAYUG, JR.	53	FILIPINO	Lead Independent Director	1 year (2024-2025)
EMMANUEL G. HERBOSA	71	FILIPINO	Independent Director	1 year (2024-2025)
PACITA U. JUAN	70	FILIPINO	Independent Director	1 year (2024-2025)
ABIGAIL JOAN R. COSICO	51	FILIPINO	Chief Investor Relations, Corporate Communications, and Branding Officer	1 year (2024-2025)
MICHELLE A. MAGDATO	36	FILIPINO	Treasurer, Chief Financial Officer, and Chief Risk Officer	1 year (2024-2025)
RAYMUND JAY S. GOMEZ	53	FILIPINO	Chief Compliance Officer	1 year (2024-2025)
FRENIEL MIKKO P. AUSTRIA	33	FILIPINO	Chief Audit Executive	
DANICA C. EVANGELISTA	31	FILIPINO	Corporate Secretary	1 year (2024-2025)
STEVEN ANGELO MICHAEL C. SY	32	FILIPINO	Corporate Information Officer and Assistant Corporate Secretary	1 year (2024-2025)

- (b) The following are the names, ages, citizenship, and a brief description of the business experience of the last five (5) years of the persons who are nominees for election for year 2024-2025, all of which are incumbent directors of the Company:

BOARD OF DIRECTORS	AGE	CITIZENSHIP	CREDENTIALS
EDGAR B. SAAVEDRA	50	Filipino	Mr. Saavedra is the co-founder of Megawide Construction Corporation in 1997 and has more than 20 years of engineering experience. He received his Bachelor's degree in Engineering from De La Salle University and after obtaining his license as a Civil Engineer, he pursued special studies in Foundation Formworks in Germany. Currently, he is the Chairman of all the companies under the Citicore group, MWM Terminals, Inc, Megawide Terminals, Inc, Altria East Land Inc., PH1 World Developers, Inc., Cebu2World Development, Inc., Citicore Infrastructure Holdings, Inc., Citicore-Megawide Consortium, Inc., Megawide Land, Inc., and Wide-Horizons Inc.
OLIVER Y. TAN	47	Filipino	Mr. Tan holds a degree in Business Administration from the Philippine School of Business Administration. Currently, he holds the position of President and Director of Citicore Infrastructure Holdings, Inc., Treasurer, Director & Vice President of Citicore Holdings Investment, Inc., Treasurer and Director of Megawide Terminals, Inc., Treasurer and Director at Megawide Land, Inc., Corporate Secretary & Director at Future State Myspace Property, Inc., Corporate Secretary and Director at Irmo, Inc., President, Chief Executive Officer and Director of Citicore Renewable Energy Corporation, and President & Director at Citicore Power Inc.. A visionary executive who has a formidable track record in finance, Mr. Tan's leadership paved the way for the Company to diversify and expand toward becoming an emerging pure-play renewable energy company, which has interests in sustainable business ventures with like-minded partners and stakeholders.
MANUEL LOUIE B. FERRER	49	Filipino	Mr. Ferrer obtained his degree in Industrial Design in 1996 from the De La Salle University. He is the Chairman of the Board of Trustees and President of Megawide Corporate Foundation, Inc. Currently, Mr. Ferrer is the Executive Director of Megawide Construction Corporation. He is also the President of the following companies: GMR-Megawide Cebu Airport Corporation, MWM Terminals, Inc., Megawide Terminals, Inc. Altria Eastland, Inc. Cebu2World Development Inc., and Wide-Horizons, Inc. Further, he serves as Vice Chairman of the Board of Directors of PH1 World Developers, Inc. Director for Citicore Holdings Investment, Inc., Megawide Land, Inc., GlobeMerchants, Inc. and SSP Mactan Cebu Corporation.
IAN JASON R. AGUIRRE	50	Filipino	Mr. Ian Jason R. Aguirre is currently a senior executive at two listed companies and 1 privately held corporation: concurrently, VP for Portfolio Investments at SM Investments Corporation (SMIC), Director, CEO and President at APC Group Inc. (APC), and CFO and Treasurer at Philippine

			Geothermal Production Company (PGPC). He has over 22 years of senior management experience in investment banking, corporate finance, mergers and acquisitions, business development, and strategic planning across the energy, telecommunications, infrastructure, and real estate industries.
ELIZABETH ANNE C. UYCHACO	69	Filipino	Ms. Uychaco has held the position of Senior Vice President of SM Investment Corporation since 2009. She has also held the position of Director and Vice Chairperson of Belle Corporation, since 2009. She has been the Chairman of the NEO Group, since 2020 and holds other directorship positions in Republic Glass Holdings Corporation, Goldilocks Bakeshop, Inc. ACE Jardware Philippines, Inc. and Philippines Urban Living Solutions. Ms. Uychaco holds a DBA, with 18 units in Corporate Finance from Walden University, and Masters in Business Administration from the Ateneo Graduate School of Business and Masters in Business Economics from the University of Asia and the Pacific.
JOSE M. LAYUG, JR.	52	Filipino	Mr. Layug is a Senior Partner at Divina Law, and was previously a Senior Partner at Puno and Puno Law Offices. He has also been the Dean at the University of Makati School of Law since 2018. Atty. Layug has been a Trustee and President of the Developers of Renewable Energy for Advancement, Inc. from 2018 to present. He was the Chairman of the Department of Energy's National Renewable Energy Board from 2016 to 2018. He also served as the Undersecretary for the Department of Energy from 2010 to 2012. He also serves as an independent director in listed companies such as Vivant Corporation, and Oriental Petroleum and Minerals Corporation. Atty. Layug is also a director in Upgrade Energy Philippines, Inc., and Philippine Energy Research & Policy Institute, an independent director of Phinma Solar Corporation, and an advisory director in ELSAL Ventures, Inc. Atty. Layug has a Masters of Law from the Cornell University, a Bachelor of Laws and a Bachelor of Science in Business Economics, both from the University of the Philippines.
EMMANUEL G. HERBOSA	70	Filipino	Mr. Herbosa was formerly the President and CEO of the Development Bank of the Philippines (DBP). He has held leadership roles in corporate, consumer, branch, and overseas banking in reputable financial institutions, including the Bank of the Philippine Islands and the Bank of Commerce, where he served as Senior Vice President and Executive Vice President, respectively. He was also the Chief Operating Officer of Ayala Insurance, a bancassurance subsidiary of the Ayala Group. Additionally, he was the President and CEO of the Philippine Guarantee Corporation (PGC), the country's principal agency for state guarantee finance. PGC provides guarantees to facilitate the entry of foreign loans into the country for development purposes. He currently serves as the Chairman and Independent Director of Premiere Horizon Alliance Corporation, a listed company. He also serves as an independent director in several companies such as ART FAMI, Metro Pacific Tollways Corporation, PureGold S&R, and Ovaland, Inc., and a director in Trinity Insurance & Reinsurance Brokers, Inc., and P & Gers Fund, Inc. Mr. Herbosa is also a trustee of De La Salle School Boards, De La Salle Brothers Fund, Inc. since 1989. Mr. Herbosa graduated from De La Salle University with a degree in Industrial Management Engineering. He then obtained his Master in Business Administration from the Wharton School of the University of Pennsylvania, USA.
PACITA U. JUAN	68	Filipino	Ms. Juan has been the President of M. D Juan Enterprises Inc. since 1978 and has also held the position of Vice President for Finance and Treasurer of Centro Mfg. Corporation since 1997. She also served as Treasurer of Peace and Equity Holdings Inc. from 2016 to 2019. Ms. Juan obtained her degree in Bachelor of Science in Hotel and Restaurant Administration from UP Diliman.

The Certification of Independent Directors is herein attached as **Exhibit "2"**.

No Directors or Executive Officers of the Company are connected with any government agencies or its instrumentalities. The Certification of such is herein attached as Exhibit "7".

The directors shall hold office for one (1) year or until their successors are elected and qualified. The annual meeting of the stockholders shall be held every 8th of June each year.

The Board is responsible for the direction and control of the business affairs and management of CREIT, and the preservation of its assets and properties. No person can be elected as director of CREIT unless he or she is a registered owner of at least 1 voting share of CREIT.

Pursuant to SEC Memorandum Circular (M.C.) No. 19, Series of 2016, the Company adopted its Manual on Corporate Governance (Manual). In accordance with Section VI (5) (a) of the Manual, the Board shall have at least two (2) independent directors, or such number as to constitute at least one-third (1/3) of the members of the Board, whichever is higher. At present, three (3) members of the Board are independent directors.

Meanwhile, the Amended Articles of Incorporation and By-Laws of CREIT provide that the eight (8) directors shall include such number of independent directors as may be required by law.

Board Performance and Assessment

The Board regularly meets to review the performance of CREIT and approve any pertinent plans, budgets, and financial statements, set guidelines for management and discuss any various matters requiring Board attention and approval. Any member of the Board may ask management to give reports and analysis on certain issues.

The regular meetings of the Board are normally held once every quarter per year, as well as special meetings of the Board, and the annual stockholders meeting. The Board met eight (8) times in 2024. Prior to the Board meetings, all of the Directors are provided with board materials which include reports on CREIT's strategic, operational and financial performance and other regulatory matters. The Board also has access to the Corporate Secretary who, among other functions, oversees the flow of information to the Board prior to the meetings and who serves as adviser to the Directors relevant issues presented to the Board. The members of the Board also have access to management should they need to clarify matters concerning items submitted for their consideration.

The Company's Board of Directors conducts an annual self-assessment of its performance, including the performance of the Chairman, all the Directors, and the Board Committees. If the need arises, every three (3) years, such assessment will be supported by an external facilitator.

Attendance of Directors to Board and Board Committee Meetings

Board of Directors' Meetings

The record of attendance of the directors at the meetings of the Board of Directors held from 1 January 2024 to 31 December 2024 is as follows:

Board of Directors' Meetings

	Name	Date of Election / Reelection	No. of Meetings Held (Regular and Special)	No. of Meetings Attended	%
Chairman	Edgar B. Saavedra	June 21, 2024	8	8	100
Member	Oliver Y. Tan	June 21, 2024	8	8	100
Member	Manuel Louie B. Ferrer	June 21, 2024	8	8	100
Member	Ian Jason R. Aguirre	June 21, 2024	8	8	100
Member	Elizabeth Anne C. Uychaco	June 21, 2024	8	8	100
Member (Independent)	Jose M. Layug, Jr.	June 21, 2024	8	8	100

Member (Independent)	Emmanuel G. Herbosa	June 21, 2024	8	8	100
Member (Independent)	Pacita U. Juan	June 21, 2024	8	8	100

Executive Committee

Board	Name	Date of Election	No. of Meetings Held (Regular and Special)	No. of Meetings Attended	%
Chairman	Edgar B. Saavedra	June 21, 2024	3	3	100%
Vice Chairman	Oliver Y. Tan	June 21, 2024	3	3	100%
Member	Manuel Louie B. Ferrer	June 21, 2024	3	3	100%

Audit and Risk Oversight Committee Meetings

Board	Name	Date of Election / Reelection	No. Of Meetings Held (Regular and Special)	No. of Meetings Attended	%
Chairman	Emmanuel G. Herbosa	June 21, 2024	4	4	100
Member	Jose M. Layug, Jr.	June 21, 2024	4	4	100
Member	Pacita U. Juan	June 21, 2024	4	4	100
Member	Oliver Y. Tan	June 21, 2024	4	4	100
Member	Elizabeth Anne C. Uychaco	June 21, 2024	4	4	100

Related Party Transaction Review & Compliance Committee Meetings

Board	Name	Date of Election	No. Of Meetings Held (Regular and Special)	No. of Meetings Attended	%
Chairman	Jose M. Layug, Jr.	June 21, 2024	2	2	100
Member	Emmanuel G. Herbosa	June 21, 2024	2	2	100
Member	Pacita U. Juan	June 21, 2024	2	2	100
Member	Ian Jason R. Aguirre	June 21, 2024	2	2	100
Member	Oliver Y. Tan	June 21, 2024	2	2	100

Nominations, Compensation & Personnel Committee Meetings

Board	Name	Date of Election	No. of Meetings Held (Regular and Special)	No. of Meetings Attended	%
Chairman	Manuel Louie B. Ferrer	June 21, 2024	1	1	100
Member	Pacita U. Juan	June 21, 2024	1	1	100
Member	Emmanuel G. Herbosa	June 21, 2024	1	1	100
Member	Jose M. Layug, Jr.	June 21, 2024	1	1	100

Environmental, Social & Governance Committee Meetings

Board	Name	Date of Election	No. of Meetings Held (Regular and Special)	No. of Meetings Attended	%
Chairman	Pacita U. Juan	June 21, 2024	2	2	100

Member	Emmanuel G. Herbosa	June 21, 2024	2	2	100
Member	Jose M. Layug, Jr.	June 21, 2024	2	2	100

Selection of Nominees for Directors

The Nominations, Compensation, and Personnel Committee ("NCPC")² processed and evaluated the nominations for Directors in accordance with the guidelines required by law. The NPCC resolved that the following are qualified for election to the Board at the ASM on June 9, 2025:

- a) Edgar B. Saavedra
- b) Oliver Y. Tan
- c) Manuel Louie B. Ferrer
- d) Ian Jason R. Aguirre
- e) Elizabeth Ann C. Uychaco
- f) Jose M. Layug, Jr. (Independent Director)
- g) Emmanuel G. Herbosa (Independent Director)
- h) Pacita U. Juan (Independent Director)

The NCPC screened and approved the eight (8) nominees for election to the Board in accordance with the Manual on Corporate Governance. The NCPC assessed the said candidates' background, educational qualifications, work experience, expertise, and stature as would enable them to effectively participate in the deliberations of the Board.

In the case of the Independent Directors, the NCPC reviewed their business relationships and activities to ensure that they have all the qualifications and none of the disqualifications for Independent Directors as set forth in the Manual on Corporate Governance, the rules and regulations of the Securities Exchange Commission ("SEC"), the SRC, and the SRC's Implementing Rules and Regulations.

The NCPC determined that they have all the qualifications and none of the disqualifications for election to the Board.

The information on the nominees, including their education background, business experience, and directorships in other reporting companies are discussed in Item 5, pages 6-7 herein.

Qualifications

- (1) Every Director must own at least one (1) share of the capital stock of the Company, which share shall stand in his/her name in the books of the Company. Any Director who ceases to be the owner of at least one (1) share of capital stock of the Company shall *ipso facto* cease to be a Director.
- (2) Every Director must be a person of proven honesty, integrity, and competence.

Disqualifications

- (a) A stockholder may not be nominated or elected to the Board if he/she represents or holds an interest adverse to or in conflict with those of the Company, or if he/she is an officer or stockholder of a corporation or entity engaged in the same or similar business or enterprise as that of the Company.
- (b) The following persons shall in no case be allowed to serve or act as a director:
 - i. Any person convicted of any crime involving any security or financial product;
 - ii. Any person convicted of an offense involving fraud or embezzlement, theft, estafa, or other fraudulent acts or transactions;
 - iii. Any person who, by reason of any misconduct, is enjoined by order, judgement, or decree by any court, quasi-judicial body, or administrative agency of competent jurisdiction from acting as a director, officer, employee, consultant, or agent occupying any fiduciary position;
 - iv. Any person found by the appropriate regulatory agency to have violated, or aided, abetted, counseled, commanded, induced, or procured the violation of the REIT Act of 2009, the Revised Corporation Code, the General Banking Law, the Insurance Code, the Securities Regulation Code, or any related laws and any rules, regulations, or order thereunder;
 - v. Any person judicially declared to be insolvent, or incapacitated to contract;
 - vi. Any person found guilty by a foreign court, regulatory authority, or government agency of the acts or violations similar to any of the acts or misconduct enumerated in sub-paragraphs (i) to (v) above;

² The NCPC is composed of Manuel Louie B. Ferrer (Chairman), Pacita U. Juan (Member), Emmanuel G. Herbosa (Member), and Jose M. Layug, Jr. (Member).

- vii. Any person convicted by final judgment of an offense punishable by imprisonment for more than six (6) years, or a violation of the Revised Corporation Code committed within five (5) years prior to the date of his election or appointment; and
- viii. Other grounds as the SEC may provide.

A conviction in the first instance shall be considered sufficient ground for disqualification.

Temporary Disqualification

The following may be grounds for temporary disqualification of a director:

- (1) Absence in more than seventy-five percent (75%) of all regular and special meetings of the Board during his incumbency, or any 12-month period during the said incumbency, unless the absence is due to illness, death in the immediate family or serious accident. The disqualification should apply for purposes of the succeeding election;
- (2) Dismissal or termination for cause as director of any publicly-listed company, public company, registered issuer of securities and holder of a secondary license from the SEC. The disqualification should be in effect until he has cleared himself from any involvement in the case that gave rise to his dismissal or termination;
- (3) If the beneficial equity ownership of an independent director in the corporation or its subsidiaries and affiliates exceed two percent (2%) of its subscribed capital stock. The disqualification from being elected as an independent director is lifted if the limit is later complied with; and
- (4) Being under preventive suspension by the Company for any reason.

A temporary disqualified director shall, within sixty (60) business days from such disqualification, take the appropriate action to remedy or correct the disqualification. If he fails or refuses to do so for unjustified reasons, the disqualification shall become permanent.

Independent Directors

Before the annual meeting, a stockholder of the Company may nominate individuals to be independent directors, taking into account the following guidelines set forth in the Company's Manual on Corporate Governance and By-Laws:

An Independent Director refers to a person who is independent of Management and the controlling shareholder(s), and is free from any business or other relationship which could, or could reasonably be perceived, to materially interfere with his exercise of independent judgment in carrying out his responsibilities as a Director.

At least one third (1/3) or at least two (2), whichever is higher, of the Board of Directors, or such number as may be required by the REIT Act and its IRR, shall be independent directors. Furthermore, the Independent Directors shall possess the necessary qualifications and none of the disqualifications for an Independent Director in order to hold such position. The Board's Independent Directors shall serve for a maximum cumulative term of nine (9) years, whether cumulative or intermittent, provided that the total years served does not exceed the nine-year term limit. After which, the Independent Director shall be perpetually barred from re-election as such in the Company, but may continue to qualify for nomination and election as a non-Independent Director. In the instance that the Company wants to retain and Independent Director who has served for nine (9) years, the Board shall provide meritorious justification/s and seek shareholders' approval during the annual shareholders' meeting.

To reinforce the independence of the Board, an Independent Director must ideally be a person who:

- (a) Is not, or has not been a senior officer or employee of the Company unless there has been a change in the controlling ownership of the Company;
- (b) Is not, and has not been, in the three (3) years immediately preceding his/her election, a Director of the Company; a Director, officer, employee of the Company's subsidiaries, associates, affiliates, or related companies; or a Director, officer, employee of the Company's substantial shareholders and its related companies;
- (c) Has not been appointed in the Company, including its subsidiaries, associates, affiliates, or related companies as, Chairman "Emeritus", "Ex-Officio" Director / officer or member of any advisory board, or otherwise appointed in a capacity to assist the Board in the performance of its duties and responsibilities within three (3) years immediately preceding his/her election;
- (d) Is not an owner of more than two percent (2%) of the outstanding shares of the Company, its subsidiaries, associates, affiliates, or related companies;

- (e) Is not a relative of a Director, officer, or substantial shareholder of the Company, or any of its related companies or of any of its substantial shareholders. "Relatives" include spouse, parent, child, brother, sister, and the spouse of such child, brother, or sister;
- (f) Is not acting as a nominee or representative of any Director of the Company or any of its related companies;
- (g) Is not a securities broker-dealer of listed companies and registered issuer of securities. "Securities broker-dealer" refers to any person holding any office of trust and responsibility in a broker-dealer firm, which includes, among others, a Director, officer, principal stockholder, nominee of the firm to an exchange, an associated person or salesman, and an authorized clerk of the broker or dealer;
- (h) Is not retained, either in his/her personal capacity or through a firm, as a professional adviser, auditor, consultant, agent or counsel of the Company, any of its related companies or substantial shareholders, or is otherwise independent of Management and free from any business or other relationship within the three (3) years immediately preceding the date of his/her election;
- (i) Does not engage or has not engaged, whether by himself/herself or with other persons or through a firm of which he/she is a partner, Director or substantial shareholder, in any transaction with the Company, any of its related companies, or substantial shareholders, other than such transactions that are conducted at arm's length and could not materially interfere with or influence the exercise of his/her independent judgment;
- (j) Is not affiliated with any non-profit organization that receives significant funding from the Company, any of its related companies, or substantial shareholders; and
- (k) Is not employed as an executive officer of another company where any of the Company's executives serves as Directors.

"Related companies", as used here, refer to (a) the Company's holding/parent company; (b) its subsidiaries; and (c) subsidiaries of its holding/parent company. "Substantial stockholder" means any person who is directly or indirectly the beneficial owner of more than ten percent (10%) of any class of its equity security.

Qualifications of an Independent Director

An Independent Director shall have the following qualifications:

- a. He must be a holder of at least one (1) share of stock of the Corporation registered under his name;
- b. He must be at least a college graduate or have been engaged or exposed to the business of the Corporation for at least five (5) years;
- c. He must be a person of proven integrity/probity;
- d. He must have practical understanding of the business of the Corporation;
- e. He must have previous business experience; and
- f. He must be a member in good standing in relevant industry, business or professional organizations.

Disqualifications of an Independent Director

- a. He becomes an officer or employee of the Corporation where he is such member of the Board of Director or becomes any of the persons enumerated under Section 4 (1), Article III of the Corporation's By-Laws;
- b. His beneficial security ownership exceeds two percent (2%) of the outstanding capital stock of the Corporation;
- c. Fails, without any justifiable cause, to attend at least fifty percent (50%) of the total number of Board meetings during his incumbency unless such absences are due to grave illness or death in the immediate family or serious accident;
- d. Dismissal, termination or removal for cause as director of any publicly-listed company, public company, registered issuer of securities and holder of a secondary license from the SEC;
- e. If any of the judgements or orders cited in Recommendation 2.6 of the Code of Corporate Governance has not yet become final; and
- f. Such other disqualifications which the Corporation's Manual on Corporate Governance provides.

Final List of Nominees

After the deadline for the submission of nominations, the NCPC meets to consider the qualifications as well as grounds for disqualification, if any, of the nominees based on the criteria set forth in the Company's Manual on Corporate Governance, Rule 38 of the Securities Regulation Code, and SEC Memorandum Circular No. 09, Series of 2011 as amended by SEC Memorandum Circular No. 04, Series of 2017.

The NCPC shall then prepare a Final List of Candidates enumerating the nominees who passed the screening.

The name of the person or group of persons who recommends nominee/s as directors shall be disclosed along with his or their relationship with such nominee/s. Only nominees whose names appear on the Final List of Candidates shall be eligible for election as directors. No other nomination shall be entertained after the Final List of Candidates shall have been prepared. No further nomination shall be entertained or allowed on the floor during the annual meeting.

The conduct of the election of directors shall be in accordance with the provisions of the Company's Manual on Corporate Governance and the Amended By-laws consistent with Rule 38 of the Securities Regulation Code, as amended, and the Revised Code of Corporate Governance for Public Companies and Registered Issuers (SEC Memorandum Circular No. 24, Series of 2019).

It shall be the responsibility of the Chairperson of the meeting to inform all stockholders in attendance of the mandatory requirement of electing directors.

He shall ensure that directors are elected during the annual meeting. Specific slots for directors including independent directors shall not be filled up by unqualified nominees. In case of failure of election to elect or complete the required number of directors, the Chairperson of the meeting shall call a separate election during the same meeting to fill up the vacancy.

Significant Employees

No single person is expected to make a significant contribution to the business, since the Company considers the collective efforts of all its employees as instrumental to the overall success of its performance.

Family Relationships

None of the Company's executive officers are related to each other or to its Directors and substantial Shareholders.

Involvement in Certain Legal Proceedings

As of 30 April 2025, the Company is not aware of the occurrence during the past five (5) years until present of any of the following events that are material to an evaluation of the ability or integrity of any Director or executive officer:

- (a) Any bankruptcy petition filed by or against any Director, or any business of a Director, nominee for election as Director, or executive officer who was a Director, general partner or executive officer of said business either at the time of the bankruptcy or within two (2) years prior to that time;
- (b) Any Director, nominee for election as Director, or executive officer being convicted by final judgment in a criminal proceeding, domestic or foreign;
- (c) Any Director, nominee for election as Director, or executive officer being subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities, commodities or banking activities; and
- (d) Any Director, nominee for election as Director, or executive officer being found by a domestic or foreign court of competent jurisdiction (in a civil action), the SEC or comparable foreign body, or a domestic or foreign exchange or other organized trading market or self-regulatory organization, to have violated a securities or commodities law or regulation, and the judgment has not been reversed, suspended, or vacated.

Directors Edgar B. Saavedra, Oliver Y. Tan, Manuel Louie B. Ferrer, and Jez G. Dela Cruz were parties to Criminal Case No. R-LLP-21-01781-CR, entitled "People of the Philippines v. Manuel Louie B. Ferrer, et al." for violation of Section 2-A of Commonwealth Act No. 108 as amended by PD No. 715 (Anti-Dummy Law), before the Regional Trial Court, Branch 68, Lapu-Lapu City, Cebu.

However, on September 27, 2022, the RTC of Lapu-Lapu City, Branch 53 issued an Order denying the Motion for Reconsideration filed by the Lapu-Lapu City Prosecutor's Office and confirming the dismissal of the case for the alleged violation of the Anti-Dummy Law. On October 25, 2022, the Court issued a

Certificate of Finality certifying that the Order was issued and that the same has become final and executory on October 14, 2022.

Certain Relationship and Related Transactions

The transactions and outstanding balances of the Company as of 31 December 2024 with related parties are as follows:

Related parties	Transactions			Outstanding balance Receivables (Payables)		Terms and conditions
	2024	2023	2022	2024	2023	
Parent Company						
Lease income	290,494,271	285,769,013	282,393,829	48,805,632	34,770,872	Refer to (e) and Notes 4 and 15.
Advances to (from)	-	53,223,717	71,442,959	-	-	Refer to (a). Refer to (b) and
Assignment of loans payable	-	-	-	-	-	Note 10. Refer to Note 10.
Assumed interest payable	-	-	-	-	-	
				-	34,770,872	
Security deposits						
Additions	-	-	22,180,645	(22,180,645)	(22,180,645)	Refer to (e).
Accretion of interest expense	842,016	842,017	406,868	8,382,844	9,224,860	
				(13,797,801)	(12,955,785)	
Deferred rent income						
Additions	-	-	10,473,745	(10,473,745)	(10,473,745)	Refer to (e).
Amortization	1,101,388	1,101,390	550,694	2,753,469	1,652,084	
				(7,720,276)	(8,821,661)	
Issuance of shares	-	-	-	-	-	Refer to (c), Notes 8, 10 and 14.
Entities under common control						
Lease income	1,589,861,720	1,506,291,710	1,089,072,676	49,516,356	317,683,557	Refer to (e) and Notes 4 and 15.
Advances to	-	-	-	-	-	Refer to (a). Refer to (e) and
Acquisition of properties	-	-	2,507,918,610	-	-	Note 8.
Property management fee	24,727,052	23,784,441	14,942,644	-	-	Refer to (f).
Fund management fee	8,242,351	7,928,147	4,980,881	-	-	Refer to (g).
Security deposits						
Additions	51,098,952	-	128,247,815	(128,247,815)	(128,247,815)	Refer to (e).
Accretion of interest expense	3,068,975	3,068,975	1,484,160	116,264,511	79,876,332	
				(63,082,256)	(48,371,483)	
Deferred rent income						
Additions	1,183,020	-	84,429,467	(124,406,523)	(84,429,467)	Refer to (e).
Amortization	5,024,866	5,024,866	2,512,432	13,745,186	7,537,298	
				(110,661,337)	(76,892,169)	
Issuance of shares	-	-	-	-	-	Refer to (c) and Notes 8 and 14.

The Company's Related Party Transactions Policy lays down the rules and procedures when the Company and/or members of the Board of Directors are involved in a Related Party Transaction. Related party transactions of directors are passed upon by the Related Party Transaction Review and Compliance Committee (RPTCC) of the Company and endorsed to the Board of Directors for approval/confirmation. The RPTCC evaluates the terms and conditions of the facilities/transactions to ensure that it is conducted in the

regular course of business and on an arm's length basis, not undertaken on more favorable economic terms to the related parties than with non-related or independent parties under similar circumstances. The Company's Board shall also determine the extent of the related parties' interest in the transaction and ensure that related party transactions are adequately disclosed and reported.

None of the Company's directors are involved in any self-dealings and/or related party transactions.

Resignation or Refusal to Stand for Re-election by Members of the Board of Directors

No director has resigned, or otherwise declined to stand for re-election to the Board since the last annual meeting of the Company's stockholders because of disagreement with the Corporation, on matters relating to its operations, policies, and practices.

Item 6. Compensation of Directors and Executive Officers

(a) Executive Compensation

SUMMARY COMPENSATION TABLE
Annual Compensation (In Php
Millions)

The Company's executive officers have been, and will continue to be, compensated by the Sponsors and the Citicore Group. The table below sets forth the compensation of the President and CEO and top three highest compensated officers of the Company for the years indicated:

Name and Principal Position	Period	Salary (P million)	Bonus (P million)	Other Annual Compensation and Benefits (P million)	Total (P million)
CEO and top three highest compensated officers					
Oliver Tan, President and CEO Jez Dela Cruz, Treasurer ¹ Raymund Jay Gomez, Chief Compliance Officer Mia Grace Paula Cortez, CFO ²	2024	34.68	2.76	6.96	44.41
Oliver Tan, President and CEO Jez Dela Cruz, Treasurer Raymund Jay Gomez, Chief Compliance Officer Mia Grace Paula Cortez, CFO	2023	32.65	3.07	6.57	42.28
All officers and directors as a group unnamed	2024	34.68	2.76	6.96	44.41
	2023	32.65	3.07	6.57	42.28

¹Resigned effective 12 Nov 2024; ²Resigned effective 30 Sep 2024

Compensation of Directors

Under the By-Laws of CREIT, by resolution of the Board, each director, shall receive a reasonable per diem allowance for his attendance at each Board meeting. As compensation, the Board shall receive and allocate an amount of not more than ten percent (10%) of the net income before income tax of the Company during the preceding year. Such compensation shall be determined and apportioned among directors in such manner as the Board may deem proper, subject to the approval of stockholders representing at least majority of the outstanding capital stock at a regular or special meeting of the stockholders.

On July 26, 2021, the Board, approved the giving of Fifty Thousand Pesos (PhP 50,000.00) Director's per diem, per Board meeting, and a Twenty-Five Thousand Pesos (PhP 25,000.00) monthly allowance in the form of reimbursable expenses for each regular director.

Standard Arrangements and Other Arrangements

There are no other arrangements for compensation either by way of payments for committee participation or special assignments other than reasonable per diem. There are also no outstanding warrants or options held by CREIT's CEO, other officers and/or directors.

Employment Contracts, Termination of Employment, Change-in-Control Arrangements

While the Company has no special retirement plans for its employees, it provides retirement benefits in accordance with R.A. No. 7641 or the "Retirement Pay Law", and other applicable laws, rules and regulations. Also, there is no existing arrangement with regard to compensation to be received by any executive officer from CREIT in the event of a change in control of the Company. Aside from its employees, CREIT has also entered into employment contracts with its foreign experts. The contracts with foreign nationals usually include benefits, such as housing, medical and group life insurance, vacation leaves, and company vehicle. Further, employment contracts include provisions regarding CREIT's ownership of any invention developed during the course of employment, liquidated damages in the event of contract pre-termination, and a non-compete clause prohibiting the employee, for a period of one (1) year after the termination of the contract, from engaging, directly or indirectly, for himself or on behalf of or in conjunction with any person, corporation, partnership or other business entity that is connected with the business of CREIT.

Item 7. Independent Public Accountants

The accounting firm of Isla Lipana & Co. served as CREIT's external auditor for the last fiscal year. The handling partner of Isla Lipana & Co is Mr. Pocholo Domondon. There was no change in or disagreement with the external auditor on accounting and financial disclosures.

In accordance with CREIT's Manual on Corporate Governance, the Audit and Risk Oversight Committee ("AROC") recommends the appointment of the external auditor. The AROC is composed of Mr. Emmanuel G. Herbosa, Chairman of the AROC, Ms. Elizabeth Anne C. Uychaco, Atty. Jose M. Layug, Jr., Ms. Pacita U. Juan, and Mr. Oliver Y. Tan.

The approval of the re-appointment of Isla Lipana & Co as external auditor for the current year, with Mr. Pocholo Domondon as the handling partner, will be undertaken during the ASM.

Representatives from Isla Lipana & Co. will be present during the stockholders' meeting and will have an opportunity to make a statement if they desire to do so. It is also expected that the attending representatives will be able to respond to appropriate questions.

Item 8. Compensation Plans

No action is to be taken during the ASM with respect to any plan pursuant to which cash or non-cash compensation may be paid or distributed.

C. ISSUANCE AND EXCHANGE OF SECURITIES

Item 9. Authorization or Issuance of Securities Other than for Exchange

No action is to be taken during the ASM with respect to any plan pursuant to authorization or issuance of securities other than for exchange.

Item 10. Modification or Exchange of Securities

No action is to be taken during the ASM with respect to the modification of any class of securities of the Company, or the issuance or authorization for issuance of one (1) class of securities in exchange for outstanding securities of another class.

Item 11. Financial and Other Information

For CREIT's Management's Discussion and Analysis and Changes in and Disagreements with Accountants on Accounting and Financial Disclosure, please refer to the Management's Report to this Information Statement as **Exhibit "3"**.

Additionally, CREIT's Consolidated Audited Financial Statements for the period ending 31 December 2024, and CREIT's Interim Financial Statements as of 31 March 2025, are to be incorporated in the Information Statement by reference as **Exhibit "4"** and **Exhibit "8"**, respectively.

Item 12. Mergers, Consolidations, Acquisitions and Similar Matters

No action is to be taken during the ASM with respect to any transaction involving: (a) merger or consolidation into or with any other person or of any other person into or with CREIT; (b) acquisition by the Company or any of its security holders of securities of another person; (c) acquisition of any other going business or of the assets thereof; (d) sale or other transfer of all or any substantial part of the assets of the Company; or (e) liquidation or dissolution of the Company.

Item 13. Acquisition or Disposition of Property

No action is to be taken during the ASM with respect to any transaction to any acquisition or disposition of property by CREIT requiring the approval of the stockholders.

Item 14. Restatement of Accounts

No action is to be taken during the ASM with respect to restatement of any asset, capital, or surplus account of the Company.

D. OTHER MATTERS

Item 15. Action with Respect to Reports

- (1) The approval of the minutes of the ASM held on 21 June 2024 will be taken up during the meeting. A copy of the said minutes is attached herein as **Exhibit "5"**.

The matters taken up during the ASM on 21 June 2024 were as follows:

- a) Call to Order
 - b) Certification of Notice
 - c) Determination and Declaration of Quorum
 - d) Reading and approval of the minutes of the last Annual Stockholders' Meeting dated 8 June 2023
 - e) President's Report – Annual Sustainability Report
 - f) Ratification of all acts, resolutions, and proceedings of the Board of Directors and Management up to June 21, 2024
 - g) Presentation, Approval, and Ratification of the Audited Financial Statements for the year ended December 31, 2023
 - h) Election of Directors for 2024
 - i) Appointment of the External Auditor
 - j) Other Matters
 - k) Adjournment
- (2) The ratification of the Audited Financial Statements for the year ended December 31, 2024 will be taken up during the ASM.
 - (3) The ratification of all acts, resolutions, and proceedings of the Board of Directors and Management up to June 9, 2025.
 - (4) The approval of the election of directors for 2025.
 - (5) The approval of the appointment of the external auditor.

A copy of the draft Minutes of the ASM held on 21 June 2024 and the Audited Financial Statements for 2024 has been distributed to all Stockholders of the Company.

The voting procedure, votes cast, and procedure of tabulating the votes are discussed in the minutes of the ASM on 21 June 2024.

Item 16. Matters Not Required to be Submitted

There are no matters to be taken during the meeting that will not require the vote of the stockholders as of the record date, except for the presentation of the President of the Annual Report.

Item 17. Amendment of Charter, Bylaws or Other Documents

No action is to be taken with respect to Item 17 during the Annual Stockholders' Meeting.

Item 18. Other Proposed Action

Ratification of the Acts of the Board of Directors and Management

The resolution to be adopted will be the ratification and approval of all acts of the Board, its Committees, corporate officers, and management from 9 June 2024 up to the date of the ASM.

The regular and special meetings of the Board in 2024 were held on the following dates:

- a) 14 March 2024 Special Meeting
- b) 19 March 2024 Regular Meeting;
- c) 05 April 2024 Special Meeting;
- d) 13 May 2024 Regular Meeting;
- e) 21 May 2024 Special Meeting;
- f) 21 June 2024 Organizational Meeting;
- g) 09 August 2024 Regular Meeting;
- h) 12 November 2024 Regular Meeting

At these meetings, matters discussed included the presentation of detailed operations and financial reports. In addition to these reports, the Board approved acts pertaining to obtaining government permits and clearances, execution of contracts, availment of services from banks and other acts necessary for various projects of CREIT.

Item 19. Voting Procedures

The stockholders as of 19 May 2025 may vote during the annual stockholders meeting.

- a) The vote required for approval and/or election

The vote required for the election of Directors and all other questions (except in cases otherwise provided by the Company) is the vote of at least a majority of the outstanding capital stock.

Each common share of stock entitles its holder as of record date to one vote. Article II, Section 7 of the By-laws provides that each stockholder shall be entitled to one vote, in person or by proxy, for each share held by such stockholder.

With respect to the election of directors, following Section 23 of the Revised Corporation Code, a stockholder may vote such number of shares for as many persons as there are directors to be elected or he may cumulate said shares and give one (1) candidate as many votes as the number of directors to be elected multiplied by the number of the shares owned, or distribute them on the same principle among as many candidates as may be seen fit, provided that the total number of votes cast shall not exceed the number of shares owned by the stockholders as shown in the books of the Company multiplied by the whole number of directors to be elected.

- b) The method by which votes will be counted

Article II, Section 7 of the By-laws provides that at all meetings of stockholders, a stockholder may vote in person or by proxy. Section 23 of the Revised Corporation Code of the Philippines provides that in stock corporations, every stockholder entitled to vote shall have the right to vote in person or by proxy the number of shares of stock standing, at the time fixed in the bylaws, in his own name on the stock books of the corporation, or where the by-laws are silent, at the time of the election.

In accordance with SEC Memorandum Circular No. 06, Series of 2020, voting during the ASM will be done through remote communication. In this regard, the manner and procedure by which the shareholders may vote is described in **Exhibit "1"**.

Each stockholder shall have one (1) vote for each share of stock entitled to vote and recorded in his name in the books of CREIT.

Isla Lipana & Co. will verify the votes tabulated.

Item 20. Interest of Certain Persons in or Opposition to Matters to be Acted Upon

No person who has been a director or officer of the Company or a nominee for election as a director of the Company nor any of their associates, has a substantial interest in any matter to be acted upon at the Annual Stockholders' Meeting.

No director of the Company has informed it in writing that he or she intends to oppose any matter to be acted upon at the Annual Stockholders' Meeting.

UNDERTAKING: The Company will provide without charge its Annual Report or SEC Form 17-A to its stockholders upon receipt of written request addressed to: The Office of the Corporate Secretary, CREIT, at 11th Floor, Rockwell Santolan Town Plaza, Col. Bonny Serrano Ave., San Juan City.

INFORMATION REQUIRED IN A PROXY FORM

1. Identification

The proxy solicitation is made by **CITICORE ENERGY REIT CORP.** (the “Company”), represented by Mr. Oliver Y. Tan, the President of the Company. The proxy solicitation is in favor of Mr. Tan or in case of his non-attendance, the Chairman of the Annual Stockholders’ Meeting chosen in accordance with the Company’s By-Laws.

All costs and expenses incidental to the proxy solicitation will be borne, directly or indirectly, by the Company.

2. Instructions

- (a) The security holder is instructed to complete, and affix their signature on the attached form.
 - (i) If the securities are owned by two or more joint owners, the proxy form must be signed by all of the joint owners.
 - (ii) If the securities are owned in an “and/or” capacity, the proxy form must be signed by either one of the owners.
 - (iii) If the securities are owned by a corporation, association, partnership or unincorporated entity, the proxy form must be accompanied by a certification, signed by a duly authorized officer, partner or representative of such corporation, association, partnership or unincorporated entity, that designates and empowers an authorized signatory to sign the proxy form pursuant to the constitutive documents or duly approved policies of such corporation, association, partnership or unincorporated entity for this particular purpose.
- (b) The security holder appoints Mr. Oliver Y. Tan, or in case of his non-attendance, the Chairman of the Annual Stockholders’ Meeting, to represent and vote all shares registered in his or her name as proxy of the undersigned security holder.
- (c) The security holder shall clearly indicate the date of execution of the proxy form. A proxy form which is undated, post-dated, or which provides that it shall be deemed to be dated as of any date subsequent to the date on which it is signed by the security holder, shall not be valid,
- (d) The security holder shall sign the proxy form or have the form signed by a duly authorized representative, and file the same with the Corporate Secretary not later than 5:00 p.m. on June 4, 2025.
- (e) Retrieval and validation of all the proxy forms shall be administered by the Corporate Secretary and persons designated by the Corporate Secretary who shall be under her supervision and control from May 19, 2025 to June 9, 2025.

3. Revocability and Validity of Proxy

The proxy form in favor of the Company shall be irrevocable and shall be effective and valid for a period of five (5) years from the date of its execution. There is no formal procedure or limitation for the right of revocation of a proxy before it is exercised.

4. Persons Making the Solicitation

The Company is not soliciting any votes. Neither is the Company aware of any director who intends to oppose any action intended to be taken by the Company.

5. Interest of Certain Persons in Matters to be Acted Upon

There is no person who has been a director, independent director, or nominee for election as director, or independent director, or officer of the Company and, to the best knowledge of the Company, no associate of a director or independent director, or officer, or nominee for election as a director or independent director, or officer of the Company, at any time since the beginning of the last calendar year, has any substantial interest in any matter to be acted upon at the Annual Stockholders’ Meeting.

SIGNATURE PAGE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete, and correct. This report is signed in the City of San Juan on 15 May 2025.

CITICORE ENERGY REIT CORP.


By: DANICA C. EVANGELISTA
Corporate Secretary

***PLEASE FILL UP AND SIGN THIS PROXY FORM AND RETURN OR EMAIL IMMEDIATELY TO:
CITICORE ENERGY REIT CORP.
11/F Rockwell Santolan Town Plaza, 276 Col. Bonny Serrano Ave., San Juan City
Email: corporatesecretary@crec.com.ph**

STOCKHOLDER PROXY

The undersigned stockholder (the "Stockholder") of CITICORE ENERGY REIT CORP. (the "Company"), hereby appoints Mr. Oliver Y. Tan, with full power of substitution and delegation, or, in case of his non-attendance, the Chairman of the Annual Stockholders' Meeting of the Company, chosen in accordance with the Company's By-Laws, as the Stockholder's proxy to represent the Stockholder and vote all shares registered in the Stockholder's name in the books of the Company, at the Annual Meeting of the Stockholders to be conducted virtually on June 9, 2025 via MS Teams at 10:00 am, and any adjournments and postponements thereof, as fully to all intents and purposes as the stockholder might or could do if present in person, hereby ratifying and confirming any and all actions to be taken during any said meetings and adjournments thereof for the purpose of acting on the following matters

1. Approval of minutes of last Annual Stockholders' Meeting
 - ☐ For
 - ☐ Against
 - ☐ Abstain
2. Approval of the 2024 Annual Report and Audited Financial Statements
 - ☐ For
 - ☐ Against
 - ☐ Abstain
3. Ratification and approval of the acts of the Board of Directors and Management since the last Annual Stockholders' Meeting
 - ☐ For
 - ☐ Against
 - ☐ Abstain
4. Election of Directors

The stockholder may withhold authority to vote for any nominee by striking out the name of the nominee. Please only check the box opposite the nominee you wish to elect.

 - ☐ Edgar B. Saavedra
 - ☐ Oliver Y. Tan
 - ☐ Manuel Louie B. Ferrer
 - ☐ Ian Jason R. Aguirre
 - ☐ Elizabeth Anne C. Uychaco
 - ☐ Jose M. Layug, Jr.*
 - ☐ Emmanuel G. Herbosa*
 - ☐ Pacita U. Juan*

*Independent Director
5. Appointment of external auditor
 - ☐ For
 - ☐ Against
 - ☐ Abstain

This proxy revokes and supersedes any previously executed proxy or proxies. This proxy shall be valid for a period of five (5) years from the date of its execution.

This proxy, when properly executed, will be voted in the manner as directed herein by the stockholder. If no direction is made, this proxy will be voted "For" the approval of the matter stated above and for such other matters as may properly come before the meeting, including matters which the solicitors do not know a reasonable time before the solicitation are to be presented at the meeting, and those incidental to the conduct of the meeting, in the manner described in the information statement and/or as recommended by management or the board of directors.

Signed on this _____ day of _____, _____ in _____.

Signature of Stockholder or Stockholder's Representative over Printed Name

PROCEDURE FOR VOTING AND PARTICIPATION VIA REMOTE COMMUNICATION

Citicore Energy REIT Corp. (the “Company”) shall be conducting its 2025 Annual Stockholders’ Meeting on **09 June 2025, at 10:00 A.M.** via remote communication (“2025 ASM”). In this regard, stockholders of record as of 19 May 2025 (“Stockholders”), shall be entitled to attend, participate, and vote in the 2025 ASM, in accordance with the procedure outlined below:

I. VOTING IN ABSENTIA

1. The Stockholders who would like to vote in absentia shall register at [Registration Link](#) from 19 May 2025 to 04 June 2025, where they will be asked to provide the following information:

- a. **For individual Stockholders:**

- i. Full name;
 - ii. Address;
 - iii. Birthdate;
 - iv. Email address;
 - v. Phone number;
 - vi. Mobile number;
 - vii. Current photograph, with face fully visible;
 - viii. Scanned copy of valid government-issued ID; and
 - ix. For Stockholders with joint accounts, a scanned copy of an authorization letter signed by the other Stockholders, indicating who among them is authorized to cast the vote for the account.

- b. **For corporate Stockholders:**

- i. Corporate Name;
 - ii. Address;
 - iii. Email address;
 - iv. Phone number;
 - v. Mobile number;
 - vi. Scanned copy of the Secretary’s Certificate or Board Resolution authorizing the representative of the corporation to cast the vote;
 - vii. Current photograph of the representative authorized to cast the vote for the corporation, with face fully visible; and
 - viii. Scanned copy of valid government-issued ID of the authorized representative.

The submissions of Stockholders shall immediately be validated by the stock transfer agent of the Company, Professional Stock Transfer, Inc., in coordination with the Corporate Secretary.

2. Upon validation, a Stockholder shall be sent a username and password to the email address he/she has provided during registration. The Stockholder shall use this username and password to log in to the voting page at [Voting Link](#) to be able to cast his/her vote in all the matters included in the agenda of the Company’s 2025 ASM.

When a Stockholder has finished voting, he/she shall be shown a summary of the votes he/she has cast. If the Stockholder is satisfied, he/she may click the “Submit” button; otherwise, the Stockholder may click the “Back” button to make any desired changes in his/her votes.

The registered Stockholders shall be allowed to vote until 11:59 P.M. of 04 June 2025. The votes shall be considered cast for all the shares of the Stockholder.

3. The Stockholders who register and vote in absentia are deemed to have given their permission to the collection, use, transfer, disclosure, sharing, storage, and other forms of processing (collectively “Processing”), by the Company or any relevant third party, of the personal data they have provided. The Processing of the Stockholders personal data shall be used for the purpose of voting in absentia during the 2025 ASM, including for any reason necessary or incidental thereto.

II. VOTING BY PROXY

The Stockholders of the Company may also vote by completing the proxy form attached to the Information Statement. The completed and signed proxy form shall be submitted by the Stockholder to the Company’s stock transfer agent, through electronic mail and/or personal service, from **19 May 2025 until 04 June 2025**. Please refer to the details provided below:

Through Electronic Mail:

PROFESSIONAL STOCK TRANSFER, INC.

Ms. Edelyn S. Jimeno – info@professionalstocktransfer.com;

edelyn.jimeno@professionalstocktransfer.com

Through Personal Service:

PROFESSIONAL STOCK TRANSFER, INC.

10th Floor Telecom Plaza

316 Sen. Gil Puyat Avenue,

1209 Makati City

Contact Person: Ms. Edelyn S. Jimeno info@professionalstocktransfer.com;

edelyn.jimeno@professionalstocktransfer.com

For the purpose of validation, the Stockholder must include the following in transmitting the completed and signed proxy form:

1. Full name of contact person;
2. Phone or mobile number of contact person;
3. Scanned copy of valid government-issued ID of the Stockholder and his/her appointed proxy (if not the Chairman of the Company); and
4. For corporate Stockholders, scanned copy of Secretary's Certificate or Board Resolution authorizing the representative to act as the proxy.

III. **TABULATION OF VOTES**

Thereafter, the stock transfer agent of the Company shall tabulate the votes cast in absentia and by proxy. The results shall be verified by the Company's independent auditor, Isla Lipana & Co.

The total votes made in absentia and by proxy, as well as the number of shares represented by the same, shall be announced during the 2025 ASM.

IV. **PARTICIPATION IN THE 2025 ASM THROUGH REMOTE COMMUNICATIONS**

1. The Stockholders may attend the meeting on **09 June 2025, at 10:00 A.M.**, through the following link: [Event Link](#). The 2025 ASM shall be broadcasted live via Microsoft Teams, which may be accessed either through a web browser or the Microsoft Teams application.
2. The Stockholders who have not voted in absentia or submitted their proxies may still attend the 2025 ASM through the link provided above. However, to be included in the determination of the quorum, they must notify the stock transfer agent of the Company of their intention to attend the 2025 ASM by emailing info@professionalstocktransfer.com or edelyn.jimeno@professionalstocktransfer.com by **5:00 P.M. of 04 June 2025**. Such Stockholders must provide or attach in the email the requirements listed in Section I (1) (a) or I (1) (b), as the case may be, in order to be validated.
3. In view of the foregoing, the quorum for the 2025 ASM shall be determined based on the following:
 - a. The Stockholders who were validated and voted in absentia;
 - b. The Stockholders who submitted their proxy forms and were validated; and
 - c. The Stockholders who notified the Corporate Secretary of their intention to attend the 2025 ASM and were validated.
4. During the 2025 ASM, Stockholders will be given the opportunity to raise any questions or comments, by submitting the same in a chat box that will be made available to them throughout the live broadcast. The Company shall acknowledge, read out loud, and address such questions or comments.

The Stockholders are, however, encouraged to furnish all questions, concerns, or comments to the Company prior to the 2025 ASM, by emailing the same to the stock transfer agent of the Company at info@professionalstocktransfer.com, edelyn.jimeno@professionalstocktransfer.com and/or to the Corporate Secretary at corporatesecretary@creit.com.ph by **5:00 P.M. of 04 June 2025**. These questions, concerns, or comments shall be answered during the 2025 ASM. Any unanswered questions shall be addressed via email.

Republic of the Philippines)
) S.S.

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **JOSE M. LAYUG, JR.**, Filipino, of legal age and a resident of 120 Aquarius Street, Cinco Hermanos Subdivision, Marikina City 1802, after having been duly sworn to in accordance with law, do hereby declare as follows:

1. I am a nominee for Independent Director of **CITICORE ENERGY REIT CORP. (“CREIT”)** and have been its independent director since May 25, 2021.
2. I am affiliated with the following companies or organizations:

Company	Position	Period of Service
Vivant Corporation	Independent Director	2022-present
Oriental Petroleum and Minerals Corporation	Independent Director	2022-present
Phinma Solar Corporation	Independent Director	2023-present
Upgrade Energy Philippines, Inc.	Director	2023-present
Phinma Solar Corporation	Independent Director	2023-present
ELSAL Ventures, Inc.	Advisory Director	2025-present
Divina Law Offices	Senior Partner	2023-present
Developers of Renewable Energy for AdvanceMent, Inc.	Trustee/President	2018-present
Philippine Energy Research & Policy Institute	Director	2022-present

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of CREIT as provided for in Section 38 of the Securities Regulation Code, its Implementing Rules and Regulations and other SEC issuances.
4. I am not related to any director/officer/substantial shareholder of CREIT other than the relationship provided under Rule 38.2.3 of the Securities Regulation Code. (where applicable)
5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding.
6. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.
7. I shall inform the Corporate Secretary of the Corporation of any changes in the abovementioned information within five days from its occurrence.

