

December 5, 2024

ATTY. SUZY CLAIRE R. SELLEZA

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

Dear Atty. Selleza:

We write in compliance with the Exchange’s request for clarification with respect to the news article in the Business Mirror on December 4, 2024 entitled “EDC allots ₱30 billion for projects”. The article reported in part that:

"Lopez-led Energy Development Corp. (EDC) is planning to allot P30 billion in capital expenditure (capex) for its geothermal power projects next year.

"Thirty billion pesos is more or less same as this year's capex spending," said EDC Chief Financial Officer Erwin Avante. The numbers, he added, are still subject to board approval.

The amount would be partly financed via borrowings. "We're still lining up the financing, but we will definitely borrow," added Avante.

The amount will mainly be used to finance drilling for geothermal power prospects and other ongoing growth projects, including battery energy storage system (BESS), added Avante.

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Consolidated revenues hit \$1.28 billion slightly lower from last year's numbers due to lower volumes of electricity sold across all platforms except for the hydro platform. The natural gas portfolio accounted for 67 percent of First Gen's total consolidated revenues, while 30 percent came from EDC's geothermal, wind, and solar plants. The balance comes from the company's hydro business unit.

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We confirm that all statements quoted in the news article are accurate, however, EDC would like to advise that the amount for its capital expenditure is still subject to further evaluation and assessment by EDC.

Very truly yours,



Ryan Z. Velasco

Vice President,

Corporate Information Officer,

Head of Corporate Strategy and Planning