

November 14, 2025

via electronic mail

SECURITIES AND EXCHANGE COMMISSION
SEC Headquarters, 7907 Makati Avenue,
Salcedo Village, Bel-Air, Makati City

ATTENTION : **DIR. OLIVER O. LEONARDO**
Markets and Securities Regulation Department

via PSE EDGE

PHILIPPINE STOCK EXCHANGE, INC.
PSE Tower, 28th Street cor. 5th Avenue,
Bonifacio Global City, Taguig City

ATTENTION : **ATTY. JOHANNE DANIEL M. NEGRE**
Officer-in-Charge, Disclosure Department

via electronic mail

PHILIPPINE DEALING & EXCHANGE CORP.
Market Regulatory Services Group
29th Floor BDO Equitable Tower
8751 Paseo de Roxas, Makati City 1226

ATTENTION : **ATTY. SUZY CLAIRE B. SELLEZA**
Head – Issuer Compliance and Disclosures Department

Gentlemen:

Please see enclosed SEC Form 17-Q (3rd Quarterly Report 2025) of Aboitiz Power Corporation.

Kindly acknowledge receipt hereof.

Thank you.

Very truly yours,

ABOITIZ POWER CORPORATION

By:



RANULFO J. JAVELOSA, III
Corporate Secretary

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

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

1. For the quarterly period ended **September 30, 2025**
2. Commission identification number **C199800134** 3.BIR Tax Identification No. **200-652-460-000**
4. Exact name of issuer as specified in its charter

ABOITIZ POWER CORPORATION

5. Province, country or other jurisdiction of incorporation or organization

Philippines

6. Industry Classification Code: (SEC Use Only)

7. Address of issuer's principal office Postal Code

**Ayala Triangle Gardens Tower 2, Paseo de Roxas cor. Makati
Ave., Makati City, Metro Manila, Philippines**

1226

8. Issuer's telephone number, including area code

(632) 8886-2600

9. Former name, former address and former fiscal year, if changed since last report

N/A

10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

Title of Each Class

Number of Shares of Common Stock
Outstanding and Amount of Debt Outstanding
(as of September 30, 2025)

Common Stock P1 Par Value

7,205,854,307

Amount of Debt Outstanding

P304,045,697,000.00

11. Are any or all of the securities listed on a Stock Exchange?

Yes [] No []

If yes, state the name of such Stock Exchange and the class/es of securities listed therein:

Philippine Stock Exchange

Common

12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation

Code of the Philippines, during the preceding twelve (12) months (or for such shorter period the registrant was required to file such reports)

Yes [] No []

(b) has been subject to such filing requirements for the past ninety (90) days.

Yes [] No []

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements.

Please refer to the financial statements and schedules attached herewith.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following management's discussion and analysis of Aboitiz Power Corporation's ("AboitizPower", "Parent", or the "Company") and subsidiaries' (the "Group") financial condition and results of operations should be read in conjunction with the Group's consolidated financial statements, and accompanying schedules and disclosures, included as part of this report.

This section also includes a discussion of financial ratios. These financial ratios are unaudited and are not measurements of profitability in accordance with PFRS Accounting Standards and should not be considered as an alternative to net income or any other measure of performance which are in accordance with PFRS Accounting Standards.

Top Five Key Performance Indicators

Management uses the following indicators to evaluate the performance of the Group:

1. **Share in net earnings of associates and joint ventures.** This represents the Group's share in the undistributed earnings or losses of its investees for each reporting period subsequent to the acquisition of said investment, net of any impairment loss, if any. It also indicates the profitability of the investment and investees' contribution to the Group's net income.

Manner of Computation: Investee's Net Income (Loss) x Investor's % ownership less impairment loss, if any

2. **Earnings before interest, taxes, depreciation, and amortization (EBITDA).** The Group computes EBITDA as earnings before extraordinary items, net finance expense, provision for income tax, depreciation expense, and amortization expense. It provides management and investors with a tool for determining the ability of the Group to generate cash from operations to cover finance charges and income taxes. It is also a measure to evaluate the Group's ability to service its debts, and finance its capital expenditures and working capital requirements.
3. **Cash Flow Generated.** Using the Consolidated Statements of Cash Flows, management determines the sources and usage of funds for the period and analyzes how the Group manages its profit and uses its internal and external sources of capital. This helps management in identifying the impact on cash flow when the Group's activities are in a state of growth or decline, and in evaluating management's efforts to control the impact.
4. **Current Ratio.** This liquidity measurement is calculated by dividing total current assets by total current liabilities. It is an indicator of the Group's short-term debt-paying ability; a higher ratio signifies greater liquidity.

5. **Net Debt-to-Equity Ratio.** This ratio indicates the Group's leverage by comparing assets provided by creditors to assets provided by shareholders. It is determined by dividing total interest-bearing debt less cash and cash equivalents, including restricted cash, by total stockholders' equity.

Nine-Month Period Ended September 30, 2025 versus Nine-Month Period Ended September 30, 2024

The table below shows the comparative figures of the key performance indicators as of and for the nine-month period ended September 30, 2025 and September 30, 2024 and as of and for the year ended December 31, 2024:

Key Performance Indicators <i>(amounts in thousand PhP, except for financial ratios)</i>	September 30, 2025 (Unaudited)	September 30, 2024 (Unaudited)	December 31, 2024 (Audited)
SHARE IN NET EARNINGS OF ASSOCIATES AND JOINT VENTURES	14,643,320	12,658,797	15,693,423
EBITDA	52,001,645	55,258,921	71,734,307
CASH FLOW GENERATED:			
Net cash flows from operating activities	34,442,988	36,428,059	46,128,685
Net cash flows used in investing activities	(65,842,884)	(4,828,402)	(12,702,189)
Net cash flows used in financing activities	29,083,859	(27,018,583)	(31,380,181)
Net increase (decrease) in cash and cash equivalents	(2,316,037)	4,581,074	2,046,315
Cash and cash equivalents, beginning	56,759,297	54,538,784	54,538,784
Cash and cash equivalents, end	54,482,479	59,158,439	56,759,297
CURRENT RATIO	1.10	1.81	1.56
NET DEBT-TO-EQUITY RATIO	1.08	0.85	0.84

- Share in net earnings in associates and joint ventures for the nine months of 2025 rose by 16% compared to the same period in 2024. This increase was primarily driven by a ₱4.29 billion (bn) fresh contribution from the Group's investment in Chromite Gas Holdings, Inc. (CGHI) beginning January 2025, higher contribution from Manila-Oslo Renewable Enterprise, Inc. (MORE) due to high water inflow, and its revenue from the reserve market. This was offset by the lower share in net earnings from GNPowder Dinginin Ltd. Co. (GNPD) as the Group recognized the full impact of depreciation and interest expenses of GNPowder Units 1 and 2, which was recognized beginning March 2024, as well as lower availability due to plant outages.
- EBITDA for the first nine months of 2025 declined by 6% compared to the same period last year, primarily due to the significant price decline of the Wholesale Electricity Spot Market (WESM), with the time-weighted average price falling by approximately 33% or ₱1.85 per kilowatt hour. The average spot price declined as a result of lower demand amid cooler weather, deceleration of the domestic economy, and near-to-medium term oversupply from the acceleration of renewable energy capacity projects awarded under the Green Energy Auction Program, as well as growing adoption of rooftop solar installations. Exposure to WESM prices is expected to lessen as the Group seeks to contract more of its power generation capacity. The scheduled plant outages of Therma Luzon, Inc. (TLI), Therma Visayas, Inc. and GNPowder Mariveles Energy Center Ltd. Co. plants during the earlier part of 2025 also contributed to the EBITDA decline.
- Cash and cash equivalents slightly dropped by ₱2.28 bn from December 31, 2024 mainly due to payment of cash dividends of ₱16.93 bn and interest payments, which was offset by loan availments during the period. Cash flows from operating activities remained positive at ₱34.44 bn.
- Current Ratio as of September 30, 2025 was at 1.10x as compared to 1.56x as of December 31, 2024. Meanwhile, Net Debt-to-Equity Ratio as of September 30, 2025 was at 1.08x, higher than the 0.84x recorded as of December 31, 2024. This change is due to the short-term debt incurred for the acquisition of CGHI.

Results of Operations

Net income attributable to equity holders of the parent for the first nine months of 2025 was ₱23.30 bn, representing a 15% decrease compared to the ₱27.27 bn reported in the same period in 2024.

Generation and Retail Electricity Supply

Energy sold totaled 32,138 gigawatt-hours (GWh) in the first nine months of 2025, a 19% increase from 26,910 GWh in the same period in 2024. Nevertheless, due to lower spot market prices, the beneficial EBITDA from the generation and retail supply business rose by only 1% to ₱50.9 bn in the first nine months of 2025, from ₱50.6 bn in the same period in 2024.

Distribution

The distribution segment posted ₱7.0 bn in beneficial EBITDA in the first nine months of 2025, a 2% increase from ₱6.8 bn posted in the same period of 2024, driven by higher volume. Energy sales increased by 5% year-on-year to 5,166 GWh, compared to 4,939 GWh in the same period in 2024.

Analysis of Material Changes (+/- 5% or more) in the Unaudited Interim Condensed Financial Statements

For the period ended September 30, 2025 (Unaudited) vs. September 30, 2024 (Unaudited)

The following table illustrates the movements in income statement items that contributed to the decrease in net income attributable to equity shareholders of parent as of September 30, 2025 (amounts in thousand Php):

Net income attributable to equity shareholders of Parent (as of September 30, 2024)	₱27,273,872
Decrease in operating revenues	(3,994,020)
Increase in operating expenses	(987,206)
Increase in interest income	287,719
Increase in interest expense	(2,471,993)
Increase in share in net earnings of associates and joint ventures	1,984,523
Decrease in other income	(327,791)
Decrease in provision for taxes	1,013,467
Decrease in income attributable to non-controlling interests	525,002
Total	(3,970,299)
Net income attributable to equity shareholders of Parent (as of September 30, 2025)	₱23,303,573

Interest income - 22% increase

Increase of ₱287.72 million (mn) on account of higher cash placed in money market placements during the period.

Interest expense and other financing costs - 23% increase

Increase of ₱2.47 bn as additional short-term loans were availed for the acquisition of CGHI, issuance of ₱30.00 bn bonds of the Parent Company, as well as additional interest from Aboitiz Renewables, Inc. (ARI) and PV Sinag Power, Inc.'s loans which were availed in March 2024.

Share in net earnings of associates and joint ventures - 16% increase

Increase of ₱1.98 bn due to the fresh contribution from the Investment in CGHI and higher contribution from MORE. This was partly tempered by the decline in GNPD as the Group realizes the full impact of higher depreciation and interest expense, commencing in March 2024, as well as lower availability due to plant outages.

Other income (expenses) - net - 22% decrease

Decrease of ₱328.79 mn due to nonrecurring income in 2024 from sale of fuel and oil inventory and insurance claims from one of Therma South, Inc.'s power plant equipment.