Done, this _____ day of APR 30 2025, at SAN JUAN CITY

[Signature page follows.]


ATTY. JOSE M. LAYUG, JR.
Affiant - Independent Director

SUBSCRIBED AND SWORN to before me this APR 30 2025 in SAN JUAN CITY, affiant personally appeared before me and exhibited to me his Passport No. P8099689B valid until 05 November 2031.

Doc. No. SD3;
Page No. 102;
Book No. II;
Series of 2025.




STEVEN ANGELO MICHAEL C. SY
Notary Public for and in San Juan City
Notarial Commission No. 033 (2024-2025)
Until 31 December 2025
10F Santolan Town Plaza, 276 Santolan Road,
Little Baguio San Juan City Metro Manila
Roll No. 75659
PTR No. SJ 1820331 | 7 Jan 2025 | San Juan City
IBP No. 498696 | 6 Jan 2025 | Quezon City Chan
Admitted to the BAR on 30.1.1

CERTIFICATION OF INDEPENDENT DIRECTOR

I, Pacita U. Juan, Filipino, of legal age and a resident of 106 Valero St., Makati City, after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for independent director of **Citicore Energy REIT Corp. ("CREIT")** and have been its independent director since May 25, 2021.
2. I am affiliated with the following companies or organizations:

COMPANY/ORGANIZATION	POSITION / RELATIONSHIP	PERIOD OF SERVICE
M.D., Juan Enterprises, Inc.	President	1978-Present
Centro Mfg. Corporation	Vice President for Finance and Treasurer	1997-Present

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of CREIT as provided for in Section 38 of the Securities Regulation Code, its Implementing Rules and Regulations and other SEC issuances.
4. I am not related to any director/officer/substantial shareholder of CREIT other than the relationship provided under Rule 38.2.3 of the Securities Regulation Code. (where applicable)
5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding.
6. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.
7. I shall inform the Corporate Secretary of the Corporation of any changes in the abovementioned information within five days from its occurrence.

Done, this _____ day of APR 30 2025, at SAN JUAN CITY

[Signature page follows.]


PACITA U. JUAN
Affiant – Independent Director

SUBSCRIBED AND SWORN to before me this APR 30 2025 at SAN JUAN CITY affiant personally appeared before me and exhibited to me her Senior Citizen's ID No. 86293 issued by the Office for Senior Citizens Affairs – City of Makati on 30 September 2014.

Doc. No. 502;
Page No. 102;
Book No. 11;
Series of 2025.




STEVEN ANGELO MICHAEL C. SY
Notary Public for and in San Juan City
Notarial Commission No. 033 (2024-2025)
Until 31 December 2025
10F Santolan Town Plaza, 276 Santolan Road,
Little Baguio San Juan City Metro Manila
Roll No. 75659
PTR No. SJ 1820331 | 7 Jan 2025 | San Juan City
IBP No. 498696 | 6 Jan 2025 | Quezon City Chapter
Admitted to the BAR on 30 July 2014

CERTIFICATION OF INDEPENDENT DIRECTOR

I, Emmanuel G. Herbosa, Filipino, of legal age and a resident of 101 Banuae Street, Ayala Alabang Village, Muntinlupa City, after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for independent director of **Citicore Energy REIT Corp. ("CREIT")** and have been its independent director since December 14, 2023.
2. I am affiliated with the following companies or organizations:

COMPANY/ORGANIZATION	POSITION / RELATIONSHIP	PERIOD OF SERVICE
ATR FAMI	Independent Director	December 2024- Present
Metro Pacific Tollways Corporation	Independent Director	April 2024-Present
Premiere Horizon Alliance Corp.	Chairman & Independent Director	April 2023-Present
PureGold S&R	Independent Director	April 2023-Present
Ovaland, Inc.	Independent Director	May 2023-Present
Trinity Insurance & Reinsurance Brokers, Inc.	Director	August 2017- Present
P & Gers Fund, Inc.	Director	2004-Present
De La Salle School Boards, De La Salle Brothers Fund, Inc.	Trustee	1989-Present

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of CREIT as provided for in Section 38 of the Securities Regulation Code, its Implementing Rules and Regulations and other SEC issuances.
4. I am not related to any director/officer/substantial shareholder of CREIT other than the relationship provided under Rule 38.2.3 of the Securities Regulation Code. (where applicable)
5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding.
6. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.
7. I shall inform the Corporate Secretary of the Corporation of any changes in the abovementioned information within five days from its occurrence.

Done, this _____ day of APR 30 2025, at SAN JUAN CITY

[Signature page follows.]



MR. EMMANUEL G. HERBOSA
Affiant – Independent Director

SUBSCRIBED AND SWORN to before me this APR 30 2025 in SAN JUAN CITY, affiant personally appeared before me and exhibited to me his Passport No. P6394058B valid until 26 February 2031.

Doc. No. 501;
Page No. 102;
Book No. I;
Series of 2025.



STEVEN ANGELO MICHAEL C. SY
Notary Public for and in San Juan City
Notarial Commission No. 033 (2024-2025)
Until 31 December 2025
10F Santolan Town Plaza, 276 Santolan Road,
Little Baguio San Juan City Metro Manila
Roll No. 75659
PTR No. SJ 1820331 | 7 Jan 2025 | San Juan City
IBP No. 498696 | 6 Jan 2025 | Quezon City Chamber
Admitted to the BAR on 10/1/2018

MANAGEMENT REPORT**(A) Management's Discussion and Analysis or Plan of Operation**

On May 25, 2021, the Company amended its articles of incorporation to, among others, change the primary purpose of the business from operation of renewable energy power-generating plant to a REIT Company. Upon SEC approval on the amended Articles of Incorporation, the Company also executed several lease contract with solar operating plants, lessees whereby Armenia and Dalayap properties commenced its lease contract on November 1, 2021 and Toledo and Silay properties commenced on January 1, 2022.

On October 13, 2021, the Company assigned its Service Contract to operate the Clark Solar Plant to CREC and accordingly, on the same date, executed lease contract beginning November 1, 2021 for a period 18 years. The assignment of service contract was approved on December 24, 2021, hence, the commencement date of the lease was moved to January 1, 2022.

The foregoing financial statements as of and for the year ended December 31, 2021 pertains to the operation and maintenance of the Clark Plant while the lease income for Dalayap and Armenia represents two months duration only. Subsequent to 2021, financials of the Company reflects the operation as a full REIT entity.

1Q2025 vs 1Q2024*Results of Operations*

Review of results for the three (3) months ended March 31, 2025 as compared with the results for the three (3) months ended March 31, 2024

Revenues decreased by P0.46 million

Revenues for the period amounted to P472.38 million, P0.46 million lower from the same period last year. The decrease in revenue for the period mainly pertains to PFRS 16 adjustments on the operating plants' lessees. The lease agreements for these parcels of land commenced in 2021 and 2022. The decrease is a non-cash item.

Direct Costs increased P0.11 million

Direct costs amounted to P26.18 million and were higher by P0.11 million than last year's same period. The increase mainly pertains to related property and fund management fees recognized for the period brought about by the related increase in fixed or contractual revenue, non-PFRS.

Gross Profit decreased by P0.57 million

Gross profit amounted to P446.20 million for the first three months of 2025, translating to a stable gross profit margin of 94%. The decrease is aligned with the decrease in revenue.

Other Operating Expenses increased by 35% or P0.79 million

Net Other Operating Expenses for the three-month period amounted to P3.08 million, 35% higher than last year's P2.29 million. The increase mainly pertains to the third party services availed by the Company.

Finance cost decreased by P0.23 million

This account is mainly related to the coupon payments of the green bond of the Company and amortization of the related bond issue cost for the period amounting to P80.85 million. On February 10, 2023, the Company issued a 5-year green bond amounting to P4.5 billion with a coupon rate of 7.0543%. Other finance cost for the period is mainly related to finance cost on long term lease contract which are accounted for under PFRS 16, Leases.

Others - net decreased by 21% or P0.18 million

Other charges - net amounted to P0.67 million, 21% lower from year-ago levels. The account mainly consists of interest income on receivables from Transco Accounts' arrears on FIT rate adjustments. The decrease is due to the reduction in receivables as the recovery for these accounts regularly continues.

Net Income decreased by P1.31 million

Net income amounted to P357.96 million compared to year ago level of P359.28 million. The decrease is mainly driven by the decrease in revenue due to PFRS adjustments.

FY2024 vs FY2023*Results of Operations*

Review of results for the year ended December 31, 2024 as compared with the results for the year ended December 31, 2023.

Year ended December 31, 2024 compared with year ended December 31, 2023

Revenues

Revenues increased by 5% or ₱89.5 million

Revenues for the period amounted to ₱1.89 billion, 5% or ₱89.5 million higher from the same period last year. The Company's revenue in 2024 mainly pertains lease revenue from its freehold properties amounting to ₱864.5 million, leasehold properties amounting to ₱739.6 million and solar plant amounting to ₱283.5 million. The increase in revenue for the year pertains to the full year take up of revenue for the new parcels of land acquired by the Company from the use of proceeds of its green bond offering last February 10, 2023. These parcels of land were then leased out to the new projects that are currently under construction.

Guaranteed based and contractual lease revenue amounted to ₱1.84 billion while variable lease revenue amounted to ₱50.02 million. Variable rental income is equivalent to 50% of the incremental gross revenue earned by the Lessee from any excess of its agreed base revenue for the current fiscal year.

Direct Costs increased by 1% or ₱1.3 million

Direct costs amounted to ₱104.3 million and were higher by 1% or ₱1.3 million. The increase mainly pertains to property and fund management fee aligned with the increase in fixed or contractual revenue.

Gross Profit increased by 5% or ₱88.2 million

Gross profit amounted to ₱1.78 billion for the twelve months of 2024, translating to a stable gross profit margin of 94%. The increase is mainly driven by the 5% revenue increase in 2024 versus last year.

Other Operating Expenses increased by 68% or ₱4.6 million

Net Other Operating Expenses for the twelve-month period amounted to ₱11.5 million, 68% higher than last year's ₱6.8 million. The increase in the account is mainly due to third party services availed by the Company in preparation for its target asset infusion in the next one to two years, and settlement of withholding taxes related to services rendered during bonds and shares offerings.

Finance cost increased by 12% or ₱36.7 million

The increase in finance cost is mainly due to the full year take up of the coupon payments and accrual of the green bond of the Company amounting to ₱317.4 million. On February 10, 2023, the Company issued a 5-year green bond amounting to ₱4.5 billion with a coupon rate of 7.0543%. This account also includes amortization of bond issue cost for the period amounting to ₱8.7 million. Other finance cost for the period is mainly related to finance cost on long term lease contract which are accounted for under PFRS 16, Leases.

Others – net decreased by 81% or ₱15.6 million

Other charges – net is mainly consisting of finance income from bank deposits and interest income from Transco Receivable. The decrease was due to the interest income earned in the first half of 2023 from unutilized proceeds of the green bonds offering last February 10, 2023. In 2023, pending utilization of funds, these were temporarily invested in highest available yielding secured investment.

Net Income increased by 2% or ₱31.3 million

Net income amounted to ₱1.43 billion compared to year ago level of ₱1.40 billion. The increase is mainly related to full take up of incremental revenues from the assets acquired in 2023 which were financed by the green bond issuance.

FY2023 vs FY2022

Results of Operations

Review of results for the year ended December 31, 2023 as compared with the results for the year ended December 31, 2022.

Year ended December 31, 2023 compared with year ended December 31, 2022

Revenues

Revenues increased by 31% or ₱423.7 million

Revenues for the period amounted to ₱1.80 billion, 31% or ₱423.7 million higher from the same period last year. The Company's revenue in 2023 mainly pertains lease revenue from its freehold properties amounting to ₱792.2 million, leasehold properties amounting to ₱722.4 million and solar plant amounting to ₱283.5 million. The increase in revenue for the year pertains to the new parcels of land acquired by the Company from the use of proceeds of its green bond offering last February 10, 2023. These parcels of land were then leased out to the new projects that are currently under construction.

Guaranteed based and contractual lease revenue amounted to ₱1.59 billion while variable lease revenue amounted to ₱33.9 million. Variable rental income is equivalent to 50% of the incremental gross revenue earned by the Lessee from any excess of its agreed base revenue for the current fiscal year.

Direct Costs increased by 13% or ₱11.8 million

Direct costs amounted to ₱103.0 million and were higher by 13% or ₱11.8 million. The increase mainly pertains to property and fund management fee recognized in 2023 brought about by the related increase in fixed or contractual revenue.

Gross Profit increased by 32% or ₱411.9 million

Gross profit amounted to ₱1.70 billion for the twelve months of 2023, translating to a gross profit margin of 94%, 1% higher than last year's gross profit margin of 93%. The increase is related to the Company's expansion of leasing activities arising from various acquisitions of freehold assets out of the green bond's proceeds.

Other Operating Expenses decreased by 19% or ₱1.6 million

Net Other Operating Expenses for the twelve-month period amounted to ₱6.8 million, 19% lower than last year's ₱8.4 million. The previous year's net other operating expenses mainly related to expenses incurred from the Company's initial public offering attributable to secondary offer and hence are not deductible against the Company's additional paid-up capital.

Finance cost increased by 1,660% or ₱291.9 million

The increase in finance cost is mainly related to the coupon payments and accrual of the green bond of the Company amounting to ₱282.08 million. On February 10, 2023, the Company issued a 5-year green bond amounting to ₱4.5 billion with a coupon rate of 7.0543%. This account also includes amortization of bond issue cost for the period amounting to ₱7.22 million. Other finance cost for the period is mainly related to finance cost on long term lease contract which are accounted for under PFRS 16, Leases.

Other Income – net increased by 470% or ₱15.9 million

Other charges - net, which consists of finance income pertaining to unused bond proceeds amounting to ₱14.09 million, interest income from Transco Receivable of ₱4.42 million and unrealized foreign currency gains amounted to ₱11 thousand, or a total of ₱19.24 million is 470% higher from year-ago levels.

Net Income increased by 12% or ₱145.7 million

Net income amounted to ₱1.40 billion compared to year ago level of ₱1.25 billion. The increase is mainly related to commencement of the Company's lease contracts on its newly-acquired properties in Brgy. Lumbangan, Brgy. Luntal and Brgy. Bolbok, Batangas, as well as in Arayat and Magalang, Pampanga and Pangasinan offset by the accrual and recognition of the coupon payments of the ₱4.5 billion green bond issuance.

FY2022 vs FY2021

Results of Operations

Review of results for the year ended December 31, 2022 as compared with the results for the year ended December 31, 2021.

Year ended December 31, 2022 compared with year ended December 31, 2021

Revenues

Revenues increased by 290% or ₱1.02 billion

Revenues for the period amounted to ₱1.37 billion, 290% or ₱1.02 billion higher from the same period last year. The Company's revenue in 2022 mainly consists of lease revenue from its freehold properties amounting to ₱381.7 million, leasehold properties amounting to ₱709.9 million and solar plant amounting to ₱282.9 million which lease agreement mostly commenced beginning January 1, 2022.

Guaranteed based lease revenue amounted to 1.33 billion while variable lease revenue amounted to ₱43.9 million. The significant increase in variable lease income of ₱17.7 million against what was planned and reported in the CREIT Final Prospectus was due to higher output generation of the solar plants and increase in the tariff rates during the year taking advantage of the higher WESM prices. Variable rental income is equivalent to 50% of the incremental gross revenue earned by the Lessee from any excess of its agreed base revenue for the current fiscal year. In 2021, revenue consists mainly of sale of electricity from the Company's Clark solar plant which was assigned to its Parent Company beginning January 1, 2022 as approved by the Department of Energy.

Direct Costs increased by 23% or ₱17.1 million

Direct costs amounted to ₱91.3 million and were higher by 23% or ₱17.1 million. The increase mainly pertains to related property and fund management fee recognized in 2022 which were based on the fixed based rental revenue.

Gross Profit increased by 362% or ₱1.01 billion

Gross profit amounted to ₱1.28 billion for the twelve months of 2022, translating to a gross profit margin of 93%. The increase is related to the Company's expansion of leasing activities beginning 2022 arising from various acquisitions and transfers of freehold and leasehold assets.

Other Operating Expenses decreased by 85% or P48.6 million

Net Other Operating Expenses for the twelve-month period amounted to ₱8.4 million. The decrease of ₱48.6 million was mainly related to the change in business operations of CREIT from a Clark plant operation and maintenance in 2021 to a full REIT Company operations in 2022.

Finance cost decreased by 40% or P11.8 million

The decrease in finance cost is mainly related to the decrease in finance cost charged by a local bank from the Company's loans. In May 2021, the loan was assumed by the Parent Company via debt-to-equity conversion, hence, by the end of 2021, the Company is unlevered. Finance cost for the period ending 2022 is mainly related to finance cost on long term lease contract which are accounted for under PFRS 16, Leases.

Other Income - net decreased by 87% or P22.6 million

Other income - net, which consists mainly of finance income and other income (expenses) amounted to ₱3.4 million, 87% lower from year-ago levels. Significant amount last year was due to the reversal of prior year provisions on business taxes on property. Interest income increased due to the proceeds it received from its IPO recognized for the period.

Net Income increased by 454% or P1.03 billion

Net income amounted to ₱1.25 billion compared to year ago level of ₱225.9 million. The increase is mainly related to commencement of the Company's lease contracts on its freehold properties in Armenia, Tarlac City and San Ildefonso, Bulacan City, its leasehold properties in Brgy. Talavera, Toledo City, Cebu, Silay City, Negros Occidental and Brgy. Dalayap, Tarlac City and its solar farm in Clark Freeport Zone, Pampanga.

FINANCIAL POSITION

Review of financial conditions as of March 31, 2025 as compared with financial conditions as of December 31, 2024

Assets

Current Assets decreased by 5% or by P48.70 million

The following discussion provides a detailed analysis of the decrease in current assets:

Cash and Cash Equivalents increased by 20% or P120.86 million

The increase in cash and cash equivalents mainly pertains to collection of the VAT refund.

Trade and Other Receivables decreased by 84% or by P175.29 million

The decrease in trade and other receivables mainly pertains to the collection of the VAT refund filed last November 2024, and the variable lease income collected in January 2025 which were billed in December 2024.

The trade receivables include current portion of the actual recovery of the arrears FIT rate adjustment from the output it generated from January 2016 to December 2020 which payment schedule is expected to be collected within one year. There are no significant movements in this account.

Prepayments and Other Current Assets increased by 6% or by P5.73 million

Prepayments and other current assets increased by P5.73 million mainly attributed to the increase in creditable withholding tax certificates received from the lessees during lease collection which are not yet utilized by the Company against its income tax due as the Company has been enjoying tax deductibility from Dividends Declared under the REIT Law. The increase in the account is likewise due to the payments for property and fund management fees.

Non-Current Assets increased by P81.70 million or 1%

The following discussion provides a detailed analysis of the increase in non-current assets:

Trade and other receivables – noncurrent increased by P48.96 million or 9%

The increase in noncurrent portion of trade and other receivables is mainly related to straight line adjustment of the Company's lease revenue in accordance PFRS 16, Leases. The related receivable is to be recovered upon billing to lessee based on the contractual lease schedule. This is partially offset by the reclassification to current assets of the FIT receivables that are due to be collected in one year.

Property, Plant and Equipment decreased by 1% or by P14.77 million

The movement in the Company's property, plant and equipment mainly pertains to the depreciation charges for the period.

Investment Properties increased by P48.05 million

The movement in the Company's investment properties is attributed to some minimal land acquisition-related expenses incurred during the period, offset by the amortization of the leasehold assets during the period.

Right of Use Assets decreased P0.53 million or 2%

The movement in the right of use asset account which pertains to leasehold right on the land where its Clark solar plant is located pertains to amortization charges for the period.

Other Non-Current Assets amounted to P41.45 million

This account pertains to cash bonds posted to the Department of Agrarian Reform (DAR) in relation to the land conversion requirement which are refundable after 18 to 24 months. This account also includes security deposits for the lease agreement with Clark Development. These deposits are refundable to the Company upon termination of the lease agreement or at the end of the lease term.

LIABILITIES AND EQUITY

Current Liabilities increased by 8% or by P33.95 million

The following discussion provides a detailed analysis of the increase in current liabilities:

Trade and Other Payables decreased by 12% or by P13.72 million

The decrease in trade and other payables is mainly due to the payment of final withholding taxes relative to the coupon bond payment and dividend payments accrued last year.

Dividends payable increased by 15% or P47.47 million

The increase is due to the increase in dividends declared last March 2025 relating to Q4 2024 earnings which were positively impacted by the variable lease revenue recognized during the period.

Lease liabilities – current portion increased by 6% or by P0.20 million

The increase is due to reclassification from non-current to current portion during the period.

Non-Current Liabilities increased by P1.09 million

The following discussion provides a detailed analysis of the increase in non-current liabilities:

Security deposits and deferred rent income decreased by 1% or P2.54 million

The decrease pertains to the amortization of deferred rent income during the period.

Lease liabilities – noncurrent portion increased by 1% or by P1.36 million

The increase is mainly due to additional interest expense recognized for Toledo land lease. Lease payment to the third party lessor for these parcels of land is made every two years.

Bonds payable increased by P2.27 million

The account pertains to the green bond issuance last February 10, 2023 amounting to P4.5 billion. The amount was reduced by bond issue costs amounting to P47 million pertaining to all expenses incurred in relation to the bond's issuance and is amortized over the period of the bond's life. The increase in this account mainly pertains to the amortization of the bond issuance costs during the period.

Retirement benefit obligation amounted to P0.31 million

This account pertains to retirement obligation of the Company's employees as computed by an actuary as of the end of December 31, 2021. There are no movements on this account.

Equity decreased by P2.04 million

The Company's equity stands at P4.58 billion as of March 31, 2025. Movement in equity is a function of the declaration of dividends totaling P360 million from the fourth quarter of 2024 earnings. Net income recognized for the period amounted to P358 million.

As of December 31, 2024 compared with as of December 31, 2023

Assets

Current Assets increased by 3% or by P23.56 million

The following discussion provides a detailed analysis of the increase in current assets:

Cash and Cash Equivalents decreased by 3% or P19.28 million

The decrease in cash and cash equivalents pertains to the related cash generated from its operations both from old and new parcels land being leased out to operating and under construction plants, offset by minimal land acquisition related expenses, and net of dividend payments for the year.

Trade and Other Receivables increased by 222% or by P143.36 million

The increase in trade and other receivables mainly pertains to the Input VAT refund currently under process and was approved by the Bureau of Internal Revenue (BIR) for payment the following year. This also includes variable lease income billed at the end of the reporting period, which is due 30 days upon billing. The trade receivables likewise include the current portion of the actual recovery of the arrears FIT rate adjustment from the output it generated from January 2016 to December 2020 which payment schedule is expected to be collected within one year.

Prepayments and Other Current Assets decreased by 50% or by P100.53 million

Prepayments and other current assets decreased by P100.53 million mainly due to ongoing VAT refund applied during the year and was approved for payment last December 2024. Majority of the input vat amounts previously recognized were relative to the land conversion costs of the newly acquired parcels of land. The decrease was slightly offset by the increase attributed by the creditable withholding tax certificates received from the lessees during lease collection which are not yet utilized by the Company due to tax incentives received from the REIT Law.

Non-Current Assets increased by P144.79 million or 2%

The following discussion provides a detailed analysis of the increase in non-current assets:

Trade and other receivables – noncurrent increased by P149.36 million or 40%

The increase in noncurrent portion of trade and other receivables is mainly related to straight line adjustment of the Company's lease revenue in accordance PFRS 16, Leases. The related receivable is to be recovered upon billing to lessee based on the contractual lease schedule. This is partially offset by the reclassification to current assets of the FIT receivables that are due to be collected in one year.

Property, Plant and Equipment decreased by 5% or by P59.11 million

The movement in the Company's property, plant and equipment mainly pertains to the depreciation charges for the period.

Investment Properties increased by 1% or by P56.68 million

The movement in the Company's investment properties is attributed to minimal land acquisition related expenses incurred during the period, offset by the amortization of the leasehold assets during the period.

Right of Use Assets decreased P2.14 million or 6%

The movement in the right of use asset account which pertains to leasehold right on the land where its Clark solar plant is located pertains to amortization charges for the period.

Other Non-Current Assets stood at by P41.45 million

Other Non-Current Assets pertained to cash bond posted to the Department of Agrarian Reform (DAR) in relation to the land conversion requirement and are refundable after 18 to 24 months. This account also includes security deposits for the lease agreement with Clark Development. These deposits are refundable to the Company upon termination of the lease agreement or at the end of the lease term.

LIABILITIES AND EQUITY

Current Liabilities increased by 1% or by P6.26 million

The following discussion provides a detailed analysis of the increase in current liabilities:

Trade and Other Payables increased by 8% or by P8.30 million

The increase in trade and other payables is mainly due to the final withholding taxes relative to the coupon bond payment and dividend payments. These dues are then paid for the following month.

Dividends payable stood at P312.89 million

There are no significant movements in this account.

Lease liabilities – current portion decreased by 44% or by P2.60 million

The decrease is due to the lease payments made for Toledo property during the period.

Non-Current Liabilities increased by 1% or P48.35 million

The following discussion provides a detailed analysis of the increase in non-current liabilities:

Security deposits and deferred rent income increased by 34% or P48.22 million

The increase pertains to additional security deposits received from Batangas, Pangasinan and Pampanga projects, and offset by the amortization of deferred rent income during the period.

Lease liabilities – noncurrent portion decreased by 4% or by P8.56 million

The decrease is due to reclassification from non-current to current portion during the period.

Bonds payable increased by P8.69 million

The account pertains to the green bond issuance last February 10, 2023 amounting to P4.5 billion. The amount was reduced by bond issue costs amounting to P47 million pertaining to all expenses incurred in relation to the bond's issuance and is amortized over the period of the bond's life. The increase in this account mainly pertains to the amortization of the bond issuance costs during the period.

Retirement benefit obligation amounted to P0.31 million

This account pertains to retirement obligation of the Company's employees as computed by an actuary as of the end of December 31, 2021. There are no movements on this account.

Equity increased by P113.74 million or by 3%

The Company's equity stands at P4.58 billion as of December 31, 2024. Movement in the equity is a function of the declaration of dividends totaling P1.32 billion and net income recognized for the period amounting to P1.43 billion.

As of December 31, 2023 compared with as of December 31, 2022

Assets

Current Assets increased by 39% or by P222.88 million

The following discussion provides a detailed analysis of the increase in current assets:

Cash and Cash Equivalents increased by 8% or P45.44 million

The increase in cash and cash equivalents pertains to the related cash generated from its operations both from old and new parcels land being leased out to operating and under construction plants, net of dividend payments for the year.

Trade and Other Receivables increased by 23% or by P12.06 million

The increase in trade and other receivables mainly pertains to the variable lease income billed at the end of the reporting period which is due 30 days upon billing. The trade receivables also include the current portion of the actual recovery of the arrears FIT rate adjustment from the output it generated from January 2016 to December 2020 which payment schedule is expected to be collected within one year.

Prepayments and Other Current Assets increased by 458% or by P165.38 million

Prepayments and other current assets increased by P165.38 million mainly due to recognition of input vat relative to the land conversion costs of the newly acquired parcels of land. The increase was also attributed by the increase in creditable withholding tax certificates received from the lessees during lease collection which are not yet utilized by the Company due to tax incentives received from the REIT Law.

Non-Current Assets increased by P4.39 billion or 99%

The following discussion provides a detailed analysis of the increase in non-current assets:

Trade and other receivables – noncurrent increased by P156.01 million or 73%

The increase in noncurrent portion of trade and other receivables is mainly related to straight line adjustment of the Company's lease revenue in accordance PFRS 16, Leases. The related receivable is to be recovered upon billing to lessee based on the contractual lease schedule. This is partially offset by the reclassification to current assets of the FIT receivables that are due to be collected in one year.

Property, Plant and Equipment decreased by 5% or by P59.12 million

The movement in the Company's property, plant and equipment mainly pertains to the depreciation charges for the period.

Investment Properties increased by 146% or by P4.26 billion

Investment properties increased due to the acquisition of various parcels of land in Tuy, Batangas, Arayat, Pampanga and Pangasinan amounting to P4.46 billion during the period. Meanwhile, amortization of leasehold asset amounted to P10.10 million during the period.

Right of Use Assets decreased P2.13 million or 6%

The movement in the right of use asset account which pertains to leasehold right on the land where its Clark solar plant is located pertains to amortization charges for the period.

Other Non-Current Assets increased by P36.17 million or 685%

Other Non-Current Assets increased by 685% or P36.17 million due to cash bond posted to the Department of Agrarian Reform (DAR) in relation to the land conversion requirement and are refundable after 18 to 24 months. This account also includes security deposits for the lease agreement with Clark Development. These deposits are refundable to the Company upon termination of the lease agreement or at the end of the lease term.

LIABILITIES AND EQUITY

Current Liabilities increased by 10% or by P38.31 million

The following discussion provides a detailed analysis of the increase in current liabilities:

Trade and Other Payables increased by 110% or by P56.18 million

Trade and other payables increased 110% from last year's P51.25 million to P107.44 million this year. The increase is mainly due to the accrual of interest payable pertaining to the fourth coupon payment of the bonds payable for the period amounting to P44 million. Due to government agencies likewise increased specifically the final withholding tax relative to the coupon bond payment. These billings and dues are then paid the following month.

Due to related parties – current decreased by 100% or P53.22 million

This account pertains to liabilities to Parent Company which are to be demanded within one year. The decrease pertains to the full payment of the Company to CREC.

Dividends payable increased by 11% or P31.89 million

The increase in dividends payable is mainly attributable to the increase in cash dividends declared of P0.049 per share for the third quarter of 2023 versus P0.044 per share of same period last year.

Lease liabilities – current portion increased by 144% or by P3.46 million

The increase is due to reclassification from non-current to current portion during the period.

Non-Current Liabilities increased by 1,203% or P4.46 billion

The following discussion provides a detailed analysis of the increase in non-current liabilities:

Security deposits and deferred rent income decreased by 2% or P2.22 million

The decrease pertains to the amortization of deferred rent income during the period.

Lease liabilities – noncurrent portion decreased by 0.22 million

The increase is due to reclassification from non-current to current portion during the period.

Bonds payable increased by 100% or P4.46 billion

The account pertains to the green bond issuance last February 10, 2023 amounting to P4.5 billion. The amount was reduced by bond issue costs amounting to P47 million pertaining to all expenses incurred in relation to the bond's issuance. Bond issuance cost is recorded as contra account and is deducted from the bonds payable account in the balance sheet. The same is amortized over the period of the bond's life and related amortization is recorded as an addition to the finance cost and a deduction to the bond issue costs.

Retirement benefit obligation amounted to P0.31 million

This account pertains to retirement obligation of the Company's employees as computed by an actuary as of the end of December 31, 2023. There are no movements in this account.

Equity increased by 3% or P115.19 million

The Company's equity stands at P4.47 billion as of December 31, 2023. Movement in the equity is a function of the declaration of dividends totaling P1.28 billion. Net income recognized for the period amounted to P1.40 billion.

As of December 31, 2022 compared with as of December 31, 2021

Assets

Current Assets increased by 355% or by P514.9 million

The following discussion provides a detailed analysis of the increase in current assets:

Cash and Cash Equivalents increased by 1,066% or P522.4 million

The increase in cash and cash equivalents is related to cash generated from its operations.

Trade and Other Receivables increased by 25% or by P10.6 million

The increase in trade and other receivables mainly pertains to the variable lease income billed at end of the reporting period which is due 30 days upon billing. The trade receivables also include the current portion of the actual recovery of the arrears FIT rate adjustment from the output it generated from January 2016 to December 2020 which payment schedule is expected to be collected within one year.

Prepayments and Other Current Assets decreased by 33% or by P18.1 million

Prepayments and other current assets decreased by P18.1 million due to reclassification to additional paid-up capital (APIC) of the deferred transactions as of December 31, 2021 amounting to P35.66 million. Upon listing and issuance of the primary shares in 2022, said cost were deducted against the APIC. The decrease was offset by the unused creditable withholding taxes recognized from collection of lease receivables from the solar plant operator tenants.

Non-Current Assets increased by P2.69 billion or 152%

The following discussion provides a detailed analysis of the increase in non-current assets:

Trade and other receivables – noncurrent increased by P128.0 million or 149%

The increase in noncurrent portion of trade and other receivables is mainly related to straight line adjustment of the Company's lease revenue in accordance PFRS 16, Leases. The related receivable is to be recovered upon billing to lessee based on the contractual lease schedule. This is partially offset by the reclassification to current assets of the FIT receivables that are due to be collected in one year.

Property, Plant and Equipment decreased by 4% or by P59.1 million

The movement in the Company's property, plant and equipment mainly pertains to the depreciation charges for the period.

Investment Properties increased by 916% or by P2.64 billion

Investment properties increased due to the acquisition of Bulacan property and South Cotabato property amounting to P1.75 billion and P753.80 million, respectively in 2022 and the recognition of leasehold asset and related lease liability on long term lease contract in Toledo, Cebu and Silay City, Negros Occidental totaling to P139.5 million. Meanwhile, amortization of leasehold asset amounted to P10.1 million during the period.

Right of Use Assets decreased P2.1 million or 6%

The movement in the right of use asset account which pertains to leasehold right on the land where its Clark solar plant is located pertains to amortization charges for the period.

Deferred tax assets decreased by 100% or P8.2 million

The decrease in deferred tax assets pertains to the reversal of the P8.2 million income tax benefit recognized in the previous year.

Other Non-Current Assets decreased by 59% or P7.5 million

The decrease in Other Non-Current Assets is mainly due to assignment of restricted funds to its Parent Company as the related loan which requires the set-up of the restricted fund was also transferred or assigned to the Parent Company in 2021.

LIABILITIES AND EQUITY

Current Liabilities increased by 256% or by P278.5 million

The following discussion provides a detailed analysis of the increase in current liabilities:

Trade and Other Payables increased by P0.14 million

The minimal increase in trade and other payables is due to accrued dues to government agencies which were paid the following month.

Dividends payable increased by 100% or by P280.4 million

The increase in dividends payable is mainly attributable to the cash dividends declared last November 9, 2022 which were paid on January 5, 2023.

Due to related parties – current increased by 5% or P2.9 million

The increase in the due to related parties – current was mainly due to reclassification from non-current portion offset by the payments made during the period of the previous year's balance of P56.1 million. This account pertains to liabilities to Parent Company.

Lease liabilities – current portion increased by 90% or by P1.1 million

The increase is due to the recognition of right of use asset and related lease liabilities from lease contracts which commenced in 2021 amounting to P125.58 million. As a result, current portion of lease liabilities increased as well.

Non-Current Liabilities increased by 116% or P198.7 million

The following discussion provides a detailed analysis of the increase in non-current liabilities:

Lease liabilities – noncurrent portion increased by 120% or by P124.1 million

The increase is due to the recognition of right of use asset and related lease liabilities from lease contracts which commenced in 2021 amounting to P125.58 million. The amount was reduced by payments during the period and reclassifications to current portion.

Due to related parties – noncurrent decreased by 100% or P68.5 million

The decrease in the due to related parties – noncurrent was due to reclassification to current portion. This account pertains to liabilities to Parent Company.

Security deposit increased by 100% or P143.1 million

The increase in other non-current liability pertains to recognition of security deposit equivalent to one to three months guaranteed base lease for each solar plant operator tenant.

Retirement benefit obligation amounted to P0.31 million

This account pertains to retirement obligation of the Company's employees as computed by an actuary as of the end of December 31, 2022. There are no movements in this account.

Equity increased by 167% or by P2.73 billion

On February 22, 2022, the Company successfully listed its shares with the PSE via the offer of (i) 1,047,272,000 new common shares with a par value of P0.25 per share issued and offered by the Company as Primary Offer Shares, and (ii) 1,134,547,000 existing Shares offered by the Parent Company, Selling Shareholder, pursuant to a Secondary Offer Shares with Option shares up to 327,273,000 which were exercised at such date. All the shares offered by the Company and the Parent Company were sold at an offer price of P2.55 per share. The Company recognized Additional Paid-Up Capital (APIC) arising from this transaction amounting to P2.4 billion in 2022. Transaction costs attributable to Primary Shares which were treated as deduction to APIC amounted to P103.85 million. Net income during the period amounted to P1.25 billion while dividend payments for the first quarter of the year which were taken from the earnings in 2021 amounted to P229.09 million. Last June 24, 2022, September 14, 2022, the Company also paid dividends amounting to P285.09 and P285.86 million, respectively pertaining to 1Q 2022 and 2Q 2022 results of operations and were taken from the earnings of the same periods. On November 9, 2022, the Company also declared dividend for 3Q 2022 amounting to P290.23 million payable on January 5, 2023.

Material Events and Uncertainties

There are no other material changes in CREIT's financial position by five percent (5%) or more and no condition that will warrant a more detailed discussion. Further, there are no material events and uncertainties known to management that would impact or change the reported financial information and condition of CREIT.

Other than the impact of COVID-19 on the business and the happening of transaction discussed above which are both disclosed in Note 1 of the audited financial statements or **Exhibit "4"**, there are no known trends or demands, commitments, events or uncertainties that will result in or that are reasonably likely to result in increasing or decreasing CREIT's liquidity in any material way. CREIT does not anticipate having any cash flow or liquidity problems. It is not in default or breach of any note, loan, lease or other indebtedness or financing arrangement requiring it to make payments.

There are no material off-balance transactions, arrangements, obligations (including contingent obligations), and other relationships of CREIT with unconsolidated entities or other persons created during the reporting period.

There are no material commitments for capital expenditures, events or uncertainties that have had or that are reasonably expected to have a material impact on the continuing operations of CREIT.

There were no seasonal aspects that had a material effect on the financial condition or results of operations of CREIT other than the variable leases which is computed and billed based on the actual revenue of the Lessees versus its base revenue at the end of each year.

There are no material events subsequent to 31 December 2024 that have not been reflected in the audited financial statements or **Exhibit "4"** of the Company.

Liquidity and Capital Resources

As regards internal and external sources of liquidity, the Company's funding is sourced from internally generated cash flows, and also from borrowings or available credit facilities from other local and international commercial banks.

There is no material commitment for capital expenditures other than those performed in the ordinary course of trade or business. Additionally, there is no significant element of income not arising from continuing operations.

There have not been any seasonal aspects that had a material effect on the financial condition or results of operations of CREIT.

Cash Flows

The following table sets forth information from CREIT's audited statements of cash flows for the periods indicated:

(Amounts in PhP Millions)	For three (3) months ended March 31	
Cash Flow	2025	2024
Net cash from operating activities	605	444
Net cash used in investing activities	(51)	-
Net cash from (used in) financing activities	(433)	416

(Amounts in PhP Millions)	For the years ended December 31		
Cash Flow	2024	2023	2022
Net cash provided by operating activities	1,707	1,341	1,263
Net cash used in investing activities	(67)	(4,253)	(2,508)
Net cash provided by (used in) financing activities	(1,660)	2,958	1,767

Indebtedness

As of March 31, 2025, CREIT has not been in default in paying interest and principal amortizations.

CREIT is not aware of any events that will trigger direct or contingent financial obligations that are material to it, including any default or acceleration of an obligation.

Key Performance Indicators (KPIs)

CREIT's KPIs are as follows:

KPI	March 31, 2025	March 31, 2024
Current Ratio ¹	1.84	1.95
Debt-to-equity ratio	0.98	1.00
Debt Service Coverage Ratio ⁷	3.24	3.80
Earnings per Share ²	0.05	0.05
Net Profit Margin ³	75.78%	75.98%
Dividend Payout Ratio ⁴	106%	106%
Net Asset Value Per Share ⁵	2.44	2.46
Book Value Per Share ⁶	0.70	0.68

¹ Current Assets/Current Liabilities

² Net Profit/Issued and Outstanding Shares

³ Net Profit / Revenue

⁴ Dividends / Distributable Income

⁵ Fair value of Net Assets / Issued and Outstanding Shares

⁶ Total Equity/Issued and Outstanding Shares

⁷ Earnings before interest, taxes, depreciation and amortization + cash, beginning/Current loan payable + Interest expense + Current lease liabilities

All Ratios except Earnings per Share and Book Value per Share	2024	2023	2022
Current Ratio ¹	2.10	2.07	1.70
Debt to Equity Ratio ²	0.98	1.00	-
Book Value Per Share ³	0.70	0.68	0.67

Earnings per Share ⁴	0.22	0.21	0.20
Return on Assets ⁵	0.15	0.19	0.36
Return on Equity ⁶	0.32	0.32	0.42
Net Profit Margin ⁷	0.76	0.78	0.91

¹ Current Assets/Current Liabilities

² Interest bearing loans and borrowings /Stockholder's Equity

³ Total Equity/Issued and Outstanding Shares

⁴ Net Profit/Issued and Outstanding Shares

⁵ Net Profit/Average Shares

⁶ Net Profit/Average Equity

⁷ Net Profit/Revenue

The KPIs were chosen to provide management with a measure of CREIT's sustainability on financial strength (Current Ratio and Debt to Equity Ratio), and profitability (Earnings per Share, Return on Assets, Return on Equity, Net Profit Margin).

Risk Management Objectives and Policies

CREIT is exposed to a variety of financial risks in relation to its financial instruments. Its risk management is coordinated with the Board of Directors and focuses on actively securing CREIT's short-to-medium term cash flows by minimizing the exposure to financial markets.

CREIT does not engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which it is exposed to are market risk, credit risk and liquidity risk. The detailed discussion of the impact of these risks are discussed in Note 32 of the audited financial statements financial statements or **Exhibit "4"**, and the interim financial statements or **Exhibit "8"**.

(B) Financial Statements

CREIT's audited financial statements and the supplementary schedules to the same which were submitted to the Bureau of Internal Revenue are attached hereto as **Exhibit "4"**.

(C) Changes in and Disagreements with External Accountants on Accounting and Financial Disclosure

There were no changes in and disagreements with CREIT's external accountants with respect to any matter relevant with any accounting and financial disclosure.

External Audit and Audit-Related Fees

The following table sets out the aggregate fees billed for each of the last three (3) fiscal years for professional services rendered by CREIT's external auditors:

Particulars	Nature	Audit Fees (amounts in PhP) For the years ended December 31		
		2024	2023	2022
Isla Lipana & Co. ("PwC Philippines")	Audit of Financial Statements	700,000	550,000.00	500,000.00
	Quarterly reviews for bond offering	-	-	580,000.00
	Pro forma financial statements	-	-	600,000.00
	Agreed-upon procedures - Issuance of comfort letter	-	-	1,500,000.00

Isla Lipana did not provide any other types of service other than the abovementioned.

The Board's Audit and Risk Oversight Committee (AROC) Pre-Approval Policy

The AROC is composed of Mr. Emmanuel G. Herbosa, *Chairman of the AROC*, Ms. Elizabeth Anne C. Uyachaco, Atty. Jose M. Layug, Jr., Ms. Pacita U. Juan, and Mr. Oliver Y. Tan

The AROC is required to pre-approve all audit and non-audit services to be rendered by independent accountants and approve the engagement fee and any other compensation to be paid to such independent accountants. When deciding whether to approve these items, the AROC takes into account whether the provision of any non-audit service

is compatible with the independence standards under the guidelines of the SEC. To assist in this undertaking, the AROC communicates with the external auditors with regard to any relationship or services that may impact their objectivity and independence and, if appropriate, recommends that the Board take the necessary action to ensure their independence.

Changes in and Disagreements with External Accountants on Accounting and Financial Disclosure

The name of the handling partner for the auditor of CREIT is as follows:

Auditor	Year	Handling Partner
Isla Lipana & Co. (“ PwC Philippines ”)	2024, 2023, 2022, 2021 and 2020	2020 to 2024 – <i>Pocholo Domondon</i>

CREIT did not have any disagreements with its internal auditors or independent accountants on any matter of accounting principles or practices, financial statements, disclosures, or auditing scope or procedures. CREIT’s independent accountant has not resigned, nor was it dismissed, or otherwise ceased performing services for CREIT.

(D) Description of the General Nature and Scope of Business

Citicore Energy REIT Corp. (the “Company”) was registered with the Philippine Securities and Exchange Commission (SEC) on July 15, 2010. The Company attained its status as “public company” on February 22, 2022 when it listed its shares as a Real Estate Investment Trust (REIT) in the main board of the PSE.

Prior to May 25, 2021, the Company’s primary objective is to explore, develop and utilize renewable resources with particular focus on solar and wind energy generation; to design, construct, erect, assemble, commission and operate power-generating plants and related facilities for the conversion of renewable energy into usable form fit for electricity generation and distribution; and to perform other ancillary and incidental activities as may be provided by and under contract with the Government of the Republic of the Philippines, or any subdivision, instrumentality or agency thereof, or any government- owned and controlled corporation, or other entity engaged in the development, supply and distribution of renewable energy.

The amended primary purpose of the Company is to engage in the business of owning income- generating real estate assets, including renewable energy generating real estate assets, under a real estate investment trust (REIT) by virtue of Republic Act (RA) No. 9856, otherwise known as the “Real Estate Investment Trust Act of 2009” and its implementing rules and regulations.

The Company was registered with the Philippine Board of Investments (BOI) on October 16, 2015 as a renewable energy developer of solar energy resources under RA No. 9513, otherwise known as the “Renewable Energy Act of 2008”.

The Company’s 22.33-megawatt (MW) Clark Solar Power Project in Clark, Freeport Zone, Pampanga was successfully commissioned on March 12, 2016 through the confirmation of the Department of Energy (DOE) covering its Solar Energy Service Contract (SESC) No. 2014-07-086 and Amended Certificate of Commerciality No. SCC-2015-03-014-B with validity of 25 years. On October 13, 2021, the Company assigned the SESC to the Parent Company, making the latter the operator of the Clark Solar Power Plant. The assignment was approved by the DOE on December 24, 2021.

(E) Directors and Executive Officers of CREIT

Directors and Executive Officers

As of April 30, 2025, CREIT is governed by a Board of eight (8) directors, composed of the following:

1. Mr. Edgar B. Saavedra, Chairman of the Board;
2. Mr. Oliver Y. Tan, Director CEO, and President;
3. Mr. Manuel Louie B. Ferrer, Director;
4. Ms. Elizabeth Anne C. Uychaco, Director;
5. Mr. Ian Jason R. Aguirre, Director;
6. Atty. Jose M. Layug, Jr., Lead Independent Director;
7. Mr. Emmanuel G. Herbosa, Independent Director;
8. Ms. Pacita U. Juan, Independent Director;

Moreover, CREIT management team is also headed by Mr. Edgar B. Saavedra, a licensed civil engineer, who has been practicing for over twenty (20) years.

The directors shall hold office for one (1) year or until their successors are elected and qualified. The first directors are also the incorporators. The annual meeting of the stockholders shall be held every 8th of June of each year.

The Board is responsible for the direction and control of the business affairs and management of CREIT, and the preservation of its assets and properties. No person can be elected as director of CREIT unless he or she is a registered owner of at least 1 voting share of CREIT.

Pursuant to SEC Memorandum Circular (M.C.) No. 19, Series of 2016, the Company adopted its New Manual on Corporate Governance (Manual). In accordance with Section VI (5) (a) of the Manual, the Board shall have at least three (3) independent directors, or such number as to constitute at least one-third (1/3) of the members of the Board, whichever is higher. At present, four (4) members of the Board are independent directors.

Meanwhile, the Amended Articles of Incorporation and By-Laws of CREIT provide that the eight (8) directors shall include such number of independent directors as may be required by law.

Board of Directors

The table below sets forth each member of CREIT's Board, as of April 30, 2025.

Name	Age	Citizenship	Positions	Term of Office	Directorships Held in Other Companies/ Business Experience
Edgar B. Saavedra	50	Filipino	Chairman of the Board	Yearly	Chairman of the Board, MWMTI, MTI, Altria, PH1, Cebu2World, CIHI, CMCI, MLI, Wide-Horizons, Citicore Power Inc. ("CPI"), MCC-Citicore Construction, Inc. ("MCC-CCI"), Citicore Renewable Energy Corporation ("CREC") Chairman of the Board, Citicore Solar Negros Occidental, Inc., Citicore Solar Bataan, Inc., Citicore Solar Cebu, Inc., Rio Norte Hydropower Corporation, Sunny Side Up Power Corp., Citicore Wind Cagayan Inc., Citicore Wind Energy Corporation, Citicore Wind Ilocos Norte Inc., Citicore Wind Cagayan 1 Inc., Citicore Wind Cagayan 2 Inc., Citicore Wind Guimaras 2 Inc., Citicore Wind Zambales 1 Inc., Citicore Wind Zambales 2 Inc., Citicore Wind Pangasinan 1 Inc., Citicore Wind Pangasinan 2 Inc., Citicore Wind Iloilo 1 Inc., Citicore Wind Iloilo 2 Inc., Citicore Wind Aklan Inc., Citicore Wind Quezon Inc., Sikat Solar Holdco Inc. ("SSHI"), Citicore Solar South Cotabato, Inc., Citicore SolarTarlac, 1 Inc., Citicore Solar Tarlac 2, Inc., Citicore Land Holdings, Inc., Citicore Solar Energy Corporation ("CSEC"), Citicore Solar Bulacan 2, Inc., Greencore Power Solutions 1, Inc. ("GPS1"), Greencore Power Solutions 5, Inc. ("GPS5"), Citicore Solar Batangas 1, Inc., Citicore Solar Batangas 2, Inc., Citicore Solar Negros Occidental 2, Inc., Citicore Solar Quezon, Inc., Citicore Solar Pampanga 1 Inc., Citicore Solar Pampanga 2, Inc., Citicore Solar Tarlac 3, Inc., Citicore Solar Tarlac 4, Inc., Citicore Solar Pangasinan, Inc., Citicore Solar Pangasinan 2, Inc. ("CS Pangasinan 2"), Citicore Solar Holdings, Inc. ("CSHI"), Citicore Solar Bulacan, Inc. Citicore Water Corporation, CW-Iloilo, Inc., CSWater Iloilo Bulk, Inc. and (Collectively the "Cititcore Group") Director and Vice President, MCFI

					Director, GMCAC and GMI, Greencore Power Solutions 3, Inc. ("GPS3"), and Citicore Levanta Wind Development Corp. ("Citicore Levanta Wind") Trustee, Citicore Candlewick Foundation, Inc. ("Citicore Foundation")
Oliver Y. Tan	47	Filipino	Director, President, and Chief Executive Officer	Yearly	Director, CEO and President of CREC Director and President, CPI, CIHI, CMCI, GPS3, and Citicore Group Director and Treasurer, MTI and MLI Director, MCC-CCI, Citicore Levanta Wind, CMCI and MWCCI Director and Corporate Secretary, FSMI and IRMO Chairman of the Board, Citicore Foundation
Manuel Louie B. Ferrer	49	Filipino	Director	Yearly	Chairman of the Board and President, MCFI Vice Chairman of the Board, PH1 Director and President, GMCAC, MWMTI, MTI, Altria, Cebu2World, and Wide-Horizons Director, CPI, CREC, MCC-CCI, Citicore Group, PH1, MLI, and GMI Director, Citicore Levanta Wind Trustee, Citicore Foundation Managing Director, MagicWorx Licensing Inc. Former Associate Marketing Engineer, OCB International Co., Ltd
Ian Jason R. Aguirre	50	Filipino	Director	Yearly	Director, President and CEO, APC Group, Inc. Vice President, CFO and Treasurer, Philippine Geothermal Production Company, Inc.
Elizabeth Anne C. Uychaco	69	Filipino	Director	Yearly	Executive Vice President, SM Investment Corporation Director and Vice Chairman, Belle Corporation Chairman, NEO Group Director, Republic Glass Holdings Corporation, Goldilocks Bakeshop, Inc., Brownies Unlimited, Inc. and Philippines Urban Living Solutions Board Advisor, AIM Rizalino S. Navarro Policy Center for Competitiveness Trustee, Asia Pacific College Trustee and President, Sunshine Place: Senior Recreation Center
Jose M. Layug, Jr.	53	Filipino	Lead Independent Director	Yearly	Senior Partner, Divina Law Offices Trustee and President, Developers of Renewable Energy for AdvanceMent, Inc.

					Director, Philippine Energy Research & Policy Institute and Upgrade Energy Philippines, Inc. Independent Director, Vivant Corporation, Oriental Petroleum and Minerals Corporation, and Phinma Solar Corporation Advisory Director, ELSAL Ventures, Inc.
Emmanuel G. Herbosa	71	Filipino	Independent Director	Yearly	Chairman and Independent Director, Premiere Horizon Alliance Corp. Director, Trinity Insurance & Reinsurance Brokers, Inc. and P & Gers Fund, Inc. Trustee, De La Salle School Boards, De La Salle Brothers Fund, Inc. Independent Director, ATR FAMI, Metro Pacific Tollways Corporation, PureGold S&R, and OviaLand, Inc.
Pacita U. Juan	70	Filipino	Independent Director	Yearly	President, M.D. Juan Enterprises, Inc. Vice President for Finance and Treasurer, Centro Mfg. Corporation

Officers Who Are Not Directors

The table below sets forth the officers of CREIT, as of April 30, 2025.

Name	Age	Citizenship	Position	Term of Office	Directorships Held in Other Companies/ Business Experience
Abigail Joan R. Coscio	51	Filipino	Chief Investor Relations, Corporate Communications, and Branding Officer		Director and Chief Investor Relations, Corporate Communications, and Branding Officer, CREC Director and President, Citicore Property Managers, Inc. ("CPMI") Director and Treasurer, Citicore Fund Managers, Inc. ("CFMI") Director and President, Citicore Property Managers, Inc. ("CPMI") Director and Treasurer, Citicore Fund Managers, Inc. ("CFMI") Director, MWM Terminals, Inc., Cebu2World Development, Inc., Megawide Onemobility Corporation, Citicore Energy Solutions, Inc. ("CESI"), Citicore Levanta Wind, and Citicore Group
Michelle A. Magdato*	36	Filipino	Treasurer, Chief Financial Officer, and Chief Risk Officer	Yearly	Treasurer and Deputy CFO, CREC Director, MCC-Citicore Construction, Inc. Director and Treasurer, CESI, Citicore Group Treasurer, CPI and Citicore Levanta Wind Trustee and Treasurer, Citicore Foundation

					Financial Reporting Manager & Investor Relations Officer, Megawide Construction Corp. Professional Staff, Balicas, Lamboso & Co., CPAs
Raymund Jay S. Gomez	53	Filipino	Chief Compliance Officer	Yearly	Director, Altria, CIHI, CMCI, MLI, MTI, and MWMTI Chief Legal Officer, Compliance Officer, and Data Protection Officer – Megawide Construction Corp. VP-Human Resources, Legal, and Regulatory Affairs Department, Beneficial Life Insurance Company, Inc. AVP-Legal and Corporate Services Department, Aboitiz Equity Ventures, Inc. Director of Corporate Legal Affairs and Litigation Department, JG Summit Holdings, Inc.
Freniel Mikko P. Austria	33	Filipino	Chief Audit Executive	Yearly	Chief Audit Executive, CREC
Danica C. Evangelista	31	Filipino	Corporate Secretary	Yearly	Director and Corporate Secretary, CESI Corporate Secretary, CPI, CREC, CPMI, CFMI, MCC-CCI, Citicore Foundation and Citicore Group Assistant Corporate Secretary, GPS3
Steven Angelo Michael C. Sy	32	Filipino	Corporate Information Officer & Assistant Corporate Secretary	Yearly	Corporate Information Officer and Assistant Corporate Secretary, CREC Assistant Corporate Secretary, CPI, CPMI, CESI, MCC-CCI, Citicore Foundation and Citicore Group

*Appointed effective 12 Nov 2024

(F) Market Price of and Dividends on the Registrant's Common Equity

i. Market Information

CREIT's common shares are traded on the PSE under the symbol "CREIT." The shares were listed on the PSE on February 22, 2022. The following table sets out the high and low prices of CREIT's common shares as reported to the PSE:

2022	High	Low
First Quarter (January-March)	2.94	2.55
Second Quarter (April-June)	2.68	2.31
Third Quarter (July-September)	2.52	2.15
Fourth Quarter (October-December)	2.34	1.97

2023	High	Low
First Quarter (January-March)	2.54	2.26
Second Quarter (April-June)	2.58	2.41
Third Quarter (July-September)	2.63	2.50
Fourth Quarter (October-December)	2.61	2.50

2024	High	Low
First Quarter (January-March)	2.81	2.79
Second Quarter (April-June)	2.79	2.77
Third Quarter (July-September)	3.08	3.04
Fourth Quarter (October-December)	3.06	3.03

The closing price per share of CREIT's common shares as of latest practicable trading date (May 14, 2025) is Three Pesos and 23/100 (Php 3.23).

ii. Holders

As of April 30, 2025 there are Six Billion Five Hundred Forty-Five Million Four Hundred Fifty-Four Thousand Four (6,545,454,004) outstanding common shares registered in the names of the following:

	Stockholder	Number of Common Shares Held	Percentage of Total Shares
1	PCD Nominee Corporation (Filipino)	4,507,729,481	68.87%
2	SM Investments Corporation	1,884,374,000	28.79%
3	PCD Nominee Corporation (Non-Filipino)	145,495,515	2.22%
4	Carousel Holdings, Inc.	7,310,000	0.11%
5	Chang Han-Chun	328,000	0.01%
6	Group 168 Holdings Corporation	75,000	Nil
7	Myra P. Villanueva	40,000	Nil
8	Mark Louie Apao	30,000	Nil
9	Milagros P. Villanueva	20,000	Nil
10	Myrna P. Villanueva	20,000	Nil
11	Lilibeth S. Apao or Socrates Apao	10,000	Nil
12	Juan Carlos V. Cabreza	10,000	Nil
13	Marietta V. Cabreza	10,000	Nil
14	Ramos, Jennifer T.	2,000	Nil
15	Ian Jason R. Aguirre	1	Nil
16	Manuel Louie B. Ferrer	1	Nil
17	Edgar B. Saavedra	1	Nil
18	Oliver Y. Tan	1	Nil
19	Pacita U. Juan	1	Nil
20	Elizabeth Anne C. Uychaco	1	Nil
21	Emmanuel G. Herbosa	1	Nil
22	Jose M. Layug, Jr.	1	Nil
	Total	6,545,454,004	100.00%
	Shares Owned by Foreigners	145,823,515	2.23%

Every stockholder of the common shares shall be entitled to one (1) vote for each share of stock held as of established record date and shall have all the rights attributable to a stockholder of record under the Revised Corporation Code, other pertinent laws, rules, and regulations.

The beneficial owners of the shares registered in the name of the PCD Nominee Corporation are the participants of PCD who hold the shares on behalf of their clients, including the top 20 shareholders.

iii. Dividends

The Company did not declare any dividends for the years ended December 31, 2019, 2020 and 2021. The Company has adopted a dividend policy in accordance with the provisions of the REIT Law, pursuant to which the Company's shareholders may be entitled to receive at least 90% of the Company's annual Distributable Income. The Company intends to implement an annual cash dividend payout ratio of at least 95% of Distributable Income for the preceding fiscal year, subject to compliance with the requirements of the REIT Law and the Revised REIT IRR, including but not limited to the requirement that the dividends shall be payable only from the unrestricted retained earnings as provided for under Section 42 of the Philippine Revised Corporation Code, among others, the terms and conditions of the Company's outstanding loan facilities in the event the Company incurs indebtedness, and the absence of circumstances which may restrict the payment of such amount of dividends, including, but not limited to, when there is need for special reserve for probable contingencies. The Company intends to declare and pay out dividends on a quarterly basis each year.

The failure to distribute at least 90% of the annual Distributable Income will subject the Company, if such failure remains un-remedied within 30 days, to income tax on the taxable net income as defined in Chapter IV, Title II of the National Internal Revenue Code, as amended, instead of the taxable net income as defined in the REIT Law. Accordingly, dividends distributed by the Company may be disallowed as a deduction for purposes of determining taxable net income. Additionally, other tax incentives granted under the REIT Law may be revoked, and the failure to distribute at least 90% of the annual Distributable Income may be a ground to delist the Company from the PSE.

The Company did not declare any dividends for the year ended December 31, 2021. Meanwhile, in 2022, 2023 and 2024, CREIT has consistently declared and paid out cash dividends as follows:

Date Approved	Record Date	Dividend per share (in PhP)	Date of Payment	Type of Dividend
March 9, 2022*	March 23, 2022	0.035	March 29, 2022	Regular
May 11, 2022	June 8, 2022	0.044	June 24, 2022	Regular
July 20, 2022	August 19, 2022	0.044	September 14, 2022	Regular
November 9, 2022	December 9, 2022	0.044	January 5, 2023	Regular
March 22, 2023	April 18, 2023	0.044	May 15, 2023	Regular
March 22, 2023	April 18, 2023	0.007	May 15, 2023	Special
May 10, 2023	June 9, 2023	0.047	July 6, 2023	Regular
August 9, 2023	September 9, 2023	0.049	October 4, 2023	Regular
November 9, 2023	December 27, 2023	0.049	January 22, 2024	Regular
March 19, 2024	April 18, 2024	0.054	May 15, 2024	Regular
May 13, 2024	June 13, 2024	0.049	July 9, 2024	Regular
August 9, 2024	September 10, 2024	0.049	October 4, 2024	Regular
November 12, 2024	December 12, 2024	0.049	January 13, 2025	Regular
March 25, 2025	April 23, 2025	0.055	May 21, 2025	Regular

*Dividends declared March 9, 2022 were taken from FY2021 net earnings which were substantially based on the sale of electricity from the Clark Solar Plant as full year REIT transaction impact took effect only starting January 1, 2022.

iv. Recent Sales of Unregistered or Exempt Securities

CREIT has not sold any unregistered securities within the past three (3) years.

(G) Corporate Governance

It is the firm belief of CREIT that an organization that faithfully practices and implements the core principles of good corporate governance such as honesty, integrity, fairness, accountability, and transparency will, more often than not, outperform and outshine its competitors. Thus, CREIT is in full compliance with the rules and regulations of the SEC, the PSE, and all other relevant rules and regulations, especially those involving public-listed companies.

Below are some of the Company's policies and programs in relation to corporate governance:

1. In compliance with SEC M.C. No. 19, Series of 2016, CREIT adopted its New Manual and has taken several steps to apply its principles, such as constituting all the Board Committees required therein:

1. Executive Committee;
2. Audit and Risk Oversight Committee
3. Related Party Transaction Review & Compliance Committee Meetings
4. Nominations, Compensation & Personnel Committee
5. Environmental, Social & Governance Committee

The charters and compositions of the foregoing Board Committees are in accordance with the Manual.

2. The Company has elected three (3) Independent Directors to ensure that the Board will protect, not only the interests of the Company, but its shareholders as well.
3. To further its corporate governance initiatives, CREIT, in 2018, implemented its Code of Business Conduct and Ethics, Code of Conduct and Ethical Standards for Suppliers, Insider Trading Policy, and Conflict of Interest Policy Supplemental Guidelines and Conflict of Interest Disclosure Form. Further, CREIT actively rolled out its Whistleblowing Policy to its employees, suppliers, vendors, and clients, to encourage the disclosure of illegal and dishonest activities occurring within the Company.

4. In 2019, CREIT adopted its Anti-Fraud Policy, Board Self-Evaluation Policy, and introduced changes to its Related Party Transactions Policy in compliance with SEC M.C. No. 10 series of 2019. It also conducted an Annual Corporate Governance Training on November 13, 2019, with the assistance of the Institute of Corporate Directors, which was attended by the Company's Directors and key officers.
5. The Board revised the Company's vision, mission, and values, which it launched in 2019. The Company designates a Chief Compliance Officer, who is a member of the Company's management team, in charge of the compliance function. The Chief Compliance Officer is primarily liable to the Company and its shareholders, and not to the Chairman or CEO of the Company. The Chief Compliance Officer shall monitor, review, evaluate and ensure the compliance by the Company, its officers and directors with the relevant laws, rules and regulations, and all governance issuances of regulatory agencies.
6. To reinforce the CREIT's adherence to good corporate governance, and in compliance with its Manual and SEC M.C. No. 04, Series of 2019, attached is the Company's Sustainability Report as **Exhibit "6"**.
7. The Company also adheres with the regulatory requirements on corporate governance through the timely submission of its Integrated Annual Corporate Governance Report with the SEC and the regular updating of its corporate website (www.creit.com.ph).

CREIT adopts an evaluation policy, championed by its Environmental, Social, and Governance Committee ("ESGC"), which evaluation policy is outlined in its Manual of Corporate Governance. This allows CREIT to determine and ensure compliance by the members of the Board and top level management with good corporate governance practice. The Company's ESGC is continuously monitoring the company and is also using the SEC Integrated Annual Corporate Governance Report (I-ACGR) as a guide to improve on and adopt the best practices in corporate governance.

The Company is currently in the midst of preparing its annual corporate governance report due to be submitted to the SEC on May 30, 2025. As of date of the submission of this document, the Company has not imposed on any individual any penalty for non-compliance with CREIT's Manual of Corporate Governance.

CREIT has not deviated from its Manual on Corporate Governance since its adoption until present.

UNDERTAKING: The Company will provide without charge its Annual Report or SEC Form 17-A to its stockholders upon receipt of written request addressed to: The Office of the Corporate Secretary, CREIT, at 11th Floor, Rockwell Santolan Town Plaza, Col. Bonny Serrano Ave., San Juan City.

Exhibit "4"

COVER SHEET

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S.E.C. Registration Number

C	I	T	I	C	O	R	E		E	N	E	R	G	Y		R	E	I	T		C	O	R	P	.				
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(Company's Full Name)

1	1	F		R	O	C	K	W	E	L	L		S	A	N	T	O	L	A	N		T	O	W	N				
P	L	A	Z	A	,		2	7	6			C	O	L	.		B	O	N	N	Y		S	E	R	R	A	N	O
A	V	E	N	U	E		S	A	N		J	U	A	N															

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

DANICA EVANGELISTA

Contact Person

(02) 8826-5698

Company's Telephone Number

31 December

Month Day of Fiscal Year

08 June

Month Day of Annual Meeting

SEC FORM AFS

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Secondary License Type, If Applicable

S	E	C
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Dept. Requiring this Doc.

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Amended Articles Number/Section

Total Amount of Borrowings

--

Total No. of Stockholders

--

Domestic

--

Foreign

To be accomplished by SEC Personnel concerned

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File Number

LCU

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Document I.D.

Cashier

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25 March 2025

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of Citicore Energy REIT Corp. (the "Company") is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, for the years ended December 31, 2024, 2023 and 2022, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

The Board of Directors reviews and approves the financial statements including the schedules attached therein, and submits the same to the stockholders.

Isla Lipana & Co., the independent auditors appointed by the stockholders for the periods ended December 31, 2024, 2023 and 2022 have audited the financial statements of the Company in accordance with Philippine Standards on Auditing, and in their reports to the stockholders, have expressed their opinion on the fairness of presentation upon completion of such audit.

A handwritten signature in black ink, appearing to be "Edgar B. Saavedra", written over a horizontal line.

Edgar B. Saavedra
Chairman of the Board

A handwritten signature in black ink, appearing to be "Oliver Y. Tan", written over a horizontal line.

Oliver Y. Tan
President and Chief Executive Officer

A handwritten signature in blue ink, appearing to be "Michelle A. Magdato", written over a horizontal line.

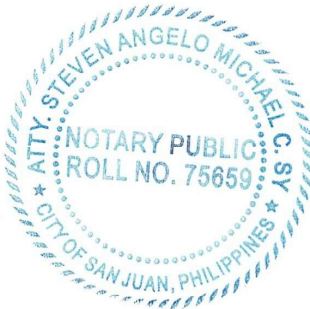
Michelle A. Magdato
Treasurer



SUBSCRIBED AND SWORN TO before me in SAN JUAN CITY on MAR 28 2025,
affiants exhibiting to me their respective valid IDs, as follows:

NAME	Valid ID	DATE OF ISSUE/VALID UNTIL	PLACE OF ISSUE
Edgar B. Saavedra	Passport No. P6875140B	Valid until May 26, 2031	Manila
Oliver Y. Tan	Passport No. P4489306B	Valid until January 21, 2030	DFA NCR East
Michelle A. Magdato	Passport No. P6873524A	Valid until April 21, 2028	DFA NCR East

Doc. No. 347;
Page No. 71;
Book No. II;
Series of 2025.



St. M.
STEVEN ANGELO MICHAEL C. SY
Notary Public for and in San Juan City
Notarial Commission No. 033 (2024-2025)
Until 31 December 2025
10F Santolan Town Plaza, 276 Santolan Road,
Little Baguio San Juan City Metro Manila
Roll No. 75659
PTR No. SJ 1820331 | 7 Jan 2025 | San Juan City
IBP No. 498696 | 6 Jan 2025 | Quezon City, Philippines
Admitted to the BAR on 1/1/2025



Independent Auditor's Report

To the Board of Directors and Shareholders of
Citicore Energy REIT Corp.
(A subsidiary of Citicore Renewable Energy Corporation)
11F Rockwell Santolan Town Plaza
276 Col. Bonny Serrano Avenue
San Juan City, Metro Manila

Report on the Audits of the Financial Statements

Opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Citicore Energy REIT Corp. (the "Company") as at December 31, 2024 and 2023, and its financial performance and its cash flows for each of the three years in the period ended December 31, 2024, in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

What we have audited

The financial statements of the Company comprise:

- the statements of financial position as at December 31, 2024 and 2023;
- the statements of total comprehensive income for each of the three years in the period ended December 31, 2024;
- the statements of changes in equity for each of the three years in the period ended December 31, 2024;
- the statements of cash flows for each of the three years in the period ended December 31, 2024; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSA). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics), together with the ethical requirements that are relevant to our audit of the financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

Isla Lipana & Co., 29th Floor, AIA Tower, 8767 Paseo de Roxas, 1226 Makati City, Philippines
T: +63 (2) 8845 2728, www.pwc.com/ph

Isla Lipana & Co. is the Philippine member firm of the PwC network. PwC refers to the Philippine member firm, and may sometimes refer to the PwC network. Each member firm is a separate legal entity. Please see www.pwc.com/structure for further details.



Independent Auditor's Report
 To the Board of Directors and Shareholders of
 Citicore Energy REIT Corp.
 (A subsidiary of Citicore Renewable Energy Corporation)
 Page 2

Our Audit Approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we considered where management made subjective judgments; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Company, the accounting processes and controls, and the industry in which the Company operates.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters identified in our audit are summarized as follows:

Key audit matters	How our audit addressed the key audit matters
<u>Fair value of investment properties</u> The Company leases ten (10) freehold land and subleases three (3) leasehold land to its related parties. All freehold and leasehold land assets are classified as investment properties which are accounted for using the cost model. The Company discloses the fair value of investment properties as required by PAS 40, "Investment Property". The carrying value and fair value of investment properties amounted to P7.24 billion and P16.91 billion, respectively, as at December 31, 2024. Management determined the fair value of the investment properties based on the report issued by an accredited appraiser. The appraiser used the discounted cash flow model based on the lessor's interest in the land.	We obtained understanding of the nature, scope and objective of the appraiser's work. We evaluated the competence and capabilities of the accredited appraiser and objectivity by considering the accredited appraiser's qualifications, experience and reporting responsibilities. We also evaluated the data used, assumptions and calculation methods and assessed the relevance and reasonableness of the accredited appraiser's findings and conclusions and consistency with other audit evidence we obtained. Data and assumptions used were validated as follows: - Lease rates and unexpired lease term were traced to the lease agreements with related parties; and - We compared the parameters used for discount rate and terminal values of the land against market data. We also assessed the adequacy of the fair value disclosures based on the requirements of PFRS 13, "Fair Value Measurement".



Independent Auditor's Report
To the Board of Directors and Shareholders of
Citicore Energy REIT Corp.
(A subsidiary of Citicore Renewable Energy Corporation)
Page 3

Key audit matters	How our audit addressed the key audit matters
The determination of the fair values of these properties involved significant assumption and estimations and complex calculations. These assumptions include discount rates which are influenced by the prevailing market rates and comparable market transactions. Discount rates are subject to higher level of estimation uncertainty due to the current economic conditions. The disclosures on the fair value of investment properties are included in Note 8 to the financial statements.	

Other Information

Management is responsible for the other information. The other information comprises the information included in the SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report, but does not include the financial statements and our auditor's report thereon. The SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report are expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.



Independent Auditor's Report
To the Board of Directors and Shareholders of
Citicore Energy REIT Corp.
(A subsidiary of Citicore Renewable Energy Corporation)
Page 4

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with PSA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with PSA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Independent Auditor's Report
To the Board of Directors and Shareholders of
Citicore Energy REIT Corp.
(A subsidiary of Citicore Renewable Energy Corporation)
Page 5

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Bureau of Internal Revenue Requirement

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information in Note 25 to the financial statements is presented for purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements. Such supplementary information is the responsibility of management and has been subjected to the auditing procedures applied in our audits of the basic financial statements. In our opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The engagement partner on the audit resulting in this independent auditor's report is
Pocholo C. Domondon.

Isla Lipana & Co.

A handwritten signature in black ink, appearing to read "Pocholo C. Domondon".

Pocholo C. Domondon
Partner
CPA Cert. No. 108839
P.T.R. No. 0011401; issued on January 3, 2025 at Makati City
T.I.N. 213-227-235
BIR A.N. 08-000745-128-2024; issued on November 9, 2024; effective until November 8, 2027
BOA/PRC Reg. No. 0142, effective until November 14, 2025

Makati City
March 25, 2025



**Statement Required by Rule 68
Securities Regulation Code (SRC)**

To the Board of Directors and Shareholders of
Citicore Energy REIT Corp.
(A subsidiary of Citicore Renewable Energy Corporation)
11F Rockwell Santolan Town Plaza
276 Col. Bonny Serrano Avenue
San Juan City, Metro Manila

We have audited the financial statements of Citicore Energy REIT Corp. (the "Company") as at December 31, 2024 and 2023 and for each of the three years in the period ended December 31, 2024, on which we have rendered the attached report dated March 25, 2025. The supplementary information shown in Schedules A, B, C, D, E, F, and G, Reconciliation of Retained Earnings Available for Dividend Declaration and the Map showing the relationships between and among the Company and its ultimate parent company, middle parent, subsidiaries or co-subsidiaries, and associates, as additional components required by Revised Rule 68 of the SRC, are presented for purposes of filing with the Securities and Exchange Commission and are not required parts of the basic financial statements. Such supplementary information is the responsibility of management and has been subjected to auditing procedures applied in the audits of the basic financial statements. In our opinion, the supplementary information has been prepared in accordance with Revised Rule 68 of the SRC .

Isla Lipana & Co.

A handwritten signature in black ink, appearing to read "Pocholo C. Domondon", written over the printed name.

Pocholo C. Domondon
Partner

CPA Cert. No. 108839

P.T.R. No. 0011401; issued on January 3, 2025 at Makati City

T.I.N. 213-227-235

BIR A.N. 08-000745-128-2024; issued on November 9, 2024; effective until November 8, 2027

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Makati City
March 25, 2025

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Statement Required by Rule 68 Securities Regulation Code (SRC)

To the Board of Directors and Shareholders of
Citicore Energy REIT Corp.
(A subsidiary of Citicore Renewable Energy Corporation)
11F Rockwell Santolan Town Plaza
276 Col. Bonny Serrano Avenue
San Juan City, Metro Manila

We have audited in accordance with Philippine Standards on Auditing the financial statements of Citicore Energy REIT Corp. (the "Company") as at December 31, 2024 and 2023 and for each of the three years in the period ended December 31, 2024 and have issued our report thereon dated March 25, 2025. Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The Supplementary Schedule on Financial Soundness Indicators, including their definitions, formulas, calculations, and their appropriateness or usefulness to the intended users, are the responsibility of the Company's management. These financial soundness indicators are not measures of operating performance defined by Philippine Financial Reporting Standards (PFRS) Accounting Standards and may not be comparable to similarly titled measures presented by other companies. This schedule is presented for the purpose of complying with the Revised Rule 68 of the SRC issued by the Securities and Exchange Commission, and is not a required part of the basic financial statements prepared in accordance with PFRS Accounting Standards. The components of these financial soundness indicators have been traced to the Company's financial statements as at December 31, 2024 and 2023 and for each of the three years in the period ended December 31, 2024 and no material exceptions were noted.

Isla Lipana & Co.


Pocholo C. Domondon
Partner
CPA Cert. No. 108839
P.T.R. No. 0011401; issued on January 3, 2025 at Makati City
T.I.N. 213-227-235
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Citicore Energy REIT Corp.
(A subsidiary of Citicore Renewable Energy Corporation)

Statements of Financial Position
As at December 31, 2024 and 2023
(All amounts in Philippine Peso)

	Notes	2024	2023
Assets			
Current assets			
Cash	3	597,582,293	616,861,821
Trade and other receivables, net	4	207,865,787	64,504,503
Prepayments and other current assets	5	100,988,887	201,513,919
Total current assets		906,436,967	882,880,243
Non-current assets			
Trade and other receivables, net of current portion	4	519,334,455	369,976,872
Property, plant and equipment, net	6	1,153,818,036	1,212,929,526
Investment properties, net	8	7,239,119,531	7,182,437,936
Right-of-use assets, net	19	31,157,023	33,292,501
Other non-current assets	7	41,450,164	41,450,164
Total non-current assets		8,984,879,209	8,840,086,999
Total assets		9,891,316,176	9,722,967,242
Liabilities and Equity			
Current liabilities			
Trade payables and other liabilities	9	115,741,759	107,437,383
Dividends payable	9, 14	312,888,626	312,332,383
Lease liabilities	19	3,267,523	5,863,776
Total current liabilities		431,897,908	425,633,542
Non-current liabilities			
Lease liabilities, net of current portion	19	218,421,080	226,982,998
Security deposits and deferred rent income	11	189,135,416	140,914,842
Bonds payable	10	4,468,567,198	4,459,876,787
Retirement benefit obligation	13	314,672	314,672
Total non-current liabilities		4,876,438,366	4,828,089,299
Total liabilities		5,308,336,274	5,253,722,841
Equity			
Share capital	13	1,636,363,501	1,636,363,501
Additional paid-in-capital	13	2,307,335,739	2,307,335,739
Remeasurement on retirement benefits	12	50,894	50,894
Retained earnings		639,229,768	525,494,267
Total equity		4,582,979,902	4,469,244,401
Total liabilities and equity		9,891,316,176	9,722,967,242

The notes on pages 1 to 49 are integral part of these financial statements.

Citicore Energy REIT Corp.

(A subsidiary of Citicore Renewable Energy Corporation)

Statements of Total Comprehensive Income

For each of the three years in the period ended December 31, 2024

(All amounts in Philippine Peso)

	Notes	2024	2023	2022
Rental income	1, 14	1,887,665,265	1,798,186,978	1,374,529,631
Cost of services	15	(104,305,887)	(103,045,990)	(91,269,041)
Gross profit		1,783,359,378	1,695,140,988	1,283,260,590
Operating expenses	16	(11,462,939)	(6,841,842)	(8,440,959)
Income from operations		1,771,896,439	1,688,299,146	1,274,819,631
Finance costs	17	(346,162,465)	(309,448,027)	(17,584,040)
Other income, net	17	3,637,781	19,245,257	3,377,749
Income before income tax		1,429,371,755	1,398,096,376	1,260,613,340
Income tax expense	18	-	-	(8,200,316)
Net income for the year		1,429,371,755	1,398,096,376	1,252,413,024
Other comprehensive income		-	-	-
Total comprehensive income for the year		1,429,371,755	1,398,096,376	1,252,413,024
Earnings per share				
Basic and diluted	20	0.22	0.21	0.20

The notes on pages 1 to 49 are integral part of these financial statements.

Citicore Energy REIT Corp.
(A subsidiary of Citicore Renewable Energy Corporation)

Statements of Changes in Equity
For each of the three years in the period ended December 31, 2024
(All amounts in Philippine Peso)

	Share capital (Note 13)	Additional paid-in-capital (Note 13)	Remeasurement on retirement benefits	Retained earnings	Total
Balances at January 1, 2022	1,374,545,501	2,465,066	50,894	250,984,668	1,628,046,129
Comprehensive income					
Net income for the year	-	-	-	1,252,413,024	1,252,413,024
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	-	1,252,413,024	1,252,413,024
Transactions with owners					
Issuance of shares	261,818,000	2,408,725,600	-	-	2,670,543,600
Share issuance costs	-	(103,854,927)	-	-	(103,854,927)
Cash dividends	-	-	-	(1,093,090,818)	(1,093,090,818)
Total transactions with owners	261,818,000	2,304,870,673	-	(1,093,090,818)	1,473,597,855
Balances at December 31, 2022	1,636,363,501	2,307,335,739	50,894	410,306,874	4,354,057,008
Comprehensive income					
Net income for the year	-	-	-	1,398,096,376	1,398,096,376
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	-	1,398,096,376	1,398,096,376
Transactions with owners					
Cash dividends	-	-	-	(1,282,908,983)	(1,282,908,983)
Total transactions with owners	-	-	-	(1,282,908,983)	(1,282,908,983)
Balances at December 31, 2023	1,636,363,501	2,307,335,739	50,894	525,494,267	4,469,244,401
Comprehensive income					
Net income for the year	-	-	-	1,429,371,755	1,429,371,755
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	-	1,429,371,755	1,429,371,755
Transactions with owners					
Cash dividends	-	-	-	(1,315,636,254)	(1,315,636,254)
Total transactions with owners	-	-	-	(1,315,636,254)	(1,315,636,254)
Balances at December 31, 2024	1,636,363,501	2,307,335,739	50,894	639,229,768	4,582,979,902

The notes on pages 1 to 49 are integral part of these financial statements.

Citicore Energy REIT Corp.
(A subsidiary of Citicore Renewable Energy Corporation)

Statements of Cash Flows
For each of the three years in the period ended December 31, 2024
(All amounts in Philippine Peso)

	Notes	2024	2023	2022
Cash flows from operating activities				
Income before income tax		1,429,371,755	1,398,096,376	1,260,613,340
Adjustments for:				
Depreciation and amortization	6, 19	71,347,776	71,360,501	71,363,428
Finance costs	17	346,162,465	309,448,027	17,584,040
Unrealized foreign exchange (gain) losses, net	21	47,456	(10,960)	113,799
Interest income	3, 4, 17	(3,762,414)	(19,234,297)	(3,070,975)
Operating income before working capital changes		1,843,167,038	1,759,659,647	1,346,603,632
Changes in working capital:				
Trade and other receivables		(166,949,657)	(168,063,993)	(136,326,810)
Prepayments and other current assets		(25,244,178)	(171,718,274)	(17,586,521)
Other non-current assets		-	(36,170,854)	7,486,370
Trade payables and other liabilities		8,860,619	11,352,965	(7,701,307)
Due to a related party		-	(53,223,717)	(71,442,959)
Security deposits		43,789,681	(6,126,256)	141,239,078
Net cash generated from operations		1,703,623,503	1,335,709,518	1,262,271,483
Interest received		3,762,414	5,147,697	855,202
Net cash provided by operating activities		1,707,385,917	1,340,857,215	1,263,126,685
Cash flows from investing activities				
Additions to investment properties	8	(66,782,403)	(4,267,241,500)	(2,507,918,610)
Interest received from short-term placements		-	14,086,600	-
Net cash used in investing activities		(66,782,403)	(4,253,154,900)	(2,507,918,610)
Cash flows from financing activities				
Proceeds from issuance of shares	13	-	-	2,670,543,600
Principal payment of lease liabilities	19	(16,398,878)	(2,406,115)	(20,109,933)
Interest payment on lease liabilities	19	(10,404,404)	(10,589,344)	(9,951,228)
Payments of share issuance costs	5, 13	-	-	(68,190,556)
Payments of dividends	13	(1,315,636,254)	(1,250,181,713)	(805,090,842)
Interest payment on bonds	10	(317,443,506)	(238,082,626)	-
Proceeds from bonds issuance	10	-	4,500,000,000	-
Payments of bond issuance costs	10	-	(41,004,160)	-
Net cash provided by (used in) financing activities		(1,659,883,042)	2,957,736,042	1,767,201,041
Net increase (decrease) in cash		(19,279,528)	45,438,357	522,409,116
Cash at January 1	3	616,861,821	571,423,464	49,014,348
Cash at December 31	3	597,582,293	616,861,821	571,423,464

The notes on pages 1 to 49 are integral part of these financial statements.

Citicore Energy REIT Corp.

(A subsidiary of Citicore Renewable Energy Corporation)

Notes to the Financial Statements

As at December 31, 2024 and 2023 and

for each of the three years in the period ended December 31, 2024

(All amounts are shown in Philippine Peso unless otherwise stated)

1 General information

(a) Corporate information

Citicore Energy REIT Corp. (formerly Enfinity Philippines Renewable Resources Inc.) (the “Company”) was registered with the Philippine Securities and Exchange Commission (SEC) on July 15, 2010.

Prior to May 25, 2021, the Company’s primary objective is to explore, develop and utilize renewable resources with particular focus on solar and wind energy generation; to design, construct, erect, assemble, commission and operate power-generating plants and related facilities for the conversion of renewable energy into usable form fit for electricity generation and distribution; and to perform other ancillary and incidental activities as may be provided by and under contract with the Government of the Republic of the Philippines, or any subdivision, instrumentality or agency thereof, or any government-owned and controlled corporation, or other entity engaged in the development, supply and distribution of renewable energy.

The amended primary purpose of the Company is to engage in the business of owning income-generating real estate assets, including renewable energy generating real estate assets, under a real estate investment trust (REIT) by virtue of Republic Act (RA) No. 9856, otherwise known as the “*Real Estate Investment Trust Act of 2009*” and its implementing rules and regulations.

The Company’s 22.33-megawatt (MW) Clark Solar Power Project in Clark, Freeport Zone, Pampanga was successfully commissioned on March 12, 2016 through the confirmation of the Department of Energy (DOE) covering its Solar Energy Service Contract (SESC) No. 2014-07-086 and Amended Certificate of Commerciality No. SCC-2015-03-014-B with validity of 25 years. On October 13, 2021, the Company assigned the SESC to Citicore Renewable Energy Corp. (the “Parent Company” or CREC), making the latter the operator of the Clark Solar Power Plant. The assignment was approved by the DOE on December 24, 2021.

On May 25, 2021, the Company’s Board of Directors (BOD) and shareholders approved, among others, the following amendments to the Company’s Articles of Incorporation (AOI): (i) change of corporate name from Enfinity Philippines Renewable Resources Inc. to Citicore Energy REIT Corp.; (ii) amendment of the primary purpose to that of a real estate investment trust; (iii) change of principal office address from Prince Balagtas Avenue Extension, Clark Freeport Zone, Pampanga to 11F, Rockwell Santolan Town Plaza, 276 Col. Bonny Serrano Avenue, San Juan City, Metro Manila; and (iv) increase of authorized share capital to P3.84 billion divided into 15.36 billion common shares with par value of P0.25 per share.

On May 26, 2021, as part of the increase in authorized share capital, the Parent Company subscribed to 2.4 billion shares as consideration for the assignment by Parent Company of its advances to the Company amounting to P602,465,066. In addition, Parent Company and Citicore Solar Tarlac 1, Inc. (CST1) (formerly nv vogt Philippine Solar Energy Three, Inc.) subscribed to 19,461,142 shares and 918,720,864 shares, respectively, or a total of 938,182,006 shares, as consideration for the assignment of parcels of land, with an aggregate area of 138,164 sq.m., located in Brgy. Armenia, Tarlac (Note 13).

The Company’s submission to the SEC for the foregoing amendments was approved on October 12, 2021. Upon issuance of the shares during 2021, the Company’s shareholding structure was 16.7% and 83.3% owned by CST1 and Parent Company, respectively. Prior to October 12, 2021, the Parent Company owns 100% of the Company.

The Company's ultimate parent company is Citicore Holdings Investment, Inc., a company incorporated in the Philippines as a holding company engaged in buying and holding shares of other companies.

On November 4, 2021, the Company's BOD and shareholders approved, among others, to amend its AOI and delete one of the secondary purposes reflected in the amended AOI as approved by BOD on May 25, 2021 as follows: "to invest in or otherwise engage in the exploitation, development, and utilization of renewable energy resources with particular focus on solar and wind energy generation; to design, construct, erect, assemble, commission and operate power-generating plants and related facilities for the conversion of renewable energy into usable form fit for electricity generation and distribution; and to perform other ancillary and incidental activities as may be provided by and under contract with the Government of the Republic of the Philippines, or any subdivision, instrumentality or agency thereof, or any government-owned and controlled corporation, or other entity engaged in the development, supply and distribution of renewable energy". The Company's submission to the SEC for the foregoing amendment was approved on November 17, 2021.

On January 14, 2022 and February 2, 2022, the Philippine Stock Exchange ("PSE") issued notice of acceptance and the Philippine SEC issued permit to sell, respectively, in relation to the Company's application for initial public offering. The Company attained its status as "public company" on February 22, 2022 when it listed its shares as a REIT in the main board of the PSE. As a public company, it is covered by the Part II of Securities Regulation Code ("SRC") Rule 68.

On March 15, 2024, the Parent Company and CST1 sold a total of 1,884,374,000 common shares in the Company at P2.6534 per share to SM Investments Corporation (SMIC) raising approximately P5.0 billion. The Parent Company will continue to be the single largest shareholder in the Company with a 32.88% effective ownership post-transaction (excluding shares in trust held by directors and officers). Proceeds from the sale will be used by the Parent Company to fund further development of solar construction projects across different locations nationwide. The Parent Company believes that it maintains control mainly because it is still in-charge of managing the relevant business activities including day-to-day operations.

As at December 31, 2023, the Company has 137 shareholders, each owning one hundred (100) or more shares. As at December 31, 2024, the Company has 136 shareholders, each owning one hundred (100) or more shares.

The total shares outstanding are held by the following shareholders as at December 31:

	2024	2023
CREC	32.99%	47.76%
SMIC	28.79%	-
Public	38.22%	38.21%
CST1	-	14.04%
	100.00%	100.00%

On June 8, 2022, the Company's stockholders approved the issuance of fixed-rate bonds not exceeding thirty five percent (35%) of the value of the deposited property of the Company or up to the allowable leverage under the REIT Act of 2009 and its implementing rules and regulations. On February 10, 2023, the Company listed its maiden ASEAN Green Bonds amounting to P4.5 billion which bear a coupon interest rate of 7.0543% in the Philippine Dealing and Exchange Corp (Note 10). In 2022, the Company received PRS AA+ rating with stable outlook from PhilRatings for both the Company and its proposed bond issuance. The rating, which is considered as an investment grade, allowed the Company to increase its leverage limit from the minimum 35% of the deposited property to a maximum of 70% as prescribed in the REIT IRR. PRS AA+ rating is continuously monitored as long as the rated bond issuance is outstanding.

(b) Approval and authorization for the issuance of financial statements

These financial statements have been approved and authorized for issuance by the Company's BOD on March 25, 2025.

2 Segment reporting

The Company's operating businesses are organized and managed according to the nature of the products and services that are being marketed. Each segment represents a strategic business unit that offers different products and serves different markets. The Company has operations only in the Philippines.

The Company derives revenues from two (2) main segments as follows:

(a) Sale of solar energy

This business segment pertains to the generation of electricity from solar power energy through its Clark Solar Power Project. National Transmission Corporation (TransCo) is the Company's sole customer for its sale of solar energy. As a result of assignment of SESC of the Clark Solar Plant to its Parent Company, the sale of solar energy business was terminated with the approval of the DOE on December 24, 2021 effective December 25, 2021 (Note 15). The assignment entailed the transfer of rights as a service contractor with the Philippine government but did not convey ownership over the assets. This was a change in the revenue model using the same solar plant and equipment. The Company still generates cash flows from these assets in the form of lease income instead of sale of solar energy before the assignment. Notwithstanding the change in revenue model, the cash-generating unit remains intact and owned by the Company.

(b) Leasing

This business segment pertains to the rental operations of the Company with related parties (Note 15).

All amounts reported in the financial statements of the Company as at and for the years ended December 31, 2024 and 2023 are attributable to this segment except for trade receivables from TransCo amounting to P62.78 million (2023 - P80.23 million) and interest income arising from amortization of discount on trade receivables amounting to P3.60 million (2023 - P4.42 million; 2022 - P2.69 million) (Note 4), which are attributable to sale of solar energy segment.

The results of operations of the reportable segments of the Company for each of the three years in the period ended December 31, 2024 are as follows:

	December 31, 2024		
	Leasing	Sale of solar energy	Total
Revenue	1,887,665,265	-	1,887,665,265
Cost of services	(104,305,887)	-	(104,305,887)
Gross profit	1,783,359,378	-	1,783,359,378
Operating expense	(11,462,939)	-	(11,462,939)
Finance costs	(346,162,465)	-	(346,162,465)
Other income, net	41,728	3,596,053	3,637,781
Income before income tax	1,425,775,702	3,596,053	1,429,371,755
Income tax expense	-	-	-
Net income for the year	1,425,775,702	3,596,053	1,429,371,755

	December 31, 2023		
	Leasing	Sale of solar energy	Total
Revenue	1,798,186,978	-	1,798,186,978
Cost of services	(103,045,990)	-	(103,045,990)
Gross profit	1,695,140,988	-	1,695,140,988
Operating expense	(6,841,842)	-	(6,841,842)
Finance costs	(309,448,027)	-	(309,448,027)
Other income, net	14,828,979	4,416,278	19,245,257
Income before income tax	1,393,680,098	4,416,278	1,398,096,376
Income tax expense	-	-	-
Net income for the year	1,393,680,098	4,416,278	1,398,096,376

	December 31, 2022		
	Leasing	Sale of solar energy	Total
Revenue	1,374,529,631	-	1,374,529,631
Cost of services	(91,269,041)	-	(91,269,041)
Gross profit	1,283,260,590	-	1,283,260,590
Operating expense	(8,440,959)	-	(8,440,959)
Finance costs	(17,584,040)	-	(17,584,040)
Other income, net	690,020	2,687,729	3,377,749
Income before income tax	1,257,925,611	2,687,729	1,260,613,340
Income tax expense	-	(8,200,316)	(8,200,316)
Net income for the year	1,257,925,611	(5,512,587)	1,252,413,024

The segment assets and liabilities of the reportable segments of the Company as at December 31 are as follows:

	2024			2023		
	Leasing	Sale of solar energy	Total	Leasing	Sale of solar energy	Total
Segment assets						
Current	873,925,220	32,511,747	906,436,967	865,429,026	17,451,217	882,880,243
Non-current	8,954,610,256	30,268,953	8,984,879,209	8,777,306,298	62,780,701	8,840,086,999
	9,828,535,476	62,780,700	9,891,316,176	9,642,735,324	80,231,918	9,722,967,242
Segment liabilities						
Current	431,897,908	-	431,897,908	425,633,542	-	425,633,542
Non-current	4,876,438,366	-	4,876,438,366	4,828,089,299	-	4,828,089,299
	5,308,336,274	-	5,308,336,274	5,253,722,841	-	5,253,722,841

All revenues of the Company are from domestic entities incorporated in the Philippines, hence, the Company did not present geographical information required by Philippine Financial Reporting Standards (PFRS) 8, "Operating Segments".

3 Cash

Cash as at December 31 consist of:

	2024	2023
Cash on hand	50,000	115,000
Cash in banks	597,532,293	616,746,821
	597,582,293	616,861,821

Cash in banks earn interest at the prevailing bank deposit rates.

Total interest income earned from cash in banks and short-term placements for the years ended December 31 is as follows:

	Note	2024	2023	2022
Interest income	17	166,360	14,818,019	383,246

4 Trade and other receivables, net

Trade and other receivables, net as at December 31 consist of:

	Notes	2024	2023
Current			
Trade receivables from TransCo		32,511,747	17,451,217
Lease receivables	11	49,584,830	45,258,258
Receivable arising from VAT refunds	5	125,769,210	-
Other receivable		1,944,096	3,739,124
Allowance for doubtful account of other receivable		(1,944,096)	(1,944,096)
		-	1,795,028
		207,865,787	64,504,503
Non-current			
Trade			
Receivables from TransCo		30,268,953	62,780,701
Lease receivables	11	489,065,502	307,196,171
		519,334,455	369,976,872

Trade receivables are generally collectible within a 60-day period. In accordance with the Renewable Energy Payment Agreement (REPA), in the event that TransCo fails to pay any amount stated in the feed-in tariff (FIT) statement of account upon the lapse of one billing period from the relevant payment date, TransCo shall pay to the Company such unpaid amount plus interest thereon, calculated from the relevant payment date to the day such amount is actually paid. Interest rate is the rate prevailing for a 91-day treasury bill plus 3%. There are no interest income arising from late payments of TransCo for the years ended December 31, 2024, 2023 and 2022.

Details of trade receivables from TransCo as at reporting periods are as follows:

	Current	Non-current	Total
December 31, 2024			
Trade receivables	34,504,111	30,899,821	65,403,932
Discount on receivables	(1,992,364)	(630,868)	(2,623,232)
	32,511,747	30,268,953	62,780,700
December 31, 2023			
Trade receivables	20,465,885	65,403,932	85,869,817
Discount on receivables	(3,014,668)	(2,623,231)	(5,637,899)
	17,451,217	62,780,701	80,231,918

In 2020, the ERC issued Resolution No. 06, Series of 2020, which was further clarified in February 2021, to confirm that the actual recovery of the arrears FIT rate adjustment shall be for a period of 5 years whereas those from January 2016 generation shall start billing in December 2020 and payment schedule starts in January 2021. As a result, additional revenue was recognized during December 2021 amounting to P83.53 million to be recovered within the next 5 years after December 31, 2021 (Note 14).

Discount on trade receivables from TransCo arising from this amounted to P2.62 million as at December 31, 2024 (December 31, 2023 - P5.64 million). Interest income arising from amortization of discount on trade receivables from TransCo for the year ended December 31, 2024 amounted to P3.60 million (2023 - P4.42 million; 2022 - P2.68 million) (Note 17).

Lease receivables pertain to accrued rent resulting from the straight-line method of recognizing rental income.

Other receivable mainly pertains to a refund for overpaid insurance. During 2020, the Company provided an allowance for doubtful accounts for this receivable amounting to P1.94 million due to the changes in its credit quality. The provision was recognized as part of operating expenses in the statements of total comprehensive income.

The Company does not hold any collateral as security. Management believes that an allowance for doubtful accounts as at December 31, 2024 and 2023, except for other receivable which has been fully provided for, is not necessary since these account balances are deemed fully collectible. Trade receivables are all current in nature except from non-current portion of receivable from TransCo related to FIT-rate adjustments. All previous billings of the Company were collected in full.

None of the trade and other receivables that are fully performing have been renegotiated.

5 Prepayments and other current assets

Prepayments and other current assets as at December 31 consist of:

	2024	2023
Input value-added tax (VAT)	57,739,794	175,627,184
Prepaid taxes	43,249,093	25,886,735
	100,988,887	201,513,919

Input VAT represents VAT on purchases of goods and services which can be recovered either as tax credit against future output VAT or through refund.

Prepaid taxes include creditable withholding tax, overpayment of withholding taxes and income taxes.

During 2024, the Company claimed for an input VAT amounting to P125,769,210 related to the taxable year 2023. The related receivable from the BIR was recognized as part of trade and other receivables, net which is expected to be refunded within one (1) year from the BIR (Note 3). There are no VAT refunds for the year ended December 31, 2023.

6 Property, plant and equipment, net

Details and movements of property, plant and equipment, net as at and for the years ended December 31 are as follows:

	Solar plant and equipment	Substation and transmission lines	Computer equipment	Service vehicle	Total
Cost					
January 1, 2023,					
December 31,					
2023 and 2024	1,664,296,964	44,477,618	40,000	135,500	1,708,950,082
Accumulated depreciation					
January 1, 2023	418,715,895	18,041,731	40,000	97,108	436,894,734
Depreciation	55,894,292	3,204,430	-	27,100	59,125,822
December 31, 2023	474,610,187	21,246,161	40,000	124,208	496,020,556
Depreciation	55,895,767	3,204,431	-	11,292	59,111,490
December 31, 2024	530,505,954	24,450,592	40,000	135,500	555,132,046
Net book values					
December 31, 2024	1,133,791,010	20,027,026	-	-	1,153,818,036
December 31, 2023	1,189,686,777	23,231,457	-	11,292	1,212,929,526

The Clark Solar Power Project was funded through a Term Loan Facility Agreement with Development Bank of the Philippines (DBP). The solar plant and equipment include capitalized borrowing costs amounting to P13.69 million. The Company's solar plant and equipment is pledged as collateral under the chattel mortgage agreement entered into in relation to this agreement. On May 4, 2021, the Parent Company assumed the Company's outstanding loan with DBP. As a result, the chattel mortgage agreement was rescinded by DBP on November 3, 2021.

There were no additions for the years ended December 31, 2024 and 2023.

Depreciation expenses for the years ended December 31 are recognized as follows:

	Notes	2024	2023	2022
Cost of services	15	59,100,198	59,098,722	59,099,431
Operating expenses	16	11,292	27,100	30,433
		59,111,490	59,125,822	59,129,864

Following the approval of the DOE on the assignment of SESC No. 2014-07-086 of the Clark Solar Plant to its Parent Company effective December 25, 2021, the Company leased out the Clark Solar Plant to its Parent Company in exchange of fixed and variable lease rental (Note 11). The Parent Company became the Clark Solar Plant operator.

Based on the results of management assessment, the Company believes that there were no indicators of impairment as at December 31, 2024 and 2023.

7 Other non-current assets

Other non-current assets as at December 31 consist of:

	Note	2024	2023
Security deposits	19	5,279,310	5,279,310
Cash bond		36,170,854	36,170,854
		41,450,164	41,450,164

Cash bonds pertain to deposits to Department of Agrarian Reform (DAR) for the land conversion from agricultural to industrial use which are refundable after 12 to 24 months.

8 Investment properties, net

Details and movements of investment properties as at December 31 are as follows:

	Freehold land assets	Leasehold land assets	Total
Cost			
January 1, 2023	2,742,464,112	193,407,106	2,935,871,218
Additions	4,267,241,500	-	4,267,241,500
December 31, 2023	7,009,705,612	193,407,106	7,203,112,718
Additions	66,782,403	-	66,782,403
December 31, 2024	7,076,488,015	193,407,106	7,269,895,121
Accumulated amortization			
January 1, 2023	-	10,573,974	10,573,974
Amortization	-	10,100,808	10,100,808
December 31, 2023	-	20,674,782	20,674,782
Amortization	-	10,100,808	10,100,808
December 31, 2024	-	30,775,590	30,775,590
Net book values			
December 31, 2024	7,076,488,015	162,631,516	7,239,119,531
December 31, 2023	7,009,705,612	172,732,324	7,182,437,936

The amounts recognized in the statements of total comprehensive income for the years ended December 31 related to the investment properties are as follows:

	Notes	Freehold land assets	Leasehold land assets	Total
2024				
Rental income		860,730,081	736,902,777	1,597,632,858
Amortization of deferred rent income		3,624,240	2,583,646	6,207,886
Total revenue	14	864,354,321	739,486,423	1,603,840,744
Cost of services	15			
Depreciation			(10,100,808)	(10,100,808)
Property management fee		(10,280,403)	(10,403,728)	(20,684,131)
Fund management fee		(3,426,802)	(3,467,909)	(6,894,711)
Finance costs	17	(327,747,583)	(13,657,770)	(341,405,353)
Profit arising from investment properties		522,899,533	701,856,208	1,224,755,741
2023				
Rental income		789,806,177	719,860,717	1,509,666,894
Amortization of deferred rent income		2,441,220	2,583,646	5,024,866
Total revenue	14	792,247,397	722,444,363	1,514,691,760
Cost of services	15			
Depreciation		-	(10,100,808)	(10,100,808)
Property management fee		(9,412,952)	(10,394,836)	(19,807,788)
Fund management fee		(3,137,651)	(3,464,945)	(6,602,596)
Finance costs	17	(289,292,003)	(12,277,764)	(301,569,767)
Profit arising from investment properties		490,404,791	686,206,010	1,176,610,801

(a) *Freehold land asset*

On May 25, 2021, the Company and Parent Company, executed a deed of assignment whereas the latter hereby assigns, transfers, and conveys a parcel of land located in Brgy. Armenia, Tarlac City, Tarlac to the former, absolutely, and free from all liens and/or encumbrances, valued at P4.87 million in consideration for the issuance of Company's shares upon approval of the SEC of the Company's application for the increase in authorized share capital. On the same date, the Company and CST1 executed a deed of assignment whereas the latter hereby assigns, transfers, and conveys several parcels of land located in Brgy. Armenia, Tarlac City, Tarlac to the former, absolutely, and free from all liens and/or encumbrances valued at P229.68 million in consideration for the issuance of Company's shares upon approval of the SEC of the Company's application for the increase in authorized share capital (Note 14). These parcels of land are recognized with reference to its fair value. The approval of the increase in the authorized share capital was obtained from the SEC on October 12, 2021. The actual transfer and registration of the parcels of land to the Company's name were finalized on October 27, 2021.