Provision for income tax - 17% decrease

Decrease of ₱1.01 bn due to lower taxable income, and reduced provisions for deferred taxes on foreign exchange difference and right-of-use (ROU) assets.

Changes in Registrant's Resources, Liabilities and Shareholders' Equity

For the period ended September 30, 2025 (Unaudited) vs. December 31, 2024 (Audited)

Balance Sheet items

Assets

Total assets as of September 30, 2025 compared to December 31, 2024 rose by ₱66.70 bn, or 13%. The major movements of the accounts contributing to the increase were as follows:

Short-term investments - 100% increase

Increase of ₱8.14 bn mainly due to short-term swap investments of the Parent Company which will mature in the last quarter of 2025.

Inventories - 14% decrease

Decrease of ₱1.99 bn due to lower fuel cost driven by the growth in renewable energy and drop in imported coal prices, and higher coal consumption.

Other current assets - 24% decrease

Decrease of ₱3.69 bn primarily due to amortization of prepaid insurance related to plants, as well as lower restricted cash, representing proceeds from sale of power under the control of lenders per loan agreement, as a result of loan principal payments.

Derivative assets (liabilities) - current and noncurrent - 28% decrease

Decrease of ₱22.28 mn primarily due to actualization of foreign exchange hedge related to the Investment in CGHI.

Investments in and advances to associates - 61% increase

Increase of ₱58.94 bn mainly driven by the Investment in CGHI, additional equity share from Investments in associates and joint ventures, partially offset by dividends received during the first nine months of 2025.

Other noncurrent assets - 9% decrease

Increase of ₱2.29 bn due to reclassification of prepaid rent to ROU following the execution of a land lease agreement of TLI's plants, collection of tax credit receivable, and lower concession contract asset representing SPI Power Incorporated's capital recovery fees from National Power Corporation.

Liabilities

Compared to December 31, 2024, total liabilities as of September 30, 2025 increased by ₱62.66 bn, or 21%. The major movements of accounts leading to the increase were as follows:

Short-term loans - 93% increase

Increase of ₱23.18 bn mainly coming from the loan availments during the period for the acquisition of CGHI.

Lease liability (current and noncurrent) - 9% increase

Increase of ₱410.73 mn mainly due to a new lease agreement for a new facility starting January 2025.

Long-term debt - current and noncurrent - 17% increase

Increase of ₱37.26 bn mainly due to the ₱30 bn issued bonds of the Parent Company to support the financing of CGHI and refinancing of higher rate loans, and new loans availed by the ARI group for its projects.

Income tax payable - 10% decrease

Decrease of ₱139.55 mn due to lower taxable income from lower EBITDA.

Customers' deposits - 11% increase

Increase of ₱1.03 bn due to the receipt of additional bill deposits from the customers of the distribution units. Bill deposits are paid by customers to guarantee payment of bills equivalent to their estimated monthly billing, and are adjusted after one year to approximate the actual average monthly bills.

Pension liability (asset) - net - 32% decrease

Increase of ₱263.39 mn on account of contributions to the retirement fund, offset by additional retirement expense by the Group during the period.

Equity

Equity attributable to the shareholders of the Parent rose by ₱6.98 bn or 3% attributable to the net income for the period of ₱23.30 bn which exceeded the dividend distribution of ₱16.93 bn. The share in other comprehensive income of associates and joint ventures increased by ₱178.14 mn or 9% as a result of the foreign exchange translation of dollar-denominated entities, principally GNPD, as of September 30, 2025. Additionally, cash flow hedge reserve dropped by ₱32.91 mn or 50% due to actualization of foreign exchange hedge related to the CGHI investment, partly offset by new derivatives during the period.

Material Changes in Liquidity and Cash Reserves of Registrant

As of September 30, 2025, the Group's cash and cash equivalents decreased by 4% to ₱54.48 bn, from ₱56.76 bn as of December 31, 2024.

Net cash flows from operating activities dropped from ₱36.43 bn during the first nine months of 2024 to ₱34.44 bn in the same period in 2025, primarily due to lower income during the period. Meanwhile, net cash used in investing activities rose from ₱4.83 bn to ₱65.84 bn primarily on account of additional investment in CGHI and short-term investments. Net cash flows provided by financing activities ended at ₱29.08 bn (from net cash used in financing activities of ₱27.02 bn during the same period last year). This was mainly attributable to the issuance of the ₱30 bn bond issuance of the Parent Company and new loan availments of the ARI group, partly countered by higher interest payments in 2025 due to new loan availments.

Financial Ratios

Due to the short-term debt incurred for the acquisition of CGHI, the Company's current ratio dropped to 1.1x as of September 30, 2025, versus 1.6x at year-end 2024, and the net-debt-to-equity ratio increased to 1.1x, compared to 0.8x as of December 31, 2024.

Outlook for the Upcoming Year/ Known Trends, Events, and Uncertainties which may have Material Impact on the Registrant

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

Known trends, events, and uncertainties that may have material impact on AboitizPower have been discussed extensively in sections of the Company's Information Statement. For an extensive discussion on regulatory issues, see Effect of Existing or Probable Government Regulations on the Business on page 81 of AboitizPower's SEC Form 20-IS (2024 Definitive Information Statement).

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

None.

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

None.

(iv) Any material commitments for capital expenditures.

AboitizPower believes that its balance sheet gives it the capability to create or acquire additional generating capacity over the next few years. Please refer to Outlook for the Upcoming Year/ Known Trends, Events, and Uncertainties which may have Material Impact on the Registrant on page 124 of AboitizPower's SEC Form 20-IS (2024 Definitive Information Statement).

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

Known trends, events, and uncertainties that may have a material impact on AboitizPower have been discussed extensively in sections of the Company's Information Statement. In particular, prices in the Wholesale Electricity Spot Market (WESM) can be volatile and thus impact the business. For an extensive discussion on regulatory issues, see Effect of Existing or Probable Government Regulations on the Business on page 81 of AboitizPower's SEC Form 20-IS (2024 Definitive Information Statement).

Risk management processes are in place to mitigate the impact of interest rate, foreign exchange rate, and commodity price movements across AboitizPower and its subsidiaries. The Company will continue to align and adjust its operations to adapt to changing regulatory environments and climate conditions.

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

None.

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

El Niño and La Niña climate patterns can have an impact on the Company's hydro generation business. Other seasonal factors may include: temperature, production of industries, and construction activities.

(viii) The causes for any material change from period to period which shall include vertical and horizontal analyses of any material item.

None.

PART II - OTHER INFORMATION

There are no significant information on the company which requires disclosure herein and/or were not included in SEC Form 17-C.

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Issuer	ABOITIZ POWER CORPORATION _____
Principal Accounting Officer	(SGD) Ma. Racquel J. Bustamante _____
Signature and Title	SVP - Deputy Chief Financial Officer/Treasurer/ Alternate Corporate Information Officer _____
Date	November 14, 2025 _____
Authorized Officer of the Issuer	(SGD) Ranulfo J. Javelosa, III _____
Signature and Title	Corporate Secretary _____
Date	November 14, 2025 _____

Aboitiz Power Corporation and Subsidiaries

Unaudited Interim Condensed Consolidated
Financial Statements
As of September 30, 2025
(with Comparative Figures as of
December 31, 2024) and For the Nine-Month
Periods Ended September 30, 2025 and 2024

and

Independent Auditor's Report

ABOITIZ POWER CORPORATION AND SUBSIDIARIES**UNAUDITED INTERIM CONSOLIDATED BALANCE SHEETS**

(With Comparative Figures as of December 31, 2024)

(Amounts in Thousands)

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
ASSETS		
Current Assets		
Cash and cash equivalents (Note 5)	₱54,482,479	₱56,759,297
Short-term investments	8,140,005	–
Trade and other receivables (Note 6)	35,505,223	36,593,245
Derivative assets (Note 21)	90,498	314,646
Inventories	12,259,761	14,251,718
Other current assets (Note 7)	11,413,803	15,107,447
Total Current Assets	121,891,769	123,026,353
Noncurrent Assets		
Investments and advances (Note 8)	154,865,671	95,930,192
Property, plant and equipment	231,015,973	220,158,293
Intangible assets (Note 10)	52,009,857	51,859,795
Derivative assets - net of current portion (Note 21)	634	–
Net pension assets	56,041	78,304
Deferred income tax assets	1,539,785	1,333,484
Other noncurrent assets (Note 11)	22,938,436	25,229,646
Total Noncurrent Assets	462,426,397	394,589,714
TOTAL ASSETS	₱584,318,166	₱517,616,067
LIABILITIES AND EQUITY		
Current Liabilities		
Short-term loans (Note 13)	₱48,211,310	₱25,035,435
Current portions of:		
Long-term debts (Note 14)	24,396,256	16,465,260
Lease liabilities (Note 22)	290,275	170,877
Long-term obligation on power distribution system	40,000	40,000
Derivative liabilities (Note 21)	32,385	229,918
Trade and other payables (Note 12)	36,519,734	35,706,641
Income tax payable	1,198,317	1,337,864
Total Current Liabilities	110,688,277	78,985,995

(Forward)

ABOITIZ POWER CORPORATION AND SUBSIDIARIES
UNAUDITED INTERIM CONSOLIDATED BALANCE SHEETS
(With Comparative Figures as of December 31, 2024)
(Amounts in Thousands)

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Noncurrent Liabilities		
Noncurrent portions of:		
Long-term debts (Note 14)	₱226,581,513	₱197,254,006
Lease liabilities (Note 22)	4,566,343	4,275,016
Long-term obligation on power distribution system	65,729	57,238
Derivative liabilities - net of current portion (Note 21)	–	3,698
Customers' deposits	10,542,644	9,515,891
Decommissioning liability	5,507,131	5,259,205
Deferred income tax liabilities	5,824,660	5,478,492
Net pension liabilities	604,187	889,844
Total Noncurrent Liabilities	253,692,207	222,733,390
Total Liabilities	364,380,484	301,719,385
Equity Attributable to Equity Holders of the Parent		
Paid-in capital	19,947,498	19,947,498
Share in other comprehensive income of associates and joint ventures (Note 8)	2,070,392	1,892,252
Cumulative translation adjustments	9,287,407	8,921,693
Cash flow hedge reserve	32,314	65,221
Actuarial losses on defined benefit plans	(1,200,890)	(1,212,778)
Equity reserve	(6,124,735)	(6,212,785)
Treasury stock - at cost	(4,891,831)	(4,891,831)
Retained earnings (Note 23)		
Appropriated	11,900,000	11,900,000
Unappropriated	179,192,569	172,822,755
	210,212,724	203,232,025
Non-controlling Interests	9,724,958	12,664,657
Total Equity	219,937,682	215,896,682
TOTAL LIABILITIES AND EQUITY	₱584,318,166	₱517,616,067

See accompanying Notes to Interim Condensed Consolidated Financial Statements.

ABOITIZ POWER CORPORATION AND SUBSIDIARIES
UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF INCOME
(Amounts in Thousands, Except Earnings Per Share Amounts)

	Periods Ended September 30		Quarters Ended September 30	
	2025	2024	2025	2024
OPERATING REVENUES (Note 19)	₱144,326,961	₱148,320,981	₱52,530,538	₱48,081,526
OPERATING EXPENSES (Note 16)	118,002,966	117,015,760	40,503,186	36,611,334
OPERATING PROFIT	26,323,995	31,305,221	12,027,352	11,470,192
FINANCIAL EXPENSES - net				
Interest income	1,601,433	1,313,714	584,627	536,074
Interest expense and other financing costs (Note 20)	(13,348,604)	(10,876,611)	(4,656,795)	(3,680,010)
	(11,747,171)	(9,562,897)	(4,072,168)	(3,143,936)
OTHER INCOME (EXPENSES)				
Share in net earnings of associates and joint ventures (Note 8)	14,643,320	12,658,797	5,333,637	4,716,088
Other income - net (Note 17)	1,162,668	1,490,459	162,929	85,730
	15,805,988	14,149,256	5,496,566	4,801,818
INCOME BEFORE INCOME TAX	30,382,812	35,891,580	13,451,750	13,128,074
PROVISION FOR INCOME TAX	4,932,629	5,946,096	2,042,744	1,906,973
NET INCOME	₱25,450,183	₱29,945,484	₱11,409,006	₱11,221,101
ATTRIBUTABLE TO:				
Equity holders of the parent	₱23,303,573	₱27,273,872	₱10,636,965	₱10,146,203
Non-controlling interests	2,146,610	2,671,612	772,041	1,074,898
	₱25,450,183	₱29,945,484	₱11,409,006	₱11,221,101
EARNINGS PER COMMON SHARE (Note 18)				
Basic and diluted, income for the period attributable to ordinary equity holders of the parent	₱3.23	₱3.78	₱1.48	₱1.40

See accompanying Notes to Interim Condensed Consolidated Financial Statements.

ABOITIZ POWER CORPORATION AND SUBSIDIARIES

UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (Amounts in Thousands)

	Periods Ended September 30		Quarters Ended September 30	
	2025	2024	2025	2024
NET INCOME ATTRIBUTABLE TO:				
Equity holders of the parent	₱23,303,573	₱27,273,872	₱10,636,965	₱10,146,203
Non-controlling interests	2,146,610	2,671,612	772,041	1,074,898
	25,450,183	29,945,484	11,409,006	11,221,101
OTHER COMPREHENSIVE INCOME (LOSS)				
<i>Other comprehensive income (loss) that may be reclassified to profit or loss in subsequent periods:</i>				
Movement in cumulative translation adjustments	424,976	1,144,390	2,631,043	(2,327,103)
Movement in cash flow hedges	(22,134)	326,692	173,804	(286,706)
Share in movement in cumulative translation adjustment of associates and joint ventures (Note 8)	246,314	607,271	993,576	57,863
	649,156	2,078,353	3,798,423	(2,555,946)
<i>Other comprehensive income (loss) that will not be reclassified to profit or loss in subsequent periods:</i>				
Share in net unrealized valuation loss on FVOCI investment of an associate (Note 8)	12,147	–	–	–
Actuarial loss on defined benefit plans, net	11,888	(8,685)	–	–
Share in actuarial gains (loss) on defined benefit plans of associates and joint ventures, net of tax (Note 8)	(80,321)	(9,286)	–	39,547
	(56,286)	(17,971)	–	39,547
Total other comprehensive income for the period, net of tax	592,870	2,060,382	3,798,423	(2,516,399)
TOTAL COMPREHENSIVE INCOME	₱26,043,053	₱32,005,866	₱15,207,429	₱8,704,702
ATTRIBUTABLE TO:				
Equity holders of the parent	₱23,826,408	₱29,169,040	₱14,192,643	₱8,044,516
Non-controlling interests	2,216,645	2,836,826	1,014,786	660,186
	₱26,043,053	₱32,005,866	₱15,207,429	₱8,704,702

See accompanying Notes to Interim Condensed Consolidated Financial Statements.

ABOITIZ POWER CORPORATION AND SUBSIDIARIES

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE PERIODS ENDED SEPTEMBER 30, 2025 AND 2024

(Amounts in Thousands, Except Dividends Per Share Amounts)

	Attributable to Equity Holders of the Parent										Non-controlling Interests	Total
	Paid-in Capital	Share in Other Comprehensive Income (Loss) of Associates and Joint Ventures (Note 8)	Cumulative Translation Adjustments	Cash Flow Hedge Reserve	Actuarial Gains (Losses) on Defined Benefit Plans	Equity Reserve	Treasury Stock (Note 24)	Retained Earnings (Note 23)		Total Attributable to Equity Holders of the Parent		
							Appropriated	Unappropriated				
Balances at January 1, 2025	₱19,947,498	₱1,892,252	₱8,921,693	₱65,221	(₱1,212,778)	(₱6,212,785)	(₱4,891,831)	₱11,900,000	₱172,822,755	₱203,232,025	₱12,664,657	₱215,896,682
Net income for the period	—	—	—	—	—	—	—	23,303,573	23,303,573	23,303,573	2,146,610	25,450,183
Other comprehensive income	—	178,140	365,714	(32,907)	11,888	—	—	—	522,835	522,835	70,035	592,870
Total comprehensive income	—	178,140	365,714	(32,907)	11,888	—	—	23,303,573	23,826,408	23,826,408	2,216,645	26,043,053
Cash dividends - ₱2.35 per share (Note 23)	—	—	—	—	—	—	—	(16,933,759)	(16,933,759)	(16,933,759)	—	(16,933,759)
Acquisition of non-controlling interest (Note 24)	—	—	—	—	—	88,050	—	—	88,050	88,050	(88,050)	—
Cash dividends paid to non-controlling interests	—	—	—	—	—	—	—	—	—	—	(5,068,294)	(5,068,294)
Balances at September 30, 2025	₱19,947,498	₱2,070,392	₱9,287,407	₱32,314	(₱1,200,890)	(₱6,124,735)	(₱4,891,831)	₱11,900,000	₱179,192,569	₱210,212,724	₱9,724,958	₱219,937,682
Balances at January 1, 2024	₱19,947,498	₱651,102	₱5,764,141	(₱269,282)	(₱1,283,856)	(₱7,175,742)	(₱4,891,831)	₱11,900,000	₱155,496,036	₱180,138,066	₱13,836,299	₱193,974,365
Net income for the period	—	—	—	—	—	—	—	27,273,872	27,273,872	27,273,872	2,671,612	29,945,484
Other comprehensive income	—	597,985	979,176	326,692	(8,685)	—	—	—	1,895,168	1,895,168	165,214	2,060,382
Total comprehensive income	—	597,985	979,176	326,692	(8,685)	—	—	27,273,872	29,169,040	29,169,040	2,836,826	32,005,866
Cash dividends - ₱2.30 per share (Note 23)	—	—	—	—	—	—	—	(16,573,466)	(16,573,466)	(16,573,466)	—	(16,573,466)
Acquisition of non-controlling interest	—	—	—	—	—	962,957	—	—	962,957	962,957	(1,595,842)	(632,885)
Cash dividends paid to non-controlling interests	—	—	—	—	—	—	—	—	—	—	(2,493,690)	(2,493,690)
Change in non-controlling interests	—	—	—	—	—	—	—	—	—	—	(667,658)	(667,658)
Balances at September 30, 2024	₱19,947,498	₱1,249,087	₱6,743,317	₱57,410	(₱1,292,541)	(₱6,212,785)	(₱4,891,831)	₱11,900,000	₱166,196,442	₱193,696,597	₱11,915,935	₱205,612,532

See accompanying Notes to Interim Condensed Consolidated Financial Statements.

ABOITIZ POWER CORPORATION AND SUBSIDIARIES

UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

(Amounts in Thousands)

	Periods Ended September 30		Quarters Ended September 30	
	2025	2024	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES				
Income before income tax	₱30,382,812	₱35,891,580	₱13,451,750	₱13,128,074
Adjustments for:				
Interest expense and other financing costs (Note 20)	13,348,604	10,876,611	4,656,795	3,680,010
Depreciation and amortization (Note 16)	9,861,341	9,372,792	3,442,022	3,246,313
Net unrealized foreign exchange gains	(39,219)	(38,581)	(64,368)	(92,913)
Loss (gain) on disposal of property, plant and equipment (Note 17)	27,476	135,479	18,770	(314)
Share in net earnings of associates and joint ventures (Note 8)	(14,643,320)	(12,658,797)	(5,333,637)	(4,716,088)
Interest income	(1,601,433)	(1,313,714)	(584,627)	(536,074)
Operating income before working capital changes	37,336,261	42,265,370	15,586,705	14,709,008
Decrease (increase) in:				
Trade and other receivables	383,918	2,512,132	1,135,728	6,132,965
Inventories	1,991,957	718,886	(382,199)	(239,170)
Concession asset	634,448	–	(20,613)	–
Other assets	2,368,101	98,490	1,135,725	(1,740,213)
Increase (decrease) in:				
Trade and other payables	(4,918,294)	(4,278,291)	(4,439,101)	(5,018,226)
Customers' deposits	1,026,753	931,995	523,326	135,199
Net cash generated from operations	38,823,144	42,248,582	13,539,571	13,979,563
Income and final taxes paid	(4,380,156)	(5,820,523)	(985,966)	(1,946,819)
Net cash flows from operating activities	34,442,988	36,428,059	12,553,605	12,032,744
CASH FLOWS FROM INVESTING ACTIVITIES				
Cash dividends received (Note 8)	6,769,831	10,318,529	3,159,595	8,038,212
Interest received	1,643,437	1,340,867	607,752	518,698
Proceeds from redemption of shares (Note 8)	–	6,940	–	–
Decrease (increase) in other noncurrent assets	(1,636,844)	(2,161,208)	(916,817)	413,594
Net payment of advances	–	5,401	–	368
Proceeds from sale of property, plant and equipment	23,034	18,345	(1,630)	–
Availment of short-term investments	(8,140,005)	–	(8,140,005)	–
Additions to:				
Property, plant and equipment	(16,880,584)	(14,075,714)	(8,164,511)	(6,230,153)
Intangible assets	(617,011)	(281,562)	(72,522)	52,403
Additional investments (Note 8)	(47,004,742)	–	(223,584)	–
Net cash flows from (used) in investing activities	(65,842,884)	(4,828,402)	(13,751,722)	2,793,122
CASH FLOWS FROM FINANCING ACTIVITIES				
Payments of long-term debt (Note 14)	(9,098,656)	(9,558,760)	(3,691,095)	(4,270,384)
Availment of long-term debt	47,870,000	8,850,000	43,070,000	–
Net availment (payments) of short-term loans (Note 13)	23,167,802	2,748,600	(25,856,678)	(1,384,070)
Cash dividends paid (Note 23)	(16,933,258)	(16,561,171)	–	–
Payments of:				
Payments of lease liabilities, including interest accretion (Note 22)	(399,774)	(214,047)	(245,147)	(135,300)
Acquisition of non-controlling interest (Note 24)	–	962,957	–	1,595,842
Payment of dividends to non-controlling interests (Note 24)	(2,221,738)	(2,493,690)	(300,000)	(154,800)
Return of contribution from non-controlling interests (Note 24)	–	(687,253)	–	(687,253)
Interest paid	(13,300,517)	(10,065,219)	(4,238,771)	(3,199,033)
Net cash flows from (used) in financing activities	29,083,859	(27,018,583)	8,738,309	(8,234,998)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(2,316,037)	4,581,074	7,540,192	6,590,868
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND EQUIVALENTS	39,219	38,581	64,368	92,913
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	56,759,297	54,538,784	46,877,919	52,474,658
CASH AND CASH EQUIVALENTS AT END OF PERIOD (Note 5)	₱54,482,479	₱59,158,439	₱54,482,479	₱59,158,439

See accompanying Notes to Interim Condensed Consolidated Financial Statements.