In 2022, the Company executed a deed of absolute sale with Citicore Solar Bulacan, Inc. (CSBI) and Citicore Solar South Cotabato, Inc. (CSSCI), entities under common control, for the purchase of several parcels of land located in San Ildefonso, Bulacan and Brgy. Centrala, Suralla, South Cotabato for a total consideration of P1.75 billion and P753.80 million, respectively (Note 11).

The proceeds from the P4.5 billion bonds which the Company raised in February 2023 (Note 10) were used to acquire parcels of land from multiple land-owners spread across the three barangays in Tuy, Batangas, namely: Brgy. Lumbangan, Brgy. Luntal, and Brgy. Bolbok. Additional acquisitions were also made in Arayat, Pampanga, Mexico, Pampanga and Pangasinan. These parcels of land are ideal for utility scale solar power plants due to proximity to the National Grid Corporation of the Philippines (NGCP) substation and proven solar irradiance resources. The cost of acquisition, taxes and other land related expenses were capitalized as part of investment properties. These parcels of land were subsequently leased out to its related parties (Note 11).

The aggregate fair value of these parcels of land as determined by an independent appraiser as at December 31, 2024 amounted to P10.23 billion (2023 - P10.15 billion). The fair value of the parcels of land was estimated by the independent appraiser using the discounted cash flow analysis grounded on the principle that the value of an economic entity is the present worth of the economic benefits it will generate in the future (i.e., economic benefits come in the form of lease of the solar power plant). This approach requires a forecast of the economic entity's stream of net income based on lease contract. These net income or rents are then summed up and discounted back to present value by an appropriate discount rate, then add the terminal value of the property. The valuation process consists of estimation of the current market value of the leased property and present value of the unexpired contract rentals. The discounted cash flow analysis falls under the income approach which is a method in which the appraiser derives an indication of value for income-producing property by converting anticipated future benefits into current property value. This approach falls under Level 3 of the fair value hierarchy. As required by the REIT Implementing Rules and Regulations (REIT IRR), a full valuation of the Company's assets shall be conducted by an independent property valuer at least once a year. Management assessed that there are no significant changes in the business environment from the date of last valuation up to reporting date which would impact the fair value of the properties.

The fair value is sensitive to the following unobservable inputs: (1) lease income growth rates (fixed and variable lease) which were based on the signed lease contracts and (2) discount rate using the weighted average cost of capital based on the average capital structure of the companies in the solar energy sector as of the valuation date.

The current use of the parcels of land is its highest and best use.

(b) Leasehold land assets

The Company, as a lessee, entered on the following lease agreements:

- On July 26, 2021, the Company entered into a contract of sublease and contract of lease with the owners of parcels of land with a total aggregate area of approximately 4.8 hectares and 5.6 hectares, respectively, which are located in Brgy. Dalayap, Tarlac City, Tarlac. Each of these land properties are covered by an existing lease contract with an original term from November 1, 2015 to October 31, 2040 with Citicore Solar Tarlac 2, Inc. (CST2), an entity under common control. The Company subleased the land back to CST2 effective November 1, 2021 (Note 11). These lease agreements are effective for 19 years commencing on November 1, 2021 until October 31, 2040 which may be extended at the option of the Company for another 25 years upon the acceptance by and consent of the lessor.
- On July 26, 2021, the Company entered into a deed of assignment with Citicore Solar Cebu, Inc. (CSCI) (assignor), an entity under common control, and a third-party lessor, to transfer, assign, and convey unto the Company (assignee) all of the assignor's rights and obligations under the contract of lease dated November 12, 2015 for the lease of parcel of land with total aggregated area of approximately 73 hectares located in Brgy. Talavera, Toledo City, Cebu. The third-party lessor consented to the assignment of the contract of lease in favor of the Company and the sublease of the leased area by the Company in favor of the assignor. CSCI operates a 60 MW installed capacity solar power plant in the leased area that was successfully commissioned on June 30, 2016. The Company shall pay an advance rental every two years, subject to escalation rate of 12% every five years, for a period of 25 years, reckoned from the effective date stipulated in the Renewable Energy Payment Agreement but not later than May 31, 2016, subject to renewal. The agreement took effect on January 1, 2022. On July 26, 2021, the Company entered into sublease agreement with CSCI (sublessee) related to the identified leased area effective January 1, 2022 (Note 11).

- On July 28, 2021, the Company entered into a lease agreement with an owner of several parcels of land located in Brgy. Rizal, Silay City, Negros Occidental. These land properties are covered by an existing lease contract that commenced on June 1, 2016 with Citicore Solar Negros Occidental, Inc. (CSNO), an entity under common control. The new lease agreement commenced on January 1, 2022 until October 31, 2040 which may be extended for additional five (5) years unless the parties agreed to terminate the lease agreement at the end of the initial term. The lease payment is subject to annual escalation rate of 2% beginning in the third year of the lease. CSNO operates a 25 MW installed capacity solar power plant in the leased area that was successfully commissioned on March 8, 2016. On July 28, 2021, the Company entered into sublease agreement with CSNO (sublessee) to sublease the identified leased area effective January 1, 2022 (Note 11).

The aggregate fair value of these parcels of land classified as leasehold land assets as determined by an independent appraiser as at December 31, 2024 amounted to P6.68 billion (2023 - P6.88 billion). The same valuation technique was used in measuring the fair value as that of the freehold land assets.

Right-of-use assets arising from these leasing arrangements are presented under leasehold land assets. Land is the underlying asset to which the right-of-use assets would be grouped if these were owned by the Company.

9 Trade payables and other liabilities

Trade payables and other liabilities as at December 31 consist of:

	Notes	2024	2023
Trade payables		936,302	480,488
Due to government agencies		64,685,674	56,837,111
Interest payable	10	43,993,528	43,993,528
Deferred rent income, current portion	11	6,126,255	6,126,256
		115,741,759	107,437,383

Trade payables to third parties are normally due within a 30-day period.

On May 6, 2021, the Company settled a portion of its due to government agencies with a local government unit amounting to P51.86 million by paying P22.17 million through compromise settlement. The difference of the obligation settled and the actual payment, including professional fees, amounting to P25.2 million was recognized as part of other income, net in the statements of total comprehensive income. The remaining balance of due to government agencies pertains to unpaid real property taxes and business taxes to a local government unit, withholding taxes and mandatory government contributions. Withholding taxes include final withholding tax amounting to P7.84 million for cash dividends declared on November 12, 2024 and paid on January 13, 2025 (2023 - P8.39 million final withholding tax for cash dividends declared on November 9, 2023 and paid on January 22, 2024) (Note 13).

10 Bonds payable

From January 30, 2023 to February 3, 2023, the Company offered P4.5 billion ASEAN Green Bonds to the public at face value and subsequently issued and listed these ASEAN Green Bonds in the Philippine Dealing & Exchange Corp. (PDEX) on February 10, 2023. The ASEAN Green Bonds are denominated in Philippine Peso, maturing in 5 years from the issue date and bear a fixed interest rate of 7.0543% per annum. Interest is payable quarterly in arrears on May 10, August 10, November 10, and February 10 of each year. Prior to the maturity date, the Company has the right, but not the obligation, to redeem (in whole but not in part) the outstanding ASEAN Green Bonds on early redemption option dates as follows:

Early redemption option dates	Early redemption option price
On the 3rd anniversary of the issue date and every interest payment date preceding the 4th anniversary of the issue date	101%
On the 4th anniversary of the issue date and every interest payment date thereafter	100.5%

The ASEAN Green Bonds shall have the benefit of a negative pledge on all present and future assets and revenues of CREIT, subject to certain permitted liens. The Company shall remain, for as long as any of the ASEAN Green Bonds remain outstanding, compliant with the aggregate leverage limit imposed by the REIT Law. Under the REIT Law, the total borrowings and deferred payments of a REIT should not exceed thirty-five percent (35%) of its deposited property, provided, however, that the total borrowings and deferred payments of a REIT that has a publicly disclosed investment grade credit rating by a duly accredited or internationally recognized rating agency may exceed thirty-five percent (35%) but not more than seventy percent (70%) of its deposited property and provided further that in no case shall its fund manager borrow for the REIT from any of the funds under its management. The ASEAN Green Bonds are rated Aa+ with stable outlook by PhilRatings. The rating is subject to regular annual reviews, or more frequently as market developments may dictate, while the ASEAN Green Bonds are outstanding. As at December 31, 2024 and 2023, the Company is compliant with this covenant.

The Company incurred total bond issuance cost for the year ended December 31, 2023 amounting to P47.34 million which includes P6.33 million incurred during 2022 (Note 5).

The amortized cost of the ASEAN Green Bonds as at December 31, 2024 follows:

	2024	2023
Principal	4,500,000,000	4,500,000,000
Bond issuance cost		
January 1	(40,123,213)	(47,339,062)
Amortization	8,690,411	7,215,849
December 31	(31,432,802)	(40,123,213)
	4,468,567,198	4,459,876,787

Total finance costs recognized in the statements of total comprehensive income for the year ended December 31, 2024 amounted to P326.13 million (2023 - P289.29 million). Finance costs include amortization of bond issuance cost amounting to P8.69 million (2023 - P7.22 million). Movements in interest payable for the years ended December 31 follow:

	Note	2024	2023
Beginning		43,993,528	-
Interest expense		326,133,917	289,292,003
Amortization of bond issuance cost		(8,690,411)	(7,215,849)
Interest payments		(317,443,506)	(238,082,626)
	9	43,993,528	43,993,528

On February 10, 2023, the Parent Company subscribed to P500.00 million of the Company's ASEAN Green Bonds with coupon rate of 7.0543% at face value.

11 Related party transactions

In the normal course of business, the Company transacts with companies which are considered related parties under Philippine Accounting Standards (PAS) 24, *“Related Party Disclosures”*.

The transactions and outstanding balances of the Company as at December 31, 2024 and 2023 and for each of the three years in the period ended December 31, 2024 with related parties are as follows:

	Transactions			Outstanding balance Receivables (Payables)		Terms and conditions
	2024	2023	2022	2024	2023	
Parent Company						
Lease income	290,494,271	285,769,013	282,393,829	48,805,632	34,770,872	Refer to (c) and Notes 4 and 14.
Advances to (from)	-	53,223,717	71,442,959	-	-	
Security deposits						Refer to (c).
Additions	-	-	(22,180,645)	(22,180,645)	(22,180,645)	
Accretion of interest expense	842,017	842,017	406,868	8,382,844	9,224,860	
	842,017	842,017	(21,773,777)	(13,797,801)	(12,955,785)	
Deferred rent income						Refer to (c).
Additions	-	-	(10,473,745)	(10,473,745)	(10,473,745)	
Amortization	1,101,388	1,101,390	550,694	2,753,469	1,652,084	
	1,101,388	1,101,390	(9,923,051)	(7,720,276)	(8,821,661)	
Entities under common control						
Lease income	1,589,861,720	1,506,291,710	1,089,072,676	489,518,688	317,683,557	Refer to (c) and Notes 4 and 14.
Acquisition of properties	-	-	2,507,918,610	-	-	Refer to Note 8.
Property management fee	24,727,052	23,784,441	14,942,644	-	-	Refer to (d).
Fund management fee	8,242,351	7,928,148	4,980,881	-	-	Refer to (e).
Security deposits						Refer to (c).
Additions	51,098,952	-	128,247,815	(179,346,767)	(128,247,815)	
Accretion of interest expense	3,588,876	3,068,975	1,484,160	116,264,511	79,876,332	
				(63,082,256)	(48,371,483)	
Deferred rent income						Refer to (c).
Additions	39,977,056	-	84,429,467	(124,406,523)	(84,429,467)	
Amortization	6,207,886	5,024,866	2,512,432	13,745,186	7,537,298	
				(110,661,337)	(76,892,169)	

(a) Advances

Advances to (from) related parties are made to finance working capital requirements or to assume receivables and payables to (from) related parties and/or third parties. Advances to (from) related parties are unsecured, with no guarantee, non-interest bearing, collectible (payable) in cash both on demand and after more than 12 months and are expected to be collected (settled) in cash or offset with outstanding liability (receivable).

There was no offsetting as at and for the years ended December 31, 2024 and 2023.

These are non-interest bearing and not covered by guarantees or collaterals.

(b) Key management compensation

Except for the directors' fees that the Company pays to each of the independent directors, there are no other arrangements for the payment of compensation or remuneration to the directors of the Company in their capacity as such. Directors' fees during the year ended December 31, 2024 amounted to P1.16 million (2023 - P1.00 million and 2022 - P1.98 million) (Note 16).

The Company's management functions are being handled by the Parent Company and another related party at no cost. No other short-term or long-term compensation was paid to key management personnel for each of the three years in the period ended December 31, 2024.

(c) Lease agreements

During 2021, the Company entered into various lease contracts, as a lessor, with related parties as follows:

- Sublease agreement of below land properties to related parties:

- Land property located in Brgy. Dalayap, Tarlac City, Tarlac with CST2

The agreement is effective for 19 years commencing on November 1, 2021 with the Company's right to reevaluate the lease payments at the end of the 10th year to consider changes in circumstances either economic conditions or actual performance of the sublessee vis-a-vis the three-year historical plant generation and market prices. The Company recognized lease income related to this property for the year ended December 31, 2024 amounting to P56.60 million (2023 - P58.01 million; 2022 - P61.76 million) (Note 14).

- Land property located in Brgy. Rizal, Silay City, Negros Occidental with CSNO

The agreement is effective for 19 years commencing on January 1, 2022 with the Company's right to reevaluate the lease payments at the end of the 10th year to consider changes in circumstances either economic conditions or actual performance of the sublessee vis-a-vis the three-year historical plant generation and market prices. The Company recognized lease income related to this property for the year ended December 31, 2024 amounting to P279.55 million (2023 - P294.63 million; 2022 - P279.05 million) (Note 14).

- Land property located in Brgy. Talavera, Toledo City, Cebu with CSCI

The agreement is effective for 19 years commencing on January 1, 2022 with the Company's right to reevaluate the lease payments at the end of the 10th year to consider changes in circumstances either economic conditions or actual performance of the sublessee vis-a-vis the three-year historical plant generation and market prices. The Company recognized lease income related to this property for the year ended December 31, 2024 amounting to P403.49 million (2023 - P369.80 million; 2022 - P369.10 million) (Note 14).

- Lease agreement of below land properties to related parties:

- Land property located in Brgy. Armenia, Tarlac City, Tarlac with CST1

The agreement is effective for 25 years commencing on November 1, 2021 until October 31, 2046 with the Company's right to reevaluate the lease payments at the end of the 10th year to consider changes in circumstances either economic conditions or actual performance of the lessee vis-a-vis the three-year historical plant generation and market prices. The Company recognized lease income related to this property for the year ended December 31, 2024 amounting to P66.96 million (2023 - P68.01 million; 2022 - P72.38 million) (Note 14).

- Land property located in San Ildefonso, Bulacan with CSBI

In 2021, the Company entered into a memorandum of agreement with CSBI for the future sale of land properties owned by CSBI to the Company. In 2022, the Company executed a deed of absolute sale for the purchase of several parcels of land located in San Ildefonso, Bulacan from CSBI for a total consideration of P1.75 billion (Note 8). The purchase price was fully paid as at December 31, 2022. The land properties were recognized as part of investment properties as at December 31, 2022. Subsequently, the Company and CSBI entered into a lease agreement for the same land properties.

The lease agreement is effective for 25 years commencing on January 1, 2022 until December 31, 2046 with the Company's right to reevaluate the lease payments at the end of the 10th year to consider changes in circumstances either economic conditions or actual performance of the lessee vis-a-vis the three-year historical plant generation and market prices. The Company recognized lease income related to these land properties for the year ended December 31, 2024 amounting to P203.94 million (2023 - P203.94 million; 2022 - P215.46 million) (Note 14).

- Land property located in Brgy. Centrala, Suralla, South Cotabato with CSSCI

In 2021, the Company entered into a memorandum of agreement with CSSCI for the future sale of land properties located in Brgy. Centrala, Suralla, South Cotabato to the Company. In 2022, the Company entered into a contract to sell with CSSCI related to the acquisition of said property, on which CSSCI committed that from the signing of the contract until the signing of deed of absolute sale, CSSCI shall not make any offer, or entertain or discuss any offer, for the sale, mortgage, lease of said property with any person other than the Company. This has resulted in addition to the Company's investment properties. On June 6, 2022, the Company executed a deed of absolute sale for the purchase of said properties for a total consideration of P753.80 million. The purchase price was fully paid as at December 31, 2022. Subsequently, the Company and CSSCI entered into a lease agreement for the same property.

The lease agreement is effective for 25 years commencing on January 1, 2022 until December 31, 2046 with the Company's right to reevaluate the lease payments at the end of the 10th year to consider changes in circumstances either economic conditions or actual performance of the lessee vis-a-vis the three-year historical plant generation and market prices. The Company recognized lease income related to these properties for the year ended December 31, 2024 amounting to P89.70 million (2023 - P89.70 million; P93.84 million) (Note 14).

- Land properties located in Brgy. Lumbangan and Brgy. Luntal, Tuy, Batangas with Citicore Solar Batangas 1, Inc. (CS Batangas 1) (formerly Greencore Power Solutions 4, Inc.)

In 2023, the Company entered into a contract of lease with CS Batangas 1 for the lease of land properties located in Brgy. Luntal and Brgy. Lumbangan, Municipality of Tuy, Batangas, respectively. The lease agreement is effective for 25 years commencing on January 1, 2023 to December 31, 2047. The lease payment is subject to an annual escalation rate of 2.5%. The Company recognized lease income related to Brgy. Luntal properties for the year ended December 31, 2024 amounting to P84.05 million (2023 - P83.79 million). The Company recognized lease income related to Brgy. Lumbangan properties for the year ended December 31, 2024 amounting to P105.03 million (2023 - P94.25 million) (Note 14).

- Land property located in Bolbok Phase 1 and Phase 2, Tuy, Batangas with Citicore Solar Batangas 2, Inc. (CS Batangas 2) (formerly Greencore Power Solutions 2, Inc.)

The Company entered into a contract of lease with CS Batangas 2 for the lease of land properties (Bolbok Phase 1 and Phase 2) located in Brgy. Bolbok, Municipality of Tuy, Batangas. The lease agreement is effective for 25 years commencing on February 1, 2023 to January 31, 2048 with an extendible period of additional 50 years at the option of the lessor. The lease payment is subject to an annual escalation rate of 2.5%. The Company recognized lease income related to Bolbok Phase 1 properties for the period ended December 31, 2024 amounting to P75.18 million (2023 - P68.73 million) The Company recognized lease income related to Bolbok Phase 2 properties for the period ended December 31, 2024 amounting to P92.34 million (2023 - P84.43 million) (Note 14).

- Land property located in Arayat Phase 3, Arayat, Pampanga with CS Pampanga 1, Inc., (CS Pampanga 1)

In 2023, the Company entered into a contract of lease with CS Pampanga 1 for the lease of land properties located in Municipality of Arayat, Pampanga. The lease agreement is effective for 25 years commencing on February 1, 2023 to January 31, 2048 with an extendible period of additional 50 years at the option of the lessor. The lease payment is subject to an annual escalation rate of 2.5%. The Company recognized lease income related to these properties for the period ended December 31, 2024 amounting to P63.66 million (2023 - P58.28 million) (Note 14).

- Land property located in San Manuel, Pangasinan with CS Pangasinan 2, Inc. (CS Pangasinan 2)

In 2023, the Company entered into a contract of lease with CS Pangasinan 2 for the lease of land properties located in San Manuel, Pangasinan. The lease agreement is effective for 25 years commencing on July 1, 2023 until June 30, 2048 with an extendible period of additional 50 years at the option of the lessor. The lease payment is subject to an annual escalation rate of 2.5%. The Company recognized lease income related to these properties for the period ended December 31, 2024 amounting to P75.57 million (2023 - P37.74 million) (Note 14).

- Land property located in Mexico, Pampanga with Parent Company

In 2023, the Company entered into a contract of lease with its Parent Company for the lease of land properties located in Mexico, Pampanga. The lease agreement is effective for 25 years commencing on August 1, 2023 until July 31, 2043 with an extendible period of additional 50 years at the option of the lessor. The lease payment is subject to an annual escalation rate of 2.5%. The Company recognized lease income related to these properties for the period ended December 31, 2024 amounting to P8.10 million (2023 - P3.38 million) (Note 14).

- Assignment of SESC of the Clark Solar Plant and the subsequent lease of the plant to the Parent Company

On October 13, 2021, the Company assigned SESC No. 2014-07-086 of the Clark Solar Plant to its Parent Company, thereby establishing the Parent Company as the operator of such plant. On the same date, the Company, as a lessor, and its Parent Company, as lessee, executed a lease contract for latter's use of the Clark Solar Plant in line with the assignment of SESC. The assignment was approved by the DOE on December 25, 2021 (Note 2). The lease agreement is effective for almost 18 years commencing on November 1, 2021 and ending on September 3, 2039 with the Company's right to re-evaluate the lease payments at the end of the 10th year to consider changes in circumstances either economic conditions or actual performance of the Parent Company vis-a-vis the three-year historical plant generation and market prices. No rental income was recognized from this lease agreement during 2021 considering that the DOE only approved the assignment on December 24, 2021 effective December 25, 2021. Hence, commencement date of the contract was moved to January 1, 2022. The Company recognized lease income related to this property for the year ended December 31, 2024 amounting to P283.50 million (2023 - P283.50 million; 2022 - P282.94 million) (Note 14).

In addition to the clauses discussed above, subject also to the Company's right over the leasehold properties, the Company and related party-lessees can continue and may further extend the lease period in a way that is beneficial to both parties. The lease payment for the lease agreements above is equivalent to the sum of fixed and variable lease rates.

The recognized lease receivables from related parties as at December 31, 2024 and 2023 pertain to accrued rent resulting from the straight-line method of recognizing rental income.

During 2024, the Company received security deposits from its lessees amounting to P51.10 million, which is equivalent to one-month to two-month lease payments for freehold land properties.

During 2023, the Company received security deposits from its lessees amounting to P29.80 million, which is equivalent to one-month to two-month lease payments for freehold land properties. During 2022, the Company received security deposits from its lessees amounting to P150.43 million, which is equivalent to three-month lease payments for freehold land properties and one-month lease payment for solar property and leasehold land properties. The security deposits shall remain valid until expiration of the lease agreements and shall serve as guarantee for the lessees' faithful compliance with the terms, conditions, and obligations of lease agreements. The security deposits shall be adjusted annually and the lessees shall provide the necessary amount to keep the security deposits equivalent to the number of months' rent. Upon termination of the lease agreements, the security deposits will be refunded without interest by the Company less payment of all remaining monetary obligations of the lessees to the Company. The security deposits, or the balance thereof, whichever is applicable shall be refunded to the lessees within 60 days from the return of the leased properties to the Company. In case of failure by the lessee to pay any monetary obligation under the lease agreements when the same becomes due, the lessor shall have the option to apply the security deposits to said monetary obligations and the lessee shall be notified of such application. The lessee shall restore the security deposits to its original amount before the succeeding due date for the payment of the lease payment. Should the lessor exercise this right to application, the lessee shall be considered in default unless and until it complies with the said restoration of the original amount of the security deposit within the specified period and the interest and penalty for default provided under the lease agreements shall be applied on any shortfall on the security deposit. These security deposits were presented as non-current liabilities in the statements of financial position as at December 31, 2024. During 2023, the Company has applied security deposits on the contractual lease for certain lessees amounting to P29.80 million. There is no similar transaction for the year ended December 31, 2024.

Details of security deposits and deferred rent income as at December 31 are as follows:

	Notes	2024	2023
Security deposits			
Gross amount			
Beginning		150,428,460	150,428,460
Additions		51,098,952	29,799,544
Applications		-	(29,799,544)
		201,527,412	150,428,460
Allowance for amortization of security deposits			
Beginning		(89,101,192)	(93,012,184)
Additions		(39,977,056)	-
Accretion of interest expense	17	4,430,893	3,910,992
		(124,647,355)	(89,101,192)
		76,880,057	61,327,268
Deferred rent income			
Beginning		85,713,830	91,840,086
Additions		39,977,056	-
Amortization	14	(7,309,272)	(6,126,256)
		118,381,614	85,713,830
Current portion	9	(6,126,255)	(6,126,256)
Non-current portion		112,255,359	79,587,574

Accretion of interest expense for the year ended December 31, 2024 amounted to P4.4 million (2023 - P3.9 million; 2022 - P1.89 million) (Note 17).

Deferred rent income pertains to the difference between the nominal values of the deposits and their fair values. These are initially measured at fair value and subsequently amortized using the straight-line method. Amortization of deferred rent income for the year ended December 31, 2024 amounted to P7.31 million (2023 - P6.13 million; 2022 - P3.06 million) which was recognized as part of rental income in the statements of total comprehensive income (Note 14).

(d) Property management fee

On August 9, 2021, the Company entered into a property management agreement with Citicore Property Managers, Inc. (CPMI), an entity under common control. CPMI will receive a management fee based on certain percentage of the Company's guaranteed base lease. Payment in cash is due and payable 10 days from receipt of billing statement. Property management commenced in 2022 in line with the date of Company's listing to PSE. Property management fee amounted to P24.73 million for the year ended December 31, 2024 (2023 - P23.78 million; 2022 - P14.94 million) (Note 15).

(e) Fund management fee

On July 26, 2021, the Company entered into a fund management agreement with Citicore Fund Managers, Inc. (CFMI), an entity under common control. CFMI will receive a management fee equivalent to a certain percentage of the Company's guaranteed base lease, plus a certain percentage of the acquisition price for every acquisition made by it on behalf of the Company and plus a certain percentage of the sales price for every property divested by it on behalf of the Company. Payment in cash is due and payable 10 days from receipt of billing statement. Fund management agreement commenced in 2022 in line with the date of Company's listing to PSE. Fund management fee amounted to P8.24 million for the year ended December 31, 2024 (2023 - P7.93 million; 2022 - P4.98 million) (Note 15).

On July 26, 2021, the BOD approved the Company's material related party transaction policy to adhere with SEC Memorandum Circular No. 10, Series of 2019 which include: the identification of related parties, coverage of material related party transactions, adjusted thresholds, identification and prevention or management of potential or actual conflicts of interests arising out of or in connection with the material related party transactions, guidelines in ensuring arm's length terms, approval of material related party transactions, self-assessment and periodic review of policy, disclosure requirements, whistleblowing mechanisms, and remedies for abusive material related party transactions. The BOD, with the assistance of the Related Party Transaction Review and Compliance Committee ("RPTRCC"), shall oversee, review, and approve all related party transactions to ensure that these are conducted in the regular course of business and on an arm's length basis and not undertaken on more favorable economic terms to the related parties than with non-related or independent parties under similar circumstances. The RPTRCC shall be granted the sole authority to review related party transactions. Those falling within the materiality thresholds set by the Company's BOD shall require the approval of the Chief Executive Officer and/or President or the BOD, as the case may be.

12 Retirement benefits

The Company provides for the estimated retirement benefits based on the requirements of RA No. 7641, otherwise known as the "Retirement Pay Law". Under the Retirement Pay Law, the retirement benefit obligation is computed as one-half of monthly salary for every year of service, a fraction of six months being considered as one whole year. The term one-half of monthly salary shall mean 15 days plus the one-twelfth of the 13th month, and the cash equivalent of not more than five days service incentive leaves.

The retirement benefit obligation is determined using the "Projected Unit Credit" (PUC) method. Under the PUC method, the annual normal cost for the portion of the retirement is determined as the amount necessary to provide for the portion of the retirement benefit accruing during the year. The latest actuarial valuation was sought from an independent actuary last June 30, 2021. Management has assessed that there are no significant changes in the data and assumptions used in computing the present value of defined benefit obligation as at December 31, 2024 from the date of last actuarial valuation.

The retirement benefit obligation recognized in the statement of financial position as at December 31, 2024 and 2023 amounted to P0.31 million.

13 Share capital

The details and movements of the Company's share capital as at December 31 are as follows:

	2024		2023		2022	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Authorized share capital						
Common shares - P0.25 par value	15,360,000,000	3,840,000,000	15,360,000,000	3,840,000,000	15,360,000,000	3,840,000,000
Issued and outstanding						
Common shares - P0.25 par value						
January 1	6,545,454,004	1,636,363,501	6,545,454,004	1,636,363,501	5,498,182,004	1,374,545,501
Issuances	-	-	-	-	1,047,272,000	261,818,000
December 31	6,545,454,004	1,636,363,501	6,545,454,004	1,636,363,501	6,545,454,004	1,636,363,501

(a) Share reclassifications and increase in authorized share capital

On March 12, 2021, the Company's BOD and shareholder approved that the redeemable preferred shares and other classes of common shares previously authorized and issued are and shall be convertible to one class common share and reduced the par value of all previously issued shares to P0.25 per share.

Consequently, the Company amended its AOI to reflect the change and converted all its previously issued shares to one class common share. The Company's authorized share capital and issued and outstanding shares amounted to P539,999,999 divided into 2,159,999,994 shares at P0.25 par value per share. The related certificate of filing of amended AOI was approved by the SEC on May 31, 2021.

On May 26, 2021, the Company's BOD and shareholder approved the increase in the authorized share capital of the Company from P539,999,999 (composed of 2,159,999,994 shares at P0.25 par value per share) to P3,840,000,000 (composed of 15,360,000,000 shares at P0.25 par value per share). The approval of the increase in the authorized share capital was obtained from the SEC on October 12, 2021 (Note 1).

(b) Share subscriptions

(i) Advances from Parent Company to share conversion subscription

On May 26, 2021, the Parent Company entered into a subscription agreement with the Company to subscribe 2,400,000,000 common shares to be taken from the increase in authorized share capital, upon approval by the SEC for a total consideration of P602,465,066. Total consideration in excess of par value of shares issued amounting to P2,465,066 was credited as additional paid in capital. The Parent Company assigned P602,465,066 of its advances to fully pay the subscription price. This is considered as a non-cash transaction.

(ii) Land properties for share subscription

On May 26, 2021, the Parent Company entered into a subscription agreement with the Company to subscribe 19,461,142 common shares to be taken from the increase in authorized share capital, upon approval by the SEC, for a total consideration of P4.87 million. The Parent Company assigned a parcel of land located in Brgy. Armenia, Tarlac in favor of the Company to fully pay the subscription price (Notes 8). This is considered as a non-cash transaction.

On the same date, CST1 entered into a subscription agreement with the Company to subscribe 918,720,864 common shares to be taken from the increase in authorized share capital, upon approval by the SEC, for a total consideration of P229.68 million. CST1 hereby assigns several parcels of land located in Brgy. Armenia, Tarlac in favor of the Company to fully pay the subscription price (Notes 8). This is considered as a non-cash transaction.

These parcels of land were recognized as investment properties (Note 8).

The application for the proposed increase in authorized share capital was filed with the SEC on May 25, 2021 and was approved on October 12, 2021, which resulted in the subsequent issuance of shares to the Parent Company and CST1 (Note 1).

During 2024, the Parent Company and CST1 sold a total of 1,884,374,000 common shares in the Company at P2.6534 per share to SMIC (Note 1).

(c) Sale to the public

On February 22, 2022, the Company successfully listed its shares with the PSE via the offer of (i) 1,047,272,000 new common shares with a par value of P0.25 per share issued and offered by the Company as "Primary Offer Shares", and (ii) 1,134,547,000 existing shares offered by the Parent Company, selling shareholder, pursuant to a "Secondary Offer Shares" with an over-allotment option of up to 327,273,000 shares which were exercised at such date. All the shares offered by the Company and the Parent Company were sold at an offer price of P2.55 per share. The Company recognized additional paid-up capital (APIC) arising from this transaction amounting to P2.4 billion in 2022. Transaction costs attributable to Primary Offer Shares which were treated as deduction to APIC amounted to P103.85 million. Total transaction costs comprised of deferred share issuance costs amounting to P35.66 million as at December 31, 2021 which was subsequently applied against APIC and additional share issuance costs for the year ended December 31, 2022 amounting to P68.19 million.

(d) Dividends

Details of dividends declarations and payments for the years ended December 31, 2024 and 2023 are as follows:

Date of BOD declaration	Record date	Actual payment date	Dividends per share	Amount
2024				
March 19, 2024	April 18, 2024	May 15, 2024	P0.054	353,454,516
May 13, 2024	June 13, 2024	July 9, 2024	P0.049	320,727,246
August 9, 2024	September 10, 2024	October 4, 2024	P0.049	320,727,246
November 12, 2024	December 12, 2024	January 13, 2025	P0.049	320,727,244
Total declarations during the year				1,315,636,252
2023				
March 22, 2023	April 21, 2023	May 15, 2023	P0.051	333,818,153
May 10, 2023	June 9, 2023	July 6, 2023	P0.047	307,636,338
August 9, 2023	September 11, 2023	October 4, 2023	P0.049	320,727,246
November 9, 2023	December 27, 2023	January 22, 2024	P0.049	320,727,246
Total declarations during the year				1,282,908,983
2022				
March 9, 2022	March 28, 2022	March 31, 2022	P0.035	229,090,890
May 11, 2022	June 8, 2022	June 24, 2022	P0.044	287,999,976
July 20, 2022	August 19, 2022	September 14, 2022	P0.044	287,999,976
November 9, 2022	December 9, 2022	January 5, 2023	P0.044	287,999,976
Total declarations during the year				1,093,090,818

The Company has adopted a dividend policy in accordance with the provisions of the REIT law, pursuant to which the Company's shareholders are entitled to receive at least 90% of annual distributable income for the current year. For the period ended December 31, 2024, the Company distributed total dividends amounting to P1.32 billion (2023 - P1.30 billion; 2022 - P1.20 billion) representing 105% (2023 - 106%; 2022 - 107%) of the distributable income.

Distributable income under the IRR of REIT Act of 2009

Under the Revised Implementing Rules and Regulations (IRR) of REIT Act of 2009, section 4c, the Company shall present a computation of its distributable dividend taking into consideration requirements under the provisions of the Act and the Rule. Distributable income is not a measure of performance under PFRS Accounting Standards.

Details of distributable income for the years ended December 31 are as follows:

	2024	2023	2022
Net income	1,429,371,755	1,398,096,376	1,252,413,024
Unrealized gains - Straight-line lease adjustments	(181,869,331)	(172,560,117)	(132,179,057)
Distributable income	1,247,502,424	1,225,536,259	1,120,233,967

Details of percentage of dividends to distributable income for the period ended December 31, 2024 are as follows:

Declaration date	Record date	Payment date	Dividends per share	Amount
May 13, 2024	June 13, 2024	July 9, 2024	P0.049	320,727,246
August 9, 2024	September 10, 2024	October 4, 2024	P0.049	320,727,246
November 12, 2024	December 12, 2024	January 13, 2025*	P0.049	320,727,246
March 25, 2025	April 24, 2025	May 21, 2025*	P0.055	359,999,970
Total amount of dividends distributed				1,322,181,708
Distributable income				1,247,502,424
% of dividends to distributable income				106%

Details of percentage of dividends to distributable income for the period ended December 31, 2023 are as follows:

Declaration date	Record date	Payment date	Dividends per share	Amount
May 10, 2023	June 9, 2023	July 6, 2023	P0.047	307,636,338
August 9, 2023	September 11, 2023	October 4, 2023	P0.049	320,727,246
November 9, 2023	December 27, 2023	January 22, 2024*	P0.049	320,727,246
March 19, 2024	April 18, 2024	May 15, 2024*	P0.054	353,454,516
Total amount of dividends distributed				1,302,545,346
Distributable income				1,225,536,259
% of dividends to distributable income				106%

Details of percentage of dividends to distributable income for the period ended December 31, 2022 are as follows:

Declaration date	Record date	Payment date	Dividends per share	Amount
May 11, 2022	June 8, 2022	June 24, 2022	P0.044	287,999,976
July 20, 2022	August 19, 2022	September 14, 2022	P0.044	287,999,976
November 9, 2022	December 9, 2022	January 5, 2023	P0.044	287,999,976
March 22, 2023	April 21, 2023	May 15, 2023*	P0.044	287,999,976
March 22, 2023	April 21, 2023	May 15, 2023*	P0.007	45,818,178
Total amount of dividends distributed				1,197,818,082
Distributable income				1,120,233,967
% of Dividends to distributable income				107%

*As per Section of Revenue Regulation No 13-2011, as amended, dividends distributed by REIT from its distributable income at any time after the close but not later than the last day of the 5th month from close of the taxable year shall be considered as paid on the last day of such taxable year.

Events after the reporting period

On March 25, 2025, the BOD ratified and approved the declaration of cash dividends of P0.055 per outstanding common share or an aggregate amount of P360.00 million for the fourth quarter of 2024. The cash dividends are payable on May 21, 2025 to shareholders on record as at April 24, 2025. The management has determined that this is a non-adjusting event.

14 Revenue

(a) Sale of solar energy

On March 11, 2016, the DOE confirmed the declaration of commerciality of the Company's Clark Solar Power Project under SESC No. 2014-07-086 (Note 1). The DOE confirmation affirms the conversion of said SESC from pre-development to commercial stage.

On March 12, 2016, the Clark Solar Power Project started delivering power to the grid following its commissioning. On June 3, 2016, the Clark Solar Power Project was issued a Certificate of Endorsement (COE) for FIT Eligibility under COE-FIT No. S-2016-04-020 by the DOE. By virtue of the endorsement, the Clark Solar Power Project is qualified to avail of the FIT system, upon the issuance by the ERC of the Certificate of Compliance (COC). On November 22, 2016, the ERC issued the COC to the Company. As a result, the Company was entitled to the FIT rate per kilowatt hour of energy output for a period of 20 years from March 12, 2016.

On May 26, 2020, the ERC issued Resolution No. 06, Series of 2020, which pertains to the approval of the adjustment of the FIT rate for 2016 entrants published on November 17, 2020 and shall take effect on December 2, 2020. Notwithstanding that the ERC Resolution was dated 2020, the Company has assessed that there was still uncertainty particularly absence of acceptance confirmation from TransCo on the implementation of the resolution including the approach to recover, capacity to settle or pay and the credit period as at December 31, 2020. Consequently, the said uncertainty resulted in the reversal of billings issued in November and December 2020 using the adjusted FIT rates (Note 4). During 2021, additional revenue amounting to P83.53 million was recognized related to FIT-rate adjustments for the generation from 2016 to be recovered in five years starting in December 2021 based on latest discussions with TransCo.

TransCo is the regulating body of all the FIT-rate eligible energy providers. Outstanding receivables under the FIT system due from TransCo amounted to P62.78 million as at December 31, 2024 (2023 - P80.23 million) (Note 4).

As a result of assignment of SESC of the Clark Solar Plant to its Parent Company, the sale of solar energy business has been terminated on December 25, 2021 as approved by DOE (Note 1).

(b) Leasing

Subsequent lease and sublease agreements with related parties that were accounted as operating leases resulted in the recognition of rental income for the years ended December 31 are as follows:

2024					2023					2022
Land properties	Note	Rental income	Amortization of deferred rent income	Total	Rental income	Amortization of deferred rent income	Total	Rental income	Amortization of deferred rent income	Total
Leasehold land assets										
Brgy. Talavera, Toledo City, Cebu		402,086,748	1,400,711	403,487,459	368,402,585	1,400,711	369,803,296	368,402,585	700,356	369,102,941
Brgy. Rizal, Silay City, Negros Occidental		278,546,822	1,000,311	279,547,133	293,633,817	1,000,311	294,634,128	278,546,822	500,155	279,046,977
Brgy. Dalayap, Tarlac City, Tarlac		56,422,270	182,624	56,604,894	57,824,315	182,623	58,006,938	61,672,184	91,312	61,763,496
		737,055,840	2,583,646	739,639,486	719,860,717	2,583,645	722,444,362	708,621,591	1,291,823	709,913,414
Freehold land assets										
Brgy. San Ildefonso, Bulacan		202,524,479	1,413,849	203,938,328	202,524,478	1,413,851	203,938,329	214,748,789	706,926	215,455,715
Brgy. Lumbangan, Tuy, Batangas		104,721,195	311,394	105,032,589	94,254,907	-	94,254,907	-	-	-
Bolbok Phase 2, Tuy, Batangas		92,103,689	236,113	92,339,802	84,428,382	-	84,428,382	-	-	-
Brgy. Centrala, Suralla, South Cotabato		89,079,527	623,571	89,703,098	89,079,527	623,571	89,703,098	93,526,329	311,785	93,838,114
Brgy. Luntal, Tuy, Batangas		83,786,972	262,250	84,049,222	83,786,972	-	83,786,972	-	-	-
San Manuel, Pangasinan		75,472,147	96,581	75,568,728	37,736,073	-	37,736,073	-	-	-
Bolbok Phase 1, Tuy, Batangas		74,982,728	194,303	75,177,031	68,734,167	-	68,734,167	-	-	-
Brgy. Armenia, Tarlac City, Tarlac		66,553,438	403,799	66,957,237	67,603,256	403,799	68,007,055	72,175,966	201,899	72,377,865
Arayat Phase 3, Arayat, Pampanga		63,581,705	82,380	63,664,085	58,283,230	-	58,283,230	-	-	-
Brgy. Sto. Domingo, Mexico, Pampanga (PELCO I)		8,100,443	-	8,100,443	3,375,185	-	3,375,185	-	-	-
		860,906,323	3,624,240	864,530,563	789,806,177	2,441,221	792,247,398	380,451,084	1,220,610	381,671,694
Solar plant property										
Clark Freeport Zone, Pampanga		282,393,828	1,101,388	283,495,216	282,393,828	1,101,390	283,495,218	282,393,829	550,694	282,944,523
	11	1,880,355,991	7,309,274	1,887,665,265	1,792,060,722	6,126,256	1,798,186,978	1,371,466,504	3,063,127	1,374,529,631

Rental income includes variable lease income amounting to P50.02 million for the year ended December 31, 2024 (2023 - P33.87 million; 2022 - P43.88 million).

The future minimum lease receivable under non-cancellable operating leases as at December 31 are as follows:

	2024	2023	2022
Within one year	1,671,983,187	1,648,737,558	1,266,472,480
After one year but not more than five years	5,154,582,275	8,587,846,784	6,512,101,745
More than five years	24,095,997,594	17,774,432,036	9,493,051,850
	30,922,563,056	28,011,016,378	17,271,626,075

15 Cost of services

The components of cost of services for the years ended December 31 are as follows:

	Notes	2024	2023	2022
Depreciation and amortization	6, 19	71,336,484	71,333,401	71,332,995
Property management fee	11	24,727,052	23,784,441	14,942,644
Fund management fee	11	8,242,351	7,928,148	4,980,881
Taxes and licenses		-	-	7,165
Others		-	-	5,356
		104,305,887	103,045,990	91,269,041

16 Operating expenses

The components of operating expenses for the years ended December 31 are as follows:

	Notes	2024	2023	2022
Outside services		7,294,216	4,265,704	2,700,754
Dues and subscriptions		1,681,886	291,177	150,000
Directors' fees	11	1,157,895	998,684	1,975,000
Taxes and licenses		625,990	676,736	1,046,461
Professional fees		605,660	483,473	2,136,872
Bank charges		34,726	34,615	500
Transportation and travel		30,979	11,565	48,490
Depreciation	6	11,292	27,100	30,433
Others		20,295	52,788	352,449
		11,462,939	6,841,842	8,440,959

Portion of outside services, taxes and licenses, and professional fees include costs incurred for the ASEAN Green Bonds offering for the years ended December 31, 2023 and 2022. There is no similar transaction for the year ended December 31, 2024.

Outside services also includes settlement of withholding taxes related to services rendered during bonds and shares offerings.

17 Other income, net; finance costs

The components of other income, net for the years ended December 31 are as follows:

	Notes	2024	2023	2022
Interest income	3, 4	3,762,414	19,234,297	3,070,975
Foreign exchange (loss) gain, net	21	(124,633)	10,960	(113,799)
Others		-	-	420,573
		3,637,781	19,245,257	3,377,749

The components of finance costs for the years ended December 31 are as follows:

	Notes	2024	2023	2022
Interests on bonds payable	10	326,133,917	289,292,003	-
Interests on lease liabilities	19	15,597,655	16,245,032	15,693,012
Interests on security deposits	11	4,430,893	3,910,992	1,891,028
		346,162,465	309,448,027	17,584,040

18 Income taxes

As a BOI-registered enterprise (Note 1), the Company may avail the following incentives:

- Income tax holiday (ITH) for seven (7) years from date of actual commercial operation. The ITH shall be limited only to the revenues generated from the sale of electricity of the Clark Solar Power Project;
- Duty-free importation of machinery, equipment and materials including control and communication equipment, within the first ten (10) years from the issuance of the DOE Certificate of Registration; and
- Tax exemption on carbon credits.

The Company may also avail of certain incentives to be administered by appropriate government agencies subject to the rules and regulations of the respective administering government agencies.

As a REIT-registered enterprise following its listing in the main board of the PSE on February 22, 2022 (Note 1), the Company will avail the following tax incentives:

- A tax deduction for dividends paid, in addition to the allowable deductions provided for under the Tax Code, to arrive at its taxable net income. For a REIT to enjoy this tax incentive, it should maintain its status as a “public company,” observe the mandatory 90% dividend pay-out requirement of distributable income to shareholders, and submit a sworn statement that the minimum ownership requirements for the relevant years were maintained at all times.
- Exemption from the minimum corporate income tax (MCIT), as well as documentary stamp tax (DST) on the sale, barter, exchange, or other disposition of listed investor securities through the PSE, including cross or block sales with prior approval of the PSE. It is also exempted from paying the initial public offering (IPO) tax on its initial and secondary offering of its investor securities. Republic Act No. 11494, otherwise known as the Bayanihan to Recover as One Act, permanently repealed the IPO tax.
- A lower creditable withholding tax rate of 1% of its receipt of income payments. It also benefits from the 50% reduction on the amount of DST due on sale or transfer of real property to a REIT, including the sale or transfer of any and all security interest, and applicable registration and annotation fees incidental to such transfers.

Income tax expense for the years ended December 31, 2024 and 2023 amounted to nil (2022 - deferred income tax expense of P8.2 million).

Deferred income taxes are determined using income tax rates in the period the temporary differences are expected to be recovered or settled. Realization of the future tax benefits related to deferred income tax assets is dependent on many factors, including the Company’s ability to generate taxable income in the future within the carry-over period of its unused tax losses. The Company is still subject to ITH for the year ended December 31, 2021. As a result of the assignment of SESC effective December 25, 2021, the incentives as a BOI-registered enterprise for the sale of solar energy segment was transferred to the Parent Company starting January 1, 2022.

In 2022, deferred income tax assets, net amounting to P8,200,316 were reassessed by the management based on the availability of future taxable income and recoverability. The assessment resulted in the derecognition of the deferred income tax assets, net as the Company transitioned to a REIT company following the listing of shares in the PSE on February 22, 2022 (Note 1). The derecognition of deferred income tax assets, net was charged to deferred income tax expense in the statements of total comprehensive income.

The Company’s accrued revenue from sale of solar energy was deemed taxable by the Company, hence, fully reported as part of taxable income.

The Company's unrecognized deferred income tax assets as at December 31 arise from the following temporary differences:

	2024	2023
NOLCO	221,124,492	166,786,288
Accrued expenses	33,620,012	33,620,012
Leases	27,900,064	24,688,078
Discount on receivables	2,623,232	5,637,899
Provision for doubtful accounts	1,944,096	1,944,096
Retirement benefit obligation	314,672	314,672
	287,526,568	232,991,045
Tax rate	25%	25%
	71,881,642	58,247,761

The details of the Company's NOLCO as at December 31 are as follows:

Year of incurrence	Year of expiration	2024	2023
2021	2026	68,674,211	68,674,211
2022	2025	37,344,180	37,344,180
2023	2026	60,767,897	60,767,897
2024	2027	54,338,204	-
		221,124,492	166,786,288
Tax rate		25%	25%
		55,281,123	41,696,572

The Company did not recognize deferred income tax assets arising from NOLCO as at December 31, 2024 and 2023 as management expects that there is no sufficient future taxable income where this deferred income tax asset would be utilized and considering the effective income tax rate of nil under the REIT law.

The reconciliation between income tax expense computed at the statutory tax rate and the actual income tax expense for the years ended December 31 as shown in the statements of total comprehensive income follows:

	2024	2023	2022
Income tax at statutory tax rate of 25%	357,342,939	349,524,094	315,153,335
Income tax effects of:			
Non-deductible expenses	1,268,565	-	134,091
Interest income subject to final tax	(41,590)	(1,202,144)	(95,812)
Movement of unrecognized deferred income tax assets	13,633,880	17,394,310	8,173,493
Amortization of bond issue costs	2,172,603	1,803,962	-
Derecognition of deferred income tax assets, net	-	-	(8,200,316)
Deductible expense recognized as APIC	-	-	(17,047,639)
Deductible expenses recognized as bond issuance costs	-	(11,834,764)	-
Movement of straight-line lease income subjected to effective zero-income tax rate	(45,467,333)	(43,140,030)	(33,044,764)
Deductible dividends payment	(328,909,064)	(312,545,428)	(273,272,704)
	-	-	(8,200,316)

19 Lease - Company as a lessee

The Company has entered into various lease contracts as follows:

- (a) The Company leases a parcel of land where the Clark Solar Power Project was constructed. The agreement was entered on September 5, 2014 and is valid for twenty-five (25) years, renewable by the lessee upon consent of the lessor. The agreement stipulates rental payments amounting to P0.29 million and US\$105 with an escalation rate of 10% starting on the fourth year of the lease and every three (3) years thereafter. Upon termination of the lease, the leased property shall revert back to the lessor. There are no restrictions placed upon the lessee by entering into the lease agreement.

Security deposits for the lease agreement amounting to P5.28 million are presented as part of other non-current assets in the statements of financial position as at December 31, 2024 and 2023 (Note 7). These deposits are refundable to the Company upon termination of the lease agreement or at the end of the lease term. The impact of discounting is deemed to be immaterial.

The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

- (b) During 2021, the Company entered into various lease contracts, as a lessee, with third parties as follows:

- Assignment of lease contract of a land property located in Brgy. Talavera, Toledo City, Cebu by CSCI with a third party to the Company (Note 8);
- Sublease agreement and lease contract with third parties for land properties located in Brgy. Dalayap, Tarlac City, Tarlac previously being leased by CST2 (Note 8); and
- Lease agreement with a third party for a land property in Brgy. Rizal, Silay City, Negros Occidental previously being leased by CSNO (Note 8).

Lease terms are negotiated either on a collective or individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that will be held by the lessor. Leased assets may not be used as security for borrowing purposes.

Amounts recognized in the statements of financial position

Details of right-of-use asset, net for the lease agreement in (a) and movements in the account as at and for the years ended December 31 are as follows:

	Note	2024	2023
Cost			
January 1, 2023, December 31, 2023 and 2024		43,937,092	43,937,092
Accumulated amortization			
January 1		10,644,591	8,510,720
Amortization	15	2,135,478	2,133,871
December 31		12,780,069	10,644,591
Net book value		31,157,023	33,292,501

Investment properties held by the Company as a right-of-use asset related to lease agreements in (b) measured initially at its cost in accordance with PFRS 16 as at and for the years ended December 31 are as follows:

	Notes	2024	2023
Cost			
January 1, 2023, December 31, 2023 and 2024		193,407,106	193,407,106
Accumulated amortization			
January 1		20,674,782	10,573,974
Amortization	15	10,100,808	10,100,808
December 31		30,775,590	20,674,782
Net book value	8	162,631,516	172,732,324

Details of the lease liabilities as at December 31 are as follows:

	2024	2023
Current	3,267,523	5,863,776
Non-current	218,421,080	226,982,998
	221,688,603	232,846,774

Movements in lease liabilities for the years ended December 31 are as follows:

	Notes	2024	2023
January 1		232,846,774	229,608,161
Principal payments		(16,398,878)	(2,406,115)
Interest payments		(10,404,404)	(10,589,344)
Interest expense	8, 17	15,597,655	16,245,032
Translation difference		47,456	(10,960)
December 31		221,688,603	232,846,774

Translation difference is recognized as part of foreign exchange losses, net under other income, net in the statements of total comprehensive income (Note 21.1).

Amounts recognized in the statements of total comprehensive income

Amounts recognized in the statements of total comprehensive income for the years ended December 31 related to the lease agreements are as follows:

	Notes	2024	2023	2022
Amortization expense	8, 15	12,236,285	12,234,679	12,233,564
Interest expense	8, 17	15,597,655	16,245,032	15,693,012
Translation difference	21	47,456	(10,960)	113,799
		27,881,396	28,468,751	28,040,375

The total cash outflows for the years ended December 31 for the lease agreements are as follows:

	2024	2023	2022
Payment of principal portion of lease liabilities	16,398,878	2,406,115	20,109,933
Payment of interest on lease liabilities	10,404,404	10,589,344	9,951,228
	26,803,282	12,995,459	30,061,161

Discount rate

The lease payments are discounted using the Company's incremental borrowing rate ranging from 6.75% to 7.86%, being the rate that the Company would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Extension and termination options

Extension and termination options are included in the lease agreement of the Company. These are used to maximize the operational flexibility in terms of managing the assets used in the Company's operations. The extension and termination options held are exercisable by the lessee upon consent of the lessor, hence, the extension and termination options have not been included in lease term.

20 Earnings per share (EPS)

Basic and diluted EPS for the years ended December 31 are as follows:

	2024	2023	2022
Net income	1,429,371,755	1,398,096,376	1,252,413,024
Weighted average number of common shares	6,545,454,004	6,545,454,004	6,397,090,471
Basic and diluted EPS	0.22	0.21	0.20

Weighted average number of common shares for the years ended December 31, 2024 and 2023 is calculated as follows:

	Note	Number of shares	Ratio	Weighted number of shares
Beginning		6,545,454,004	1.00	6,545,454,004
Issuance of shares	13	-	1.00	-
		6,545,454,004		6,545,454,004

Weighted average number of common shares for the year ended December 31, 2022 is calculated as follows:

	Note	Number of shares	Ratio	Weighted number of shares
Beginning		5,498,182,004	1.00	5,498,182,004
Issuance of shares	13	1,047,272,000	0.86	898,908,467
		6,545,454,004		6,397,090,471

The Company has no potential dilutive common shares for each of the three years in the period ended December 31, 2024. Therefore, basic and diluted EPS are the same.

21 Financial risk and capital management and fair value estimation

21.1 Financial risk management

The Company's activities expose it to a variety of financial risks from its use of financial instruments: market risk, credit risk, and liquidity risk. The Company's overall risk management program seeks to minimize potential adverse effects on the financial performance of the Company. The policies for managing specific risks are summarized below.

The BOD has overall responsibility for the establishment and oversight of the Company's risk management framework. It monitors compliance with the risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. Risk management policies and systems are reviewed regularly to reflect changes in market conditions. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations. CFMI handles fund manager functions of the Company (Note 11).

21.1.1 Market risk

Market risk is the risk that changes in market prices, such as interest rates, security price and foreign exchange rates, will affect the Company's total comprehensive income or the value of its financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing return. The management of these risks is discussed in the succeeding section.

(a) Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates would unfavorably affect future cash flows from financial instruments. The Company's exposure to risk for changes in market interest rates relates to cash in banks and short-term placements.

The Company has no outstanding loans payable as at December 31, 2024 and 2023.

The Company is exposed to fixed-rate interest rate risk related to its lease liabilities and bonds payable. The interest rate risk is deemed to have a diminishing impact on the Company over the term of the lease (Note 19) and bonds (Note 10).

Management believes that the related cash flow and interest rate risk on cash in banks and short-term placements is relatively low due to immaterial changes on interest rates within the duration of these financial instruments.

(b) Foreign exchange risk

The Company is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to U.S. Dollar. Foreign exchange risk arises when future commercial transactions, and recognized assets and liabilities are denominated in a currency that is not the Company's functional currency. Among others, management monitors the timing of settlements/payments to ensure that the Company is not unfavorably exposed to fluctuations of foreign exchange rates.

The Company's foreign currency denominated monetary liability as at December 31, 2024 refers to a portion of lease liabilities amounting to US\$19,103 (2023 - US\$19,516) with Philippine Peso equivalent of P1.12 million (2023 - P1.08 million).

Details of foreign exchange losses (gains), net for the years ended December 31 are as follows:

	Note	2024	2023	2022
Unrealized losses (gains), net		47,456	(10,960)	113,799
Realized losses, net		77,177	-	-
	17	124,633	(10,960)	113,799

The Company's exposure to foreign currency risk is not significant due to the absence of material transactions and balances denominated in a currency other than the Company's functional currency.

(c) Security price

The Company's exposure to debt securities price risk arises from its bonds payable. The bonds is publicly traded in the PDEX. Management assessed that the security price risk is not applicable considering that the bonds bear a fixed interest rate.

21.1.2 Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in a financial loss to the Company. The Company's credit risk arises primarily from its cash and cash equivalents, trade and other receivables, security deposits and restricted cash.

Exposure to credit risk arises from potential default of the counterparty, with a maximum exposure equal to the carrying amounts of these financial assets. The Company uses internal ratings to determine the quality of its financial assets. The Company determined that its financial assets are all considered high grade financial assets except for those that were fully provided for.

The maximum exposures to credit risk, pertaining to financial assets as at December 31 are as follows:

	Notes	2024	2023
Cash*	3	597,532,293	616,746,821
Trade and other receivables	4	603,375,128	436,425,471
Security deposits	7	5,279,310	5,279,310
Cash bond	7	36,170,854	36,170,854
		1,242,357,585	1,094,622,456

*excluding cash on hand

Credit quality of financial assets

(i) Cash and cash equivalents

Cash deposited/placed in banks are considered stable as the banks qualify as universal and commercial banks as defined by the Philippine Banking System and are approved by the BOD to minimize credit risk. The amounts deposited in these banks are disclosed in Note 3. The expected credit loss is determined to be immaterial. Cash on hand is not subject to credit risk.

(ii) Trade and other receivables

The expected credit loss related to receivable from TransCo is determined to be immaterial by management.

Trade receivables from leasing segment include receivables from related parties. The credit exposure on trade receivables from related parties is considered to be minimal as there is no history of default and collections are expected to be made based on the lease agreement. In addition, the related parties are considered to have good financial standing and are highly liquid. The expected credit loss is determined to be immaterial by management.

The credit exposure on due from related parties is considered to be minimal as there is no history of default and collections are expected to be made within 12 months. The balances of due from related parties are considered as high-grade financial assets as the related parties have good financial standing and are highly liquid. The expected credit loss is determined to be immaterial by management.

Other receivables includes refund for overpaid insurance which has been long outstanding for more than one (1) year. Full provision has been recognized for this receivable as at December 31, 2024 and 2023.

Receivable from VAT refunds as at December 31, 2024 is expected to be collectible within one (1) year from the BIR.

(iii) Security deposits and cash bond

Security deposits and cash bond include cash required from the Company in relation to its lease agreement and deposits for the land conversions, respectively. These deposits are assessed as high grade as there was no history of default and these are collectible upon termination of or at the end of the term of the agreements. The expected credit loss is determined to be immaterial by management.

21.1.3 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as these fall due. The objective of the Company is to maintain a balance between continuity of funding and flexibility through the use of credit lines available from related parties and local banks. The policy of the Company is to first exhaust lines available from related parties before local bank lines are availed. The Company also has available due from related parties which can be readily collected to settle maturing obligations.

The Company seeks to manage its liquidity risk by maintaining a balance between continuity of funding and flexibility. The Company regularly evaluates its projected and actual cash flows. It also continuously assesses conditions in the financial markets for opportunities to pursue fund raising activities.

The Company's financial liabilities grouped into relevant maturity dates are as follows:

	Notes	Payable on demand	Less than 1 year	More than 1 year
<i>December 31, 2024</i>				
Trade payables and other liabilities*	9	-	44,929,828	-
Dividends payable	9, 13	-	312,888,626	-
Lease liabilities	19	-	3,267,523	218,421,080
Interest**		-	361,437,029	670,254,346
Security deposits	11	-	-	76,880,057
Bonds payable	10	-	-	4,468,567,198
		-	722,523,006	5,434,122,681
<i>December 31, 2023</i>				
Trade payables and other liabilities*	9	-	44,474,016	-
Dividends payable	9, 13	-	312,332,383	-
Lease liabilities	19	-	5,863,776	226,982,998
Interest**		-	282,076,154	1,305,141,346
Security deposits	11	-	-	61,327,268
Bonds payable	10	-	-	4,459,876,787
		-	644,746,329	6,053,328,399

*excluding due to government agencies and deferred rent income

**expected interest on bonds payable and on lease liabilities up to maturity date

The amounts disclosed are the contractual undiscounted cash flows, except for lease liabilities, which are equivalent to their carrying balances as the impact of discounting is not significant. The Company expects to settle the above financial liabilities within their contractual maturity date.

21.2 Capital management

The Company maintains a sound capital to ensure its ability to continue as a going concern to provide returns to shareholders and benefits to other stakeholders and to maintain an optimal capital structure to reduce cost of capital.

The Company manages its capital structure and makes adjustments in the light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholder, pay-off existing debts, return capital to shareholders or issue new shares.

The BOD has overall responsibility for monitoring capital in proportion to risk. Profiles for capital ratios are set in the light of changes in the external environment and the risks underlying the Company's business, operations and industry.

The capital structure of the Company consists of issued capital, retained earnings and remeasurement on retirement benefits. The Company monitors capital on the basis of net gearing ratio, which is calculated as total debt divided by total equity. Total debt is defined as short-term and long-term bank borrowings from third parties and bonds payable less cash and cash equivalents, while equity is total equity as shown in the statements of financial position. The Company has no outstanding short-term and long-term bank borrowings from third parties as at December 31, 2024 and 2023. The Company's borrowings as at December 31, 2024 and 2023 relates to bonds payable. The net debt reconciliation and gearing ratio as at December 31 are as follows:

	Notes	2024	2023	2022
Borrowings, January 1	10	4,459,876,787	-	-
Cash flows	10	-	4,452,660,938	-
Non-cash movement	10	8,690,411	7,215,849	-
Borrowings, December 31	10	4,468,567,198	4,459,876,787	-
Cash	3	(597,582,293)	(616,861,821)	-
Net debt		3,870,984,905	3,843,014,966	-
Total equity		4,582,979,902	4,469,244,401	-
Net gearing ratio		0.84:1	0.86:1	-

Non-cash movements during 2023 and 2024 pertains to the amortization of bond issuance cost (Note 10).

As a REIT entity, the Company is subject to externally imposed capital requirements based on the requirement of the Aggregate Leverage Limit under the REIT IRR. Per Rule 5 - Section 8 of the REIT IRR issued by the SEC, the total borrowings and deferred payments of a REIT that has a publicly disclosed investment grade credit rating by a duly accredited or internationally recognized rating agency may exceed thirty-five percent (35%) but not more than seventy percent (70%) of its deposited properties. Provided, further, that in no case shall a fund manager, borrow from the REIT any of the funds under its management. As at December 31, 2024 and 2023, the Company is compliant with the externally imposed capital requirements of REIT IRR and met the provisions of the REIT law related to the borrowing requirements to its fund manager.

21.3 Fair value estimation

The carrying values of the financial instrument components of cash, trade and other receivables, other non-current assets, trade payables and other liabilities (excluding due to government agencies), dividends payable, and lease liabilities approximate their fair values, due to the liquidity, short-term maturities and nature of such items. The fair values of other non-current assets, non-current portion of trade receivables, security deposits, non-current portion of lease liabilities and bonds payable are close to market rates.

As at December 31, 2024 and 2023, the Company does not have financial instruments that are measured using the fair value hierarchy.

22 Critical accounting estimates and assumptions and judgments

The preparation of the financial statements in conformity with PFRS Accounting Standards requires management to make estimates, assumptions and judgments that affect the amounts reported in the financial statements and the related notes. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates, assumptions and judgments concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates, assumptions and judgments that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed as follows.

22.1 Critical accounting estimates and assumptions

(a) Impairment of trade and other receivables

Provision for impairment of trade and other receivables is based on assumptions about risk of default and expected loss rates. The Company uses estimates in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in Notes 23.3 and 23.4.

In 2020, the Company provided allowance for doubtful accounts for other receivables amounting to P1.94 million. This is equivalent to the full lifetime expected credit loss using the expected credit loss model, hence, any sensitivity analysis is no longer deemed necessary. No additional allowance for doubtful accounts was made during 2024, 2023 and 2022.

The carrying values of the Company's trade and other receivables are shown in Note 4.

(b) Estimated useful lives of property, plant and equipment

The Company reviews annually the estimated useful lives of property, plant and equipment based on the period over which the assets are expected to be available for use and are updated if expectations differ from previous estimates due to physical wear and tear or technical and commercial obsolescence. Estimated useful lives of property, plant and equipment are based on factors that include asset utilization, internal technical evaluation, technological changes, environmental and anticipated use of assets based on the related industry benchmark information and land lease term where the solar power plant is situated. It is possible that future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned.

The estimated useful life used for solar plant and equipment was higher than the current land lease term of the Company since based on the management's assessment, the Company can still use the solar plant and equipment beyond the current land lease term.

If the actual useful lives of these assets are prolonged or shortened by five (5) years, income before tax for the years ended December 31 would be as follows:

	Impact on income before tax Increase (Decrease)	
	2024	2023
Prolonged by 5 years	P8.67 million	P8.89 million
Shortened by 5 years	(P12.58 million)	(P13.06 million)

The range used was based on the management's assessment where potential impact to operations might occur. The carrying values of the Company's property, plant and equipment are shown in Note 6.

(c) Determining incremental borrowing rate

To determine the incremental borrowing rate, the Company uses the government bond yield, adjusted for the credit spread specific to the Company and security using the right-of-use asset. The basis of the discount rates applied by the Company are disclosed in Note 19. Any change in the rates would have direct impact to interest expense for the period and on lease liabilities. Higher discount rate will result in lower interest expense and lease liabilities and vice versa.

The Company is exposed to fixed-rate interest rate risk related to its lease liabilities. Lease liabilities are subject to amortization where each of the lease payments is treated partly as a payment of principal and partly as payment of interest. Accordingly, the interest rate risk will have a diminishing impact on the Company over the term of the lease.

22.2 Critical judgments in applying the Company's accounting policies

(a) Recoverability of non-financial assets

The Company's non-financial assets such as property, plant and equipment, investment properties, input VAT are tested for impairment annually or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the assets carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell or value in use. Management believes that there are no indications that the carrying amount of non-financial assets may not be recoverable. Details of property, plant and equipment, investment properties and input VAT are disclosed in Notes 6, 8, and 5, respectively.

(b) Critical judgment in determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The Company considers the factors below as the most relevant in assessing the options:

- If there are significant penalties to terminate (or not extend), the Company is typically reasonably certain to extend (or not terminate).
- If any leasehold improvements are expected to have a significant remaining value, the Company is typically reasonably certain to extend (or not terminate).
- Otherwise, the Company considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

Extension options in the Company's lease agreements have not been included in the lease liabilities because the Company's lease agreements state that extension and termination should be made upon mutual agreement by both parties and considering the estimated useful lives of the solar power plants of the related parties and the assignment of the SESC with Parent Company. The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee.

(c) Income taxes and "No tax" regime

Significant judgment is required in determining income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain in the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due.

Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred income tax provisions in the period in which such determination is made. Further, recognition of deferred income taxes depends on management's assessment of the probability of available future taxable income against which the temporary differences can be applied. The details of unrecognized deferred income taxes are shown in Note 18.

The Company reviews the carrying amounts of deferred income tax assets at each reporting date and reduces the amounts to the extent that it is no longer probable that sufficient taxable profit will allow all or part of its deferred income tax assets to be utilized.

As a REIT entity, the Company can effectively operate under a “no tax” regime provided that it meets certain conditions (e.g. listing status, minimum required dividend payments). A REIT entity is required to distribute at least 90% of its annual income as dividends to its investors and is allowed to treat the dividend as deduction for tax purposes making it effectively an income-tax free entity. As at December 31, 2024 and 2023, the Company met the provisions of the REIT law and complies with the 90% dividend distribution requirement. The Company had determined, based on its current tax regime and expected dividend distribution in the succeeding periods, that it can effectively operate on a “no-tax” regime. Accordingly, the Company has not recognized deferred taxes as at December 31, 2024 and 2023. The Company recognized deferred income tax asset as at December 31, 2021 prior to its listing on February 22, 2022, to the extent that it is probable that future taxable profit will be available against which the temporary differences, unused tax losses and unused tax credits can be utilized. The Company started to avail of its tax incentive as a REIT after its listing to PSE.

(d) Distinction between investment properties and property, plant and equipment

The Company determines whether a property is to be classified as an investment property or property, plant and equipment through the following:

- Investment properties comprise land and buildings which are not occupied, substantially for use by, or in the operations of, nor for sale in the ordinary course of business of the Company, but are held primarily to earn rental income or capital appreciation; and
- Property, plant and equipment generate cash flows that are attributable not only to them but also to the other assets used in the operations of the Company.

In making its judgment, the Company considers whether the property generates cash flows largely independent of the other assets held by the Company.

Some properties comprise a portion that is to earn rentals or for capital appreciation and another portion that is held for use in the operation or for administrative purposes. If these portions cannot be sold separately at the reporting date, the property is accounted for as an investment property only if an insignificant portion is held for use in the operation or for administrative purposes. Judgment is applied in determining whether ancillary services are so significant that a property does not qualify as an investment property. The Company considers each property separately in making its judgment.

(e) Effective interest rates of security deposits

The Company measures security deposits from its lessees at amortized cost using a zero-coupon yield curve as the appropriate effective interest rate. This rate is determined by estimating the yield of a security from the yields of a set of coupons bearing products through bootstrapping or interpolation with reference to the maturity date of each security deposit. Effective interest rates are reviewed by the Company periodically and updated if there have been material movements with the rates.

(f) Contingencies

The Company determines whether to disclose and accrue for contingencies based on an assessment of whether the risk of loss is remote, reasonably possible or probable. Management's assessment is developed in consultation with the Company's legal counsel and other advisors and is based on an analysis of possible outcomes under various strategies. Contingency assumptions involve judgment that are inherently subjective and can involve matters that are in litigation, which by its nature is unpredictable. The Company is a respondent in cases arising from the normal course of business, the outcome of which cannot be presently determined. In the opinion of the Company's management and its legal counsel, the eventual liability, if any, which may result from the outcome of these cases will not materially affect the Company's financial statements.

23 Summary of material accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

23.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards. PFRS Accounting Standards comprise the following authoritative literature:

- PFRS Accounting Standards,
- PAS Standards, and
- Interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC), Philippine Interpretations Committee (PIC), and Standing Interpretations Committee (SIC) as approved by the Financial and Sustainability Reporting Standards Council (FSRSC) and the Board of Accountancy, and adopted by the Securities and Exchange Commission (SEC).

The financial statements of the Company have been prepared using historical cost basis.

The preparation of financial statements in conformity with PFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 22.

(a) New and amendment to existing standards and interpretations adopted by the Company

The Company has applied the following amendments for the first time for their annual reporting period commencing January 1, 2024:

- Classification of Liabilities as Current or Non-current and Noncurrent liabilities with covenants - Amendments to PAS 1

Amendments made to PAS 1, "Presentation of Financial Statements" in 2020 and 2022 clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the entity's expectations or events after the reporting date (for example, the receipt of a waiver or a breach of covenant that an entity is required to comply with only after the reporting period).

Covenants of loan arrangements will not affect classification of a liability as current or non-current at the reporting date if the entity must only comply with the covenants after the reporting date. However, if the entity must comply with a covenant either on or before the reporting date, this needs to be considered in the classification as current or non-current even if the covenant is only tested for compliance after the reporting date.

The amendments require disclosures if an entity classifies a liability as non-current and that liability is subject to covenants with which the entity must comply within 12 months of the reporting date. The disclosures include:

- the carrying amount of the liability;
- information about the covenants (including the nature of the covenants and when the entity is required to comply with them); and
- facts and circumstances, if any, that indicate that the entity might have difficulty complying with the covenants.

The amendments must be applied retrospectively in accordance with the requirements in PAS 8, "Accounting Policies, Changes in Accounting Estimates and Errors".

Special transitional rules apply if an entity had early adopted the 2020 amendments regarding the classification of liabilities as current or non-current.

The adoption did not have a significant impact on the Company's financial statements as at December 31, 2024 and 2023.

- Lease liability in sale and leaseback - Amendments to PFRS 16

In September 2022, the IASB finalized narrow-scope amendments to the requirements for sale and leaseback transactions in PFRS 16, "Leases" which explain how an entity accounts for a sale and leaseback after the date of the transaction.

The amendments specify that, in measuring the lease liability subsequent to the sale and leaseback, the seller-lessee determines 'lease payments' and 'revised lease payments' in a way that does not result in the seller-lessee recognizing any amount of the gain or loss that relates to the right of use that it retains. This could particularly impact sale and leaseback transactions where the lease payments include variable payments that do not depend on an index or a rate.

The adoption did not have a significant impact on the Company's financial statements as at December 31, 2024 and 2023.

- Supplier Finance Arrangements - Amendments to PAS 7 and PFRS 7

On May 25, 2023, the IASB issued amendments to PAS 7 and PFRS 7 to require specific disclosures about supplier finance arrangements (SFAs). The amendments respond to the investors' need for more information about SFAs to be able to assess how these arrangements affect an entity's liabilities, cash flows and liquidity risk.

The new disclosures will provide information about:

- The terms and conditions of SFAs.
- The carrying amount of financial liabilities that are part of SFAs, and the line items in which those liabilities are presented.
- The carrying amount of financial liabilities that are part of SFAs, and the line items in which those liabilities are presented.
- The range of payment due dates for both the financial liabilities that are part of SFAs, and comparable trade payables that are not part of such arrangements
- Non-cash changes in the carrying amounts of financial liabilities in (2).
- Access to SFA facilities and concentration of liquidity risk with the finance providers.

Entities will be required to aggregate the information that they provide about SFAs. However, entities should disaggregate information about terms and conditions that are dissimilar, disclose explanatory information where the range of payment due dates is wide, and disclose the type and effect of non-cash changes that are needed for comparability between periods.

The adoption did not have any impact on the amounts recognized in prior periods and is not expected to significantly affect the current or future periods.

(b) New standards, amendments and interpretations not yet adopted by the Company

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for December 31, 2024 reporting periods and have not been early adopted by the Company. These standards, amendments or interpretations are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

23.2 Trade and other receivables

Trade receivables from Transco which have a 60-day credit term, lease receivables and other receivables are initially recognized and carried at transaction price and subsequently measured at amortized cost, less provision for impairment loss. The fair value of trade receivables at initial recognition is equivalent to the original invoice amount (as the effect of discounting is immaterial).

The Company applies the simplified approach in measuring expected credit loss which uses a lifetime expected loss allowance for all trade receivables. To measure expected credit loss, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is charged against profit or loss in the statement of total comprehensive income.

When a receivable remains uncollectible after the Company has exerted all legal remedies, it is written-off against the allowance account for receivables. Subsequent recoveries of amounts previously written-off are credited to profit or loss in the statement of total comprehensive income.

The expected loss rates on trade receivables are based on the payment profiles of sales over a period of 12 months before the beginning of each reporting period and the corresponding historical credit losses experience within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Company has identified the gross domestic product and inflation to be the most relevant factor, and accordingly adjusts the historical loss rates based on expected changes in this factor.

Other relevant policies are disclosed in Note 23.4.

23.3 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Company recognizes a financial instrument in the statement of financial position, when, and only when, it becomes a party to the contractual provisions of the instrument.

Financial assets

(a) Classification

The Company classifies its financial assets in the following measurement categories: fair value through profit or loss (FVPL), fair value through other comprehensive income (FVOCI) and amortized cost. The Company did not hold financial assets under the category financial assets at FVPL and FVOCI as at December 31, 2024 and 2023.

The classification depends on the entity's business model for managing its financial assets and the contractual terms of the cash flows. The Company's financial assets measured at amortized cost comprise of cash, trade and other receivables (Note 23.2), and security deposits and cash bonds (Note 23.6) in the statement of financial position. These are included in current assets, except for those expected to be realized greater than 12 months after the reporting period which are classified as non-current assets.

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets, if any, is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in the statement of total comprehensive income and presented as other income or expense. Impairment losses, if any, are presented in the statement of total comprehensive income within operating expenses.

(b) Measurement

Financial assets at amortized cost are subsequently carried at amortized cost using the effective interest method.

(c) Impairment

The Company recognizes an expected credit loss for all debt instruments not held at FVPL. Expected credit losses are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. Expected credit losses are recognized in two stages. For credit exposure for which there has not been a significant increase in credit risk since initial recognition, expected credit losses are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month expected credit loss).

For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime expected credit loss).

For cash and cash equivalents, other receivables, receivable from VAT refunds, security deposits and cash bond, the Company applies a general approach in calculating expected credit losses. The Company recognizes a loss allowance based on either 12-month expected credit losses or lifetime expected credit losses, depending on whether there has been a significant increase in credit risk on these financial assets since initial recognition. The carrying amount of the financial asset is reduced through the use of an allowance account, and the amount of the loss is charged against profit or loss in the statement of total comprehensive income. When the financial asset remains uncollectible after the Company has exerted all legal remedies, it is written-off against the allowance account. Subsequent recoveries of amounts previously written-off are credited to profit or loss in the statement of total comprehensive income.

For trade receivables, the Company applies a simplified approach in calculating expected credit losses. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime expected credit losses at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. Impairment testing of trade receivables is described in Note 23.2.

The Company considers a financial asset in default when contractual payments are past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written-off when there is no reasonable expectation of recovering the contractual cash flows.

Financial liabilities

(a) Classification

The Company classifies its financial liabilities in the following categories: financial liabilities at fair value through profit or loss (including financial liabilities held for trading and those that are designated at fair value); and financial liabilities at amortized cost. The Company's financial liabilities are limited to financial liabilities at amortized cost.

Financial liabilities at amortized cost pertain to issued financial instruments that are not classified as fair value through profit or loss and contain contract obligations to deliver cash or another financial asset to the holder or to settle the obligation other than the exchange of a fixed amount of cash. These are included in current liabilities, except for maturities greater than 12 months after the reporting period which are classified as non-current liabilities.

The Company's trade payables and other liabilities (excluding due to government agencies) (Note 23.10), dividends payable (Note 23.12), security deposits (Note 23.16), lease liabilities (Note 23.16) and bonds payable and interest payables (Note 23.14) are classified under financial liabilities at amortized cost.

23.4 Fair value measurement

The fair value of a non-financial asset is measured based on its highest and best use. The asset's current use is presumed to be its highest and best use. The fair value of financial and non-financial liabilities takes into account non-performance risk, which is the risk that the entity will not fulfil an obligation.

The Company does not hold financial and non-financial assets and liabilities at fair value as at December 31, 2024 and 2023.

23.5 Input value-added tax

Input VAT is stated at historical cost less provision for impairment, if any. Provision for unrecoverable input VAT, if any, is maintained by the Company at a level considered adequate to provide for potential uncollectible portions of the claims. The Company, on a continuing basis, makes a review of the status of the claims designed to identify those that may require provision for impairment losses. Input VAT is derecognized once applied against output VAT or claimed for refund.

23.6 Prepayments and other assets

Prepayments and other assets are expenses paid in cash and recorded as assets before these are used or consumed, as the services or benefits will be received in the future. Prepayments and other assets expire and are recognized as expense either with the passage of time or through use or consumption.

Prepayments and other assets are carried at cost and are included in current assets, except when the related goods or services are expected to be received and rendered more than 12 months after the end of the reporting period, in which case, these are classified as non-current assets.

Security deposits and cash bonds pertain to advances to lessor relating to rent and deposits for land conversions, respectively, which will be refunded at the end of the service periods, as determined in the contract agreements. Other relevant policies are disclosed in Note 23.3.

23.7 Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation.

Depreciation is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives (in years), as follows:

Solar plant and equipment	30
Substation and transmission lines	15
Computer equipment	3
Service vehicle	5

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 23.9).

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its disposal at which time the cost and related accumulated depreciation is removed from the accounts.

23.8 Investment properties

After initial recognition, investment properties are measured at cost and accounted in accordance with PAS 16, "*Property, plant and equipment*". Land is not depreciated.

Investment properties are derecognized upon disposal or when the investment properties are permanently withdrawn from use and no future economic benefits are expected from its disposal.

Investment properties acquired through equity-settled transactions are measured in reference to the fair value of investment properties, unless the fair value cannot be estimated reliably. If the Company cannot estimate reliably the fair value of the investment properties received, the entity shall measure the value of the investment properties, and the corresponding increase in equity, indirectly, by reference to the fair value of the equity instrument.

Other relevant accounting policies are disclosed in Note 23.7.

23.9 Impairment of non-financial assets

Assets that have an indefinite useful life such as investment properties (related to land) not subject to amortization is evaluated annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

Assets that have definite useful lives and are subject to depreciation and amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that are previously impaired are reviewed for possible reversal of the impairment at each reporting date. Subsequent reversals are credited to other income in the statement of total comprehensive income.

23.10 Trade payables and other liabilities

Trade payables and other liabilities are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers with average credit terms of 30 days. Trade payables and other liabilities are classified as current liabilities if payment is due within one year or less. If not, these are presented as non-current liabilities.

Trade payables and other liabilities are recognized initially at transaction price and subsequently measured at amortized cost using the effective interest rate method.

Trade payables and other liabilities are derecognized when the obligation under the liability is discharged or cancelled, or has expired. Where an existing liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the statement of total comprehensive income within other income or expense.

Due to government agencies are not considered financial liabilities but are derecognized similarly.

Other relevant accounting policies are disclosed in Note 23.3.

23.11 Provisions and contingencies

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provisions are not recognized for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as finance cost in the statement of total comprehensive income.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision shall be reversed and derecognized in the statement of financial position.

Contingent liabilities are not recognized in the financial statements. These are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the financial statements but disclosed when an inflow of economic benefit is probable. If it becomes virtually certain that an inflow of economic benefits will arise, the asset and the related income are recognized in the financial statements.

23.12 Equity

(a) Share capital

The Company's share capital is composed of common shares at par value. The amount of proceeds from the issuance or sale of common shares representing the aggregate par value is credited to share capital.

Proceeds in excess of par value of shares issued or additional capital contribution without corresponding issuance of shares are credited to share premium.

After initial measurement, share capital and share premium, if any, are carried at historical cost and are classified as equity in the statement of financial position.

(b) Retained earnings

Retained earnings includes current and prior years' results of operations, net of transactions with shareholder and dividends declared, if any.

(c) Dividend distribution

Dividend distribution to Company's shareholder is recognized as a liability in its financial statements in the period in which the dividends are approved and declared by the BOD.

(d) Share issuance costs

Share issuance costs are incremental costs directly attributable to the issuance or subscription of new shares. Share issuance costs which might be incurred in anticipation of an issuance of shares are recorded as an asset and deferred in the statement of financial position until the shares are issued. Upon issuance of shares, the deferred costs are charged to share premium or retained earnings, if no available share premium. If the shares are not subsequently issued, the transaction costs are recognized as expense under both approaches.

23.13 Revenue and cost recognition

(i) The following is a description of principal activities from which the Company generates its revenue.

(a) Sale of solar energy

The Company recognizes revenue from contracts with customer which pertains to generation of electricity at a point in time when control of the goods or services are transferred to the customers at transaction price that reflects the consideration to which the Company expects to be settled in exchange for the services.

The Company's generation of electricity from solar power energy is assessed by management as a single performance obligation. Sale of electricity is recognized whenever the electricity generated by the Company is transmitted through the transmission line designated by the buyer for a consideration.

Revenue from sale of electricity is based on the applicable FIT rate as transaction price as approved by the ERC. Revenue from sale of electricity is recognized monthly based on the actual energy delivered.

(b) Rental income

Rental income arising from operating lease agreements on its investment properties is recognized as income on a straight-line basis over the lease term or based on a certain percentage of the earnings of the lessees plus any variable component which are measured based on the actual results of operations of the lessees, as provided under the terms of the lease contract.

Other relevant accounting policies are disclosed in Note 23.16.

(ii) Interest income

Interest income is accrued on a time proportion basis by reference to the outstanding principal and at the effective interest rate applicable, which is the rate that discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. Interest income is recognized using the effective interest method.

(iii) Costs and expenses

Costs and expenses are recognized in the statement of total comprehensive income when decrease in future economic benefit related to a decrease in an asset or an increase in a liability has arisen that can be measured reliably. Costs and expenses are recognized on the basis of a direct association between the costs incurred and the earning of specific items of income; on the basis of systematic and rational allocation procedures when economic benefits are expected to arise over several accounting periods and the association with income can only be broadly or indirectly determined; or immediately when an expenditure produces no future economic benefits or when, and to the extent that, future economic benefits do not qualify or cease to qualify, for recognition in the statement of financial position as an asset.

Costs and expenses in the statement of total comprehensive income are presented using the function of expense method. Costs of services are expenses incurred that are associated with the services rendered.

Operating expenses are costs attributable to administrative and other business activities of the Company.

23.14 Borrowings and borrowing costs

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in the statement of total comprehensive income over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan capitalized as a contra liability account and amortised over the period of the facility to which it relates.

Borrowings are derecognized in the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in the statement of total comprehensive income under finance cost.

A substantial modification of the terms of the existing borrowings or part of the borrowings is accounted for as an extinguishment of the original financial liability and a recognition of new financial liability. The terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid (net of any fees received and discounted using the original effective interest rate), is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability. The resulting difference is recognized as a gain or loss under other income, net in the statement of total comprehensive income.

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognized as other income or expense in the statement of total comprehensive income, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. In cases of breaches in loan covenants prior to the end of a reporting period, borrowings are classified as current liability, unless a sufficient waiver of the covenant is granted by the lender, such that the borrowings do not become immediately repayable.

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of that asset. All other borrowing costs are recognized and charged under finance cost in the statement of total comprehensive income in the year in which they are incurred.

Other relevant accounting policies are disclosed in Note 23.3.

23.15 Current and deferred income tax

Income tax expense comprises current and deferred income taxes.

The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax assets are recognized for all deductible temporary differences to the extent that it is probable that future taxable profit will be available against which the temporary differences, unused tax losses and unused tax credits can be utilized.

Deferred income tax assets and liabilities are derecognized when relevant temporary differences have been realized and settled, respectively. The Company reassesses at each reporting the need to recognize previously unrecognized deferred income tax asset.

23.16 Leases

Company as a lessee

The right-of-use asset is amortized over the shorter of the asset's useful life and the lease term on a straight-line basis.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for the Company's leases, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received;
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held for entities which do not have recent third-party financing; and
- makes adjustments specific to the lease (i.e. term, currency and security).

Right-of-use assets are generally amortized over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is amortized over the underlying asset's useful life.

Extension and termination options

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The lease term is reassessed if an option is actually exercised (or not exercised) or the Company becomes obliged to exercise (or not exercise) it.

The assessment of reasonable certainty is revised only if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

Right-of-use assets that meet the definition of investment property is presented in the statement of financial position as investment property. Other relevant accounting policies are disclosed in Note 23.9.

Company as a lessor

The Company determines at lease inception whether each lease is a finance lease or an operating lease.

Leases where the Company does not transfer substantially all the risks and benefits of ownership of the assets are classified as operating lease. Operating lease payments received are recognized as an income on a straight-line basis over the lease term except for variable rent which is recognized when earned.

Deposits from lessees which include security deposits are initially measured at fair value. After initial recognition, security deposits are subsequently measured at amortized cost using effective interest rate method. The difference between the cash received and its fair value is deferred and amortized on a straight-line basis over the lease term. Amortization of deferred credits and accretion of discount are recorded in the statement of total comprehensive income under rental income and finance cost accounts, respectively.

23.17 Related party relationships and transactions

(a) Related party relationship

A related party relationship exists when one party has the ability to control, directly or indirectly through one or more intermediaries, the other party or exercise significant influence over the other party in making financial and operating decisions. Such relationship also exists between and/or among entities which are under common control with the reporting enterprise, or between and/or among the reporting enterprises and their key management personnel or directors. In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

(b) Related party transaction

Related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party regardless of whether a price is charged or not.

23.18 Foreign currency transactions and translation

(a) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The financial statements are presented in Philippine Peso, which is the Company's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into Philippine Peso using the exchange rates prevailing at the dates of the transactions. Outstanding foreign currency denominated monetary assets and liabilities are translated at the exchange rate prevailing at reporting date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rate of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of total comprehensive income through profit or loss.

24 Summary of other accounting policies

24.1 Employee benefits

(a) Short-term benefits obligation

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(b) Retirement benefits

The Company has a defined benefit plan, which is unfunded and covers substantially all of its qualified employees. The defined benefit plan satisfies the minimum benefit requirements of RA No. 7641, otherwise known as the "*Retirement Pay Law*".

A defined benefit plan is a retirement plan that defines an amount of retirement benefit that an employee will receive on retirement, usually dependent on certain factors such as age, years of service and compensation.

The retirement benefit obligation is calculated using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity which approximate the terms of the retirement benefit obligation.

The retirement benefit obligation recognized in the statements of financial position is the present value of the defined benefit obligation at the end of the reporting period.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions, if material, are charged or credited to equity in other comprehensive income in the period in which they arise.

Past service costs are recognized immediately in profit or loss.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost is charged to profit or loss.

(c) Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits.

The Company recognizes termination benefits at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the entity recognizes costs for a restructuring that is within the scope of PAS 37, *“Provisions, Contingent Liabilities and Contingent Assets”* and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

Liabilities related to employee benefits are derecognized once settled, cancelled or have expired.

24.2 Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Company's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Company's various lines of business.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

24.3 Earnings per share

Basic EPS is computed by dividing net income attributable to common shareholders by the weighted average number of common shares outstanding, after considering impact of any share dividends, share splits or reverse share splits during the period. Diluted EPS is calculated by adjusting the earnings and number of shares for the effects of dilutive potential common shares.

The number of ordinary or potential ordinary shares changes as a result of a share split or reverse share split are applied retrospectively and adjust the calculation of basic and diluted EPS for all periods presented. This applies regardless of whether the change occurred during the reporting period or after the end of the period before the financial statements are authorized for issue.

24.4 Events after the reporting period

Post year-end events that provide additional information about the Company's position at the reporting date (adjusting events) are reflected in the financial statements. Post year-end events that are not adjusting events are disclosed in the notes to the financial statements when material.

25 Supplementary information required by Bureau of Internal Revenue (BIR)

The following supplementary information required by Revenue Regulation (RR) No. 15-2010 is presented for purposes of filing with the BIR and is not a required part of the basic financial statements.

(a) Output VAT

Output VAT declared and the revenues upon which the same was based consist of:

	Gross amount of revenues	Output VAT
Zero-rated VAT sales	1,257,591,544	-

Revenues presented above are based on net receipts for VAT reporting purposes while revenues in the statements of total comprehensive income are based on revenue recognition policy per Note 23.14. Gross receipts from the rental of real properties on its leasing business are subject to zero-rated VAT. The Company's lessees are registered developers of renewable energy (RE) and under the Renewable Energy Act of 2008. RE developers benefit from VAT zero-rating.

(b) Input VAT

Movements in input VAT for the year ended December 31, 2024 follow:

	Amount
January 1	175,627,184
Add: Current year's domestic purchases of services	7,881,820
Less: Input VAT refund	(125,769,210)
December 31	57,739,794

(c) Importations

The Company did not have importations during the year ended December 31, 2024.

(d) Excise tax

There were no transactions subject to excise tax for the year ended December 31, 2024.

(e) Documentary stamp tax

Documentary stamp taxes (DST) paid for the year ended December 31, 2024 amounted to P5,794 related to telegraphic transfer for certain payment. The amounts were recorded as part of taxes and licenses account under operating expenses in the statements of total comprehensive income.

(f) All other local and national taxes

	Amount
Business permits and licenses	603,196
BIR annual registration fee	500
Others	16,500
	620,196

The above local and national taxes are lodged under taxes and licenses account in cost of services and operating expenses in the statements of total comprehensive income.

(g) Withholding taxes

Withholding taxes paid and accrued for the year ended December 31, 2024 consist of:

	Paid	Accrued	Total
Withholding tax on compensation	189,426	32,944	222,370
Expanded withholding tax	6,916,783	860,116	7,776,899
Final withholding tax	35,978,290	30,313,195	66,291,485
	43,084,499	31,206,255	74,290,754

(h) Tax assessments and cases

In 2022, the Company has received letter of authority (LOA) from the BIR for taxable year 2021. The assessment was finalized and paid on February 1, 2024 through settlement of deficiency taxes and interests amounting to P2,015,673.

In 2024, the Company has received letter of authority (LOA) from the BIR for taxable year 2022. The assessment was finalized and paid on December 20, 2024 through settlement of deficiency taxes and interests amounting to P3,016,994.

There are no other outstanding tax assessments and cases under preliminary investigation, litigation and/or prosecution in courts or bodies outside the BIR as at December 31, 2024.

Citicore Energy REIT Corp.

(A subsidiary of Citicore Renewable Energy Corporation)

Supplementary Schedules as Required by Rule 68 of the Securities Regulation Code
December 31, 2024 and 2023

Schedules	Description
A	Financial Assets
B	Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other than Related Parties)
C	Amounts Receivable from Related Parties which are Eliminated during the Consolidation of the Financial Statements
D	Long Term Debt
E	Indebtedness to Related Parties (Long-Term Loans from Related Companies)
F	Guarantees of Securities of Other Issuers
G	Share Capital
	Reconciliation of Retained Earnings Available for Dividend Declaration
	A Map Showing the Relationships between and among the Parent Company and its Ultimate Parent Company, Middle Parent, Subsidiaries or Co-subsidiaries and Associates
	Schedule of Financial Soundness Indicator

Citicore Energy REIT Corp.

(A subsidiary of Citicore Renewable Energy Corporation)

Schedule A - Financial Assets

December 31, 2024

Name of issuing entity and association of each issue	Amount shown in the statement of financial position	Income received and accrued
Financial assets at amortized cost		
Cash in banks		
BDO Unibank, Inc.	592,227,537	161,402
Development Bank of the Philippines	3,924,812	3,191
Security Bank Corporation	1,379,944	1,767
Cash on hand	50,000	-
Total cash	597,582,293	166,360
Trade and other receivables	601,431,032	3,596,053
Security deposits and cash bond	41,450,164	-
Total financial assets	1,240,463,489	3,762,413

December 31, 2023

Name of issuing entity and association of each issue	Amount shown in the statement of financial position	Income received and accrued
Financial assets at amortized cost		
Cash in banks		
BDO Unibank, Inc.	612,565,643	727,440
Development Bank of the Philippines	3,921,621	1,910
Security Bank Corporation	259,557	2,069
Short-term placements		
BDO Unibank, Inc.	-	14,086,600
Cash on hand	115,000	-
Total cash and cash equivalents	616,861,821	14,818,019
Trade and other receivables	434,481,375	4,416,278
Security deposits and cash bond	41,450,164	-
Total financial assets	1,092,793,360	19,234,297

Citicore Energy REIT Corp.

(A subsidiary of Citicore Renewable Energy Corporation)

Schedule B - Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal
Stockholders (Other than Related Parties)
December 31, 2024 and 2023

Name and designation of debtor	Balance at beginning of period	Additions	Amounts collected	Amounts written-off	Current	Non-current	Balance at the end of the period
Advances to directors, officers, employees*	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Due from related parties	-	-	-	-	-	-	-
Total due from related parties	-	-	-	-	-	-	-

*As required by Rule 68 of the Securities Regulation Code, this schedule shall be filed with respect to each person among the directors, officers and employees from whom an aggregate indebtedness of more than P1 million or one percent (1%) of total assets, whichever is less, is owed for items arising outside the ordinary course of business. There were no advances with respect to each person among the directors, officers and employees amounting to more than P1 million outside the ordinary course of business as at December 31, 2024 and 2023.

Citicore Energy REIT Corp.
(A subsidiary of Citicore Renewable Energy Corporation)

Schedule C - Amounts Receivable from Related Parties which are eliminated during the consolidation of the financial statements
December 31, 2024 and 2023

Name and designation of debtor	Balance at beginning of year	Additions	Amounts collected	Amounts written-off	Current	Non-current	Balance at the end of the year
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Citicore Energy REIT Corp.

(A subsidiary of Citicore Renewable Energy Corporation)

Schedule D - Long Term Debt

December 31, 2024

Title of issue and type of obligation	Amount authorized by indenture	Amount shown under caption "Current portion of long-term debt" in related balance sheet	Amount shown under caption "Long-Term Debt" in related balance sheet
ASEAN Green bonds maturing in five (5) years from the issue date and bear a fixed interest rate of 7.0543% per annum.	4,500,000,000	-	4,468,567,198

December 31, 2023

Title of issue and type of obligation	Amount authorized by indenture	Amount shown under caption "Current portion of long-term debt" in related balance sheet	Amount shown under caption "Long-Term Debt" in related balance sheet
ASEAN Green bonds maturing in five (5) years from the issue date and bear a fixed interest rate of 7.0543% per annum.	4,500,000,000	-	4,459,876,787

Citicore Energy REIT Corp.

(A subsidiary of Citicore Renewable Energy Corporation)

Schedule E - Indebtedness to Related Parties (Long-Term Loans from Related Companies)

December 31, 2024

Name of related party	Balance at the beginning of the year	Balance at the end of the year
Citicore Renewable Energy Corporation*	500,000,000	500,000,000

** On February 10, 2023, the Parent Company subscribed to P500.00 million of the Company's ASEAN Green Bonds with coupon rate of 7.0543% at face value.*

December 31, 2023

Name of related party	Balance at the beginning of the year	Balance at the end of the year
Citicore Renewable Energy Corporation*	N/A	500,000,000

** On February 10, 2023, the Parent Company subscribed to P500.00 million of the Company's ASEAN Green Bonds with coupon rate of 7.0543% at face value.*

Citicore Energy REIT Corp.

(A subsidiary of Citicore Renewable Energy Corporation)

Schedule F - Guarantees of Securities of Other Issuers

December 31, 2024 and 2023

Name of issuing entity of securities guaranteed by the Company for which this statement is filed	Title of issue of each class of securities guaranteed	Total amount guaranteed and outstanding	Amount owned by person for which statement is filed	Nature of guarantee
N/A	N/A	N/A	N/A	N/A

Citicore Energy REIT Corp.

(A subsidiary of Citicore Renewable Energy Corporation)

Schedule G - Share Capital

December 31, 2024

Title of issue	Number of authorized shares	Number of issued and outstanding	Number of shares reserved for options, warrants, conversion, and other rights	Number of shares held by related parties	Directors, officers, and employees	Others
Common shares	15,360,000,000	6,545,454,004	N/A	4,036,361,996	7,633,008	2,501,459,000

December 31, 2023

Title of issue	Number of authorized shares	Number of issued and outstanding	Number of shares reserved for options, warrants, conversion, and other rights	Number of shares held by related parties	Directors, officers, and employees	Others
Common shares	15,360,000,000	6,545,454,004	N/A	4,036,361,996	8,273,008	2,500,819,000

Citicore Energy REIT Corp.
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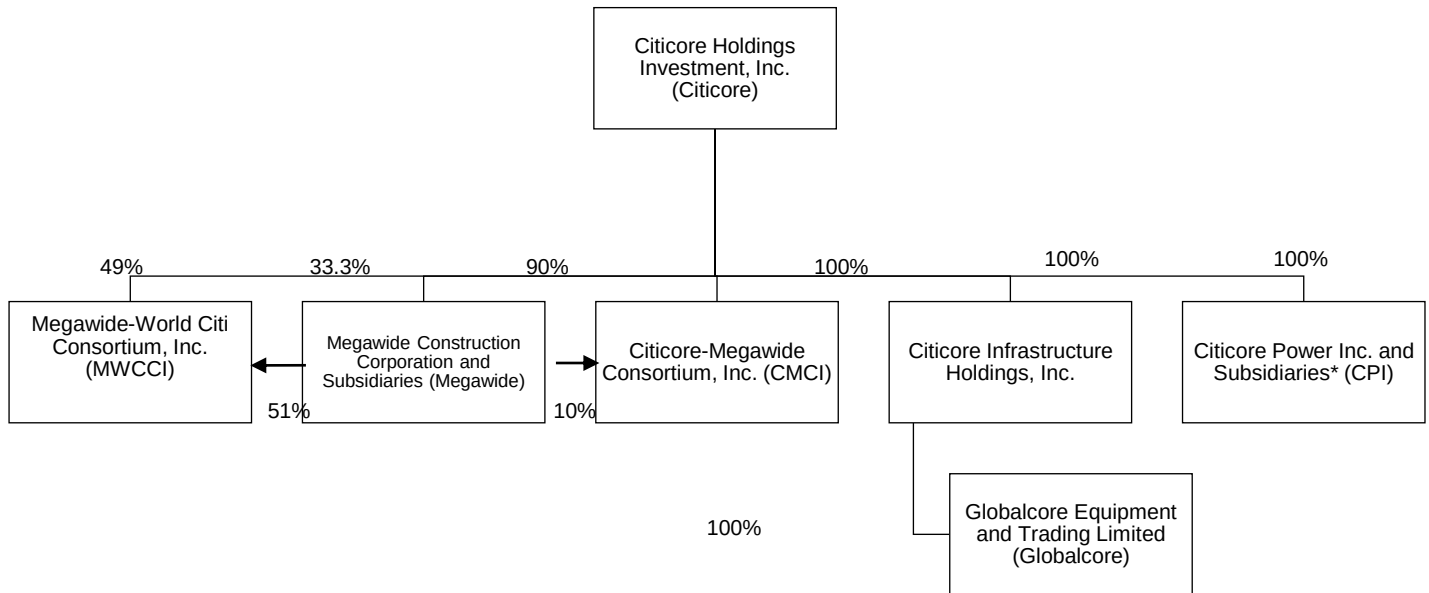
Reconciliation of Retained Earnings Available for Dividend Declaration
As at December 31, 2024
(All amounts in Philippine Peso)

Unappropriated Retained Earnings, beginning of the year		352,934,150
Add: Category A: Items that are directly credited to Unappropriated retained earnings		
Reversal of Retained earnings appropriation/s	-	
Effect of restatements or prior-period adjustments	-	
Others	-	
Less: Category B: Items that are directly debited to Unappropriated retained earnings		
Dividend declaration during the reporting period	1,315,636,254	
Retained earnings appropriated during the reporting period	-	
Effect of restatements or prior-period adjustments	-	
Others	-	(1,315,636,254)
Unappropriated Retained Earnings, as adjusted		(962,702,104)
Add/Less: Net Income for the current year		1,429,371,755
Less: Category C.1: Unrealized income recognized in the profit or loss during the year/period (net of tax)		
Equity in net income of associate/joint venture, net of dividends declared	-	
Unrealized foreign exchange gain, except those attributable to cash and cash equivalents	-	
Unrealized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	-	
Unrealized fair value gain of investment property	-	
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS	-	
Straight-line recognition of lease income	(181,869,331)	(181,869,331)
Add: Category C.2: Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)		
Realized foreign exchange gain, except those attributable to Cash and cash equivalents	-	
Realized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	-	
Realized fair value gain of Investment property	-	
Other realized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS	-	
Add: Category C.3: Unrealized income recognized in profit or loss in prior periods but reversed in the current reporting period (net of tax)		
Reversal of previously recorded foreign exchange gain, except those attributable to cash and cash equivalents	-	
Reversal of previously recorded fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	-	
Reversal of previously recorded fair value gain of investment property	-	
Reversal of other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS, previously recorded (describe nature)	-	
Adjusted net income/loss (distributable income)		1,247,502,424
Add: Category D: Non-actual losses recognized in profit or loss during the reporting period (net of tax)		
Depreciation on revaluation increment (after tax)	-	-
Add/Less: Category E: Adjustments related to relief granted by the SEC and BSP		
Amortization of the effect of reporting relief	-	
Total amount of reporting relief granted during the year	-	
Others	-	
Add/Less: Category F: Other items that should be excluded from the determination of the amount of available for dividends distribution		
Net movement of treasury shares (except for reacquisition of redeemable shares)	-	
Net movement of deferred tax asset not considered in the reconciling items under the previous categories	-	
Net movement in deferred tax asset and deferred tax liabilities related to same transaction, e.g., set up of right of use of asset and lease liability, set-up of asset and asset retirement obligation, and set-up of service concession asset and concession payable	-	
Adjustment due to deviation from PFRS/GAAP - gain (loss)	-	
Others	-	
Total Retained Earnings, end of the year available for dividend declaration		284,800,320

Citicore Energy REIT Corp.