ABOITIZ POWER CORPORATION AND SUBSIDIARIES

UNAUDITED INTERIM CONDENSED NOTES TO FINANCIAL STATEMENTS

(Amounts in Thousands, Except Earnings per Share and Exchange Rate Data and When Otherwise Indicated)

1. Corporate Information

Aboitiz Power Corporation (the Company) was incorporated in the Philippines and registered with the Securities and Exchange Commission (SEC) on February 13, 1998. The Company is a publicly-listed holding company of the entities engaged in power generation and power distribution in the Aboitiz Group. As of September 30, 2025, Aboitiz Equity Ventures, Inc. (AEV; also a publicly-listed entity incorporated in the Philippines) and JERA Asia Private Limited own the Company by 53.09% and 27.57%, respectively. The ultimate parent of the Company is Aboitiz & Company, Inc. (ACO).

The registered office address of the Company is Ayala Triangle Gardens Tower 2 Paseo De Roxas corner Makati Avenue, Bel-Air 1209 City of Makati.

2. Group Information

The unaudited interim condensed consolidated financial statements comprise the financial statements of the Company, subsidiaries controlled by the Company and a joint operation that is subject to joint control (collectively referred to as “the Group”).

The following are the subsidiaries as of September 30, 2025 and December 31, 2024:

	Nature of Business	September 30, 2025		December 31, 2024	
		Direct	Indirect	Direct	Indirect
Aboitiz Renewables, Inc. (ARI) and Subsidiaries	Power generation	100.00	–	100.00	–
AP Renewables, Inc. (APRI)	Power generation	–	100.00	–	100.00
Aboitiz Power Distributed Energy, Inc.	Power generation	–	100.00	–	100.00
Aboitiz Power Distributed Renewables, Inc.	Power generation	–	100.00	–	100.00
Hedcor, Inc. (HI)	Power generation	–	100.00	–	100.00
Hedcor Sibulan, Inc. (HSI)	Power generation	–	100.00	–	100.00
Hedcor Tudaya, Inc. (HTI)	Power generation	–	100.00	–	100.00
Luzon Hydro Corporation (LHC)	Power generation	–	100.00	–	100.00
Sinag Solar Power Corporation (formerly AP Solar Tiwi, Inc.)*	Power generation	–	100.00	–	100.00
Retensol, Inc.*	Power generation	–	100.00	–	100.00
AP Renewable Energy Corporation*	Power generation	–	100.00	–	100.00
Aseagas Corporation (Aseagas)*	Power generation	–	100.00	–	100.00
Bakun Power Line Corporation*	Power generation	–	100.00	–	100.00
Cleanergy, Inc.*	Power generation	–	100.00	–	100.00
Cordillera Hydro Corporation*	Power generation	–	100.00	–	100.00
Hedcor Benguet, Inc.*	Power generation	–	100.00	–	100.00
Hedcor Bukidnon, Inc. (Hedcor Bukidnon)	Power generation	–	100.00	–	100.00
Hedcor Kabayan, Inc. *	Power generation	–	100.00	–	100.00
PV Sinag Power, Inc. (formerly Hedcor Ifugao, Inc.)*	Power generation	–	100.00	–	100.00
Amihan Power, Inc. (formerly Hedcor Kalinga, Inc.)*	Power generation	–	100.00	–	100.00
Aboitiz Solar Power, Inc. (formerly Hedcor Itogon Inc.)*	Power generation	–	100.00	–	100.00
Hedcor Manolo Fortich, Inc.*	Power generation	–	100.00	–	100.00
Amihan Frontier Energy, Inc. (formerly Hedcor Mt. Province, Inc.)*	Power generation	–	100.00	–	100.00
Hedcor Sabangan, Inc. (Hedcor Sabangan)	Power generation	–	100.00	–	100.00
Hedcor Tamugan, Inc.*	Power generation	–	100.00	–	100.00
RE Resources, Inc. (formerly Mt. Apo Geopower, Inc.)*	Power generation	–	100.00	–	100.00
Visayas Cleanergy, Inc. (formerly Negron Cuadrado Geopower, Inc. (NCGI))*	Power generation	–	100.00	–	100.00
Tagoloan Hydro Corporation*	Power generation	–	100.00	–	100.00
Luzon Hydro Company Limited*	Power generation	–	100.00	–	100.00

	Nature of Business	September 30, 2025		December 31, 2024	
		Direct	Indirect	Direct	Indirect
Electricidad, Inc. (formerly La Filipina Electrica, Inc.)*	Power generation	–	100.00	–	100.00
Wind Renewable Energy Corporation*	Power generation	–	100.00	–	100.00
Maaraw Renewable Energy Corporation*	Power generation	–	100.00	–	100.00
Maaraw Holdings San Carlos, Inc. (MHSCI)	Holding company	–	100.00	–	100.00
San Carlos Sun Power, Inc. (Sacasun)	Power generation	–	100.00	–	100.00
Luzon Alternative Energy Sources, Inc.*	Power generation	–	100.00	–	100.00
Luzon Cleanergy Generation, Inc.*	Power generation	–	100.00	–	100.00
Luzon Cleanergy, Inc.*	Power generation	–	100.00	–	100.00
Maaraw Holdings Bais, Inc.*	Power generation	–	100.00	–	100.00
Mindanao Cleanergy, Inc.*	Power generation	–	100.00	–	100.00
North Luzon Green and Sustainable Energy, Inc.*	Power generation	–	100.00	–	100.00
North Luzon Green Power, Inc.*	Power generation	–	100.00	–	100.00
North Luzon Natural Energy, Inc.*	Power generation	–	100.00	–	100.00
Northern Sun Power, Inc.*	Power generation	–	100.00	–	100.00
Northern Sun Radiance, Inc.*	Power generation	–	100.00	–	100.00
South Cleanergy, Inc.*	Power generation	–	100.00	–	100.00
South Luzon Power Development, Inc.*	Power generation	–	100.00	–	100.00
South Luzon Sustainable Energy, Inc.*	Power generation	–	100.00	–	100.00
Cleanergy 1, Inc.*	Power generation	–	100.00	–	100.00
Cleanergy 2, Inc.*	Power generation	–	100.00	–	100.00
Cleanergy 1 Power, Inc.*	Power generation	–	100.00	–	100.00
Cleanergy 2 Power, Inc.*	Power generation	–	100.00	–	100.00
Cleanergy 3 Power, Inc.*	Power generation	–	100.00	–	100.00
Cleanergy 4 Power, Inc.*	Power generation	–	100.00	–	100.00
Cleanergy 5 Power, Inc.*	Power generation	–	100.00	–	100.00
Cleanergy 6 Power, Inc.*	Power generation	–	100.00	–	100.00
Cleanergy 7 Power, Inc.*	Power generation	–	100.00	–	100.00
Cleanergy 8 Power, Inc.*	Power generation	–	100.00	–	100.00
Inner Channel Wind Power Corporation.*	Power generation	–	100.00	–	100.00
Cornerstone Energy Development, Inc.*	Power generation	–	100.00	–	60.00
El Faro 1 Inc.*	Power generation	–	100.00	–	–
El Faro 2 Inc.*	Power generation	–	100.00	–	–
El Faro 3 Inc.*	Power generation	–	100.00	–	–
El Faro 4 Inc.*	Power generation	–	100.00	–	–
El Faro 5 Inc.*	Power generation	–	100.00	–	–
Haraya 1, Inc.*	Power generation	–	100.00	–	–
Haraya 2, Inc.*	Power generation	–	100.00	–	–
Haraya 3, Inc.*	Power generation	–	100.00	–	–
Haraya 4, Inc.*	Power generation	–	100.00	–	–
Haraya 5, Inc.*	Power generation	–	100.00	–	–
Hiraya Verde 1 Inc.*	Power generation	–	100.00	–	–
Hiraya Verde 2 Inc.*	Power generation	–	100.00	–	–
Hiraya Verde 3, Inc.*	Power generation	–	100.00	–	–
Hiraya Verde 4, Inc.*	Power generation	–	100.00	–	–
Hiraya Verde 5, Inc.*	Power generation	–	100.00	–	–
Verdetek 1, Inc.*	Power generation	–	100.00	–	–
Verdetek 2, Inc.*	Power generation	–	100.00	–	–
Verdetek 3, Inc.*	Power generation	–	100.00	–	–
Verdetek 4, Inc.*	Power generation	–	100.00	–	–
Hydro Electric Development Corporation*	Power generation	–	99.97	–	99.97
Cleanergy 9 Power, Inc.*	Power generation	–	71.20	–	100.00
South Luzon Energy Solutions, Inc.*	Power generation	–	60.00	–	100.00
Therma Power, Inc. (TPI) and Subsidiaries	Power generation	100.00	–	100.00	–
Mindanao Sustainable Solutions, Inc.*	Services	–	100.00	–	100.00
Therma Luzon, Inc. (TLI)	Power generation	–	100.00	–	100.00
Therma Marine, Inc. (Therma Marine)	Power generation	–	100.00	–	100.00
Therma Mobile, Inc. (Therma Mobile)	Power generation	–	100.00	–	100.00
Therma South, Inc. (TSI)	Power generation	–	100.00	–	100.00
Therma Power-Visayas, Inc. (TPVI)	Power generation	–	100.00	–	100.00
Therma Central Visayas, Inc.*	Power generation	–	100.00	–	100.00
Therma Subic, Inc.*	Power generation	–	100.00	–	100.00
Therma Mariveles Holdings, Inc.	Holding company	–	100.00	–	100.00
Therma NatGas Power Inc.*	Power generation	–	100.00	–	100.00
Therma Pagbilao Power Inc.*	Power generation	–	100.00	–	100.00
Therma Quezon Energy Inc.*	Power generation	–	100.00	–	100.00

	Nature of Business	September 30, 2025		December 31, 2024	
		Direct	Indirect	Direct	Indirect
GNPower Mariveles Energy Center Ltd. Co. (formerly GNPower Mariveles Coal Plant) (GMEC)	Power generation	–	78.33	–	78.33
Therma Dinginin Holdings, Inc.	Holding company	–	100.00	–	100.00
Therma Visayas, Inc. (TVI)	Power generation	–	80.00	–	80.00
Abovant Holdings, Inc.	Holding company	–	60.00	–	60.00
AboitizPower International Pte. Ltd. (API)	Holding company	100.00	–	100.00	–
Cleanergy Asia Power Holdings Pte Ltd.	Holding company	–	100.00	–	100.00
AP Lariang Pte Ltd.	Holding company	–	100.00	–	100.00
	Retail electricity				
Adventpower, Inc. (API) (formerly Aboitiz Energy Solutions, Inc.)	supplier	100.00	–	100.00	–
	Retail electricity				
Adventenergy, Inc. (AI)	supplier	100.00	–	100.00	–
Balamban Enerzone Corporation (BEZ)	Power distribution	100.00	–	100.00	–
Lima Enerzone Corporation (LEZ)	Power distribution	100.00	–	100.00	–
Mactan Enerzone Corporation (MEZ)	Power distribution	100.00	–	100.00	–
Malvar Enerzone Corporation (MVEZ)	Power distribution	100.00	–	100.00	–
Tarlac Enerzone Corporation (TEZ)	Power distribution	100.00	–	100.00	–
East Asia Utilities Corporation (EAUC)	Power generation	50.00	50.00	50.00	50.00
Cotabato Light and Power Company (CLP)	Power distribution	99.94	–	99.94	–
Cotabato Ice Plant, Inc.	Manufacturing	–	100.00	–	100.00
Davao Light & Power Company, Inc. (DLP)	Power distribution	99.93	–	99.93	–
SPI Power Incorporated (SPI) (formerly STEAG State Power, Inc.)	Power generation	85.00	–	85.00	–
Subic Enerzone Corporation (SEZ)	Power distribution	65.00	34.98	65.00	34.98
Cebu Private Power Corporation (CPPC)**	Power generation	60.00	–	60.00	–
	Retail electricity				
Prism Energy, Inc. (PEI)	supplier	60.00	–	60.00	–
Visayan Electric Company (VECO)	Power distribution	55.26	–	55.26	–
Cell Power Energy Corporation (formerly Olongapo Energy Corporation)*	Power generation	100.00	–	100.00	–
Heritage Light and Power Corporation*	Power distribution	100.00	–	100.00	–
Orient Light and Power Corporation	Power distribution	100.00	–	100.00	–
Peninsula Electric Corporation*	Power distribution	100.00	–	100.00	–
Potentia Insurance Pte Ltd	Insurance company	100.00	–	100.00	–
PowerPlus Innovation, Inc.*	Management services	100.00	–	100.00	–
A+ Power Services Inc.	Power distribution	–	100.00	–	100.00
Pole2Pole Inc.	Power distribution	–	100.00	–	100.00
Cleanergy 10 Power, Inc.*	Power generation	–	100.00	–	100.00
1882 Energy Ventures Incorporated	Holding company	100.00	–	100.00	–
AP Electric Mobility Inc.*	Electric vehicle operation	–	100.00	–	100.00

* No commercial operations as of September 30, 2025

**In July 2025, SEC approved the amendment of Articles of Incorporation to shorten the corporate term until December 31, 2026

All of the foregoing subsidiaries are incorporated and registered with the Philippine SEC and operate in the Philippines except for the following:

Subsidiary	Country of incorporation
AP Int.	Singapore
Cleanergy Asia Power Holdings Pte Ltd.	Singapore
AP Lariang Pte Ltd.	Singapore
Potentia Insurance PTE. LTD.	Singapore
APIBV	Netherlands

3. Basis of Financial Statement Preparation and Changes in Accounting Policies

Basis of Financial Statement Preparation

The unaudited interim condensed consolidated financial statements of the Group have been prepared on a historical cost basis, except for derivative financial instruments, financial assets at FVTPL and investment properties which are measured at fair value. The unaudited interim condensed consolidated financial statements are presented in Philippine peso, which is the Company's functional currency, and all values are rounded to the nearest thousands, except for earnings per share and exchange rates and as otherwise indicated.

Statement of Compliance

The unaudited interim condensed consolidated financial statements have been prepared in accordance with Philippine Accounting Standard (PAS) 34, *Interim Financial Reporting*. The unaudited interim condensed consolidated financial statements do not include all of the information and disclosures required in the annual audited consolidated financial statements, and should be read in conjunction with the Group's annual audited consolidated financial statements as of and for the year ended December 31, 2024, which have been prepared in accordance with Philippine Financial Reporting Standards (PFRS).

On October 28, 2025, the Board of Directors (BOD) of the Company approved and authorized the release of the unaudited interim condensed consolidated financial statements of the Group.

Changes in Accounting Policies

The accounting policies adopted in the preparation of the unaudited interim condensed consolidated financial statements are consistent with those of the previous financial year, except for the amendments to existing standards which were applied starting January 1, 2025. There are no significant changes affecting the interim condensed consolidated financial statements from these adoptions. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Effective beginning on or after January 1, 2025

- Amendments to PAS 21, *Lack of exchangeability*

The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.

The amendments are effective for annual reporting periods beginning on or after January 1, 2025. Earlier adoption is permitted and that fact must be disclosed. When applying the amendments, an entity cannot restate comparative information.

Effective beginning on or after January 1, 2026

- Amendments to PFRS 9 and PFRS 7, *Classification and Measurement of Financial Instruments*

The amendments clarify that a financial liability is derecognized on the 'settlement date', i.e., when the related obligation is discharged, cancelled, expires or the liability otherwise qualifies for derecognition. They also introduce an accounting policy option to derecognize financial

liabilities that are settled through an electronic payment system before settlement date if certain conditions are met.

The amendments also clarify how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features. Furthermore, the amendments clarify the treatment of non-recourse assets and contractually linked instruments.

- Annual Improvements to PFRS Accounting Standards—Volume 11

The amendments are limited to changes that either clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversight or conflicts between the requirements in the Accounting Standards. The following is the summary of the Standards involved and their related amendments.

- Amendments to PFRS 1, *Hedge Accounting by a First-time Adopter*

The amendments included in paragraphs B5 and B6 of PFRS 1 cross references to the qualifying criteria for hedge accounting in paragraph 6.4.1(a), (b) and (c) of PFRS 9. These are intended to address potential confusion arising from an inconsistency between the wording in PFRS 1 and the requirements for hedge accounting in PFRS 9.

- Amendments to PFRS 7, *Gain or Loss on Derecognition*

The amendments updated the language of paragraph B38 of PFRS 7 on unobservable inputs and included a cross reference to paragraphs 72 and 73 of PFRS 13.

- Amendments to PFRS 9

- Lessee Derecognition of Lease Liabilities

The amendments to paragraph 2.1 of PFRS 9 clarified that when a lessee has determined that a lease liability has been extinguished in accordance with PFRS 9, the lessee is required to apply paragraph 3.3.3 and recognize any resulting gain or loss in profit or loss.

- Transaction Price

The amendments to paragraph 5.1.3 of PFRS 9 replaced the reference to ‘transaction price as defined by PFRS 15 Revenue from Contracts with Customers’ with ‘the amount determined by applying PFRS 15’. The term ‘transaction price’ in relation to PFRS 15 was potentially confusing and so it has been removed. The term was also deleted from Appendix A of PFRS 9.

- Amendments to PFRS 10, *Determination of a ‘De Facto Agent’*

The amendments to paragraph B74 of PFRS 10 clarified that the relationship described in B74 is just one example of various relationships that might exist between the investor and other parties acting as de facto agents of the investor.

- *Amendments to PAS 7, Cost Method*
The amendments to paragraph 37 of PAS 7 replaced the term 'cost method' with 'at cost', following the prior deletion of the definition of 'cost method'

Effective beginning on or after January 1, 2027

- *PFRS 17, Insurance Contracts*

PFRS 17 is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, PFRS 17 will replace PFRS 4, *Insurance Contracts*. This new standard on insurance contracts applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply.

The overall objective of PFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in PFRS 4, which are largely based on grandfathering previous local accounting policies, PFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of PFRS 17 is the general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts

On December 15, 2021, the FSRSC amended the mandatory effective date of PFRS 17 from January 1, 2023 to January 1, 2025. This is consistent with Circular Letter No. 2020-62 issued by the Insurance Commission which deferred the implementation of PFRS 17 by two (2) years after its effective date as decided by the IASB.

On February 14, 2025, the FSRSC approved the amendment to PFRS 17, *Insurance Contracts* that further defers the date of initial application by an additional two (2) years, to annual periods beginning on or after January 1, 2027. This will provide more time for the insurance industry to fully prepare and assess the impact of adopting the said standard.

On the same date, the FSRSC also adopted the amendments to PFRS 9 and PFRS 7, *Contracts Referencing Nature-dependent Electricity* that clarify the application of 'own-use' requirements for in-scope contracts that reference nature-dependent electricity and expose an entity to variability in an underlying amount of electricity. With respect to hedge accounting requirements, the amendments now allow an entity to designate a contract referencing nature-dependent electricity as the hedging instrument in a hedge of forecast electricity transactions. An entity shall apply the foregoing amendments for annual reporting periods beginning on or after January 1, 2026, with earlier application permitted.

- PFRS 18, *Presentation and Disclosure in Financial Statements*

The standard replaces PAS 1 Presentation of Financial Statements and responds to investors' demand for better information about companies' financial performance. The new requirements include:

- Required totals, subtotals and new categories in the statement of profit or loss
- Disclosure of management-defined performance measures
- Guidance on aggregation and disaggregation

- PFRS 19, *Subsidiaries without Public Accountability*

The standard allows eligible entities to elect to apply PFRS 19's reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other PFRS Accounting Standards. The application of the standard is optional for eligible entities.

Deferred effectivity

- Amendments to PFRS 10, *Consolidated Financial Statements*, and PAS 28, *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The amendments address the conflict between PFRS 10 and PAS 28 in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that a full gain or loss is recognized when a transfer to an associate or joint venture involves a business as defined in PFRS 3. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognized only to the extent of unrelated investors' interests in the associate or joint venture.

On January 13, 2016, the Financial and Sustainability Reporting Standards Council deferred the original effective date of January 1, 2016 of the said amendments until the IASB completes its broader review of the research project on equity accounting that may result in the simplification of accounting such transactions and of other aspects of accounting for associates and joint ventures.