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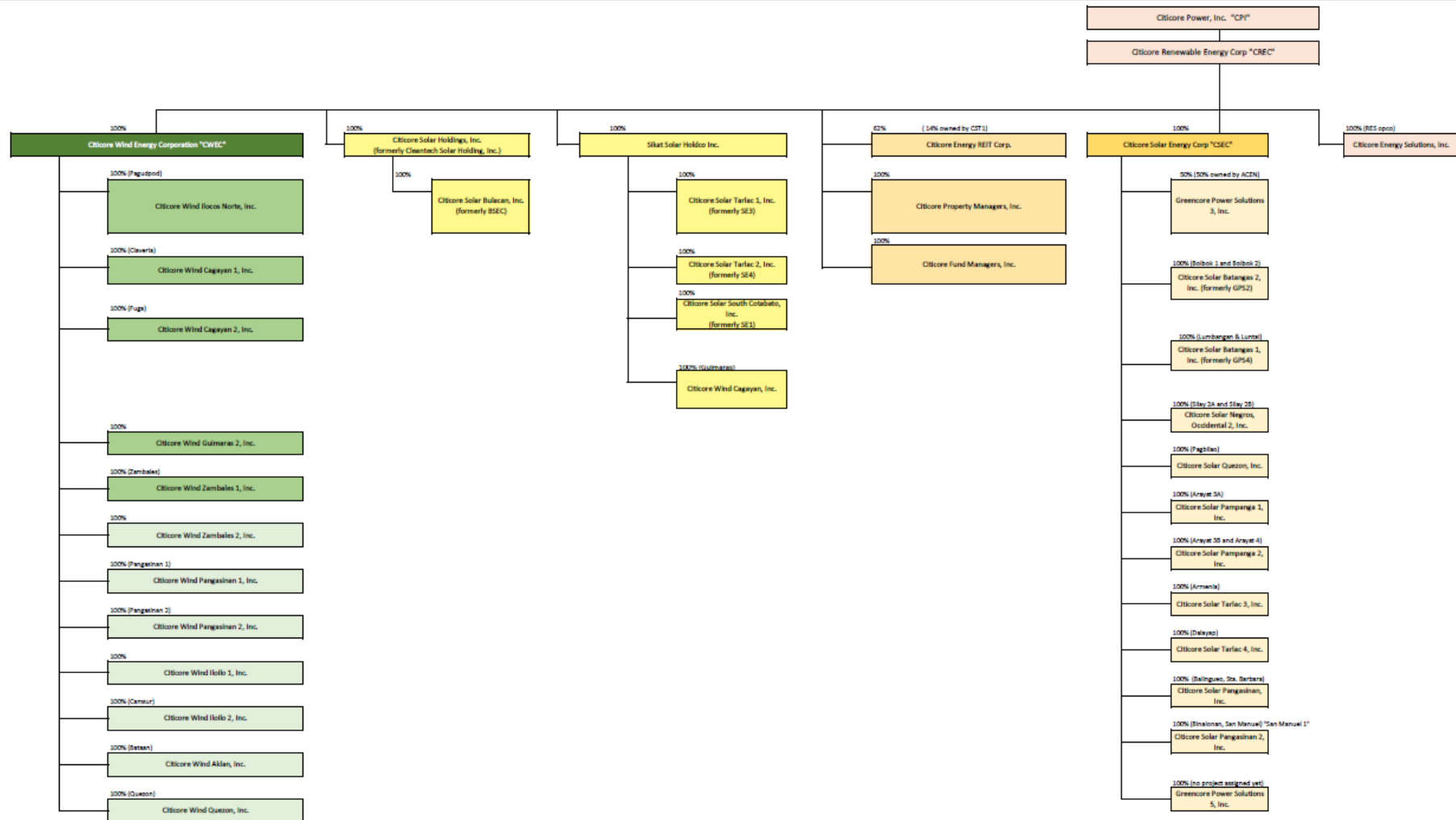
A Map Showing the Relationships between and among the Company and its
Ultimate Parent Company, Middle Parent, Subsidiaries or Co-subsidiaries and Associates
December 31, 2024



**See Schedule I*

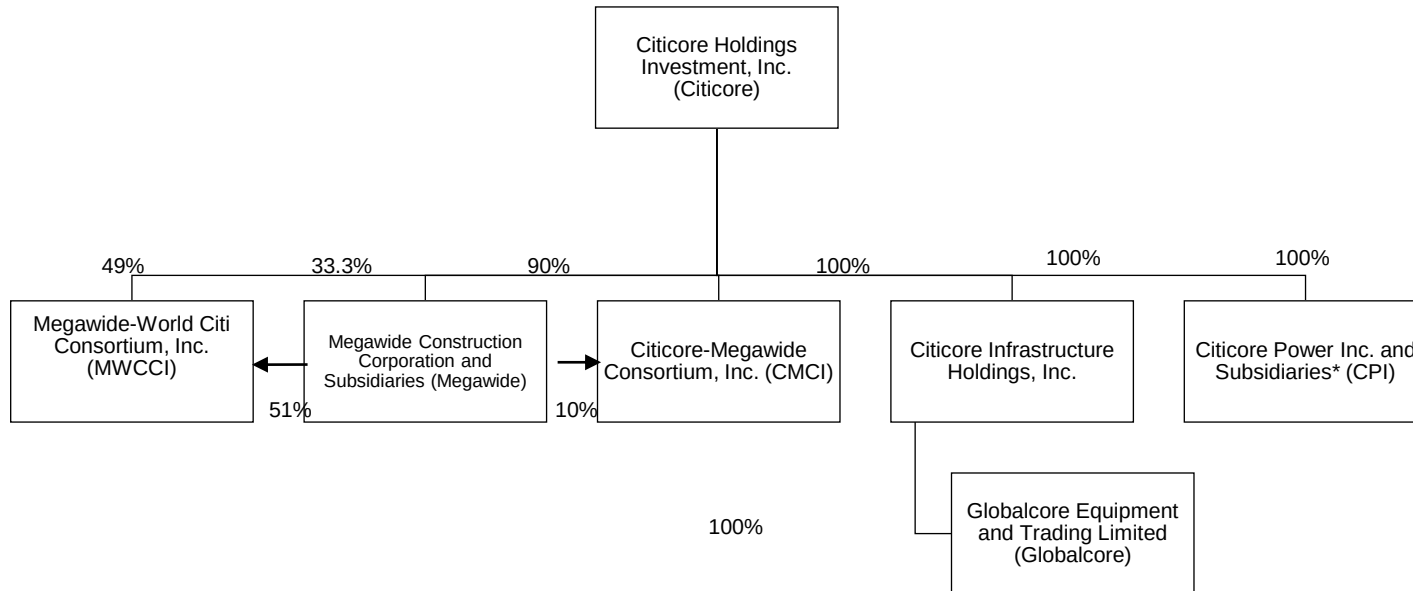
Citicore Energy REIT Corp.
(A subsidiary of Citicore Renewable Energy Corporation)

A Map Showing the Relationships between and among the Company and its
Ultimate Parent Company, Middle Parent, Subsidiaries or
Co-subsidiaries and Associates (Schedule I)
December 31, 2024



Citicore Energy REIT Corp.
(A subsidiary of Citicore Renewable Energy Corporation)

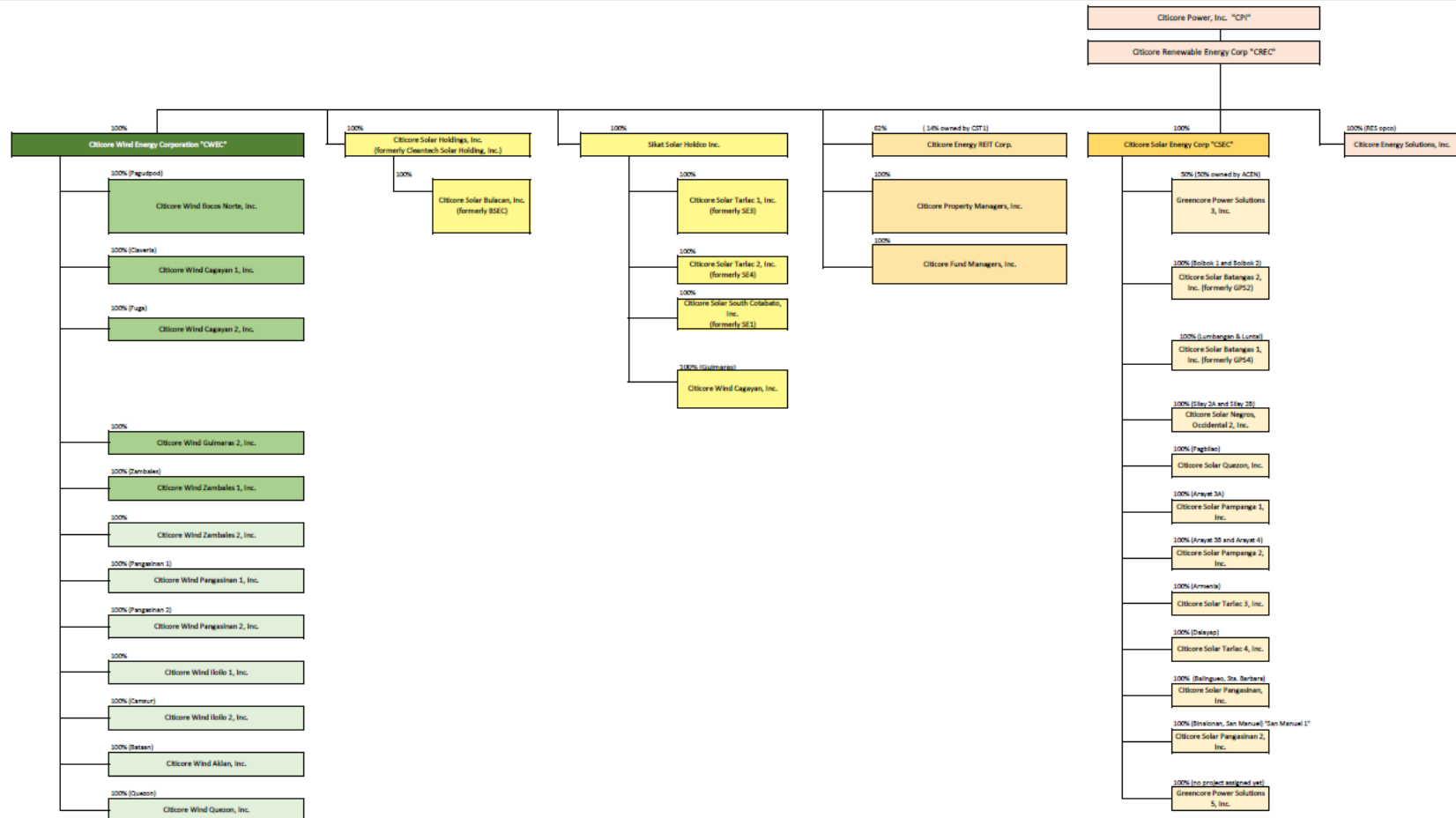
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December 31, 2023



**See Schedule I*

Citicore Energy REIT Corp.
(A subsidiary of Citicore Renewable Energy Corporation)

A Map Showing the Relationships between and among the Company and its
Ultimate Parent Company, Middle Parent, Subsidiaries or
Co-subsidiaries and Associates (Schedule I)
December 31, 2023



Citicore Energy REIT Corp.

(A subsidiary of Citicore Renewable Energy Corporation)

Schedule of Financial Soundness Indicator

As at and for each of the periods ended December 31, 2024

	2024	2023	2022
Current ratio ^a	2.10x	2.07x	1.70x
Acid test ratio ^b	1.86x	1.60x	1.61x
Solvency ratio ^c	0.34x	0.33x	-
Debt-to-equity ratio ^d	0.98x	1.00x	-
Asset-to-equity ratio ^e	2.16x	2.18x	1.17x
Interest rate coverage ratio ^f	5.33x	5.75x	76.75x
Debt service coverage ratio ^g	8.63x	7.45x	69.96x
Net debt/ EBITDA ^h	2.10x	2.16x	(0.42)x
Earnings per share (Php) ⁱ	0.22	0.21	0.20
Book value per share ^j	0.70	0.68	0.67
Return on assets ^k	14.57%	18.85%	35.68%
Return on equity ^l	31.57%	31.69%	41.87%
Net profit margin ^m	75.72%	77.75%	91.12%

^a Current assets/current liabilities^b Cash and cash equivalents + Trade and other receivables, net/Current liabilities^c Net operating profit after tax + depreciation and amortization/Loans payable^d Bonds payable/ Total equity^e Total assets/ Total equity^f Earnings before interest, taxes, depreciation and amortization/Interest expense^g Earnings before interest, taxes, depreciation and amortization plus cash and cash equivalents, beginning/Current loan payable + Interest expense + Current lease liabilities^h Short-term and long-term bank borrowings plus bonds payable less cash and cash equivalents/Earnings before interest, taxes, depreciation and amortizationⁱ Net income attributable to ordinary equity holders of the Company/Weighted average number of ordinary shares^j Total equity less Preferred Equity/Total number of shares outstanding^k Net income attributable to owners of the Company/Average total assets^l Net income attributable to owners of the Company/Average total equity^m Net income/Revenue

Citicore Energy REIT Corp.
(A subsidiary of Citicore Renewable Energy Corporation)

Supplementary Schedule of External Auditor Fee-Related Information
December 31, 2024 and 2023
(All amounts in Philippine Peso)

	December 31, 2024	December 31, 2023
Total audit fees	700,000	550,000
Non-audit services fees:		
Other assurance services	-	-
Tax services	-	-
All other services	-	-
Total non-audit fees	-	-
Total audit and non-audit fees	700,000	550,000

Citicore Energy REIT Corp.
Aging of Receivables
As of December 31, 2024

	Current	1-30 days	31-60 days	61-90 days	91-120 days	121-150 days	151-180 days	Over 180 days	Non-current	Total
AR Transco	32,511,747	-	-	-	-	-	-	-	30,268,953	62,780,700
Lease receivable	49,584,830	-	-	-	-	-	-	-	-	49,584,830
Lease receivable - PFRS 16	-	-	-	-	-	-	-	-	489,065,502	489,065,502
Total	82,096,577	-	-	-	-	-	-	-	519,334,455	601,431,032

CITICORE ENERGY REIT CORP. ("CREIT")

MINUTES
ANNUAL STOCKHOLDERS' MEETING
21 JUNE 2024, FRIDAY
2:00 P.M. – 3:00 P.M.
VIRTUAL MEETING VIA MS TEAMS

Stockholders present and represented: The complete list is attached as Annex "A".

Number of shares held by shareholders:

	<u>No. of Shares</u>	<u>Percentage</u>
Present in Person or Represented by Proxy	4,135,600,004	63.18%
Number of Total Outstanding Shares (Common)	6,545,454,004	100%

Directors Present:

Edgar B. Saavedra	Chairman of the Board Chairman of the Executive Committee
Oliver Y. Tan	President and Chief Executive Officer Member, Executive Committee Member, Audit and Risk Oversight Committee Member, Related Party Transaction Review and Compliance Committee Member, Environmental, Social and Governance Committee
Manuel Louie B. Ferrer	Member, Executive Committee Chairman, Nomination, Compensation and Personnel Committee Member, Environmental, Social and Governance Committee
Ian Jason R. Aguirre	Member, Related Party Transaction Review and Compliance Committee
Elizabeth Anne C. Uychaco	Member, Audit and Risk Oversight Committee
Emmanuel G. Herbosa	Chairman, Audit and Risk Oversight Committee Member, Related Party Transaction Review and Compliance Committee Member, Nomination, Compensation and Personnel Committee
Pacita U. Juan	Chairman, Environmental, Social and Governance Committee

Member, Nomination, Compensation and
Personnel Committee

Jose M. Layug, Jr.

Chairman, Related Party Transaction Review and
Compliance Committee
Member, Audit and Risk Oversight Committee

OFFICERS PRESENT:

Jez G. Dela Cruz

Treasurer

Abigail Joan R. Cosico

Chief Investor Relations Officer

Danica C. Evangelista

Corporate Secretary

Mia Grace Paula S. Cortez

Chief Finance Officer

Raymund Jay S. Gomez

Compliance Officer

Gideon Antonio De Villa

Investor Relations Officer

I. Call to Order and Certification of Notice and Quorum

The Chairman of the Board, Mr. Edgar B. Saavedra (the “Chairman”), called the meeting to order and presided over the same. Atty. Danica C. Evangelista, Secretary of the meeting (the “Corporate Secretary”), certified that notices to the annual stockholders’ meeting were published in accordance with applicable regulations of the Securities and Exchange Commission (SEC). The meeting materials including the Notice and Agenda, Explanation of the Agenda Items, Definitive Information Statement, Procedures for Voting and Participation in the Meeting, the Management Report, and the Audited Financial Statements together with the quarterly financials were also posted in the Philippine Stock Exchange’s (PSE) EDGE Disclosure System and/or in the company’s website.

Based on the record of attendance, the Corporate Secretary certified that there was a quorum for the transaction of business given that stockholders representing 4,135,600,004 shares or 63.1% of the outstanding capital stock are participating in person, in absentia, or by proxy. The Chairman also acknowledged the presence of all the directors, namely:

Oliver Y. Tan

Manuel Louie B. Ferrer

Ian Jason R. Aguirre

Elizabeth Anne C. Uychaco

Emmanuel G. Herbosa

Pacita U. Juan

Jose M. Layug, Jr.

The Chairman then requested the Corporate Secretary to discuss the voting procedure for the meeting. The Corporate Secretary summarized the procedure as follows:

- a. All the stockholders of record at the close of business on June 7, 2024 are entitled to the Notice and to vote at this meeting.
- b. The matters in the Agenda shall be decided by a majority vote of the stockholders, except in cases where the law provides otherwise. The voting results shall be discussed with each Agenda item.
- c. The stockholders were given the opportunity to vote in absentia from June 7 to June 19, 2024, through an online voting portal prepared by CREIT. Only the stockholders who were validated by CREIT's stock transfer agent, Professional Stock Transfer, Inc., were allowed to vote in absentia. The stockholders were also permitted to submit proxy forms until June 10, 2024, through electronic mail or personal service. Each of the votes cast in absentia and by proxy, shall be considered cast for all the shares of such stockholder.
- d. CREIT's stock transfer agent tabulated the votes cast in absentia and by proxy, which were then confirmed by CREIT's external auditor, Isla Lipana & Co.

II. Approval of the Minutes of the Previous Meeting

The Chairman then proceeded to the next order of business which was the approval of the minutes of the previous meeting. The copy of the minutes of the Annual Stockholders' Meeting last 8 June 2023 was posted at the company's website.

Based on the tabulation of the votes cast through the online portal, the Corporate Secretary confirmed that the Company received votes or proxies representing 2,251,226,004 shares or 54.44% of the shares present or represented at the meeting which voted in favor of the approval of the minutes of the last annual stockholders meeting and approving the same.

	<u>Votes</u>	<u>Percentage</u>
Approve	2,251,226,004	54.44%
Against	0	0.00%
Abstain	1,884,374,000	45.56%

As such, the Chairman declared that the following resolution is approved by the shareholders:

“RESOLVED, that the stockholders of Citicore Energy REIT Corp. hereby approve the minutes of the Annual Stockholders' Meeting held on 8 June 2023.”

III. President's Report – Annual Sustainability Report

Mr. Oliver Y. Tan, the President and Chief Executive Officer, then rendered the President's Report to the stockholders.

To start, Mr. Oliver Tan presented the highlights of CREIT for the year 2023, namely: (a) the robust revenue growth and solid financial position of CREIT; (b) record high dividends which increased shareholder value; (c) the momentum of CREIT's sponsor, Citicore Renewable Energy Corporation ("CREC"); and (d) its sustained commitment to Environmental, Social, and Governance ("ESG").

For the year 2023 (as compare to year 2022), CREIT recorded a 31% growth in revenue from to PhP1.798 billion, a 32% increase in EBITDA to PhP1.779 billion, and a 12% improvement in net income to PhP1.398 billion. In addition, EBITDA margin is at 99%, while net income margin is at 78%.

Mr. Oliver Y. Tan attributed the said improvements to the seven (7) new land assets (Pangasinan, Pampanga 1, Pampanga 2, Batangas 1, Batangas 2, Batangas 3, and Batangas 4) which CREIT has acquired during year 2023. These acquisitions resulted in over 4.3x growth in leasable space, from 1.65 sq.m. to 7.10 sq.m, since CREIT was listed in the Philippine Stock Exchange ("PSE").

Mr. Oliver Y. Tan then reported the successful launch of its ASEAN Green Bond offering, listing the full PhP3 billion offering with PhP1.5 billion oversubscription. The PhP4.5 billion was then used to purchase properties which grew CREIT's green asset portfolio, not at 4.71 sq.m., further cementing CREIT's status as the largest renewable energy landlord in the Philippines. As a result of its green financing framework, the Philippine Rating Services Corporation gave CREIT a credit rating of PRS Aa+.

Mr. Oliver Y. Tan next showed CREIT's debt profile, which allows for more headroom to support growth:

DEBT HEADROOM (in Php Bn)	
Total deposited property	20.7
Leverage ratio (PRS Aa+)	70%
Leverage limit	14.5
Total borrowings and deferred payments	5.3
Allowable additional borrowings	9.2

CREIT is also increasing its shareholder value with higher stock price and dividends:



As a result of the high dividend yields, CREIT has rejoined the PSE Dividend Yield Index, and is now included in the PSE Property Index.

Mr. Oliver Y. Tan also stated that the growth and development of CREC, which is aiming to have an additional 1,000MW capacity per year in the next five years, as well as its recent initial public offering, boosted the growth and activities of CREIT.

To adhere to its commitment to ESG, CREIT has introduced innovative ESG solutions such as its agro-solar initiative, which allows solar plants and vegetable farmers to co-exist and aims to provide livelihood and augment income of the farmer community. In addition, CREIT has other ESG projects in community development, employment training, educational assistance, and environmental protection and conservation.

Finally, CREIT has garnered numerous recognitions from local and international institutions such as: (a) Best Investor Relations – Energy REIT in the Philippines in the 2023 International Finance Awards; and (b) Best Small-Cap Company in the Philippines in the 2024 Finance Asia.

IV. Ratification of All Acts of the Board of Directors and Management

The Chairman announced that the next item on the agenda is the ratification of all acts, resolutions, and proceedings of the Board of Directors and management until June 21, 2024.

Based on the tabulation of the votes cast through the online portal, the Corporate Secretary confirmed that the Company received votes or proxies representing 2,251,226,004 shares or 54.44% of the shares present or represented at the meeting which voted in favor of the of all acts, resolutions, and proceedings of the Board of Directors and management until 21 June 2024.

	<u>Votes</u>	<u>Percentage</u>
Approve	2,251,226,004	54.44%
Against	0	0.00%
Abstain	1,884,374,000	45.56%

Thereafter, the Chairman declared that the following resolution is approved by the shareholders:

“RESOLVED, that all acts, resolutions and proceedings of the Board of Directors, the Executive Committee and other Board Committees, as well as the acts of, and contracts entered into by, the Management of Citicore Energy REIT Corp. up to the date of this Annual Stockholders’ Meeting, and the President’s Reports, be, as they are hereby, confirmed, ratified and approved by the stockholders.”

V. Ratification of the 2023 Audited Financial Statements

The Chairman announced that the next item on the agenda is the ratification of the Company’s audited financial statements for the year ended 31 December 2023. The audited financial statements have been distributed with the Annual Report, Information Statement, disclosed in the PSE Edge, and posted in the company’s website.

Based on the tabulation of the votes cast through the online portal, the Corporate Secretary confirmed that the Company received votes or proxies representing 2,175,974,004 shares or 52.62% of the shares present or represented at the meeting which voted in favor of the ratification of the Company’s audited financial statements for the year ended 31 December 2023.

	<u>Votes</u>	<u>Percentage</u>
Approve	2,175,974,004	52.62%
Against	0	0.00%
Abstain	1,959,626,000	47.38%

As such, the Chairman declared that the following resolution is approved by the shareholders:

“RESOLVED, that the stockholders of Citicore Energy REIT Corp.: (i) confirm, approve, and ratify, as they hereby do confirm, approve and ratify, the Board of Directors’ approval of the Audited Financial Statements of the Corporation for the period ended 31 December 2023; and (ii) approve, as they hereby do approve, the management reports covering the calendar year ending 31 December 2023.”

VI. Election of Directors

The Chairman announced that the next item on the agenda is the election of directors. The Corporate Secretary stated that the Nominations, Compensation, and Personnel Committee has submitted the final list of eight (8) nominees found to be qualified for election as members of the Board of Directors of CREIT.

The nominees are:

- a. Mr. Edgar B. Saavedra as Director;
- b. Mr. Oliver Y. Tan as Director;
- c. Mr. Manuel Louie B. Ferrer as Director;
- d. Mr. Ian Jason R. Aguirre as Director;

- e. Ms. Elizabeth Anne C. Uychaco as Director;
- f. Mr. Emmanuel G. Herbosa as Independent Director;
- g. Mr. Jose M. Layug, Jr. as Independent Director; and
- h. Ms. Pacita U. Juan as Independent Director.

The Corporate Secretary then reported the results of the election, as follows:

NAME	NO. OF AFFIRMATIVE VOTES	% OF AFFIRMATIVE VOTES
Edgar B. Saavedra	2,251,226,004	54.44%
Oliver Y. Tan	2,251,226,004	54.44%
Manuel Louie B. Ferrer	2,251,226,004	54.44%
Ian Jason R. Aguirre	4,135,600,004	100.00%
Elizabeth Anne C. Uychaco	4,135,600,004	100.00%
Emmanuel G. Herbosa	2,251,226,004	54.44%
Jose M. Layug, Jr.	2,251,226,004	54.44%
Pacita U. Juan	2,251,226,004	54.44%

The Chairman then formally declared the aforementioned nominees to be the duly elected members of the Board of Directors, to serve as such for the ensuing year and until their successors are duly elected and qualified.

VII. Appointment of External Auditor

The Chairman then proceeded to the next order of business which was the approval of the appointment of the external auditor. Upon the recommendation of CREIT's Audit, Risk and Oversight Committee, the Board of Directors proposed that Isla Lipana & Co. be appointed as the external auditor.

Based on the tabulation of the votes cast through the online portal, the Corporate Secretary confirmed that the Company received votes or proxies representing 4,064,787,004 shares or 100.00% of the shares present or represented at the meeting which voted in favor of the approval of the appointment of Isla Lipana & Co. as the external auditor of the Company.

	<u>Votes</u>	<u>Percentage</u>
Approve	4,135,600,004	100.00%
Against	0	0.00%
Abstain	0	0.00%

The Chairman then declared that the following resolution is approved by the shareholders:

“RESOLVED, that the stockholders of Citicore Energy REIT Corp. (the “Corporation”) hereby approve the appointment of Isla Lipana & Co. as the Corporation’s external auditors for the period 2024-2025.”

VIII. Other Matters

There being no other matters to discuss, the Chairman moved on to the question-and-answer portion.

The ASM proceeded into the question-and-answer portion. The stockholders were encouraged to furnish all questions, concerns, or comments to CREIT prior to the 2024 ASM, by emailing the same to the stock transfer agent of CREIT and/or to the Corporate Secretary.

Furthermore, the stockholders who attended the meeting were informed that they could enter their questions in the chat box on the right side of their screens using the Microsoft Teams application. The stockholders were requested to state their names and affiliations, and to limit their questions to one (1) main question and one (1) follow-up question. They were also informed that: (a) questions would be entertained on a first come, first served basis, and (b) any unanswered questions would be addressed later via email.

The following questions were addressed during the ASM:

- **The 1st question was:** What are your planned asset infusions this year and when is the target date for these infusions?

Mr. Oliver Y. Tan answered: Our planned asset infusion will occur in the following year and will be in three batches, which will come from the eight projects that are under construction by CREC totaling 1,000MW.

- **The 2nd question was:** Is your quarterly dividend inclusive of variable lease? When do you account for the variable lease and why?

Mr. Oliver Y. Tan answered: Only the 4th quarter dividend includes variable lease, and not the first three quarter dividends. We account for the variable lease at the end of the year following the determination of the incremental revenue.

- **The 3rd question was:** Are you open to acquiring assets outside of Citicore?

Mr. Oliver Y. Tan answered: The focus will be mainly on the pipeline projects of its sponsor, CREC. However, should there be attractive renewable energy assets outside Citicore, CREIT can be flexible in acquiring such assets.

- **The 4th question was:** Can you tell us more behind the rationale of SM Investments Corporation’s (“SMIC”) investment into CREIT?

Mr. Oliver Y. Tan answered: The investment of SMIC into CREIT has greatly benefitted the latter. SMIC, as a key shareholder of CREIT, increases the brand

equity of CREIT. Furthermore, it has helped raise funds to grow the leasable area portfolio of CREIT.

IX. Adjournment

There being no further questions or matters raised from the stockholders, the meeting was adjourned. The Chairman thanked everyone who attended the meeting.


Atty. Danica C. Evangelista
Corporate Secretary

ANNEX “A”

Citicore Energy REIT Corp.
2024 Annual Stockholders’ Meeting

Attendance of Stockholders

Stockholder	Number of Shares
Steven C. Sy (proxy) for Citicore Renewable Energy Corporation	2,151,987,996
Elizabeth Anne C. Uychaco (proxy) for SM Investments Corporation	1,884,374,000
Chairman of the Board (proxy) and Corporate Secretary (proxy) for Sun Life Grepa Financial, Inc.	430,000
Chairman of the Meeting (proxy) for SCB OBO BNPP Sin/2s/BNPP Tssl Tr Sdeq FD	74,861,000
Chairman of the Meeting (proxy) for Citiomniloc Various Accounts	133,000
Oliver Y. Tan (proxy) for Deutsche Bank AG Manila Branch	391,000
Cheyenne Francisco Batnag	16,000,000
Oliver Y. Tan	7,423,001
Edgar B. Saavedra	1
Manuel Louie B. Ferrer	1
Ian Jason R. Aguirre	1
Elizabeth Anne C. Uychaco	1
Emmanuel G. Herbosa	1
Pacita U. Juan	1
Jose M. Layug, Jr.	1
TOTAL	4,135,600,004
OUTSTANDING	6,545,454,004
	63.18%

**The foregoing Minutes of the Annual Stockholders’ Meeting (“ASM”) is subject for approval by the Board of Directors and stockholders on the next ASM.*

SEC Form 17-A: Citicore Energy REIT Corporation

Contextual Information

Company Details	
Name of Organization	Citicore Energy REIT Corporation (CREIT)
Location of Headquarters	11th Floor, Rockwell Santolan Town Plaza, 276 Col. Bonny Serrano Avenue, San Juan City
Location of Operations	Philippines
Report Boundary: Legal entities (e.g. subsidiaries) included in this report*	CREIT and its Lessees or "the Group"
Business Model, including Primary Activities, Brands, Products, and Services	Engaged in the business of owning income-generating real estate assets, including renewable energy-generating real estate assets, under a real estate investment trust, governed by Republic Act No. 9856, otherwise known as "The Real Estate Investment Trust (REIT) Act of 2009" and its Implementing Rules and Regulations.
Reporting Period	January 1, 2024 - December 31, 2024
Highest Ranking Person responsible for this report	Oliver Y. Tan

**For purposes of the environmental report and procurement expenses, the scope includes the lessees on the properties leased out by CREIT to present a full picture of the usage of properties. Note, however, that ownership of plants belongs to the lessees, except for CS Clark.*

Materiality Process

Explain how you applied the materiality principle (or the materiality process) in identifying your material topics.¹

CREIT conducted a materiality review to identify the topics most relevant to its operations, stakeholders, and sustainability objectives in 2024. This involved reviewing key references and data sources that outlined CREIT's significant actual and potential positive and negative impacts on the economy, environment, and society based on its operations and activities for the year. The review process considered material topics from previous reports, industry benchmarks, and alignment with the sustainability priorities of its Sponsor, CREC. Furthermore, the corresponding material topics for these impacts were identified in alignment with the Global Reporting Initiative (GRI) Standards and the United Nations Sustainable Development Goals (UN SDGs).

The identified material topics are as follows:

1. Economic Performance
2. Profitability
3. Investor Interest
4. Market Presence
5. Indirect Economic Impacts
6. Procurement Practices
7. Supply Chain Management
8. Tax
9. Energy
10. Biodiversity
11. GHG Emissions
12. Waste Management
13. Employee Engagement
14. Compensation and Benefits
15. Labor Management
16. Occupational Health and Safety
17. Training and Development
18. Diversity and Equal Opportunity
19. Human Rights
20. Non-discrimination
21. Child Labor
22. Forced Labor
23. Security Practices
24. Rights of Indigenous Peoples
25. Community Development
26. Community Relations
27. Corporate Social Responsibility
28. Marketing and Labeling

¹ See [GRI 102-46](#) (2016) for more guidance.

- 29. Data Privacy
- 30. Business Ethics and Integrity
- 31. Anti-corruption
- 32. Regulatory Compliance

Water and Effluents, and Materials were material topics from 2023 that are no longer material to CREIT in 2024 since these topics are deemed more material to the sponsor, CREC. Additionally, Tax is a new topic for 2024 that was not covered in the previous report.

ECONOMIC

Economic Performance

Direct Economic Value Generated and Distributed

Disclosure	Amount	Units
Direct economic value generated (revenue)	1,887,665,265	Php
Direct economic value distributed:	-	
a. Operating costs	104,305,887	Php
b. Employee wages and benefits	-	Php
c. Payments to suppliers, other operating costs	11,362,939	Php
d. Dividends given to stockholders and interest payments to loan providers	1,633,079,760	Php
e. Taxes given to government	42,895,073	Php
f. Investments to community (e.g. donations, CSR)	100,000	Php

***Employee wages and benefits of core employees (CEO, CFO, IRO, Compliance Officer, Corporate Secretary, and Asst. Corporate Secretary) of CREIT are charged and reported by its parent company Citicore Renewable Energy Corporation (CREC).*

CREIT and its Lessees' Management Approach on Economic Performance

The Citicore Group's income-generating renewable energy Real Estate Investment Trust (REIT), Citicore Energy REIT Corp. (CREIT), is the country's first and largest Energy REIT. CREIT sustains its role as the country's leading renewable energy REIT through its unique REIT model that focuses on leasing income-generating assets to renewable energy developers and operators.

The Group's Lessees maintain comprehensive insurance policies to mitigate risks, which are consistent with industry standards.

Through facilitating green investments, CREIT consistently delivers reliable returns to investors and contributes to economic growth in its host communities. Despite external pressures, CREIT has maintained its profitability while sustaining its commitment to quarterly dividends to shareholders.

Climate-related risks and opportunities

Natural calamities, such as weather disturbances, earthquakes, volcanic eruptions, floods, and drought, can significantly impact company operations. The Philippines' vulnerability to these natural disasters poses a challenge for companies in planning for resilience and maintaining operations. Specifically, CREIT and its Lessees acknowledge that the increasing intensity in seasonal weather changes and natural catastrophes, including extreme weather events, could materially disrupt its operations at its land assets and affect financial performance. To mitigate these risks, CREIT and its Lessees ensure structural integrity during construction, strictly adhere to its Environmental Management Framework, and diversify its energy projects.

Procurement Practices

Proportion of spending on local suppliers

Disclosure	Quantity	Units
<i>Location</i>		
CS Tarlac 1	1%	%
CS Tarlac 2	1%	
CS South Cotabato	70%	
CS Negros Occidental	10%	
CS Bulacan	51%	
CS Cebu	13%	
CS Clark	23%	

***For procurement expenses reporting, the scope includes the lessees on the properties leased out by CREIT to present a full picture of the usage of properties. Note, however, that ownership of most plants belongs to the lessees, except for CS Clark.

CREIT and its Lessees' Management Approach on Procurement Practices

The Supply Chain Policy covers procurement practices of the solar plant operators as well as that of CREIT and its Lessees, wherein property and fund management functions of the Group are performed by Citicore Property Managers Inc. (CPMI) and Citicore Fund Managers Inc. (CFMI), respectively. The properties it acquires, as endorsed by CFMI, came from its Sponsor - Citicore Renewable Energy Corporation (CREC) - a leader in the development, construction, operation, and maintenance of solar plants, most of which are CREIT's Lessees. Although minimal given the company merely serves as the landlord for the group's sites, CREIT values purchasing equipment and services from local industry providers, the Company still evaluates the best fit for its facilities and assets, given that the industry needs unique equipment and service specifications.

In 2024, CREIT and its Lessees strengthened its procurement processes by transitioning to a fully digital, paperless system which automates bid tabulations, requests to award (RTA), and payment processes, adhering to the Citicore Group's commitment to effective procurement process that decreases operating costs, minimizes disruptions and delays, and enhances operational efficiency. CREIT and its Lessees' procurement practices prioritize compliance with CREC's sustainability guidelines, which focus on minimizing negative impacts on the environment and support socio-economic growth through sustainable and responsible sourcing.

Anti-corruption

Training on Anti-corruption Policies and Procedures

Disclosure	Quantity	Units
Percentage of employees to whom the organization's anticorruption policies and procedures have been communicated to	100	%
Percentage of business partners to whom the organization's anti-corruption policies and procedures have been communicated to	100	%
Percentage of directors and management that have received anti-corruption training	100	%
Percentage of employees that have received anti-corruption training	100	%

Incidents of Corruption

Disclosure	Quantity	Units
Number of incidents in which directors were removed or disciplined for corruption	0	#
Number of incidents in which employees were dismissed or disciplined for corruption	0	#
Number of incidents when contracts with business partners were terminated due to incidents of corruption	0	#

CREIT and its Lessees' Management Approach on Anti-Corruption Practices

CREIT and its Lessees uphold strict anti-corruption policies, reflected on its zero-tolerance stance on bribery, fraud, and unethical practices. Anti-corruption practices and information dissemination are monitored in the Group's plan through meetings and training on anti-corruption practices, ensuring that 100% of its employees, management, and business partners are trained in anti-corruption policies and procedures. This commitment to ethical conduct extends to its external suppliers within the supply chain through its supplier accreditation process, which mandates adherence to anti-corruption practices and ethical business standards.

ENVIRONMENTAL

Resource Management

Energy consumption within the organization:

Disclosure	Quantity	Units
Energy consumption (renewable sources)	0	GJ
Energy consumption (gasoline)	84.62	GJ
Energy consumption (LPG)	0	GJ
Energy consumption (diesel)	34.01	GJ
Energy consumption (electricity)	75,314.6	kWh

Reduction of energy consumption

Disclosure	Quantity	Units
Energy reduction (gasoline)	N/A	GJ
Energy reduction (LPG)	N/A	GJ
Energy reduction (diesel)	N/A	GJ
Energy reduction (electricity)	N/A	kWh

CREIT and its Lessees' Management Approach on Energy Consumption

The Group is committed to reducing its environmental impact and achieving carbon neutrality by supporting renewable energy and sustainable infrastructure. As part of the Group, CREIT and its Lessees implement sustainable initiatives aimed at efficient energy utilization and consumption. CREIT's lessees produce renewable energy while the company primarily owns the land they operate on.

CREIT and its Lessees' Management Approach on Water and Effluents

While water is not material to CREIT's operations, it is essential for the maintenance of the solar farms it leases. Water is crucial to CREIT's Lessees' operations, enabling the cleaning of solar panels, and optimizing their capacity to absorb sunlight for maximum energy generation. Solar power operations, inherently, are less water-consuming. They consume minimal water volume for panel cleaning and do not generate wastewater since no chemicals are used as additives. In turn, these are recycled and drained under the Solar Panel Tables (SPT), which are used for watering grass on its properties where vegetation for the group. CREC, CREIT's parent company, owns the solar farms and possesses comprehensive water management data.

CREIT and its Lessees have an existing Sustainable Water and Wastewater Management expansion project to thoroughly monitor, assess, and improve existing sustainable policies and programs. In addition, the Group, including CREIT, implements sustainable water management practices, such as introducing drainage networks to avoid heavy water outflows and landfilling at sites.

Ecosystems and biodiversity (whether in upland/watershed or coastal/marine)

Disclosure	Quantity	Units
Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	N/A	
Habitats protected or restored	N/A	
IUCN ² Red List species and national conservation list species with habitats in areas affected by operations	N/A	

CREIT and its Lessees' Management Approach on Biodiversity

CREIT and its Lessees endeavor to contribute to life preservation by promoting renewable energy. They understand that transitioning to renewable energy sources is essential for reducing the adverse effects of climate change from continuous greenhouse gas emissions. However, they acknowledge that while renewable energy offers significant environmental benefits, its development and operation come with ecological considerations. The Group recognizes environmental risks during the construction of renewable energy projects, particularly concerning waste handling, which also entails risks to local biodiversity and natural habitats. Operational risks such as ecological hazards also arise from generating renewable energy assets related to mining raw materials found in solar panels. However, CREIT and its Lessees acknowledge that the preservation of ecosystems offers significant benefits. Therefore, biodiversity conservation is a critical parameter of its investment decisions, as detailed in the Environmental Management Framework.

Under this Environmental Management Framework, none of its properties should be located in or adjacent to national parks or other protected areas. No IUCN 17 Red List species have been identified near the project sites or along transmission lines, with natural habitats protected and restored. In line with national regulations, the Group also plants 100 trees for every tree it falls on during site development and construction at CREIT's land assets. While there is no site record, the Group closely maintains environmentally safe and compliant solar operations.

Under the Environmentally Sustainable Management of Living Natural Resources and Land Use category, the Group may finance or refinance expenditures related to reforestation, afforestation, acquisition of land or land use access rights, purchase of equipment and related resources for the

² International Union for Conservation of Nature

ongoing establishment, maintenance, and management of forestry projects, or the certification of sustainable forestry project.

Environmental Impact Management

Air Emissions

GHG

Disclosure	Quantity	Units
Direct (Scope 1) GHG Emissions	0	MTCO ₂ e
Energy indirect (Scope 2) GHG Emissions	0.384	MTCO ₂ e
Emissions of ozone-depleting substances (ODS)	0	MTCO ₂ e

Air pollutants

Disclosure	Quantity	Units
NO _x	0	kg
SO _x	0	kg
Persistent organic pollutants (POPs)	0	kg
Volatile organic compounds (VOCs)	0	kg
Hazardous air pollutants (HAPs)	0	kg
Particulate matter (PM)	0	kg

CREIT and its Lessees' Management Approach on Emissions

The Group, including CREIT and its Lessees, is committed to developing sustainable infrastructure projects through income-generating renewable energy-related real estate properties in the Philippines. Recognizing the importance of emissions reduction in achieving a carbon-neutral business, CREIT's solar assets offer a substantial reduction in emissions compared to fossil fuel alternatives. The Group aims to continuously innovate to provide more reliable and affordable renewable energy solutions towards a net zero carbon future.

CREIT has no direct emissions, as it serves as a landlord to its lessees which are operating and developing solar power plants. The emissions of the lessees will be reported by the management and operations of the renewable energy-generating real estate assets rather than direct energy generation. The Scope 1 emissions of CREIT are mostly from operations in sites where CREIT has operational control and ownership, including the Clark Solar Plant, and its head office in San Juan City. The Scope 3 emissions are indirect emissions from its value chain, including leased assets CREIT did not retain operational control.

Solid and Hazardous Wastes

Solid Waste

Disclosure	Quantity	Units
Total solid waste generated	0.053	MT
Reusable	0.016	MT
Recyclable	0.035	MT
Composted	0.003	MT
Incinerated	0	MT
Residuals/Landfilled	0	MT

Hazardous Waste

Disclosure	Quantity	Units
Total weight of hazardous waste generated	0	MT
Total weight of hazardous waste transported	0	MT

CREIT and its Lessees' Management Approach on Waste Management

As a corporation engaged in sustainable infrastructure, CREIT minimizes environmental impact at all stages of solar plant operation, including implementing waste management practices. After its operating life, future possible hazardous waste from site equipment will be disposed of through the Department of Environment and Natural Resources (DENR) accredited processing units. Other recyclable site wastes will be donated to local barangay units to support infrastructure projects, such as waiting sheds, and other initiatives that will aid the local community.

In addition, solar panels have a service life of twenty-five to thirty years, with no significant waste generated during their operating life. After the serviceable life, the solar panels will be disposed of by accredited suppliers. The Group ensures that the suppliers adhere to regulatory standards, comply with all rules and regulations, and have excellent track records, as applicable. The Clark Waste Disposal Management System is the accredited partner disposal company that processes busted solar panels and other hazardous waste of the Group.

Environmental compliance

Non-compliance with Environmental Laws and Regulations

Disclosure	Quantity	Units
Total amount of monetary fines for non-compliance with environmental laws and/or regulations	0	PhP
No. of non-monetary sanctions for non-compliance with environmental laws and/or regulations	0	#
No. of cases resolved through dispute resolution mechanism	0	#

CREIT and its Lessees' Management Approach on Environmental Compliance

CREIT and its Lessees secured all government approvals and permits from concerned agencies and regulatory bodies, which are material and necessary to allow them to conduct the business and operations of the Group and its Lessees. These documents were obtained promptly and are in full force and effect. Each operating plant is environmentally compliant, with an assigned Pollution Control Officer (PCO) to oversee processes and manage environmental concerns. The centralized Environment, Safety, and Health (ESH) team, formalized in late 2023, monitors adherence to international standards and facilitates Environmental and Social Impact Assessments (ESIA).

SOCIAL

Employee Management

Employee Hiring and Benefits

Employee data

Disclosure	Quantity	Units
Total number of employees ³	7	#
a. Number of female employees	3	#
b. Number of male employees	4	#
Attrition rate ⁴	14%	rate
Ratio of lowest paid employee against minimum wage	None	ratio

Employee benefits

List of Benefits	Y/N	% of female employees who availed for the year	% of male employees who availed for the year
SSS	Y	100	100
PhilHealth	Y	100	100
Pag-ibig	Y	100	100
Parental leaves	Y	100	100
Vacation leaves	Y	100	100
Sick leaves	Y	100	100

³ Employees are individuals who are in an employment relationship with the organization, according to national law or its application ([GRI Standards 2016 Glossary](#))

⁴ Attrition rate = (no. of new hires – no. of turnover)/(average of total no. of employees of previous year and total no. of employees of current year)

Medical benefits (aside from PhilHealth))	Y	100	100
Disability and invalidity coverage	Y	-	-
Life insurance	Y	100	100
Housing assistance (aside from Pagibig)	Y	-	-
Retirement fund (aside from SSS)	Y	100	100
Further education support	Y	-	-
Company stock options	Y	-	-
Telecommuting	Y	100	100
Flexible-working Hours	Y	100	100
Remote work/Work-from-home (WFH)	Y	100	100

CREIT and its Lessees' Management Approach on Employee Hiring and Benefits

CREIT and its Lessees value people and remain committed to building a solid foundation for future growth and expansion. These organizations aim to maintain a progressive work environment, promote business ethics, and harness a stable and harmonious relationship between the management and employees. The Group complies with minimum wage and benefits standards as mandated by the Labor Code in the Philippines, and no incidence of a work stoppage has been reported. The Group recognizes the efforts of its employees, using a performance management system that evaluates and rewards its employees accordingly. The Group also believes that collective action among its stakeholders, including attracting and retaining competent, dynamic, and diversified employees, will help achieve more meaningful goals and be instrumental to the overall success of CREIT and its Lessees.

Employee Training and Development

Disclosure	Quantity	Units
Total training hours provided to employees	292	hours
a. Female employees	116	hours
b. Male employees	176	hours
Average training hours provided to employees	41	hours/employee
a. Female employees	39	hours/employee
b. Male employees	44	hours/employee

CREIT and its Lessees' Management Approach on Training and Development

The Human Resources Department of CREIT and its Lessees believe that well-skilled and highly-trained personnel in their respective fields are necessary to sustain the Group's long-term growth momentum. To develop a deep bench and steady supply of competent human capital, the Group, and its Lessees provide employee training programs and adhere to regulatory requirements to ensure career growth and development that soon will be a workforce advantage for the Group. The Group believes that continued learning and development initiatives are essential to ensure organizational competency buildup aligned with efforts on career development and employee growth.

Labor-Management Relations

Disclosure	Quantity	Units
% of employees covered with Collective Bargaining Agreements	N/A	%
Number of consultations conducted with employees concerning employee-related policies	N/A	#

Diversity and Equal Opportunity

Disclosure	Quantity	Units
% of female workers in the workforce	42.86	%
% of male workers in the workforce	57.14	%
Number of employees from indigenous communities and/or vulnerable sector*	0	#

**Vulnerable sector includes, elderly, persons with disabilities, vulnerable women, refugees, migrants, internally displaced persons, people living with HIV and other diseases, solo parents, and the poor or the base of the pyramid (BOP; Class D and E).*

CREIT and its Lessees' Management Approach on Diversity and Equal Opportunity

As emphasized, the Human Resources Department of CREIT and its Lessees value people, and the Group prioritizes local hiring within the periphery of its operations. However, the Group knows that job skill requirements sometimes need to be met locally. To address this, the Group employs senior and experienced personnel to serve as on-the-job trainers to develop competencies for employees who pass the medical clearance process and are found fit to work.

Workplace Conditions, Labor Standards, and Human Rights

Occupational Health and Safety

Disclosure	Quantity	Units
Safe Man-Hours	28,112	Man-hours
No. of work-related injuries	0	#
No. of work-related fatalities	0	#

No. of work-related ill-health	0	#
No. of safety drills	0	#

CREIT and its Lessees' Management Approach on Occupational Health and Safety

CREIT and its Lessees workforce are considered its most important asset. Hence, it has provided significant resources to acquire, motivate, equip, protect, and take care of its employees. The Group recognizes the impact that health and well-being can have on business continuity and customer experience. The Group's ESH team oversees the Occupational Health and Safety framework, centralizing and standardizing safety practices and policies, with regular alignment meetings to ensure consistency and adherence across operational sites.

Labor Laws and Human Rights

Disclosure	Quantity	Units
No. of legal actions or employee grievances involving forced or child labor	0	#

Do you have policies that explicitly disallows violations of labor laws and human rights (e.g. harassment, bullying) in the workplace?

Topic	Y/N	If Yes, cite reference in the company policy
Forced labor	Y	Code of Business Conduct and Ethics, Supplier Code of Conduct
Child labor	Y	Code of Business Conduct and Ethics, Supplier Code of Conduct
Human Rights	Y	Code of Business Conduct and Ethics, Supplier Code of Conduct

CREIT and its Lessees' Management Approach on Labor Laws and Human Rights

CREIT and its Lessees enforce strict compliance with the Department of Labor Employment's (DOLE) requirements in all labor laws, and human rights standards, from organic to contractual to project-based positions. The Group observes zero-tolerance policies for forced and child labor, and CREIT's Code of Business Conduct emphasizes respect for human rights. To ensure that third-party labor practices align with these ethical standards, CREIT maintains regular engagement with contractors.