4. **Significant Accounting Judgments, Estimates and Assumptions**

The preparation of the Group's unaudited interim condensed consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosures of contingent liabilities. However, uncertainty about these assumptions could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

Judgments and estimates 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 Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Judgments, key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period are consistent with those applied in the most recent annual audited consolidated financial statements.

5. Cash and Cash Equivalents

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Cash on hand and in banks	₱13,698,960	₱7,812,135
Short-term deposits	40,783,519	48,947,162
	₱54,482,479	₱56,759,297

Cash in banks earn interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of up to three months depending on the immediate cash requirements of the Group and earn interest at the respective short-term deposits rates.

6. Trade and Other Receivables

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Trade receivables - net of allowance for expected credit losses	₱29,949,034	₱27,062,648
Others:		
Non-trade receivable	3,276,445	7,799,983
Advances to contractors	1,744,374	491,140
Interest receivable	183,370	225,374
Dividends receivable	352,000	1,014,100
	₱35,505,223	₱36,593,245

Trade and other receivables are noninterest-bearing and are generally on 10 - 30 days' term.

Non-trade receivable relates mostly to claims from insurance and advances to partners in GMEC. The advances to partners were settled in 2025.

Advances to contractors refer to noninterest-bearing advance payments made for acquisition of inventories and services which are offset against progress billings to be made by the suppliers.

7. Other Current Assets

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Restricted cash	₱4,671,516	₱6,098,865
Input VAT	320,653	758,353
Prepaid tax	3,453,079	2,886,357
Concession contract asset	1,349,353	1,352,797
Prepaid expenses	958,630	3,244,973
Advances to National Grid Corporation of the Philippines (NGCP)	551,506	551,506
Others	109,066	214,596
	₱11,413,803	₱15,107,447

Restricted cash represents proceeds from sale of power under the control of trustees of TVI and TSI's lenders as per loan agreement. The asset will be used to pay the current portion of loans payable, interest payments and operating costs in the following period.

Advances to NGCP pertain to TVI's cost of construction and installation of substation and transmission facilities which are subject for reimbursement.

Prepaid expenses mainly includes prepayments for insurance.

8. Investments and Advances

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Acquisition cost:		
Balance at beginning of period	₱57,432,661	₱56,997,389
Additions during the period	50,223,201	442,212
Redemptions during the period	-	(6,940)
Balance at end of period	107,655,862	57,432,661
Accumulated equity in net earnings:		
Balance at beginning of period	37,171,953	34,478,491
Share in net earnings	14,643,320	15,693,423
Dividends	(6,107,731)	(12,999,960)
Balance at end of period	45,707,542	37,171,954
Share in net unrealized valuation gain on FVOCI investment of an associate	110,748	98,602
Share in actuarial gains on defined benefit plans of associates and joint ventures	(49,486)	30,835
Share in cumulative translation adjustments of associates and joint ventures	2,009,130	1,762,815
	2,070,392	1,892,252
	155,433,796	96,496,867
Less allowance for impairment losses	568,125	568,125
Investments at equity	154,865,671	95,928,742
Advances	-	1,450
	₱154,865,671	₱95,930,192

The Group's associates and joint ventures and the corresponding equity ownership as of September 30, 2025 and December 31, 2024 are as follows:

	Nature of Business	Percentage of ownership	
		September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Manila-Oslo Renewable Enterprise, Inc. (MORE) ¹	Holding company	83.33	83.33
GNPower Dinginin Ltd. Co. (GNPD) ^{1,2,3}	Power generation	70.00	70.00
AA Thermal, Inc. (ATI) ^{1,2}	Holding company	60.00	60.00
Hijos de F. Escaño, Inc. (Hijos)	Holding company	46.73	46.73
Mazzaraty Energy Corporation (MEC)	Retail electricity supplier	44.87	44.87
Sinag Naraw Power, Inc.*	Power generation	44.00	44.00
San Fernando Electric Light & Power Co., Inc. (SFELAPCO)	Power distribution	43.78	43.78
Pampanga Energy Ventures, Inc. (PEVI)	Holding company	42.84	42.84
Abaqa International Pte. Ltd. (AIPL)	Trading company	40.00	40.00
Chromite Gas Holdings, Inc. (CGHI)	Holding company	40.00	—
AEV Aviation, Inc. (AAI)	Service	26.69	26.69
Cebu Energy Development Corporation (CEDC)	Power generation	26.40	26.40
Redondo Peninsula Energy, Inc. (RPEI)*	Power generation	25.00	25.00
Southern Philippines Power Corporation (SPPC)	Power generation	20.00	20.00
Western Mindanao Power Corporation (WMPC)	Power generation	20.00	20.00
Aboitiz Upgrade Solar, Inc. ^{1,*}	Power generation	50.00	50.00
Sinag Naraw Power, Inc. (SNPI)*	Power generation	44.00	44.00
4 Barracuda Energy Corporation (4BEC) ^{1,*}	Power generation	41.00	41.00
Lihangin Wind Energy Corporation (LWEC) ^{4,*}	Power generation	35.00	35.00
Aura Energy Holdings Inc. (AEHI) ^{1,*}	Power generation	50.00	50.00
Therma Cebu Energy Inc. (TCEI)*	Power generation	50.00	50.00

¹ Joint venture.

² Economic interest

³ Includes 30% indirect ownership through AA Thermal.

⁴ Includes 20% direct ownership through ARI and 30% indirect ownership through AEHI.

* No commercial operations as of September 30, 2025

The principal place of business and country of incorporation of the Group's associates and joint venture are in the Philippines except AIPL. Associates and joint ventures are the same as those presented as of December 31, 2024 audited financial statements.

The carrying values of investments, which are accounted for under the equity method follow:

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
CGHI	₱54,470,358	₱—
GNPD ²	42,074,091	41,240,477
ATI ¹	41,827,100	39,405,678
MORE	10,160,152	9,577,390
CEDC	3,727,736	3,184,468
PEVI	777,934	750,203
SFELAPCO	618,351	576,221
Hijos	330,880	333,243
4BEC	164,036	167,395
AEHI	162,813	166,765
WMPC	122,209	130,104
RPEI	90,028	89,482
SPPC	75,269	76,626
LWEC	53,222	66,850
Others	211,492	163,840
	₱154,865,671	₱95,928,742

¹ Includes indirect interest from GNPD.

² Direct interest only.

In March 2024, the Company, through Therma NatGas Power, Inc. (a wholly-owned subsidiary of Therma Power, Inc.), executed an Investment Agreement with Meralco PowerGen Corporation (MGen) to acquire 60% and 40% interests, respectively, in Chromite Gas Holdings, Inc. (CGHI). CGHI intends to acquire a 67% equity interest in each of the 1,278 MW Ilijan power plant, the 1,320 MW combined cycle power facility, currently under construction, and the LNG import and regasification terminal owned by Linseed Field Corporation (LFC). San Miguel Global Power Corporation (SMGP) will retain a 33% stake in these power plants and gain a corresponding interest in LFC.

On December 23, 2024, the transaction was approved by the Philippine Competition Commission.

On January 27, 2025, the parties have completed the transaction for a total acquisition price of ₱46.74 billion (USD 796.4 million). Additional costs include contingent consideration amounting to ₱2.99 billion and other acquisition costs (see Note 12).

As of September 30, 2025, the Group is still in the process of completing the determination of fair values of the underlying net assets of CGHI. As allowed by PFRS Accounting Standards, the Group has provisionally assessed the fair values of the assets acquired and liabilities assumed. The provisional fair values will be finalized within one year from the acquisition date once relevant information has been obtained.

9. Joint Operation

Name of Joint Operation	Nature of Business	Percentage of Ownership	
		September 30, 2025	December 31, 2024
Pagbilao Energy Corporation (PEC)	Power generation	50%	50%

** PEC's principal place of business and country of incorporation is the Philippines*

On May 15, 2014, the Group entered into a shareholders' agreement with TPEC Holdings Corporation (TPEC) for the development, construction and operation of the 400 MW Pagbilao Unit III in Pagbilao, Quezon through PEC. TPI and TPEC both agreed to provide their respective capital contributions and subscribe to common shares such that each stockholder owns 50% of the issued and outstanding shares of stock of PEC.

The financial and operating activities of the operation are jointly controlled by the participating shareholders and are primarily designed for the provision of output to the shareholders.

The Group's share of assets, liabilities, revenue, expenses and cash flows of joint operations are included in the unaudited interim condensed consolidated financial statements on a line-by-line basis.

10. Intangible Assets

September 30, 2025

	Goodwill	Franchise	Service concession rights	Project development costs	Customer contracts	Software and licenses	Total
Cost:							
Balances at beginning of period	₱46,589,413	₱3,078,433	₱5,806,449	₱1,511,562	₱60,068	₱1,576,476	₱58,622,401
Additions	–	–	28,129	457,119	–	131,763	617,011
Transfers/Reclass	(18,256)	–	–	(433,458)	–	266,398	(185,316)
Exchange differences	280,981	–	13,854	–	–	–	294,835
Balances at end of period	46,852,138	3,078,433	5,848,432	1,535,223	60,068	1,974,637	59,348,931
Accumulated amortization:							
Balances at beginning of period	–	891,465	4,995,439	–	60,068	815,634	6,762,606
Transfers/Reclass	–	–	–	–	–	837	837
Amortization	–	57,721	334,721	–	–	183,189	575,631
Balances at end of period	–	949,186	5,330,160	–	60,068	999,660	7,339,074
Net book values	₱46,852,138	₱2,129,247	₱518,272	₱1,535,223	₱–	₱974,977	₱52,009,857

Under Philippine Financial Reporting Standards (PFRS) Accounting Standards, the Group is required to annually test the goodwill for impairment. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The annual goodwill impairment test is usually performed by the Group at year-end, or when there is an indicator of impairment.

11. Other Noncurrent Assets

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Input VAT	₱4,157,917	₱4,579,915
Concession contract asset, net of current portion	6,902,863	7,533,867
Prepaid taxes	4,870,446	4,655,192
Advances to contractors and other third parties	3,099,413	1,544,247
Refundable deposits	1,539,065	1,405,212
Advances to NGCP - net of current portion	565,752	565,752
Investment properties	394,902	394,902
Prepaid expenses	275,998	3,333,053
Others	1,132,080	1,217,506
	₱22,938,436	₱25,229,646

Concession contract asset pertains to SPI's PPA with NPC which has been accounted for under the provisions of Philippine Interpretation IFRIC 12. Under the terms of the PPA, SPI will receive capital recovery fees from NPC representing recovery of SPI's capital cost incurred in relation to the construction of the Power Station. These capital recovery fees are recognized at their discounted value in the consolidated financial statements using a prevailing market rate.

Concession contract asset due not later than one year is presented as current asset in the consolidated balance sheets (see Note 7).

Prepaid expenses include prepaid rent that pertains to TLI's prepayment for PSALM Pagbilao Land Lease Agreement, which was subsequently reclassified to Property, plant and equipment in 2025.

12. Trade and Other Payables

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Trade payables	₱18,049,502	₱20,834,329
Output VAT	3,816,196	3,277,272
Amounts due to contractors and other third parties	1,951,238	2,088,808
Accrued expenses:		
Interest	3,103,116	3,166,997
Taxes and fees	1,536,479	1,987,803
Claims conversion costs	188,081	257,184
Insurance	75,863	44,253
Dividends payable (see Note 23)	227,609	190,938
Customers' deposit	454,259	453,107
Nontrade (see Note 8)	6,212,610	2,293,208
Unearned revenues	283,939	282,230
Others	620,842	830,512
	₱36,519,734	₱35,706,641

Trade payables are noninterest-bearing and generally on 30-day terms.

Accrued taxes and fees represent accrual of real property tax, transfer tax and other fees.

Amounts due to contractors and other third parties include liabilities arising from the power plant construction.

Others include withholding taxes and other liabilities and are generally payable within 12 months from the balance sheet date.

13. Short-term Loans

		September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Peso loans - financial institutions - unsecured	5.00% - 6.87% in 2025 5.50% - 6.87% in 2024	₱47,629,350	₱23,705,000
Dollar loans - financial institutions - unsecured	5.75% in 2025 5.50% in 2024	581,960	1,330,435
		₱48,211,310	₱25,035,435

The Peso and Dollar loans are unsecured short-term notes payable obtained from financial institutions for working capital purposes. These loans are covered by the respective borrower's existing credit lines with the banks and are not subject to any significant covenants and warranties.

14. Long-term Debts

	2025 Interest Rate (Unaudited)	2024 Interest Rate (Audited)	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Company:				
Bonds (see Note 15)	3.13% - 8.51%	3.82% - 8.51%	₱72,750,000	₱43,300,000
Financial institutions - unsecured	4.00% - 4.33%	4.00% - 4.33%	10,750,000	10,750,000
Subsidiaries:				
GMEC				
Financial institutions - unsecured	LIBOR + 1.7% - 5.82%	LIBOR + 1.7% - 4.85%	25,677,322	28,289,923
TMI				
Financial institutions - secured	4.54% - 7.68%	4.54% - 7.68%	1,787,500	2,112,500
HSAB				
Financial institutions - secured	4.92%	4.92%	804,048	862,985
TVI				
Financial institutions - secured	6.029% - 8.097%	5.56% - 9.00%	24,259,290	20,399,210
AESI				
Financial institutions - unsecured	4.87%	4.87%	570,000	576,000
TSI				
Financial institutions - secured	4.27%	4.27%	14,358,862	15,621,873
APRI				
Financial institutions - secured	4.91% - 6.67%	4.91% - 6.67%	9,327,676	9,319,784
Hedcor Bukidnon				
Financial institutions - secured	4.29% - 5.59%	4.29% - 5.59%	6,234,835	6,866,618
Hedcor Sibulan				
Fixed rate corporate notes - unsecured	5.21% - 5.42%	5.21% - 5.42%	2,100,000	2,100,000
HI				
Financial institution - secured	5.00%	5.00%	1,062,598	1,151,299
PVSinag				
Financial institution - secured	7.06% - 8.02%	7.06% - 8.02%	9,130,504	9,393,862
ARI				
Financial institution - unsecured	6.27%-6.91%	6.65%-6.91%	19,741,176	19,929,412
ASPI				
Financial institution - unsecured	6.06%	—%	5,400,000	—
HTI				
Financial institution - secured	4.92%	4.92%	₱547,289	₱576,533

	2025 Interest Rate (Unaudited)	2024 Interest Rate (Audited)	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
APREC				
Financial institutions - secured	6.51	—%	6,070,000	—
TLI				
Financial institution - unsecured	7.40%	7.40%	33,850,000	34,000,000
CEDI				
Financial institution - unsecured	—%	8.00%	—	107,195
STEAG				
Financial institution - secured	LIBOR + 1.50% - 5.00%	LIBOR + 1.50% - 5.00%	1,489,818	1,943,591
Joint operation (see Note 9)				
Financial institutions - secured	5.77% - 6.27%	5.77% - 6.27%	6,753,885	7,719,459
			252,664,803	215,020,244
Less deferred financing costs			1,687,034	1,300,978
			250,977,769	213,719,266
Less current portion - net of deferred			24,396,256	16,465,260
			₱226,581,513	₱197,254,006

In September 2025, ASPI availed of a new loan for a total of ₱5.40 billion with interest rate of 6.0637% for 15 years.

In July 2025, APREC availed of a new loan for a total of ₱6.07 billion with interest rate of 6.5112% for 15 years.

In June 2025, TVI availed of a new loan for a total of ₱15.98 billion with interest rates of 7.5975% - 8.0927% for 10 years. The first tranche amounting to ₱4.30 billion was drawn last June 2025, while the second tranche amounting to ₱1.60 billion was drawn last September 2025.

In June 2025, APRI availed of a new loan for a total of ₱500.0 million, with interest rate 6.2674% for 10 years.

In March 2024, ARI and PV Sinag availed new loans for a total of ₱8.00 billion and ₱850.0 million, with interest rates of 6.65% (10 years) and 7.26% (13 years), respectively.

Loan covenants

The loan agreements on long-term debt of the Group provide for certain restriction with respect to, among others, mergers or consolidations or other material changes in their ownership, corporate set-up or management, investment and guaranties, incurrence of additional debt, disposition of mortgage of assets, payment of dividends, and maintenance of financial ratios at certain levels.

These restrictions and requirements were complied with by the Group based on each loan covenant required as of calculation date.

15. Debt Securities

As of September 30, 2025, the Company registered and issued peso-denominated fixed-rate retail bonds totaling ₱72.75 billion under the following terms:

Maturity	Interest Rate (p.a.)	Amount
7-year bonds to mature on March 17, 2029	5.74%	₱7,000,000
7-year bonds to mature on December 2, 2028	5.03%	7,200,000
10-year bonds to mature on October 25, 2028	8.51%	2,500,000
10-year bonds to mature on July 3, 2027	5.34%	3,000,000
5-year bonds to mature on March 17, 2027	5.31%	3,000,000
7-year bonds to mature on October 14, 2026	5.28%	7,250,000
5-year bonds to mature on March 16, 2026	3.82%	8,000,000
4-year bonds to mature on December 2, 2025	4.00%	4,800,000
10-year bonds to mature on July 14, 2035	6.86%	9,238,800
2-year bonds to mature on July 14, 2027	5.88%	11,292,540
5-year bonds to mature on July 14, 2030	6.29%	9,468,660
		₱72,750,000

On July 14, 2025, the Company issued ₱30.00 billion fixed-retail bonds which comprise of Series A 5.8846% 2-year bonds due 2027, Series B 6.2934% 5-year bonds due 2030 and Series C 6.8572% 10-year bonds due 2035.

On September 17, 2025, the BOD approved the exercise by the Company of the early redemption for its outstanding ten-year fixed rate retail bonds issued in 2018, with a fixed interest rate of 8.5091% per annum, for a total amount of ₱2.50 billion. The redemption price is at 102% and will be redeemed on October 25, 2025.

16. Operating Expenses

	For the periods ended September 30	
	2025	2024
Cost of generated power	₱30,459,064	₱36,686,777
Cost of purchased power	54,276,322	51,578,834
Depreciation and amortization	9,861,341	9,372,792
Operations and maintenance	11,739,720	10,361,654
General and administrative	11,666,519	9,015,703
	₱118,002,966	₱117,015,760

17. Other Income (Expenses)

	For the periods ended September 30	
	2025	2024
Surcharges	₱437,034	₱454,506
Rental income	101,959	165,008
Losses on disposal of property, plant and equipment	(27,476)	(135,479)
Non-utility operating income	61,804	52,970
Net foreign exchange gains	17,155	10,183
Others - net	572,192	943,271
	₱1,162,668	₱1,490,459

Included in “Net foreign exchange gain (loss)” are the net gains and losses relating to currency forward transactions.

“Others” include insurance claims, tax credits, contract for difference charges, TSI sale of coal to NGCP and other non-recurring items like sale of scrap and sludge oil.

18. Earnings Per Common Share

Basic and diluted earnings per common share amounts were computed as follows:

	For the periods ended September 30	
	2025	2024
a. Net income attributable to equity holders of the parent	₱23,303,573	₱27,273,872
b. Weighted average number of outstanding shares	7,205,854,307	7,205,854,307
Basic and diluted earnings per share (a/b)	₱3.23	₱3.78

There are no dilutive potential common shares for the nine-month periods ended September 30, 2025 and 2024.

19. Operating Segment Information

Operating segments are components of the Group that engage in business activities from which they may earn revenues and incur expenses, whose operating results are regularly reviewed by the Group’s Chief Operating Decision Maker (CODM) to make decisions about how resources are to be allocated to the segment and assess their performances, and for which discrete financial information is available. The Group's Chief Executive Officer is the Group's CODM.

For purposes of management reporting, the Group's operating businesses are organized and managed separately according to services provided, with each segment representing a strategic business segment. The Group's identified operating segments, which are consistent with the segments reported to the BOD, which is the Group's CODM, are as follows:

- "Power Generation" segment, which is engaged in the generation and supply of power to various customers under power supply contracts, ancillary service procurement agreements and for trading in WESM;
- "Power Distribution" segment, which is engaged in the distribution and sale of electricity to the end-users; and
- "Parent Company and Others", which includes the operations of the Company, retail electricity sales to various off takers that are considered to be eligible contestable customers and electricity related services of the Group such as installation of electrical equipment.

The power generation segment's revenue from contracts with customers is mainly from power supply contracts. Set out below is the disaggregation of the Group's revenue from contracts with customers:

January - September 2025

	Power Generation	Power Distribution	Parent and Others	Total
Revenue from power supply contracts	₱45,008,640	₱—	₱—	₱45,008,640
Revenue from distribution services	—	43,563,365	—	43,563,365
Revenue from retail electricity sales	—	—	31,158,682	31,158,682
Revenue from non-power supply contracts	22,067,588	—	—	22,067,588
Revenue from technical and management services and others	—	—	2,528,686	2,528,686
	₱67,076,228	₱43,563,365	₱33,687,368	₱144,326,961

January - September 2024

	Power Generation	Power Distribution	Parent and Others	Total
Revenue from power supply contracts	₱40,196,891	₱—	₱—	₱40,196,891
Revenue from distribution services	—	41,977,885	—	41,977,885
Revenue from retail electricity sales	—	—	34,098,597	34,098,597
Revenue from non-power supply contracts	31,915,146	—	—	31,915,146
Revenue from technical and management services and others	—	—	132,462	132,462
	₱72,112,037	₱41,977,885	₱34,231,059	₱148,320,981

The revenue from contracts with customers is consistent with the revenue with external customers presented in the segment information.