Supply Chain Management

Do you have a supplier accreditation policy? If yes, please attach the policy or link to the policy:

Do you consider the following sustainability topics when accrediting suppliers?

Topic	Y/N	If Yes, cite reference in the supplier policy
Environmental performance	Y	Supplier Code of Conduct/ Supplier Accreditation & Evaluation
Forced labor	Y	Supplier Code of Conduct/ Supplier Accreditation & Evaluation
Child labor	Y	Supplier Code of Conduct/ Supplier Accreditation & Evaluation
Human rights	Y	Supplier Code of Conduct/ Supplier Accreditation & Evaluation
Bribery and corruption	Y	Supplier Code of Conduct/ Supplier Accreditation & Evaluation

CREIT and its Lessees' Management Approach on Supply Chain Management

CREIT and its Lessees adhere to the same Supply Chain Policies established by the parent company, Citicore Energy Corporation (CREC). On the other hand, CREC and CREIT's Lessees handle all procurement and supplier relations for development, construction, operation, and maintenance separately. The third-party suppliers of the solar power plants operated by Lessees provide workforce services, such as housekeeping and security. Both the Group and its Lessees depend on a single third-party supplier.

Relationship with Community

Significant Impacts on Local Communities

CREIT and its Lessees maintain strong partnerships with host communities through programs like the Usbong Scholarship, CommuniTree, and the AgroSolar project. The AgroSolar project, where high-value crops are grown underneath and around the solar panel installations, actively advocates environmental sustainability.

CREIT and its Lessees' Management Approach on Local Communities

Its vision guides CREIT and its Lessees to partner with communities for environmental programs and advocacies, where the surrounding communities are beneficiaries moving forward to more progressive renewable energy investment business operations. The Group has implemented community-building activities, such as training programs and providing scholarships and employment opportunities to local communities, to promote inclusive growth around the areas where the leased properties are located.

The initiative maximizes land use and engages the farmers in the community to pursue economic and social self-sufficiency through sustainable business ventures. Such programs and activities also educate the locals, which can upskill them in the future and open opportunities for potential employment in CREIT and its Lessees.

Customer Management

Customer Satisfaction

Disclosure	Score	Did a third party conduct the customer satisfaction study (Y/N)?
Customer satisfaction	-	N

Health and Safety

Disclosure	Quantity	Units
No. of substantiated complaints on product or service health and safety*	0	#
No. of complaints addressed	0	#

**Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies.*

CREIT and its Lessees' Management Approach on Customer Health and Safety

CREIT and its Lessees have no direct contact with its customers on customer safety and health, but the Group encourages plans to include sustainability considerations in selecting industrial customers.

Marketing and labelling

Disclosure	Quantity	Units
No. of substantiated complaints on marketing and labelling*	0	#
No. of complaints addressed	0	#

**Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies.*

Customer privacy

Disclosure	Quantity	Units
No. of substantiated complaints on customer privacy*	0	#
No. of complaints addressed	0	#
No. of customers, users, and account holders whose information is used for secondary purposes	0	#

**Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies.*

Data Security

Disclosure	Quantity	Units
No. of data breaches, including leaks, thefts, and losses of data	0	#

CREIT and its Lessees' Management Approach on Customer Privacy and Data Security

CREIT and its Lessees keep the data of its customers and clients with utmost confidentiality to protect the interests of the Group, its stakeholders, and its customers. The Group strictly observes the Data Privacy Act 2012 of the National Privacy Commission. Internal systems are also secured to prevent unauthorized access, ensuring the integrity of the Group's digital transactions.

UN SUSTAINABLE DEVELOPMENT GOALS

Product or Service Contribution to UN SDGs

Key products and services, and their contribution to sustainable development.

Key Products and Services	Societal Value / Contribution to UN SDGs	Potential Negative Impact of Contribution	Management Approach to Negative Impact
Real Estate	<u>SDG 4: Quality Education</u> Through the Usbong Scholarship Program, Citicore Foundation aims to provide ample support for extraordinary young adults in the surrounding local communities of the Group and its Lessees. <u>SDG 6: Clean Water and Sanitation</u> Minimal consumption and proper handling of water, wastewater and effluents through sustainable water management.	These are not expected to generate negative impacts as they address and have existing management policies and systems.	Programs are monitored and implemented to address and manage risks.

	<u>SDG 7: Affordable and clean energy</u> Leasing land assets exclusively for renewable energy-generating real estate assets. <u>SDG 9: Industry, Innovation, and Infrastructure</u> Has programs and initiatives promoting inclusive and sustainable industrialization in renewable energy, implemented by Lessee (CREC) and enabled by CREIT's real estate. This includes the AgroSolar initiative and the deployment of Trinabot and AVSES robot cleaners. <u>SDG 11: Sustainable Cities and Communities</u> Extending programs to the community through scholarships, training initiatives, local employment, and livelihood <u>SDG 13: Climate Action</u> Committed to sustain the Group's contribution in the achievement of carbon-neutral sustainable business through the use of renewable energy—solar, wind, and hydroelectric energy		
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* None/Not Applicable is not an acceptable answer. For holding companies, the services and products of its subsidiaries may be disclosed.

REPUBLIC OF THE PHILIPPINES)
SAN JUAN CITY) S.S.

CERTIFICATION

I, **DANICA C. EVANGELISTA**, of legal age, Filipino, and with office address at 10th Floor, Rockwell Santolan Town Plaza, 276 Col. Bonny Serrano Avenue, San Juan City, after being sworn in accordance with law, hereby certify that:

1. I am the duly appointed and incumbent Corporate Secretary of **CITICORE ENERGY REIT CORP.** (the "Corporation"), a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, and with principal office address at 11/F, Rockwell Santolan Town Plaza, 276 Bonny Serrano Avenue, San Juan City, Metro Manila.

2. I hereby certify that no Directors or Executive Officers of the Corporation are connected with any government agencies or its instrumentalities.

IN WITNESS WHEREOF, I have hereunto set my hand this MAY 13 2025 at San Juan City, Metro Manila, Philippines.


DANICA C. EVANGELISTA
Corporate Secretary

SUBSCRIBED AND SWORN to before me this MAY 13 2025 in San Juan City, Philippines by affiant who exhibited to me her Driver's License No. D19-11-004571 issued on 25 January 2022 by the Department of Transportation – Land Transportation Office.

Doc. No. 165 ;
Page No. 34 ;
Book No. III ;
Series of 2025.




STEVEN ANGELO MICHAEL C. SY
Notary Public for and in San Juan City
Notarial Commission No. 033 (2024-2025)
Until 31 December 2025
10F Santolan Town Plaza, 276 Santolan Road
Little Baguio San Juan City Metro Manila
Roll No. 75659
PTR No. SJ 1820331 | 7 Jan 2025 | San Juan City
IBP No. 498696 | 6 Jan 2025 | Quezon City Chapter
Admitted to the BAR on 30 July 2020



MAY 13 2025

**STATEMENT OF MANAGEMENT'S RESPONSIBILITY
FOR FINANCIAL STATEMENTS**

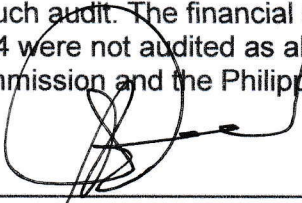
The management of Citicore Energy REIT Corp. (the "Company") is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, for the periods ended March 31, 2025 and 2024 and December 31, 2024, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

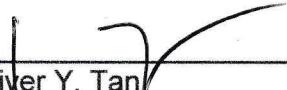
The Board of Directors is responsible for overseeing the Company's financial reporting process.

The Board of Directors reviews and approves the financial statements including the schedules attached therein, and submits the same to the stockholders.

Isla Lipana & Co., the independent auditors appointed by the stockholders for the period ended December 31, 2024 and audited the financial statements of the Company for the said period in accordance with Philippine Standards on Auditing, and in their reports to the stockholders, have expressed their opinion on the fairness of presentation upon completion of such audit. The financial statements as of and for the periods ending March 31, 2025 and 2024 were not audited as allowed under the applicable rules of the Securities and Exchange Commission and the Philippine Stock Exchange.



Edgar B. Saavedra
Chairman of the Board



Oliver Y. Tan
President and Chief Executive Officer



Michelle A. Magdato
Treasurer



SUBSCRIBED AND SWORN TO before me in SAN JUAN CITY on MAY 13 2025,
affiants exhibiting to me their respective IDs, as follows:

NAME	Valid ID	DATE OF ISSUE/VALID UNTIL	PLACE OF ISSUE
Edgar B. Saavedra	Passport No. P6875140B	Valid until May 26, 2031	Manila
Oliver Y. Tan	Passport No. P4489306B	Valid until January 21, 2030	DFA NCR East
Michelle A. Magdato	Passport No. P6873524A	Valid until April 21, 2028	DFA NCR East

Doc. No. 107;
Page No. 23;
Book No. III;
Series of 2025.



Sty
STEVEN ANGELO MICHAEL C. SY
Notary Public for and in San Juan City
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Admitted to the BAR on 30 Jan 2025

Citicore Energy REIT Corp.

(Formerly Enfinity Philippines Renewable
Resources Inc.)

(A subsidiary of Citicore Renewable
Energy Corporation)

Condensed Interim Financial Statements

**As at March 31, 2025 and December 31, 2024, and for the three-month
period ended March 31, 2025 and 2024**

CITICORE ENERGY REIT CORP.
(A Subsidiary of Citicore Renewable Energy Corp.)
Statements of Financial Position
(All amounts in Philippine Peso)
March 31, 2025 and December 31, 2024

	March 31, 2025	December 31, 2024
<u>ASSETS</u>		
Current assets		
Cash and cash equivalents	718,442,062	597,582,293
Trade and other receivables	32,511,739	207,800,606
Prepayments and other current assets	106,783,059	101,054,068
Total current assets	857,736,860	906,436,967
Non-current assets		
Trade and other receivables - noncurrent	568,290,978	519,334,455
Property, plant and equipment, net	1,139,043,176	1,153,818,036
Investment properties	7,287,172,788	7,239,119,531
Right-of-use assets	30,622,989	31,157,023
Other non-current assets	41,450,164	41,450,164
Total non-current assets	9,066,580,095	8,984,879,209
Total assets	9,924,316,955	9,891,316,176
<u>LIABILITIES AND EQUITY</u>		
Current liabilities		
Trade and other payables	102,020,900	115,741,759
Dividends payable	360,358,689	312,888,626
Lease liabilities - current portion	3,465,568	3,267,523
Total current liabilities	465,845,157	431,897,908
Non-current liabilities		
Security deposit and deferred rent income	186,595,620	189,135,416
Lease liabilities - net of current portion	219,779,210	218,421,080
Bonds payable	4,470,839,517	4,468,567,198
Retirement benefit obligation	314,672	314,672
Total non-current liabilities	4,877,529,019	4,876,438,366
Total liabilities	5,343,374,176	5,308,336,274
Equity		
Share Capital	1,636,363,501	1,636,363,501
Additional paid in capital	2,307,335,739	2,307,335,739
Retained Earnings	637,192,645	639,229,768
Other comprehensive income	50,894	50,894
Total equity	4,580,942,779	4,582,979,902
Total liabilities and equity	9,924,316,955	9,891,316,176

See Notes to the Interim Financial Statements.

CITICORE ENERGY REIT CORP.
(A Subsidiary of Citicore Renewable Energy Corp.)
Statements of Total Comprehensive Income
(All amounts in Philippine Peso)
For the periods ended March 31, 2025 and 2024
(Unaudited)

	March 31, 2025 (Year-to-date)	March 31, 2024 (Year-to-date)	March 31, 2025 (for the quarter)	March 31, 2024 (For the quarter)
Revenues	472,383,458	472,843,370	472,383,458	472,843,370
Cost of Services	(26,178,911)	(26,066,902)	(26,178,911)	(26,066,902)
Gross Profit	446,204,547	446,776,468	446,204,547	446,776,468
Operating expenses	(3,084,153)	(2,291,996)	(3,084,153)	(2,291,996)
Income from operations	443,120,394	444,484,472	443,120,394	444,484,472
Finance cost	(85,824,449)	(86,053,062)	(85,824,449)	(86,053,062)
Others - net	666,902	843,842	666,902	843,842
Income before income tax	357,962,847	359,275,252	357,962,847	359,275,252
Income tax expense	-	-	-	-
Net income after tax	357,962,847	359,275,252	357,962,847	359,275,252
Other comprehensive income	-	-	-	-
Total comprehensive income	357,962,847	359,275,252	357,962,847	359,275,252
		-		-
Earnings per share				
Basic and diluted	0.05	0.05	0.05	0.05

See Notes to the Interim Financial Statements.

CITICORE ENERGY REIT CORP.
(A Subsidiary of Citicore Renewable Energy Corp.)
Statements of Changes in Equity
(All amounts in Philippine Peso)
For the periods ended March 31, 2025 and 2024

	Share capital	APIC	OCI	Retained Earnings	Total equity
Balances at January 1, 2024	1,636,363,501	2,307,335,739	50,894	525,494,267	4,469,244,401
Comprehensive income					
Net income	-	-		359,275,252	359,275,252
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	-	359,275,252	359,275,252
Transactions with owners					
Cash dividends				(353,454,514)	(353,454,514)
Balances at March 31, 2024	1,636,363,501	2,307,335,739	50,894	531,315,005	4,475,065,139
Balances at January 1, 2025	1,636,363,501	2,307,335,739	50,894	639,229,768	4,582,979,902
Comprehensive income					
Net income	-	-		357,962,847	357,962,847
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	-	357,962,847	357,962,847
Transactions with owners					
Cash dividends	-	-		(359,999,970)	(359,999,970)
Balances at March 31, 2025	1,636,363,501	2,307,335,739	50,894	637,192,645	4,580,942,779

See Notes to the Interim Financial Statements.

CITICORE ENERGY REIT CORP.
(A Subsidiary of Citicore Renewable Energy Corp.)
Statements of Changes in Cash Flows
(All amounts in Philippine Peso)
For the periods ended March 31, 2025 and 2024

	March 31, 2025	March 31, 2024
Cash flows from operating activities		
Profit before income tax	357,962,847	359,275,252
Adjustments for:		
Depreciation expense	17,834,095	17,840,384
Unrealized foreign exchange (gains) losses	(4,354)	13,906
Interest expense	4,977,194	88,919,638
Interest income	(679,456)	(857,748)
Operating income before working capital changes	380,090,326	465,191,432
Changes in:		
Receivables	126,332,345	(46,002,119)
Prepayments and other current assets	(5,728,988)	(7,460,791)
Accounts payable and other liabilities	106,987,597	12,971,916
Security Deposit	(3,634,547)	17,958,298
Cash from operating activities	604,046,733	442,658,740
Interest received	679,456	857,748
Net cash from operating activities	604,726,189	443,516,488
Cash flows used in investing activities		
Acquisitions of and expenditure for Investment property	(50,578,459)	(50,696)
Net cash used in investing activities	(50,578,459)	(50,696)
Cash flows from financing activities		
Principal payment on lease liability	(500,699)	(13,903,662)
Interest payment on lease liability	(1,821,217)	(1,855,281)
Dividend payment	(351,605,169)	(320,727,244)
Interest payment on bonds	(79,360,876)	(79,360,876)
Net cash used in financing activities	(433,287,961)	(415,847,063)
Net increase in cash	120,859,769	27,618,729
Cash at the beginning of the year	597,582,293	616,861,821
Cash at the end of the period	718,442,062	644,480,550

See Notes to the Interim Financial Statements.

Citicore Energy REIT Corp.

(Formerly Enfinity Philippines Renewable Resources Inc.)

(A subsidiary of Citicore Renewable Energy Corporation)

Notes to the Financial Statements

As at March 31, 2025 and December 31, 2024 and

for the three-month periods ended March 31, 2025 and 2024

(All amounts are shown in Philippine Peso unless otherwise stated)

Note 1 - General information*(a) Corporate information*

Citicore Energy REIT Corp. (formerly Enfinity Philippines Renewable Resources Inc.) (the “Company”) was registered with the Philippine Securities and Exchange Commission (SEC) on July 15, 2010.

Prior to May 25, 2021, the Company’s primary objective is to explore, develop and utilize renewable resources with particular focus on solar and wind energy generation; to design, construct, erect, assemble, commission and operate power-generating plants and related facilities for the conversion of renewable energy into usable form fit for electricity generation and distribution; and to perform other ancillary and incidental activities as may be provided by and under contract with the Government of the Republic of the Philippines, or any subdivision, instrumentality or agency thereof, or any government-owned and controlled corporation, or other entity engaged in the development, supply and distribution of renewable energy.

The amended primary purpose of the Company is to engage in the business of owning income-generating real estate assets, including renewable energy generating real estate assets, under a real estate investment trust (REIT) by virtue of Republic Act (RA) No. 9856, otherwise known as the “*Real Estate Investment Trust Act of 2009*” and its implementing rules and regulations.

The Company’s 22.33-megawatt (MW) Clark Solar Power Project in Clark, Freeport Zone, Pampanga was successfully commissioned on March 12, 2016 through the confirmation of the Department of Energy (DOE) covering its Solar Energy Service Contract (SESC) No. 2014-07-086 and Amended Certificate of Commerciality No. SCC-2015-03-014-B with validity of 25 years. On October 13, 2021, the Company assigned the SESC to Citicore Renewable Energy Corp. (the “Parent Company” or CREC), making the latter the operator of the Clark Solar Power Plant. The assignment was approved by the DOE on December 24, 2021.

On May 25, 2021, the Company’s Board of Directors (BOD) and shareholders approved, among others, the following amendments to the Company’s Articles of Incorporation (AOI): (i) change of corporate name from Enfinity Philippines Renewable Resources Inc. to Citicore Energy REIT Corp.; (ii) amendment of the primary purpose to that of a real estate investment trust; (iii) change of principal office address from Prince Balagtas Avenue Extension, Clark Freeport Zone, Pampanga to 11F, Rockwell Santolan Town Plaza, 276 Col. Bonny Serrano Avenue, San Juan City, Metro Manila; and (iv) increase of authorized share capital to P3.84 billion divided into 15.36 billion common shares with par value of P0.25 per share.

On May 26, 2021, as part of the increase in authorized share capital, the Parent Company subscribed to 2.4 billion shares as consideration for the assignment by Parent Company of its advances to the Company amounting to P602,465,066. In addition, Parent Company and Citicore Solar Tarlac 1, Inc. (CST1) (formerly nv vugt Philippine Solar Energy Three, Inc.) subscribed to 19,461,142 shares and 918,720,864 shares, respectively, or a total of 938,182,006 shares, as consideration for the assignment of parcels of land, with an aggregate area of 138,164 sq.m., located in Brgy. Armenia, Tarlac.

The Company's submission to the SEC for the foregoing amendments was approved on October 12, 2021. Upon issuance of the shares during 2021, the Company's shareholding structure was 16.7% and 83.3% owned by CST1 and Parent Company, respectively. Prior to October 12, 2021, the Parent Company owns 100% of the Company.

The Company's ultimate parent company is Citicore Holdings Investment, Inc., a company incorporated in the Philippines as a holding company engaged in buying and holding shares of other companies.

On November 4, 2021, the Company's BOD and shareholders approved, among others, to amend its AOI and delete one of the secondary purposes reflected in the amended AOI as approved by BOD on May 25, 2021 as follows: "to invest in or otherwise engage in the exploitation, development, and utilization of renewable energy resources with particular focus on solar and wind energy generation; to design, construct, erect, assemble, commission and operate power-generating plants and related facilities for the conversion of renewable energy into usable form fit for electricity generation and distribution; and to perform other ancillary and incidental activities as may be provided by and under contract with the Government of the Republic of the Philippines, or any subdivision, instrumentality or agency thereof, or any government-owned and controlled corporation, or other entity engaged in the development, supply and distribution of renewable energy". The Company's submission to the SEC for the foregoing amendment was approved on November 17, 2021.

On January 14, 2022 and February 2, 2022, the Philippine Stock Exchange ("PSE") issued notice of acceptance and the Philippine SEC issued permit to sell, respectively, in relation to the Company's application for initial public offering. The Company attained its status as "public company" on February 22, 2022 when it listed its shares as a REIT in the main board of the PSE. As a public company, it is covered by the Part II of Securities Regulation Code ("SRC") Rule 68.

As at December 31, 2024, the Company has 136 shareholders, each owning one hundred (100) or more shares. As at March 31, 2025, the Company has 137 shareholders, each owning one hundred (100) or more shares.

The total shares outstanding are held by the following shareholders as at March 31, 2025:

	Percentage
CREC*	32.99%
SMIC	28.79%
Public	38.22%
	100.00%

*includes 0.12% held by Directors and Officers

On June 8, 2022, the Company's stockholders approved the issuance of fixed-rate bonds not exceeding thirty five percent (35%) of the value of the deposited property of the Company or up to the allowable leverage under the REIT Act of 2009 and its implementing rules and regulations. On February 10, 2023, the Company listed its maiden ASEAN Green Bonds amounting to P4.5 billion which bear a coupon interest rate of 7.0543% in the Philippine Dealing and Exchange Corp (Note 11). In 2022, the Company received PRS AA+ rating with stable outlook from PhilRatings for both the Company and its proposed bond issuance. The rating, which is considered as an investment grade, allowed the Company to increase its leverage limit from the minimum 35% of the deposited property to a maximum of 70% as prescribed in the REIT IRR. PRS AA+ rating is continuously monitored as long as the rated bond issuance is outstanding.

On March 15, 2024, the Parent Company and CST1 sold a total of 1,884,374,000 common shares in the Company at P2.6534 per share to SM Investments Corporation (SMIC) raising approximately P5.0 billion. The Parent Company will continue to be the single largest shareholder in the Company with a 32.88% effective ownership post-transaction. Proceeds from the sale will be used by the Parent Company to fund further development of solar construction projects across different locations nationwide.

(b) Approval and authorization for the issuance of financial statements

These condensed interim financial statements have been approved and authorized for issuance by the Company's BOD on May 9, 2025.

(c) Segment reporting

The Company's operating businesses are organized and managed according to the nature of the products and services that are being marketed. Each segment represents a strategic business unit that offers different products and serves different markets. The Company has operations only in the Philippines.

The Company derives revenues from two (2) main segments as follows:

(i) Sale of solar energy

This business segment pertains to the generation of electricity from solar power energy through its Clark Solar Power Project. National Transmission Corporation (TransCo) is the Company's sole customer for its sale of solar energy. As a result of assignment of SESC of the Clark Solar Plant to its Parent Company, the sale of solar energy business was terminated with the approval of the DOE on December 24, 2021 effective December 25, 2021. The assignment entailed the transfer of rights as a service contractor with the Philippine government but did not convey ownership over the assets. This was a change in the revenue model using the same solar plant and equipment. The Company still generates cash flows from these assets in the form of lease income instead of sale of solar energy before the assignment. Notwithstanding the change in revenue model, the cash-generating unit remains intact and owned by the Company.

(ii) Leasing

This business segment pertains to the rental operations of the Company with related parties which commenced in November 2021 (Note 13).

All amounts reported in the financial statements of the Company as at March 31, 2025 and December 31, 2024, and for the three months ended March 31, 2025 and 2024 are attributable to this segment except for trade receivables from TransCo amounting to P58.55 million (December 31, 2024 – P62.78 million) and interest income arising from amortization of discount on trade receivables amounting to P0.64 million (2024 – P0.83 million) (Note 4), which are attributable to sale of solar energy segment.

The results of operations of the reportable segments of the Company for the periods ended March 31 are as follows:

	2025			2024		
	Leasing	Sale of solar energy	Total	Leasing	Sale of solar energy	Total
Revenue	472,383,458	-	472,383,458	472,843,370	-	472,843,370
Cost of services	(26,178,911)	-	(26,178,911)	(26,066,902)	-	(26,066,902)
Gross profit	446,204,547	-	446,204,547	446,776,468	-	446,776,468
Operating expense	(3,084,153)	-	(3,084,153)	(2,291,996)	-	(2,291,996)
Finance costs	(85,824,449)	-	(85,824,449)	(86,053,062)	-	(86,053,062)
Other income, net	28,202	638,700	666,902	17,341	826,501	843,842
Income before income tax	357,324,147	638,700	357,962,847	358,448,751	826,501	359,275,252
Income tax expense	-	-	-	-	-	-
Net income for the period	357,324,147	638,700	357,962,847	358,448,751	826,501	359,275,252

The segment assets and liabilities of the reportable segments of the Company as at March 31, 2025 and

December 31, 2024 are as follows:

	March 31, 2025			December 31, 2024		
	Leasing	Sale of solar energy	Total	Leasing	Sale of solar energy	Total
Segment assets						
Current	825,225,113	32,511,747	857,736,860	873,925,220	32,511,747	906,436,967
Non-current	9,040,545,130	26,034,965	9,066,580,095	8,954,610,256	30,268,953	8,984,879,209
	9,865,770,243	58,546,712	9,924,316,955	9,828,535,476	62,780,700	9,891,316,176
Segment liabilities						
Current	466,174,462	-	466,174,462	431,897,908	-	431,897,908
Non-current	4,877,529,019	-	4,877,529,019	4,876,438,366	-	4,876,438,366
	5,343,703,481	-	5,343,703,481	5,308,336,274	-	5,308,336,274

All revenues of the Company are from domestic entities incorporated in the Philippines, hence, the Company did not present geographical information required by Philippine Financial Reporting Standards (PFRS) 8, “*Operating Segments*”.

Note 2 - Additional notes in compliance with Philippines Accounting Standard (PAS) 34

1. There are no seasonal aspects that have a material effect on the condensed interim financial statements. The Company’s revenues (including rental income from investment properties) are correlated to the amount of electricity generated by its solar power plant and the solar power plants operating on the investment properties, which in turn is dependent upon irradiance and weather conditions. Irradiance and weather conditions have natural variations from season to season and from year-to-year and may also change permanently because of climate change or other factors. The Company believes that such seasonality is effectively managed as the Company and its lessees have installed systems to monitor the daily output of such solar power plants and calibrate and improve output, as the need arises, based on an expected performance ratio.
2. Related party transactions include advances to (from) related parties which are made to finance working capital requirements including lease and sublease agreements, security deposits, purchase of land properties and payment of property management fee and fund management fee (Note 11).
3. Refer to Note 13 for the disaggregation of the Company’s revenue from contracts with customers recognized for the period ended March 31, 2025 and 2024.
4. The Company’s equity transactions for the period ended March 31, 2025 include dividend declaration amounting to P358 million (Note 12).
5. There were no items not in the ordinary course of business for the period ended March 31, 2025 that affected assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidence.
6. There were no changes in management’s use of estimates, assumptions and judgments that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.
7. There were no other off-balance sheet arrangements or obligations for the period ended March 31, 2025 that were likely to have a current or future effect on the financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that are material to investors.
8. There are no significant elements of income or loss for the period ended March 31, 2025 that did not arise from the Company’s continuing operations.

9. Any material changes from period to period in any line items of the Company's condensed interim financial statements that have not been explained were the results of normal fluctuations in operations.

Note 3 - Cash and cash equivalents

Cash and cash equivalents as at reporting periods consist of:

	March 31, 2025	December 31, 2024
Cash on hand	50,000	50,000
Cash in banks	718,392,062	597,532,293
	718,442,062	597,582,293

Cash in banks earn interest at the prevailing bank deposit rates.

Total interest income earned from cash in banks and short-term placements for months ended March 31 are as follows:

	Note	2025	2024
Interest income	16	40,756	31,247

Note 4 - Trade and other receivables, net

Trade and other receivables, net as at reporting periods consist of:

	Note	March 31, 2025	December 31, 2024
Current			
Trade receivables from TransCo		32,511,739	32,511,747
Lease receivables	11	-	49,584,830
Receivable arising from VAT refunds		-	125,769,210
Other receivable		1,944,096	1,944,096
Allowance for doubtful account of other receivable		(1,944,096)	(1,944,096)
		-	-
		32,511,739	207,865,787
Non-current			
Trade			
Receivables from TransCo		26,034,965	30,268,953
Lease receivables	11	542,256,013	489,065,502
		568,290,978	519,334,455

Trade receivables are generally collectible within a 60-day period. In accordance with the Renewable Energy Payment Agreement (REPA), in the event that TransCo fails to pay any amount stated in the feed-in tariff (FIT) statement of account upon the lapse of one billing period from the relevant payment date, TransCo shall pay to the Company such unpaid amount plus interest thereon, calculated from the relevant payment date to the day such amount is actually paid. Interest rate is the rate prevailing for a 91-day treasury bill plus 3%. There are no interest income arising from late payments of TransCo for the three months ended March 31, 2025 and 2024.

Details of trade receivables from TransCo as at reporting periods are as follows:

	Current	Non-current	Total
March 31, 2025			
Trade receivables	34,504,103	26,410,127	60,914,238
Discount on receivables	(1,992,364)	(375,162)	(2,367,526)
	32,511,739	26,034,965	58,546,712

December 31, 2024			
Trade receivables	34,504,111	30,899,821	65,403,932
Discount on receivables	(1,992,364)	(630,868)	(2,623,232)
	32,511,747	30,268,953	62,780,700

In 2020, the ERC issued Resolution No. 06, Series of 2020, which was further clarified in February 2021, to confirm that the actual recovery of the arrears FIT rate adjustment shall be for a period of 5 years whereas those from January 2016 generation shall start billing in December 2020 and payment schedule starts in January 2021.

Discount on trade receivables from TransCo arising from this amounted to P2.37 million as at March 31, 2025 (December 31, 2024 – P2.62 million). Interest income arising from amortization of discount on trade receivables from TransCo for three months ended March 31, 2025 and 2024 amounted to P0.64 million (2024 – P0.83 million) (Note 18).

Lease receivables pertain to accrued rent resulting from the straight-line method of recognizing rental income.

Other receivable pertains to a refund for overpaid insurance.

The Company does not hold any collateral as security. Management believes that an allowance for doubtful accounts as at March 31, 2025 and December 31, 2024, except for other receivable which has been fully provided for, is not necessary since these account balances are deemed fully collectible. Trade receivables are all current in nature except from non-current portion of receivable from TransCo related to FIT-rate adjustments. All previous billings of the Company were collected in full.

None of the trade and other receivables that are fully performing have been renegotiated.

Note 5 - Prepayments and other current assets

Prepayments and other current assets as at reporting periods consist of:

	March 31, 2025	December 31, 2024
Input value-added tax (VAT)	59,296,377	57,739,794
Prepaid taxes	47,486,682	43,249,093
	106,783,059	100,988,887

Input VAT represents VAT on purchases of goods and services which can be recovered either as tax credit against future output VAT or through refund.

Prepaid taxes include creditable withholding tax, overpayment of withholding taxes and income taxes.

Note 6 - Property, plant and equipment, net

Details and movements of property, plant and equipment, net are as follows:

	Solar plant and equipment	Substation and transmission lines	Computer equipment	Service vehicle	Total
Cost					
January 1, 2024, December 31, 2024 and March 31, 2025	1,664,296,964	44,477,618	40,000	135,500	1,708,950,082
Accumulated depreciation					
January 1, 2024	474,610,187	21,246,161	40,000	124,208	496,020,556
Depreciation	55,895,767	3,204,431	-	11,292	59,111,490
December 31, 2024	530,505,954	24,450,592	40,000	135,500	496,020,556
Depreciation	11,570,430	3,204,430	-	-	14,774,860
March 31, 2025	542,076,384	27,655,022	40,000	135,500	569,906,906
Net book values					
March 31, 2025	1,122,220,580	16,822,596	-	-	1,139,043,176
December 31, 2024	1,133,791,010	20,027,706	-	-	1,153,818,036

The Clark Solar Power Project was funded through a Term Loan Facility Agreement with Development Bank of the Philippines (DBP). The solar plant and equipment include capitalized borrowing costs amounting to P13.69 million. The Company's solar plant and equipment is pledged as collateral under the chattel mortgage agreement entered into in relation to this agreement. On May 4, 2021, the Parent Company assumed the Company's outstanding loan with DBP. As a result, the chattel mortgage agreement was rescinded by DBP on November 3, 2021.

There were no additions for the periods ended March 31, 2025 and December 31, 2024.

Depreciation expenses for the periods ended March 31 are recognized as follows:

	Notes	2025	2024
Cost of services	14	14,774,860	14,774,859
Operating expenses	15	-	6,775
		14,774,860	14,781,634

Following the approval of the DOE on the assignment of SESC No. 2014-07-086 of the Clark Solar Plant to its Parent Company effective December 25, 2021, the Company leased out the Clark Solar Plant to its Parent Company in exchange of fixed and variable lease rental (Note 11). The Parent Company became the Clark Solar Plant operator.

Based on the results of management assessment, the Company believes that there were no indicators of impairment as at March 31, 2025 and December 31, 2024.

Note 7 - Other non-current assets

Other non-current assets as at reporting periods consist of:

	Note	March 31, 2025	December 31, 2024
Cash bond		5,279,310	5,279,310
Security deposits	18	36,170,854	36,170,854
		41,450,164	41,450,164

Cash bond pertains to deposits to Department of Agrarian Reform (DAR) for the land conversion from agricultural to industrial use which are refundable after 18 to 24 months.

Note 8 - Investment properties, net

Details and movements of investment properties as at March 31, 2025 and December 31, 2024 are as follows:

	Freehold land assets	Leasehold land assets	Total
Cost			
January 1, 2024	7,009,705,612	193,407,106	7,203,112,718
Additions	66,782,403	-	66,782,403
December 31, 2024	7,076,488,015	193,407,106	7,269,895,121
Additions	50,578,458	-	50,578,458
March 31, 2025	7,127,066,473	193,407,106	7,320,473,579
Accumulated amortization			
January 1, 2024	-	20,674,782	20,674,782
Amortization	-	10,100,808	10,100,808
December 31, 2024	-	30,775,590	30,775,590
Amortization	-	2,525,201	2,525,201
March 31, 2025	-	33,300,791	33,300,791
Net book values			
March 31, 2025	7,127,066,473	160,106,315	7,287,172,788
December 31, 2024	7,076,488,015	162,631,516	7,239,119,531

The amounts recognized in the statements of total comprehensive income for period ended March 31, 2025 and 2024 related to the investment properties are as follows:

	Notes	Freehold land assets	Leasehold land assets	Plant assets	Total
2025					
Rental income		225,957,352	173,875,488	70,598,457	470,431,297
Amortization of deferred rent income		1,030,902	645,911	275,347	1,952,160
Total revenue	15	226,988,254	174,521,400	70,873,804	472,383,457
Cost of services					
Depreciation		-	(2,525,201)	(15,308,894)	(17,834,095)
Property management fee		(2,616,926)	(2,612,921)	(1,028,765)	(6,258,612)
Fund management fee		(872,309)	(870,974)	(342,922)	(2,086,204)
	16	(3,489,234)	(6,009,095)	(16,680,581)	(26,178,911)
Others - net		(1,481,988)	(1,139,436)	204,174	(2,417,250)
Finance costs	18	(81,237,697)	(3,407,639)	(1,179,114)	(85,824,449)
Profit arising from investment properties		140,779,335	163,965,234	53,218,83	357,962,847
2024					
Rental income		226,837,861	173,875,489	70,598,457	471,311,807
Amortization of deferred rent income		610,305	645,911	275,347	1,531,563
Total revenue	15	227,448,166	174,521,400	70,873,804	472,843,370
Cost of services					
Depreciation		-	(2,525,502)	(15,308,407)	(17,833,609)
Property management fee		(2,563,307)	(2,600,932)	(1,010,730)	(6,174,969)
Fund management fee		(854,436)	(866,977)	(336,910)	(2,058,323)
	16	(3,417,743)	(5,993,111)	(16,656,048)	(26,066,902)
Others - net		(1,102,501)	(845,951)	500,298	(1,448,154)
Finance costs	18	(81,377,155)	(3,466,351)	(1,209,556)	(86,053,062)
Profit arising from investment properties		141,550,767	164,215,987	53,508,498	359,275,252

(a) Freehold land asset

On May 25, 2021, the Company and Parent Company, executed a deed of assignment whereas the latter hereby assigns, transfers, and conveys a parcel of land located in Brgy. Armenia, Tarlac City, Tarlac to the former, absolutely, and free from all liens and/or encumbrances, valued at P4.87 million in consideration for the issuance of Company's shares upon approval of the SEC of the Company's application for the increase in authorized share capital. On the same date, the Company and CST1 executed a deed of assignment whereas the latter hereby assigns, transfers, and conveys several parcels of land located in Brgy. Armenia, Tarlac City, Tarlac to the former, absolutely, and free from all liens and/or encumbrances valued at P229.68 million in consideration for the issuance of Company's shares upon approval of the SEC of the Company's application for the increase in authorized share capital (Note 14). These parcels of land are recognized with reference to its fair value. The approval of the increase in the authorized share capital was obtained from the SEC on October 12, 2021. The actual transfer and registration of the parcels of land to the Company's name were finalized on October 27, 2021.

In 2022, the Company executed a deed of absolute sale with Citicore Solar Bulacan, Inc. (CSBI) (formerly Bulacan Solar Energy Corporation) and Citicore Solar South Cotabato, Inc. (CSSCI) (formerly nv vogt Philippine Solar Energy One, Inc.), entities under common control, for the purchase of several parcels of land located in San Ildefonso, Bulacan and Brgy. Centrala, Suralla, South Cotabato for a total consideration of P1.75 billion and P753.80 million, respectively (Note 11).

The proceeds from the P4.5 billion bonds which the Company raised in February 2023 (Note 11) were used to acquire parcels of land from multiple land-owners spread across the three barangays in Tuy, Batangas, namely: Brgy. Lumbangan, Brgy. Luntal, and Brgy. Bolbok. Additional acquisitions were also made in Arayat, Pampanga, Mexico, Pampanga and Pangasinan. These parcels of land are ideal for utility scale solar power plants due to proximity to the National Grid Corporation of the Philippines (NGCP) substation and proven solar irradiance resources. The cost of acquisition, taxes and other land related expenses were capitalized as part of investment properties. These parcels of land were subsequently leased out to its related parties (Note 12).

The aggregate fair value of these parcels of land as determined by an independent appraiser as at March 31, 2025 amounted to P10.23 billion. The fair value of the parcels of land was estimated by the independent appraiser using the discounted cash flow analysis grounded on the principle that the value of an economic entity is the present worth of the economic benefits it will generate in the future (i.e., economic benefits come in the form of lease of the solar power plant). This approach requires a forecast of the economic entity's stream of net income based on lease contract. These net income or rents are then summed up and discounted back to present value by an appropriate discount rate, then add the terminal value of the property. The valuation process consists of estimation of the current market value of the leased property and present value of the unexpired contract rentals. The discounted cash flow analysis falls under the income approach which is a method in which the appraiser derives an indication of value for income-producing property by converting anticipated future benefits into current property value. This approach falls under Level 3 of the fair value hierarchy. As required by the REIT Implementing Rules and Regulations (REIT IRR), a full valuation of the Company's assets shall be conducted by an independent property valuer at least once a year. Management assessed that there are no significant changes in the business environment from the date of last valuation up to reporting date which would impact the fair value of the properties.

The fair value is sensitive to the following unobservable inputs: (1) lease income growth rates (fixed and variable lease) which were based on the signed lease contracts and (2) discount rate using the weighted average cost of capital based on the average capital structure of the companies in the solar energy sector as of the valuation date.

The current use of the parcels of land is at its highest and best use.

(b) Leasehold land assets

The Company, as a lessee, entered on the following lease agreements:

- On July 26, 2021, the Company entered into a contract of sublease and contract of lease with the owners of parcels of land with a total aggregate area of approximately 4.8 hectares and 5.6 hectares, respectively, which are located in Brgy. Dalayap, Tarlac City, Tarlac. Each of these land properties are covered by an existing lease contract with an original term from November 1, 2015 to October 31, 2040 with Citicore Solar Tarlac 2, Inc. (CST2) (formerly nv vogt Philippines Solar Energy Four, Inc.), an entity under common control. The Company subleased the land back to CST2 effective November 1, 2021 (Note 11). These lease agreements are effective for 19 years commencing on November 1, 2021 until October 31, 2040 which may be extended at the option of the Company for another 25 years upon the acceptance by and consent of the lessor.
- On July 26, 2021, the Company entered into a deed of assignment with Citicore Solar Cebu, Inc. (CSCI) (formerly First Toledo Solar Energy Corp.) (assignor), an entity under common control, and a third-party lessor, to transfer, assign, and convey unto the Company (assignee) all of the assignor's rights and obligations under the contract of lease dated November 12, 2015 for the lease of parcel of land with total aggregated area of approximately 73 hectares located in Brgy. Talavera, Toledo City, Cebu. The third-party lessor consented to the assignment of the contract of lease in favor of the Company and the sublease of the leased area by the Company in favor of the assignor. CSCI operates a 60 MW installed capacity solar power plant in the leased area that was successfully commissioned on June 30, 2016. The Company shall pay an advance rental every two years, subject to escalation rate of 12% every five years, for a period of 25 years, reckoned from the effective date stipulated in the Renewable Energy Payment Agreement but not later than May 31, 2016, subject to renewal. The agreement took effect on January 1, 2022. On July 26, 2021, the Company entered into sublease agreement with CSCI (sublessee) related to the identified leased area effective January 1, 2022 (Note 11).
- On July 28, 2021, the Company entered into a lease agreement with an owner of several parcels of land located in Brgy. Rizal, Silay City, Negros Occidental. These land properties are covered by an existing lease contract that commenced on June 1, 2016 with Citicore Solar Negros Occidental, Inc. (CSNO) (formerly Silay Solar Power, Inc.), an entity under common control. The Company subleased the land back to CSNO. The new lease agreement commenced on January 1, 2022 until October 31, 2040 which may be extended for additional five (5) years unless the parties agreed to terminate the lease agreement at the end of the initial term. The lease payment is subject to annual escalation rate of 2% beginning in the third year of the lease. CSNO operates a 25 MW installed capacity solar power plant in the leased area that was successfully commissioned on March 8, 2016. On July 28, 2021, the Company entered into sublease agreement with CSNO (sublessee) to sublease the identified leased area effective January 1, 2022 (Note 11).

The aggregate fair value of these parcels of land classified as leasehold land assets as determined by an independent appraiser as at March 31, 2025 amounted to P6.68 billion. The same valuation technique was used in measuring the fair value as that of the freehold land assets.

Right-of-use assets arising from these leasing arrangements are presented under leasehold land assets. Land is the underlying asset to which the right-of-use assets would be grouped if these were owned by the Company.

Note 9 - Trade payables and other liabilities

Trade payables and other liabilities as at reporting periods consist of:

	Note	March 31, 2025	December 31, 2024
Trade payables		2,869,124	936,302
Due to government agencies		48,135,548	64,685,674
Interest payable		43,207,588	43,993,528
Deferred rent income, current portion	11	7,808,640	6,126,255
		102,020,900	115,741,759

Trade payables to third parties are normally due within a 30-day period.

The balance of due to government agencies pertains to unpaid real property taxes and business taxes to a local government unit, withholding taxes and mandatory government contributions. Withholding taxes as at March 31, 2025 include P13.72 million final withholding taxes for cash dividends declared and paid (Note 14) and for coupon dividend payments made during the period which were subsequently remitted.

Note 10 - Bonds payable

On January 30, 2023 to February 3, 2023, the Company offered P4.5 billion ASEAN Green Bonds to the public at face value and subsequently issued and listed these ASEAN Green Bonds in the Philippine Dealing & Exchange Corp. (PDEx) on February 10, 2023. The ASEAN Green Bonds are denominated in Philippine Peso, maturing in 5 years from the issue date and bear a fixed interest rate of 7.0543% per annum. Interest is payable quarterly in arrears on May 10, August 10, November 10, and February 10 of each year. Prior to the maturity date, the Company has the right, but not the obligation, to redeem (in whole but not in part) the outstanding ASEAN Green Bonds on early redemption option dates as follows:

Early redemption option dates	Early redemption option price
On the 3rd anniversary of the issue date and every interest payment date preceding the 4th anniversary of the issue date	101%
On the 4th anniversary of the issue date and every interest payment date thereafter	100.5%

The ASEAN Green Bonds shall have the benefit of a negative pledge on all present and future assets and revenues of CREIT, subject to certain permitted liens. The Company shall remain, for as long as any of the ASEAN Green Bonds remain outstanding, compliant with the aggregate leverage limit imposed by the REIT Law. Under the REIT Law, the total borrowings and deferred payments of a REIT should not exceed thirty-five percent (35%) of its deposited property, provided, however, that the total borrowings and deferred payments of a REIT that has a publicly disclosed investment grade credit rating by a duly accredited or internationally recognized rating agency may exceed thirty-five percent (35%) but not more than seventy percent (70%) of its deposited property and provided further that in no case shall its fund manager borrow for the REIT from any of the funds under its management. The ASEAN Green Bonds are rated Aa+ with stable outlook by PhilRatings. The rating is subject to regular annual reviews, or more frequently as market developments may dictate, while the ASEAN Green Bonds are outstanding. As at March 31, 2025, the Company is compliant with this covenant.

The Company incurred total bond issuance cost amounting to P47.34 million.

The amortized cost of the ASEAN Green Bonds as at March 31, 2025 and December 31, 2024 follows:

	March 31, 2025	December 31, 2024
Principal	4,500,000,000	4,500,000,000
Bond issuance cost		
Beginning	(31,432,802)	(40,123,213)
Addition	-	-
Amortization	2,272,319	8,690,411
Ending	(29,160,483)	(31,432,802)
	4,470,839,517	4,468,567,198

Total finance costs recognized in the statement of total comprehensive income for the three months ended March 31, 2025 amounted to P85.82 million. Finance costs include amortization of bond issuance cost amounting to P2.27 million. Movements in interest payable for the three months ended March 31, 2025 follow:

	Amount
Interest expense	85,824,449
Amortization of bond issuance cost and customer deposits	(3,367,070)
Reversal of accrued interest	41,932,301
Interest payments	(81,182,092)
March 31, 2025	43,207,588

Note 11 - Related party transactions

In the normal course of business, the Company transacts with companies which are considered related parties under Philippine Accounting Standards (PAS) 24, “*Related Party Disclosures*”.

The transactions and outstanding balances of the Company as at March 31, 2025 and December 31, 2024, and for the periods then ended and for the period ended March 31, 2024 with related parties are as follows:

Related parties	Transactions			Outstanding balance Receivables (Payables)		Terms and conditions
	March 31, 2025	March 31, 2024	December 31, 2024	March 31, 2025	December 31, 2024	
Parent Company						
Lease income	72,623,568	72,623,568	290,494,271	51,214,365	48,805,632	Refer to (e) and Notes 4 and 15.
Advances to (from)	-	-	-	-	-	Refer to (a).
Security deposits						
Additions	-	-	-	(22,180,645)	(22,180,645)	Refer to (e).
Accretion of interest expense	210,504	225,136	842,017	8,172,340	8,382,844	
				(14,008,305)	(13,797,801)	
Deferred rent income						
Additions	-	-	-	(10,473,745)	(10,473,745)	Refer to (e).
Amortization	275,347	275,347	1,101,388	3,028,816	2,753,469	
				(7,444,929)	(7,720,276)	
Entities under common control						
Lease income	397,807,729	398,688,238	1,589,861,720	491,041,649	489,518,688	Refer to (e) and Notes 4 and 15.
Acquisition of properties	-	-	-	-	-	Refer to (e) and Note 8.
Property management fee	6,258,612	6,174,969	24,727,052	(2,070,562)	-	Refer to (f).
Fund management fee	2,086,204	2,058,323	8,242,351	(690,187)	-	Refer to (g).
Security deposits						
Additions	-	22,356,438	51,098,952	(179,346,767)	(179,346,767)	Refer to (e).
Accretion of interest expense	767,244	819,279	3,588,876	115,380,264	116,264,511	
				(63,966,503)	(63,082,256)	
Deferred rent income						
Additions	-	-	39,977,056	(124,406,523)	(124,406,523)	Refer to (e).
Amortization	1,256,217	1,256,217	6,207,886	15,421,999	13,745,186	
				(108,984,524)	(110,661,337)	

(a) Advances

Advances to (from) related parties are made to finance working capital requirements or to assume receivables and payables to (from) related parties and/or third parties. Advances to (from) related parties are unsecured, with no guarantee, non-interest bearing, collectible (payable) in cash both on demand and after more than 12 months and are expected to be collected (settled) in cash or offset with outstanding liability (receivable).

There was no offsetting as at and for the periods ended March 31, 2025 and December 31, 2024.

In 2023, the Company settled the remaining balance of due to Parent Company amounting to P53.22 million. There were no outstanding due to or from the Parent Company as of March 31, 2025.

(b) Key management compensation

Except for the directors' fees that the Company pays to each of the independent directors, there are no other arrangements for the payment of compensation or remuneration to the directors of the Company in their capacity as such. Directors' fees for the period March 31, 2025 amounted to P0.2 million (March 31, 2024 – P0.2 million) (Note 17).

The Company's management functions are being handled by the Parent Company and another related party at no cost. No other short-term or long-term compensation was paid to key management personnel for the periods ended March 31, 2025 and 2024.

(c) Lease agreements

The Company entered into various lease contracts, as a lessor, with related parties as follows:

- Sublease agreement of below land properties to related parties:

- Land property located in Brgy. Dalayap, Tarlac City, Tarlac with CST2

- The agreement is effective for 19 years commencing on November 1, 2021 with the Company's right to reevaluate the lease payments at the end of the 10th year to consider changes in circumstances either economic conditions or actual performance of the sublessee vis-a-vis the three-year historical plant generation and market prices. The Company recognized lease income related to this property for the period ended March 31, 2025 amounting to P12.18 million (2024 – P12.18 million) (Note 15).

- Land property located in Brgy. Rizal, Silay City, Negros Occidental with CSNO

- The agreement is effective for 19 years commencing on January 1, 2022 with the Company's right to reevaluate the lease payments at the end of the 10th year to consider changes in circumstances either economic conditions or actual performance of the sublessee vis-a-vis the three-year historical plant generation and market prices. The Company recognized lease income related to this property for the period ended March 31, 2025 amounting to P69.89 million (2024 – P69.89 million) (Note 15).

- Land property located in Brgy. Talavera, Toledo City, Cebu with CSCI

- The agreement is effective for 19 years commencing on January 1, 2022 with the Company's right to reevaluate the lease payments at the end of the 10th year to consider changes in circumstances either economic conditions or actual performance of the sublessee vis-a-vis the three-year historical plant generation and market prices. The Company recognized lease income related to this property for the period ended March 31, 2025 amounting to P92.45 million (2024 – P92.45 million) (Note 15).

- Lease agreement of below land properties to related parties:

- Land property located in Brgy. Armenia, Tarlac City, Tarlac with CST1

- The agreement is effective for 25 years commencing on November 1, 2021 until October 31, 2046 with the Company's right to reevaluate the lease payments at the end of the 10th year to consider changes in circumstances either economic conditions or actual performance of the lessee vis-a-vis

the three-year historical plant generation and market prices. The Company recognized lease income related to this property for the period ended March 31, 2025 amounting to P14.62 million (2023 – P14.62 million) (Note 15).

- Land property located in San Ildefonso, Bulacan with CSBI

In 2021, the Company entered into a memorandum of agreement with CSBI for the future sale of land properties owned by CSBI to the Company. In 2022, the Company executed a deed of absolute sale for the purchase of several parcels of land located in San Ildefonso, Bulacan from CSBI for a total consideration of P1.75 billion (Note 8). The purchase price was fully paid during 2022. The land properties were recognized as part of investment properties as at March 31, 2025. Subsequently, the Company and CSBI entered into a lease agreement for the same land properties.

The lease agreement is effective for 25 years commencing on January 1, 2022 until December 31, 2046 with the Company's right to reevaluate the lease payments at the end of the 10th year to consider changes in circumstances either economic conditions or actual performance of the lessee vis-a-vis the three-year historical plant generation and market prices. The Company recognized lease income related to these land properties for the period ended March 31, 2025 amounting to P50.98 million (2024 – P50.98 million) (Note 15).

- Land property located in Brgy. Centrala, Suralla, South Cotabato with CSSCI

In 2021, the Company entered into a memorandum of agreement with CSSCI for the future sale of land properties located in Brgy. Centrala, Suralla, South Cotabato to the Company. In 2022, the Company entered into a contract to sell with CSSCI related to the acquisition of said property, on which CSSCI committed that from the signing of the contract until the signing of deed of absolute sale, CSSCI shall not make any offer, or entertain or discuss any offer, for the sale, mortgage, lease of said property with any person other than the Company. This has resulted in addition to the Company's investment properties. On June 6, 2022, the Company executed a deed of absolute sale for the purchase of said properties for a total consideration of P753.80 million. The purchase price was fully paid during 2022. Subsequently, the Company and CSSCI entered into a lease agreement for the same property.

The lease agreement is effective for 25 years commencing on January 1, 2022 until December 31, 2046 with the Company's right to reevaluate the lease payments at the end of the 10th year to consider changes in circumstances either economic conditions or actual performance of the lessee vis-a-vis the three-year historical plant generation and market prices. The Company recognized lease income related to these properties for the period ended March 31, 2025 amounting to P22.43 million (2024 – P22.43million) (Note 15).

- Land properties located in Brgy. Lumbangan and Brgy. Luntal, Tuy, Batangas with Citicore Solar Batangas 1, Inc. (CSBatangas 1) (formerly known as Grencore Power Solutions 4, Inc.)

In 2023, the Company entered into a contract of lease with CS Batangas 1 for the lease of land properties located in Brgy. Luntal and Brgy. Lumbangan, Municipality of Tuy, Batangas, respectively. The lease agreement is effective for 25 years commencing on January 1, 2023 to December 31, 2047. The lease payment is subject to an annual escalation rate of 2.5%. The Company recognized lease income related to these properties for the periods ended March 31, 2025 amounting to P21.03 million and P24.97 million, respectively (2024 – P20.95 million and P26.10 million) (Note 13).

- Land property located in Bolbok Phase 1 and Phase 2 Tuy, Batangas with Citicore Solar Batangas 2, Inc. (CSBatangas 2) (formerly known as Grencore Power Solutions 2, Inc.)

The Company entered into a contract of lease with CS Batangas 2 for the lease of land properties (Bolbok Phase 1 and Phase 2) located in Brgy. Bolbok, Municipality of Tuy, Batangas. The lease

agreement is effective for 25 years commencing on February 1, 2023 to January 31, 2048 with an extendible period of additional 50 years at the option of the lessor. The lease payment is subject to an annual escalation rate of 2.5%. The Company recognized lease income related to these properties for the periods ended March 31, 2025 amounting to P18.82 million and P23.12 million, respectively (2024 – P18.75 million and P23.03 million) (Note 13).

- Land property located in Arayat Phase 3, Arayat, Pampanga with CS Pampanga 1, Inc., (CS Pampanga 1)

In 2023, the Company entered into a contract of lease with CS Pampanga 1 for the lease of land properties located in Municipality of Arayat, Pampanga. The lease agreement is effective for 25 years commencing on February 1, 2023 to January 31, 2048 with an extendible period of additional 50 years at the option of the lessor. The lease payment is subject to an annual escalation rate of 2.5%. The Company recognized lease income related to these properties for the periods ended March 31, 2025 amounting to P15.93 million (2024 – P15.90 million) (Note 13).

- Land property located in Pangasinan with CS Pangasinan 2, Inc. (CS Pangasinan 2)

In 2023, the Company entered into a contract of lease with CS Pangasinan 2 for the lease of land properties located in Pangasinan. The lease agreement is effective for 25 years commencing on July 1, 2023 until June 30, 2048 with an extendible period of additional 50 years at the option of the lessor. The lease payment is subject to an annual escalation rate of 2.5%. The Company recognized lease income related to these properties for the period ended March 31, 2025 amounting to P33.06 million (2024 – 32.68 million) (Note 13).

- Land property located in Magalang, Pampanga with Parent Company

In 2023, the Company entered into a contract of lease with its Parent Company for the lease of land properties located in Magalang, Pampanga. The lease agreement is effective for 25 years commencing on August 1, 2023 until July 31, 2043 with an extendible period of additional 50 years at the option of the lessor. The lease payment is subject to an annual escalation rate of 2.5%. The Company recognized lease income related to these properties for the period ended March 31, 2025 amounting to P2.03 million (2024 – 2.03 million) (Note 13).

- Assignment of SESC of the Clark Solar Plant and the subsequent lease of the plant to the Parent Company

On October 13, 2021, the Company assigned SESC No. 2014-07-086 of the Clark Solar Plant to its Parent Company, thereby establishing the Parent Company as the operator of such plant. On the same date, the Company, as a lessor, and its Parent Company, as lessee, executed a lease contract for latter's use of the Clark Solar Plant in line with the assignment of SESC. The assignment was approved by the DOE on December 25, 2021 (Note 2). The lease agreement is effective for almost 18 years commencing on November 1, 2021 and ending on March 3, 2039 with the Company's right to re-evaluate the lease payments at the end of the 10th year to consider changes in circumstances either economic conditions or actual performance of the Parent Company vis-a-vis the three-year historical plant generation and market prices. No rental income was recognized from this lease agreement during 2021 considering that the DOE only approved the assignment on December 24, 2021 effective December 25, 2021. Hence, commencement date of the contract was moved to January 1, 2022. The Company recognized lease income related to this property for the period ended March 31, 2025 amounting to P70.87 million (2024 – P70.87 million) (Note 15).

In addition to the clauses discussed above, subject also to the Company's right over the leasehold properties, the Company and related party-lessees can continue and may further extend the lease period in a way that is beneficial to both parties. The lease payment for the lease agreements above is equivalent to the sum of fixed and variable lease rates.

The recognized lease receivables from related parties as at March 31, 2024 and December 31, 2024 pertain

to accrued rent resulting from the straight-line method of recognizing rental income.

The Company received security deposits from its lessees equivalent to an average two-month lease payments for freehold land properties and one-month lease payment for solar property and leasehold land properties. The security deposits shall remain valid until expiration of the lease agreements and shall serve as guarantee for the lessees' faithful compliance with the terms, conditions, and obligations of lease agreements. The security deposits shall be adjusted annually and the lessees shall provide the necessary amount to keep the security deposits equivalent to the number of months' rent. Upon termination of the lease agreements, the security deposits will be refunded without interest by the Company less payment of all remaining monetary obligations of the lessees to the Company. The security deposits, or the balance thereof, whichever is applicable shall be refunded to the lessees within 60 days from the return of the leased properties to the Company. These security deposits were presented as non-current liabilities in the statements of financial position as at March 31, 2025.

Details of security deposits and deferred rent income as at reporting periods are as follows:

	Notes	March 31, 2025	December 31, 2024
Security deposits			
Gross amount		201,527,412	150,428,460
Additions		-	51,098,952
Applications		-	-
		201,527,412	201,527,412
Allowance for amortization of security deposits			
Beginning		(124,647,355)	(89,101,192)
Additions		-	(39,977,056)
Accretion of interest expense	18	1,094,750	4,430,893
		(123,552,605)	(124,647,355)
		77,974,807	76,880,057
Deferred rent income			
Beginning		118,381,614	85,713,830
Additions		-	39,977,056
Amortization	15	(1,952,160)	(7,309,272)
		116,429,454	118,381,614
Less: Current portion	9	(7,808,641)	(6,126,256)
Non-current portion		108,620,813	112,255,358

Accretion of interest expense for the period ended March 31, 2025 amounted to P1.09 million (2024 – P1.04 million) (Note 18).

Deferred rent income pertains to the difference between the nominal values of the deposits and their fair values. These are initially measured at fair value and subsequently amortized using the straight-line method. Amortization of deferred rent income for the period ended March 31, 2025 amounted to P1.95 million (2024 – P1.53 million) which was recognized as part of rental income in the statements of total comprehensive income (Note 15).

(d) Property management fee

On August 9, 2021, the Company entered into a property management agreement with Citicore Property Managers, Inc. (CPMI), an entity under common control. CPMI will receive a management fee based on certain percentage of the Company's guaranteed base lease. Payment in cash is due and payable 10 days from receipt of billing statement. Property management commenced in 2022 in line with the date of Company's listing to PSE. Property management fee amounted to P6.26 million for the period ended March 31, 2025 (2024 – P6.17 million) (Note 16).

(e) Fund management fee

On July 26, 2021, the Company entered into a fund management agreement with Citicore Fund Managers, Inc. (CFMI), an entity under common control. CFMI will receive a management fee equivalent to a certain percentage of the Company's guaranteed base lease, plus a certain percentage of the acquisition price for every acquisition made by it on behalf of the Company and plus a certain percentage of the sales price for every property divested by it on behalf of the Company. Payment in cash is due and payable 10 days from receipt of billing statement. Fund management agreement commenced in 2022 in line with the date of Company's listing to PSE. Fund management fee amounted to P2.09 million for the period ended March 31, 2025 (2024 -P2.06 million) (Note 16).

On July 26, 2021, the BOD approved the Company's material related party transaction policy to adhere with SEC Memorandum Circular No. 10, Series of 2019 which include: the identification of related parties, coverage of material related party transactions, adjusted thresholds, identification and prevention or management of potential or actual conflicts of interests arising out of or in connection with the material related party transactions, guidelines in ensuring arm's length terms, approval of material related party transactions, self-assessment and periodic review of policy, disclosure requirements, whistleblowing mechanisms, and remedies for abusive material related party transactions. The BOD, with the assistance of the Related Party Transaction Review and Compliance Committee ("RPTRCC"), shall oversee, review, and approve all related party transactions to ensure that these are conducted in the regular course of business and on an arm's length basis and not undertaken on more favorable economic terms to the related parties than with non-related or independent parties under similar circumstances. The RPTRCC shall be granted the sole authority to review related party transactions. Those falling within the materiality thresholds set by the Company's BOD shall require the approval of the Chief Executive Officer and/or President or the BOD, as the case may be.

Note 12 - Share capital

The details and movements of the Company's share capital as at reporting periods are as follows:

	March 31, 2025		December 31, 2024	
	Number of shares	Amount	Number of shares	Amount
Authorized share capital				
Common shares - P0.25 par value	15,360,000,000	3,840,000,000	15,360,000,000	3,840,000,000
Issued and outstanding				
Common shares - P0.25 par value				
Balance at January 1	6,545,454,004	1,636,363,501	6,545,454,004	1,636,363,501
Issuances	-	-	-	-
Balance at end of period	6,545,454,004	1,636,363,501	6,545,454,004	1,636,363,501

(a) Share reclassifications and increase in authorized share capital

On March 12, 2021, the Company's BOD and shareholder approved that the redeemable preferred shares and other classes of common shares previously authorized and issued are and shall be convertible to one class common share and reduced the par value of all previously issued shares to P0.25 per share.

Consequently, the Company amended its AOI to reflect the change and converted all its previously issued shares to one class common share. The Company's authorized share capital and issued and outstanding shares amounted to P539,999,999 divided into 2,159,999,994 shares at P0.25 par value per share. The related certificate of filing of amended AOI was approved by the SEC on May 31, 2021.

On May 26, 2021, the Company's BOD and shareholder approved the increase in the authorized share capital of the Company from P539,999,999 (composed of 2,159,999,994 shares at P0.25 par value per share) to P3,840,000,000 (composed of 15,360,000,000 shares at P0.25 par value per share). The approval of the increase in the authorized share capital was obtained from the SEC on October 12, 2021 (Note 1).

(b) Share subscriptions

(i) Advances from Parent Company to share conversion subscription

On May 26, 2021, the Parent Company entered into a subscription agreement with the Company to subscribe 2,400,000,000 common shares to be taken from the increase in authorized share capital, upon approval by the SEC for a total consideration of P602,465,066. Total consideration in excess of par value of shares issued amounting to P2,465,066 was credited as additional paid in capital. The Parent Company assigned P602,465,066 of its advances to fully pay the subscription price. This is considered as a non-cash transaction.

(ii) Land properties for share subscription

On May 26, 2021, the Parent Company entered into a subscription agreement with the Company to subscribe 19,461,142 common shares to be taken from the increase in authorized share capital, upon approval by the SEC, for a total consideration of P4.87 million. The Parent Company assigned a parcel of land located in Brgy. Armenia, Tarlac in favor of the Company to fully pay the subscription price (Notes 8). This is considered as a non-cash transaction.

On the same date, CST1 entered into a subscription agreement with the Company to subscribe 918,720,864 common shares to be taken from the increase in authorized share capital, upon approval by the SEC, for a total consideration of P229.68 million. CST1 hereby assigns several parcels of land located in Brgy. Armenia, Tarlac in favor of the Company to fully pay the subscription price (Notes 8). This is considered as a non-cash transaction.

These parcels of land were recognized as investment properties (Note 8).

The application for the proposed increase in authorized share capital was filed with the SEC on May 25, 2021 and was approved on October 12, 2021, which resulted in the subsequent issuance of shares to the Parent Company and CST1 (Note 1).

During 2024, the Parent Company and CST1 sold a total of 1,884,374,000 common shares in the Company at P2.6534 per share to SMIC (Note 1).

(c) Sale to the public

On February 22, 2022, the Company successfully listed its shares with the PSE via the offer of (i) 1,047,272,000 new common shares with a par value of P0.25 per share issued and offered by the Company as “Primary Offer Shares”, and (ii) 1,134,547,000 existing shares offered by the Parent Company, selling shareholder, pursuant to a “Secondary Offer Shares” with an over-allotment option of up to 327,273,000 shares which were exercised at such date. All the shares offered by the Company and the Parent Company were sold at an offer price of P2.55 per share. The Company recognized additional paid-up capital (APIC) arising from this transaction amounting to P2.4 billion in 2022. Transaction costs attributable to Primary Offer Shares which were treated as deduction to APIC amounted to P103.85 million. Total transaction costs comprised of deferred share issuance costs amounting to P35.66 million as at December 31, 2021 which was subsequently applied against APIC and additional share issuance costs for the year ended December 31, 2022 amounting to P68.19 million.

(d) Dividends

CREIT has consistently declared and paid out cash dividends on a quarterly basis. Details of dividends and percentage to distributable income for the periods ended March 31, 2025, December 31, 2024, 2023, 2022 and 2021 are as follows:

Declaration date	Record date	Payment date	Dividends per share	Amount
2024				
May 13, 2024	June 9, 2024	July 9, 2024	P0.049	320,727,246
August 9, 2024	March 10, 2024	October 4, 2024	P0.049	320,727,246
November 12, 2024	December 12, 2024	January 13, 2025 ¹	P0.049	320,727,246
March 25, 2025	April 23, 2025	May 21, 2025 ¹	P0.055	359,999,970
Total amount of dividends distributed				1,322,181,708
Distributable income				1,240,193,150
% of dividends to distributable income				107%
2023				
May 10, 2023	June 9, 2023	July 6, 2023	P0.047	307,636,338
August 9, 2023	March 11, 2023	October 4, 2023	P0.049	320,727,246
November 9, 2023	December 27, 2023	January 22, 2024 ¹	P0.049	320,727,246
March 19, 2024	April 18, 2024	May 15, 2024 ¹	P0.054	353,454,516
Total amount of dividends distributed				1,302,545,346
Distributable income				1,225,536,259
% of dividends to distributable income				106%
2022				
May 11, 2022	June 8, 2022	June 24, 2022	P0.044	287,999,976
July 20, 2022	August 19, 2022	March 14, 2022	P0.044	287,999,976
November 9, 2022	December 9, 2022	January 5, 2023	P0.044	287,999,976
March 22, 2023	April 21, 2023	May 15, 2023 ¹	P0.044	287,999,976
March 22, 2023	April 21, 2023	May 15, 2023 ¹	P0.007	45,818,178
Total amount of dividends distributed				1,197,818,082
Distributable income				1,120,233,967
% of Dividends to distributable income				107%
2021²				
March 9, 2022	March 23, 2022	March 29, 2022	0.035	229,090,890

¹ As per Section of Revenue Regulation No 13-2011, as amended, dividends distributed by REIT from its distributable income at any time after the close but not later than the last day of the 5th month from close of the taxable year shall be considered as paid on the last day of such taxable year.

² Dividends declared on March 9, 2022 were taken from FY2021 net earnings which were substantially based on the sale of electricity from the Clark Solar Plant as full year REIT transaction impact took effect only starting January 1, 2022.

The Company has adopted a dividend policy in accordance with the provisions of the REIT law, pursuant to which the Company's shareholders are entitled to receive at least 90% of annual distributable income for the current year. For the year ended December 31, 2024, the Company declared total dividends amounting to P1.32 billion (2023 - P1.30 billion) representing 106% (2023 - 106%) of the distributable income.

Details of distributable income for the periods ended December 31 are as follows:

	2024	2023
Net income	1,429,371,756	1,398,096,376
Unrealized gains - Straight-line lease adjustments	(189,178,606)	(172,560,117)
Distributable income	1,240,193,150	1,225,536,259

Events after the reporting period

On May 9, 2205, the BOD ratified and approved the declaration of cash dividends of Po.049 per outstanding common share or an aggregate amount of P320.73 million for the first quarter of 2025. The management has determined that this is a non-adjusting event.

Note 13 - Revenue

Subsequent lease and sublease agreements with related parties that were accounted as operating leases resulted in the recognition of rental income for the periods ended March 31 are as follows:

		2025			2024		
	Note	Rental income	Amortization of deferred rent income	Total	Rental income	Amortization of deferred rent income	Total
Land properties							
Leasehold land assets							
Brgy. Talavera, Toledo City, Cebu		92,450,824	350,178	92,450,824	92,100,646	350,178	92,450,824
Brgy. Rizal, Silay City, Negros Occidental		69,636,705	250,078	69,886,783	69,636,705	250,078	69,886,783
Brgy. Dalayap, Tarlac City, Tarlac		12,138,136	45,656	12,183,792	12,138,137	45,656	12,183,793
		173,875,488	645,911	174,521,399	173,875,488	645,912	174,521,400
Freehold land assets							
Brgy. San Ildefonso, Bulacan		50,631,120	353,463	50,984,583	50,631,120	353,463	50,984,583
Brgy. Centrala, Suralla, South Cotabato		22,269,882	155,893	22,425,775	22,269,882	155,891	22,425,773
Brgy. Armenia, Tarlac City, Tarlac		14,522,701	100,950	14,623,651	14,522,701	100,950	14,623,651
Brgy. Lumbangan, Tuy, Batangas		24,872,013	97,645	24,969,658	26,097,759	-	26,097,759
Brgy. Luntal, Tuy, Batangas		20,946,743	82,235	21,028,978	20,946,743	-	20,946,743
Brgy. Bolbok, Tuy, Batangas		41,771,605	170,023	41,941,628	41,771,604	-	41,771,604
Pampanga		17,920,537	32,542	17,953,079	17,920,537	-	17,920,537
Pangasinan		33,022,751	38,152	33,060,903	32,677,516	-	32,677,516
		225,957,353	1,030,902	226,988,255	226,837,862	610,304	227,448,166
Solar plant property							
Clark Freeport Zone, Pampanga		70,598,457	275,347	70,873,804	70,598,457	275,347	70,873,804
	11	470,431,298	1,952,160	472,383,458	471,311,807	1,531,563	472,843,370

Note 14 - Cost of services

The components of cost of services for the periods ended March 31 are as follows:

	Notes	2025	2024
Depreciation and amortization	6, 20	17,834,095	17,833,609
Property management fee	11	6,258,612	6,174,969
Fund management fee	11	2,086,204	2,058,324
		26,178,911	26,066,902

Note 15 - Operating expenses

The components of operating expenses for the periods ended March 31 are as follows:

	Notes	2025	2024
Outside services		1,996,573	1,404,170
Taxes and licenses		623,324	709,637
Professional fee		440,000	-
Depreciation	6	-	6,775
Transportation and travel		-	84,077
Dues and subscriptions		-	4,500
Others		24,256	82,837
		3,084,153	2,291,996

Portion of outside services incurred for the period ended March 31, 2025 pertains to the Company's annual retainer's and maintenance fees with third parties including PSE, and Director's fees.

Note 16 - Other income, net; finance costs

The components of other income, net for the periods ended March 31 are as follows:

	Notes	2025	2024
Interest income	3, 4	679,456	857,748
Foreign exchange losses, net	22	(12,554)	(13,906)
		666,902	843,842

The components of finance costs for the periods ended March 31 are as follows:

	Notes	2025	2024
Interests on bonds payable		80,847,255	81,086,003
Interests on security deposits	11	1,094,751	1,044,416
Interests on lease liabilities	20	3,882,443	3,922,643
		85,824,449	86,053,062

Note 17 - Income taxes

Management has considered this in reaching its conclusion to recognize certain deferred income tax assets in relation to both its sale of solar energy and leasing business segment as at March 31, 2025 and December 31, 2024.

Note 18 - Lease - Company as a lessee

The Company has entered into various lease contracts as follows:

- (a) The Company leases a parcel of land where the Clark Solar Power Project was constructed. The agreement was entered on March 5, 2014 and is valid for twenty-five (25) years, renewable by the lessee upon consent of the lessor. The agreement stipulates rental payments amounting to P0.29 million and US\$105 with an escalation rate of 10% starting on the fourth year of the lease and every three (3) years thereafter. Upon termination of the lease, the leased property shall revert back to the lessor. There are no restrictions placed upon the lessee by entering into the lease agreement.

Security deposits for the lease agreement amounting to P5.3 million were presented as part of other non-current assets in the statements of financial position as at March 31, 2025 (December 31, 2024 -

P5.3 million) (Note 7). These deposits are refundable to the Company upon termination of the lease agreement or at the end of the lease term. The impact of discounting is deemed to be immaterial.

The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

(b) During 2021, the Company entered into various lease contracts, as a lessee, with third parties as follows:

- Assignment of lease contract of a land property located in Brgy. Talavera, Toledo City, Cebu by CSCI with a third party to the Company (Note 8);
- Sublease agreement and lease contract with third parties for land properties located in Brgy. Dalayap, Tarlac City, Tarlac previously being leased by CST2 (Note 8); and
- Lease agreement with a third party for a land property in Brgy. Rizal, Silay City, Negros Occidental previously being leased by CSNO (Note 8).

Lease terms are negotiated either on a collective or individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that will be held by the lessor. Leased assets may not be used as security for borrowing purposes.

Amounts recognized in the statements of financial position

Details of right-of-use asset, net for the lease agreement in (a) and movements in the account as at and for the periods ended March 31, 2025 and December 31, 2024 are as follows:

	Note	March 31, 2025	December 31, 2024
Cost			
January 1, 2024, December 31, 2024 and March 31, 2025		43,937,092	43,937,092
Accumulated amortization			
Beginning		12,780,069	10,644,591
Amortization	16	534,034	2,135,478
Ending		13,314,103	12,780,069
Net book value		30,622,989	31,157,023

Investment properties held by the Company as a right-of-use asset related to lease agreements in (b) measured initially at its cost in accordance with PFRS 16 as at and for the periods ended March 31, 2025 and December 31, 2024, and for the three months ended March 31, 2025 and December 31, 2024 are as follows:

	Notes	March 31, 2025	December 31, 2024
Cost			
Beginning		193,407,106	193,407,106
Additions		-	-
Ending		193,407,106	193,407,106
Accumulated amortization			
Beginning		30,775,590	20,674,782
Amortization	16	2,525,201	10,100,808
Ending		33,300,791	30,775,590
Net book value	8	160,106,315	162,631,516

Details of the lease liabilities as at reporting periods are as follows:

	March 31, 2025	December 31, 2024
Current	3,465,568	3,267,523
Non-current	219,779,210	218,421,080
	223,244,778	221,688,603

Movements in lease liabilities for the periods ended March 31, 2025 and December 31, 2024 are as follows:

	Notes	March 31, 2025	December 31, 2024
Beginning		221,688,603	232,846,774
Additions	8	-	-
Principal payments		(500,699)	(16,398,878)
Interest payments		(1,821,215)	(10,404,404)
Interest expense	8, 16	3,882,443	15,597,655
Translation difference		(4,354)	47,456
Ending		223,244,778	221,688,603

Translation difference is recognized as part of foreign exchange losses, net under other income, net in the statements of total comprehensive income.

Amounts recognized in the statements of total comprehensive income

Amounts recognized in the statements of total comprehensive income for the periods ended March 31 related to the lease agreements are as follows:

	Notes	2025	2024
Amortization expense	8, 16	3,059,235	3,058,750
Interest expense	8, 18	3,882,443	3,922,643
Translation difference	22	(4,354)	13,906
		6,937,324	6,995,299

The total cash outflows for the periods ended March 31 for the lease agreements are as follows:

	2025	2024
Payment of principal portion of lease liabilities	500,699	13,903,662
Payment of interest on lease liabilities	1,821,215	1,855,281
	2,321,914	15,758,943

Discount rate

The lease payments are discounted using the Company's incremental borrowing rate ranging from 6.75% to 7.86%, being the rate that the Company would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Extension and termination options

Extension and termination options are included in the lease agreement of the Company. These are used to maximize the operational flexibility in terms of managing the assets used in the Company's operations.

The extension and termination options held are exercisable by the lessee upon consent of the lessor, hence, the extension and termination options have not been included in lease term.

Note 19 - Earnings per share (EPS)

Basic and diluted EPS for the periods ended March 31 are as follows:

	2025	2024
Net income	357,962,847	359,275,252
Weighted average number of common shares	6,545,454,004	6,545,454,004
Basic and diluted EPS	0.05	0.05

Weighted average number of common shares for the period ended March 31, 2025 is calculated as follows:

	Note	Number of shares	Ratio	Weighted number of shares
Beginning		6,545,454,004	1.0	6,545,454,004
Issuance of shares	14	-	-	-
		6,545,454,004	1.0	6,545,454,004

Weighted average number of common shares for the period ended March 31, 2024 calculated as follows:

	Note	Number of shares	Ratio	Weighted number of shares
Beginning		6,545,454,004	1.0	6,545,454,004
Issuance of shares	14	-	-	-
		6,545,454,004	1.0	6,545,454,004

The Company has no potential dilutive common shares for periods ended March 31, 2025 and 2024. Therefore, basic and diluted EPS are the same.

Note 20 - Fair value estimation and financial risk and capital management

20.1 Fair value estimation

The carrying values of the financial instrument components of cash and cash equivalents, trade and other receivables, trade payables and other liabilities (excluding due to government agencies), due to related parties, and lease liabilities approximate their fair values, due to the liquidity, short-term maturities and nature of such items. The fair values of other non-current assets, non-current portion of trade receivables, security deposits and non-current portion of lease liabilities are close to market rates. The carrying value of the Company's financial instruments are summarized in Note 21.2.1.

As at March 31, 2025 and 2024, the Company does not have financial instruments that are measured using the fair value hierarchy.

20.2 Financial risk management

The Company's activities expose it to a variety of financial risks from its use of financial instruments: market risk, credit risk, and liquidity risk. The Company's overall risk management program seeks to minimize potential adverse effects on the financial performance of the Company.

The BOD has overall responsibility for the establishment and oversight of the Company's risk management framework. It monitors compliance with the risk management policies and procedures and

reviews the adequacy of the risk management framework in relation to the risks faced by the Company. Risk management policies and systems are reviewed regularly to reflect changes in market conditions.

20.2.1 Components of financial assets and financial liabilities

Financial assets

Details of the Company's financial assets at amortized cost are as follows:

	Notes	March 31, 2025	December 31, 2024
Cash and cash equivalents	4	718,392,062	597,532,293
Trade and other receivables	5	602,746,813	729,144,338
Cash bond		36,170,854	36,170,854
Security deposits	8	5,279,310	5,279,310
		1,362,589,039	1,368,126,795

**excluding cash on hand*

Financial liabilities

Details of the Company's financial liabilities, categorized as liabilities at amortized cost are as follows:

	Notes	March 31, 2025	December 31, 2024
Trade payables and other liabilities*	10	53,885,352	51,056,083
Dividends payable		360,358,689	312,888,626
Lease liabilities	19	223,244,778	221,688,603
Security deposits	12	186,595,620	189,135,416
		824,084,439	774,768,728

**excluding due to government agencies and deferred rent income*

The amounts disclosed are the contractual undiscounted cash flows, except for lease liabilities and security deposits, which are equivalent to their carrying balances as the impact of discounting is not significant.

20.2.2 Market risk

Market risk is the risk that changes in market prices, such as interest rates, security price and foreign exchange rates, will affect the Company's total comprehensive income or the value of its financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing return. Security price is deemed not applicable since the Company has no debt or equity instruments traded in an active market. The management of these risks is discussed as follows:

(a) Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates would unfavorably affect future cash flows from financial instruments. The Company's exposure to risk for changes in market interest rates relates to loans payable, cash in banks, short-term placements, and lease liabilities.

The Company's exposure to risk for changes in market interest rates primarily relates to loans payable with fixed interest rate which was assumed by the Parent Company effective May 4, 2021. Management believes that the related interest rate risk on this instrument is relatively insignificant having fixed interest rate. The Company has no outstanding loans payable as at March 31, 2025 and December 31, 2023 (Note 11).

Management believes that the related cash flow and interest rate risk on cash in banks and short-term placements is relatively low due to immaterial changes on interest rates within the duration of these financial instruments. There are no other financial instruments subject to interest rate risk.

(b) Foreign exchange risk

The Company is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to U.S. Dollar. Foreign exchange risk arises when future commercial transactions, and recognized assets and liabilities are denominated in a currency that is not the Company's functional currency. Among others, management monitors the timing of settlements/payments to ensure that the Company is not unfavorably exposed to fluctuations of foreign exchange rates.

The Company's foreign currency denominated monetary liability as at March 31, 2025 refers to a portion of lease liabilities amounting to US\$18,969 (December 31, 2024 - US\$19,102) with Philippine Peso equivalent of P1.10 million (December 31, 2024 - P1.11 million).

Details of foreign exchange losses, net for the periods ended March 31 are as follows:

	Notes	2025	2024
Unrealized losses (gains), net	18	(4,354)	-
Realized losses, net		-	13,906
		(4,354)	13,906

The Company's exposure to foreign currency risk is not significant due to the absence of material transactions and balances denominated in a currency other than the Company's functional currency.

20.2.3 Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in a financial loss to the Company. The Company's credit risk arises primarily from its cash and cash equivalents, trade and other receivables, electric utility deposits, security deposits and restricted cash. Exposure to credit risk arises from potential default of the counterparty, with a maximum exposure equal to the carrying amounts of these financial assets. The Company uses internal ratings to determine the quality of its financial assets. The Company determined that its financial assets are all considered high grade financial assets except for those that were fully provided for.

The maximum exposures to credit risk are equal to the carrying amount of the cash and cash equivalents (excluding cash on hand), trade and other receivables, cash bond, and security deposits as at March 31, 2025 and December 31, 2024 as disclosed in Note 21.2.1.

Credit quality of financial assets

(i) Cash and cash equivalents and restricted cash in bank

Cash deposited/placed in banks are considered stable as the banks qualify as universal and commercial banks as defined by the Philippine Banking System and are approved by the BOD to minimize credit risk. The amounts deposited in these banks are disclosed in Notes 4 and 8. The expected credit loss is determined to be immaterial. Cash on hand is not subject to credit risk.

(ii) Trade and other receivables

The Company has significant concentration of credit risk for the sale of energy segment business on its transactions with TransCo, its sole customer. However, this is brought down to an acceptable level since credit terms on billed fees for sale of electricity are fixed as provided in formal agreements, and are accordingly collected in accordance with this agreement and the Company's credit policy with no reported defaults and write-offs in previous years. The expected credit loss is determined to be

immaterial by management.

Trade receivables from leasing segment include receivables from related parties. The credit exposure on trade receivables from related parties is considered to be minimal as there is no history of default and collections are expected to be made based on the lease agreement. In addition, the related parties are considered to have good financial standing and are highly liquid. The expected credit loss is determined to be immaterial by management.

The credit exposure on due from related parties is considered to be minimal as there is no history of default and collections are expected to be made within 12 months. The balances of due from related parties are considered as high-grade financial assets as the related parties have good financial standing and are highly liquid. The expected credit loss is determined to be immaterial by management.

Other receivables pertain to refund for overpaid insurance which has been long outstanding for more than one (1) year. Full provision has been recognized for this receivable as at March 31, 2025 and 2024.

(iii) Security deposits and cash bond

Security deposits include cash required from the Company in relation to its lease agreement. On the other hand, cash bonds comprise of cash required from the Company for the land conversion required by DAR of the properties acquired and owned from agricultural to industrial use. These deposits are assessed as high grade as there was no history of default and these are collectible upon termination of or at the end of the term of the agreements. The expected credit loss is determined to be immaterial by management.

20.2.4 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as these falls due. The objective of the Company is to maintain a balance between continuity of funding and flexibility through the use of credit lines available from related parties and local banks. The policy of the Company is to first exhaust lines available from related parties before local bank lines are availed. The Company also has available due from related parties which can be readily collected to settle maturing obligations.

The Company seeks to manage its liquidity risk by maintaining a balance between continuity of funding and flexibility. The Company regularly evaluates its projected and actual cash flows. It also continuously assesses conditions in the financial markets for opportunities to pursue fund raising activities. The Company's financial liabilities grouped into relevant maturity dates are as follows:

	Notes	Payable on demand	Less than 1 year	More than 1 year
<i>March 31, 2025</i>				
Trade payables and other liabilities*	10	-	46,076,712	-
Dividends payable		-	312,888,626	-
Security deposits	12	-	-	77,974,808
Interest**		-	317,443,500	634,887,000
Lease liabilities	19	-	3,267,523	218,421,080
Bonds payable		-	-	4,470,839,517
		-	679,676,361	5,402,122,405
<i>December 31, 2024</i>				
Trade payables and other liabilities*	9	-	44,929,828	-
Dividends payable	9, 14	-	312,888,626	-
Lease liabilities	20	-	3,267,523	218,421,080
Interest**		-	361,437,029	670,254,346
Security deposits	11	-	-	76,880,057
Bonds payable	11	-	-	4,468,567,198
		-	722,523,006	5,434,122,681

*excluding due to government agencies and deferred rent income

**expected interest on bonds payable and on lease liabilities up to maturity date

The amounts disclosed are the contractual undiscounted cash flows, except for lease liabilities and security deposits, which are equivalent to their carrying balances as the impact of discounting is not significant. The Company expects to settle the above financial liabilities within their contractual maturity date.

20.3 Capital management

The Company maintains a sound capital to ensure its ability to continue as a going concern to provide returns to shareholders and benefits to other stakeholders and to maintain an optimal capital structure to reduce cost of capital.

The Company manages its capital structure and makes adjustments in the light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholder, pay-off existing debts, return capital to shareholders or issue new shares.

The BOD has overall responsibility for monitoring capital in proportion to risk. Profiles for capital ratios are set in the light of changes in the external environment and the risks underlying the Company's business, operations and industry.

The capital structure of the Company consists of issued capital, retained earnings and remeasurement on retirement benefits. The Company monitors capital on the basis of net gearing ratio, which is calculated as total debt divided by total equity. Total debt is defined as short-term and long-term bank borrowings from third parties less cash and cash equivalents, while equity is total equity as shown in the statements of financial position. The Company's outstanding bond payable as at March 31, 2025 amounted to P4.5 billion due in 5 years from various bondholders. The net debt reconciliation and gearing ratio as at March 31, 2025 and December 31, 2024 are as follows:

	Notes	March 31, 2025	December 31, 2024
Borrowings, beginning	10	4,468,567,198	-
Cash flows	10, 11	-	4,452,660,938
Non-cash movement	10, 11	2,272,319	7,215,849
Borrowings, end	10, 11	4,470,839,517	4,459,876,787
Cash and cash equivalents	3	(718,442,062)	(616,861,821)
Net debt (asset)		3,752,397,455	3,843,014,966
Total equity	10	4,580,942,779	4,469,244,401
Net gearing ratio	10, 11	0.82:1	0.86:1

As a REIT entity, the Company is subject to externally imposed capital requirements based on the requirement of the Aggregate Leverage Limit under the REIT IRR. Per Rule 5 - Section 8 of the REIT IRR issued by the SEC, the total borrowings and deferred payments of a REIT that has a publicly disclosed investment grade credit rating by a duly accredited or internationally recognized rating agency may exceed thirty-five percent (35%) but not more than seventy percent (70%) of its deposited properties. Provided, further, that in no case shall a fund manager, borrow from the REIT any of the funds under its management. As at March 31, 2025, the Company is compliant with the externally imposed capital requirements of REIT IRR and met the provisions of the REIT law related to the borrowing requirements to its fund manager.

In 2022, the Company received PRS AA+ rating with stable outlook from Philratings for both CREIT and its February 10, 2023's bond issuance. The rating, which is considered as investment grade, allowed CREIT to increase its leverage limit from the minimum 35% of the Deposited Property to a maximum of 70% as prescribed in the REIT IRR. The Company's leverage limit as of March 31, 2025 follows:

Deposited property	20,543,608,924
Leverage ratio	70%
Leverage limit	14,380,526,247
Total borrowings and deferred payments	5,343,059,504
Allowable additional borrowings	9,037,466,743

As of March 31, 2025, the Company's Deposited Property of P20.54 billion is computed as follows:

Cash and cash equivalents	718,442,062
Investment properties, net	16,907,610,873
Property, plant and equipment, net	2,886,933,000
Right-of-use assets, net	30,622,989
	20,543,608,924

Note 21 - Critical accounting estimates and assumptions and judgments

There were no changes in management's use of estimates, assumptions and judgments as disclosed in the Company's annual financial statements as at and for the period ended March 31, 2025 that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

Note 22 - Basis of preparation

These condensed interim financial statements as at and for the three-month period ended March 31, 2025 have been prepared in accordance with PAS 34, "*Interim Financial Reporting*".

The condensed interim financial statements do not include all the notes normally included in annual financial statements. Accordingly, these condensed interim financial statements are to be read in conjunction with the annual financial statements as at and for the period ended March 31, 2025 and any public announcements made by the Company during the three-month period ended March 31, 2025. The accounting policies adopted are consistent with those of the previous financial year.

(a) New standards, amendments and interpretations not yet adopted by the Company

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for March 31, 2025 reporting periods and have not been early adopted by the Company. These standards, amendments or interpretations are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

Note 23 - Events after the reporting period

Post period-end events that provide additional information about the Company's position at the reporting date (adjusting events) are reflected in the financial statements. Post period-end events that are not adjusting events are disclosed in the notes to the financial statements when material. There were no other significant post period-end events after March 31, 2025 except for the information that were disclosed in the respective notes.

Citicore Energy REIT Corp.

(A subsidiary of Citicore Renewable Energy Corporation)

Supplementary Schedules as Required by Rule 68 of the Securities Regulation Code

March 31, 2025

Schedules	Description
A	Financial Assets
B	Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other than Related Parties)
C	Amounts Receivable from Related Parties which are Eliminated during the Consolidation of the Financial Statements
D	Long Term Debt
E	Indebtedness to Related Parties (Long-Term Loans from Related Companies)
F	Guarantees of Securities of Other Issuers
G	Share Capital
	Reconciliation of Retained Earnings Available for Dividend Declaration
	A Map Showing the Relationships between and among the Parent Company and its Ultimate Parent Company, Middle Parent, Subsidiaries or Co-subsidiaries and Associates
	Schedule of Financial Soundness Indicator

Citicore Energy REIT Corp.

(Formerly Enfinity Philippines Renewable Resources Inc.)

(A subsidiary of Citicore Renewable Energy Corporation)

Schedule A – Financial Assets

March 31, 2025

Name of issuing entity and association of each issue	Principal amount of bonds and notes	Amount shown in the statement of financial position	Income received and accrued
Financial assets at amortized cost			
Cash in banks			
BDO Unibank, Inc.	-	712,128,218	39,718
Development Bank of the Philippines	-	3,925,597	785
Security Bank Corporation	-	2,238,248	244
PNB	-	100,000	9
Cash on hand	-	50,000	-
Total cash and cash equivalents		718,442,063	40,756
Trade and other receivables		32,511,739	638,700
Security deposits		5,279,310	-
Cash bond		36,170,854	-
Total financial assets		792,403,966	679,456

Citicore Energy REIT Corp.

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Schedule B – Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other than Related Parties)

March 31, 2025

Name and designation of debtor	Balance at beginning of period	Additions	Amounts collected	Amounts written-off	Current	Non-current	Balance at the end of the period
Advances to directors, officers, employees ¹	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Due from related parties							
Total due from related parties	-	-	-	-	-	-	-
Total due from related parties	-	-	-	-	-	-	-

¹As required by Revised Rule 68 of the Securities Regulation Code, this schedule shall be filed with respect to each person among the directors, officers and employees from whom an aggregate indebtedness of more than P1 million or one percent (1%) of total assets, whichever is less, is owed for items arising outside the ordinary course of business. There were no advances with respect to each person among the directors, officers and employees amounting to more than P1 million outside the ordinary course of business as at March 31, 2025.

Citicore Energy REIT Corp.
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Schedule C – Amounts Receivable from Related Parties which are eliminated during the consolidation of the financial statements
March 31, 2025

Name and designation of debtor	Balance at beginning of period	Additions	Amounts collected	Amounts written-off	Current	Non-current	Balance at the end of the period
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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Schedule D – Long Term Debt

March 31, 2025

Title of Issue and type of obligation	Amount authorized by indenture	Amount shown under caption “Current portion of long-term debt” in related balance sheet	Amount shown under caption “long-term debt” in related balance sheet	Notes
Bonds payable	4,500,000,000	-	4,470,839,517	N/A

Supplementary information on Long-term Debt

On February 10, 2023, the Company listed a fixed-rate ASEAN Green Bonds in the total of P4.5 billion, inclusive of the P1.5 billion oversubscription option with the Philippine Dealing and Exchange Corp. The bonds will be maturing on February 10, 2028 from issue date at a rate of 7.0543%.

The Bonds Payable at the end of the reporting period is after deducting bond issue cost amounting P47.35 million and related accumulated amortization amounting P18.19 million.

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Schedule E – Indebtedness to Related Parties (Short-Term Loans from Related Companies)

March 31, 2025

Name of related party	Balance at the beginning of the period	Balance at the end of the period
Citicore Renewable Energy Corporation	-	-

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Schedule F – Guarantees of Securities of Other Issuers

March 31, 2025

Name of issuing entity of securities guaranteed by the Company for which this statement is filed	Title of issue of each class of securities guaranteed	Total amount guaranteed and outstanding	Amount owned by person for which statement is filed	Nature of guarantee
N/A	N/A	N/A	N/A	N/A

Citicore Energy REIT Corp.

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Schedule G - Share Capital

March 31, 2025

Title of issue	Number of authorized shares	Number of issued and outstanding	Number of shares reserved for options, warrants, conversion, and other rights	Number of shares held by related parties	Directors, officers, and employees	Others
Common shares	15,360,000,000	6,545,454,004	N/A	2,151,987,996	7,633,008	4,385,833,000

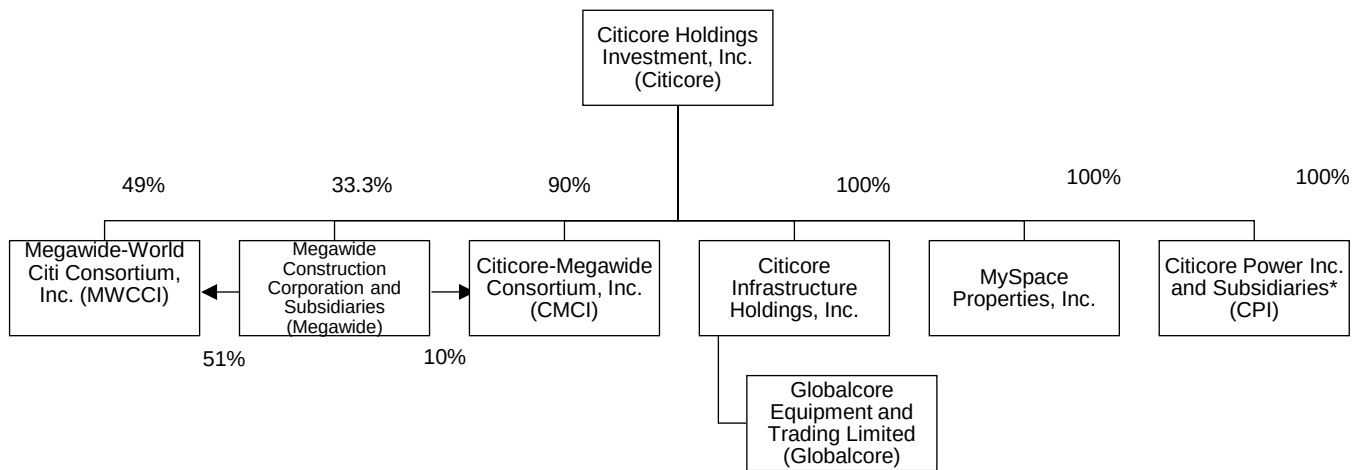
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Reconciliation of Retained Earnings Available for Dividend Declaration
As at March 31, 2025
(All amounts in Philippine Peso)

Unappropriated retained earnings, as adjusted to available for dividend declaration, beginning		639,229,768
Add : Net income actually earned during the period		
Net income during the period closed to retained earnings	357,962,847	
Less: Non-actual/unrealized income net of tax	-	
Equity in net income of associate/joint venture	-	
Unrealized foreign exchange gain - net (except those attributable to cash and cash equivalents)	-	
Unrealized actuarial gain	-	
Fair value adjustment	-	
Fair value adjustment of investment property resulting to gain	-	
Adjustment due to deviation from PFRS - gain	-	
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS	-	-
Add: Non-actual losses	-	
Depreciation on revaluation increment (after tax)	-	
Adjustment due to deviation from PFRS - loss	-	
Loss on fair value adjustment of investment property (after tax)	-	-
Net income actually earned during the period		357,962,847
Add (Less):		
Dividends declarations during the period	(359,999,970)	
Appropriations of retained earnings during the period		
Reversal of appropriation		
Effect of prior period adjustments		
Treasury shares		(359,999,970)
Unappropriated retained earnings available for dividend declaration, ending		637,192,645

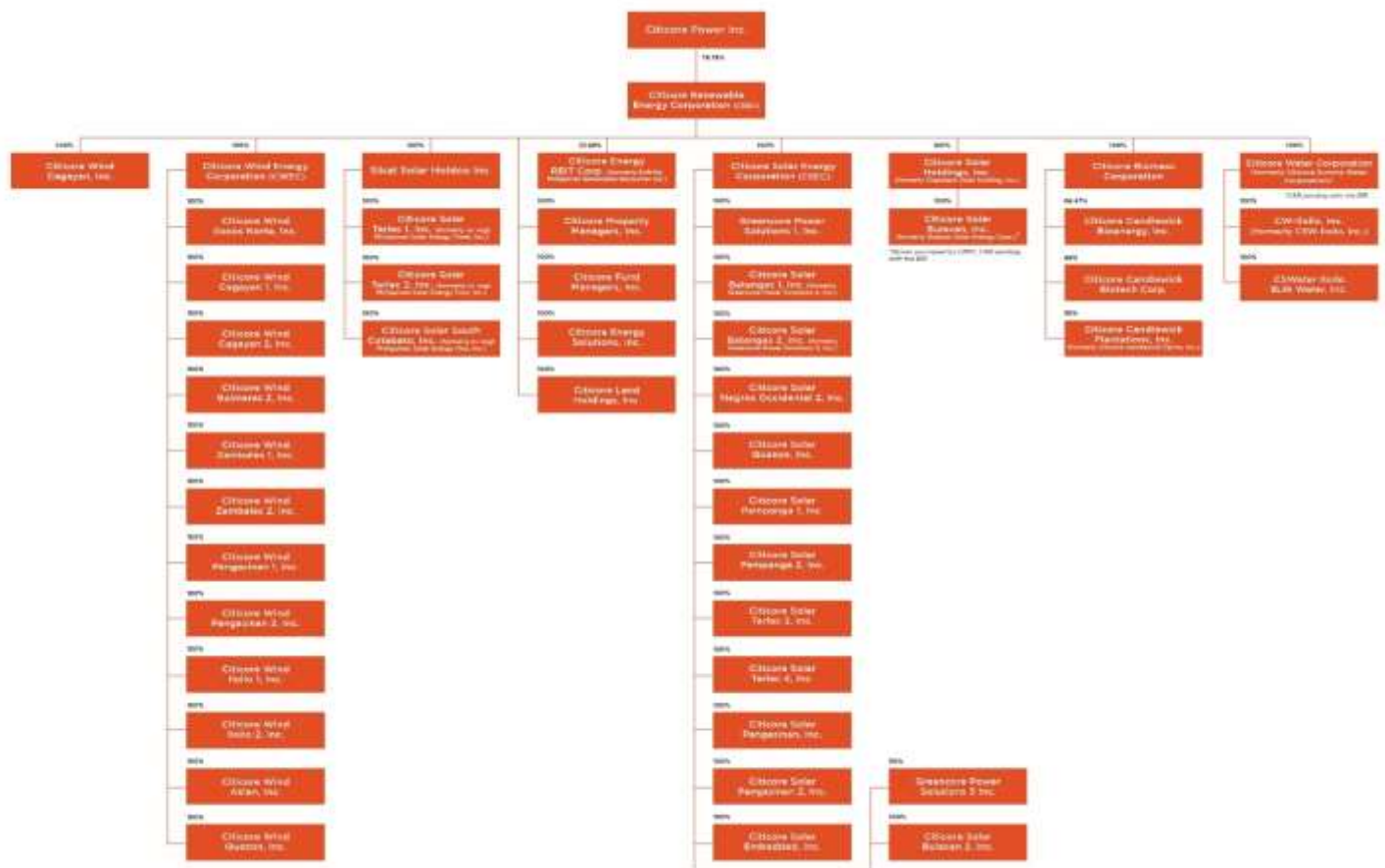
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A Map Showing the Relationships between and among the Company and its
 Ultimate Parent Company, Middle Parent, Subsidiaries or Co-subsiidiaries and Associates
 March 31, 2025



**See Schedule A*

A Map Showing the Relationships between and among the Company and its
Ultimate Parent Company, Middle Parent, Subsidiaries or
Co-subsidiaries and Associates (Schedule A)
March 31, 2025



Citicore Energy REIT Corp.

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Schedule of Financial Soundness Indicator

As at and for the periods ended March 31, 2025 and 2024

	2025	2024
Current ratio ^a	1.84x	1.95x
Acid test ratio ^b	1.61x	1.51x
Solvency ratio ^c	0.08x	0.08x
Debt-to-equity ratio ^d	0.98x	1.00x
Asset-to-equity ratio ^e	2.17x	2.19x
Interest rate coverage ratio ^f	5.38x	5.38x
Debt service coverage ratio ^g	3.24x	3.31x
Net debt/ EBITDA ^h	8.13x	8.24x
Earnings per share (Php) ⁱ	0.05	0.05
Book value per share ^j	0.70	0.68
Return on assets ^k	3.61%	3.68%
Return on equity ^l	31.53%	32.48%
Net profit margin ^m	75.78%	75.98%

^a Current assets/current liabilities^b Cash and cash equivalents + Trade and other receivables, net/Current liabilities^c Net operating profit after tax + depreciation and amortization/Loans payable^d Loans payable/ Total equity^e Total assets/ Total equity^f Earnings before interest, taxes, depreciation and amortization/Interest expense^g Earnings before interest, taxes, depreciation and amortization/Current loan payable + Interest expense + Current lease liabilities^h Short-term and long-term bank borrowings less cash and cash equivalents/Earnings before interest, taxes, depreciation and amortizationⁱ Net income attributable to ordinary equity holders of the Company/Weighted average number of ordinary shares^j Total equity less Preferred Equity/Total number of shares outstanding^k Net income attributable to owners of the Company/Average total assets^l Net income attributable to owners of the Company/Average total equity^m Net income/Revenue

Citicore Energy REIT Corp.
Aging of Receivables
As of March 31, 2025

	Current	1-30 days	31-60 days	61-90 days	91-120 days	121-150 days	151-180 days	Over 180 days	Non-current	Total
AR Transco	32,511,739	-	-	-	-	-	-	-	26,034,965	58,546,704
Lease receivable - PFRS 16	-	-	-	-	-	-	-	-	542,256,013	542,256,013
Total	32,511,739	-	-	-	-	-	-	-	568,290,978	600,802,717