The Group has only one geographical segment as virtually all of its assets are located in the Philippines. The Group operates and derives principally all of its revenue from domestic operations. Thus, geographical business information is not required.

Management monitors the operating results of its segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment revenue and segment expenses are measured in accordance with PFRS Accounting Standards. The presentation and classification of segment revenue and segment expenses are consistent with the unaudited interim

condensed consolidated statements of income. Interest expense and other financing costs, depreciation and amortization expense and income taxes are managed on a per segment basis. The Group has inter-segment revenues in the form of management fees as well as inter-segment sales of electricity which are eliminated in consolidation. The transfers are accounted for at competitive market prices on an arm's-length transaction basis.

Revenue is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

Financial information on the operations of the various business segments are summarized as follows:

January - September 2025

	Power Generation	Power Distribution	Parent Company/ Others	Eliminations and Adjustments	Consolidated
REVENUE					
External	₱67,076,228	₱43,563,365	₱33,687,368	₱—	₱144,326,961
Inter-segment	18,653,288	1,794,926	1,207,838	(21,656,052)	—
Total Revenue	₱85,729,516	₱45,358,291	₱34,895,206	(₱21,656,052)	₱144,326,961
Segment Results	₱20,738,313	₱6,060,112	(₱474,430)	₱—	₱26,323,995
Unallocated corporate income (loss) - net	534,448	684,648	(56,428)	—	1,162,668
INCOME FROM OPERATIONS	21,272,761	6,744,760	(530,858)	—	27,486,663
Interest expense	(7,221,127)	(1,014,781)	(5,112,696)	—	(13,348,604)
Interest income	563,635	23,228	1,014,570	—	1,601,433
Share in net earnings of associates and joint ventures	13,924,604	307,486	28,951,704	(28,540,474)	14,643,320
Provision for income tax	(3,203,506)	(1,325,763)	(403,360)	—	(4,932,629)
NET INCOME	₱25,336,367	₱4,734,930	₱23,919,360	(₱28,540,474)	₱25,450,183
Depreciation and Amortization	₱8,311,597	₱1,261,726	₱179,254	₱108,764	₱9,861,341
OTHER INFORMATION					
Investments	₱152,549,650	₱1,419,297	₱319,201,338	(₱318,304,614)	₱154,865,671
Segment Assets	₱394,122,311	₱51,437,574	₱392,472,336	(₱253,714,055)	₱584,318,166
Segment Liabilities	₱177,398,958	₱42,464,041	₱148,761,074	(₱4,243,589)	₱364,380,484

January - September 2024

	Power Generation	Power Distribution	Parent Company/ Others	Eliminations and Adjustments	Consolidated
REVENUE					
External	₱72,112,037	₱41,977,885	₱34,231,059	₱—	₱148,320,981
Inter-segment	19,698,222	1,022,012	1,145,645	(21,865,879)	—
Total Revenue	₱91,810,259	₱42,999,897	₱35,376,704	(₱21,865,879)	₱148,320,981
Segment Results	₱25,055,428	₱5,410,610	₱839,183	₱—	₱31,305,221
Unallocated corporate income (loss) - net	500,712	1,094,187	(104,440)	—	1,490,459

(Forward)

	Power Generation	Power Distribution	Parent Company/ Others	Eliminations and Adjustments	Consolidated
INCOME FROM OPERATIONS	₱25,556,140	₱6,504,797	₱734,743	₱—	₱32,795,680
Interest expense	(7,030,510)	(881,686)	(2,964,415)	—	(10,876,611)
Interest income	635,083	5,118	673,513	—	1,313,714
Share in net earnings of associates and joint ventures	12,346,352	276,070	30,612,211	(30,575,836)	12,658,797
Provision for income tax	(4,126,350)	(1,291,761)	(527,985)	—	(5,946,096)
NET INCOME	₱27,380,715	₱4,612,538	₱28,528,067	(₱30,575,836)	₱29,945,484
Depreciation and Amortization	₱8,004,978	₱1,151,610	₱107,440	₱108,764	₱9,372,792
OTHER INFORMATION					
(December 31, 2024)					
Investments	₱93,704,224	₱1,357,892	₱257,342,753	(₱256,476,127)	₱95,928,742
Segment Assets	₱326,511,326	₱48,737,597	₱331,253,486	(₱188,886,342)	₱517,616,067
Segment Liabilities	₱169,650,972	₱37,657,868	₱96,941,576	(₱2,531,031)	₱301,719,385

20. Financial Risk Management Objectives and Policies

The Group's principal financial instruments comprise of cash and cash equivalents and long-term debts. The main purpose of these financial instruments is to raise finances for the Group's operations. The Group has various other financial instruments such as trade and other receivables, investments in equity securities, short-term loans, trade and other payables, lease liabilities, long-term obligation on power distribution system and customers' deposits, which generally arise directly from its operations.

The Group also enters into derivative transactions, particularly foreign currency forwards, to economically hedge its foreign currency risk from foreign currency denominated liabilities and purchases and interest rate swap agreement to hedge its floating rate exposure on its foreign currency-denominated loan.

Risk Management Structure

The BOD is mainly responsible for the overall risk management approach and for the approval of risk strategies and principles of the Group.

Financial risk committee

The Financial Risk Committee has the overall responsibility for the development of risk strategies, principles, frameworks, policies and limits. It establishes a forum of discussion of the Group's approach to risk issues in order to make relevant decisions.

Treasury service group

The Treasury Service Group is responsible for the comprehensive monitoring, evaluating and analyzing of the Group's risks in line with the policies and limits.

The main risks arising from the Group's financial instruments are interest rate risk, credit risk, liquidity risk, commodity price risk and foreign exchange risk.

Market Risk

The risk of loss, immediate or over time, due to adverse fluctuations in the price or market value of instruments, products, and transactions in the Group's overall portfolio (whether on or off-balance sheet) is market risk. These are influenced by foreign and domestic interest rates, foreign exchange rates and gross domestic product growth.

Liquidity risk

Liquidity risk is the risk of not meeting its obligations as they become due because of inability to liquidate assets or obtain adequate funding. The Group manages liquidity risk by effectively managing its working capital, capital expenditure and cash flows, making use of a centralized treasury function to manage pooled business unit cash investments and borrowing requirements.

In managing its long-term financial requirements, the Group's policy is that not more than 25% of long-term borrowings should mature in any twelve-month period. 9.27% of the Group's debt will mature in less than one year as of September 30, 2025 (December 31, 2024: 7.31%). For its short-term funding, the Group's policy is to ensure that there are sufficient working capital inflows to match repayments of short-term debt.

The financial assets that will be principally used to settle the financial liabilities presented in the following table are from cash and cash equivalents and trade and other receivables. Cash and cash equivalents can be withdrawn anytime while trade and other receivables are expected to be collected/realized within one year.

The following table summarizes the maturity profile of the Group's financial liabilities as of September 30, 2025 based on contractual undiscounted principal payments:

	Total carrying value	Contractual undiscounted payments				
		Total	On demand	<1 year	1 to 5 years	> 5 years
Short-term loans	₱48,211,310	₱48,211,310	₱—	₱48,211,310	₱—	₱—
Trade and other payables	31,163,820	31,163,820	2,331,166	28,797,106	—	35,548
Long-term debts	250,977,769	268,162,216	—	28,337,556	169,738,616	70,086,044
Customers' deposits	10,542,644	10,542,644	—	884	478,742	10,063,018
Lease liabilities	4,856,618	9,561,669	—	252,169	2,130,587	7,178,913
Long-term obligation on PDS	105,729	105,729	—	40,000	65,729	—
Derivative liabilities	32,385	32,385	—	32,385	—	—
	₱345,890,275	₱367,779,773	₱2,331,166	₱105,671,410	₱172,413,674	₱87,363,523

Commodity swap contracts

TLI has entered into commodity swap contracts to hedge the price volatility of forecasted coal purchases. The commodity swaps do not result in physical delivery of coal, but are designated as cash flow hedges to offset the effect of price changes in coal. TLI hedges approximately 30% of its expected coal purchases considered to be highly probable. There is an economic relationship between the hedged items and the hedging instruments as the terms of the foreign currency forward and commodity swap contracts match the terms of the expected highly probable forecasted transactions.

Interest rate risk

The Group's exposure to market risk for changes in interest rates relates primarily to its long-term debt obligations. To manage this risk, the Group determines the mix of its debt portfolio as a

function of the level of current interest rates, the required tenor of the loan, and the general use of the proceeds of its various fund raising activities. As of September 30, 2025, 5% of the Group's long-term debt had annual floating interest rates ranging from 1.5% to 7.68%, and 95% have annual fixed interest rates ranging from 3.13% to 8.51%. As of December 31, 2024, 7% of the Group's long-term debt had annual floating interest rates ranging from 1.5% to 7.68%, and 93% have annual fixed interest rates ranging from 4.27% to 9.00%.

The following tables set out the carrying amounts, by maturity, of the Group's financial instruments that are exposed to cash flow interest rate risk:

As of September 30, 2025

	<1 year	1-5 years	>5 years	Total
Floating rate - long-term debt	₱1,857,787	₱10,889,268	₱—	₱12,747,055

As of December 31, 2024

	<1 year	1-5 years	>5 years	Total
Floating rate - long-term debt	₱1,834,178	₱12,529,622	₱162,494	₱14,526,294

Interest on financial instruments classified as floating rate is repriced at intervals of less than one year. Interest on financial instruments classified as fixed rate is fixed until the maturity of the instrument. The other financial instruments of the Group that are not included in the above tables are non-interest-bearing and are therefore not subject to interest rate risk. The Group's derivative assets and liabilities are subject to fair value interest rate risk.

The interest expense and other financing costs recognized according to source are as follows:

	For the periods ended September 30	
	2025	2024
Short-term loans and long-term debt	₱12,848,517	₱10,334,770
Lease liabilities (see Note 22)	241,507	174,597
Customers' deposits	2,063	1,715
Other long-term obligations	256,517	365,529
	₱13,348,604	₱10,876,611

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's income before tax (through the impact on floating rate borrowings):

	Increase (decrease) in basis points	Effect on income before tax
September 2025	200	(₱254,941)
	(100)	127,471
September 2024	200	(₱283,643)
	(100)	141,822

There is no other impact on the Group's equity other than those already affecting the unaudited interim condensed consolidated statements of income.

Foreign exchange risk

The foreign exchange risk of the Group pertains significantly to its foreign currency denominated obligations. To manage its foreign exchange risk, stabilize cash flows and improve investment and cash flow planning, the Group enters into foreign currency forward contracts aimed at reducing and/or managing the adverse impact of changes in foreign exchange rates on financial performance and cash flows. Foreign currency denominated borrowings account for 9.06% and 14.11% of total consolidated borrowings as of September 30, 2025 and December 31, 2024, respectively.

Presented below are the Group's foreign currency denominated financial assets and liabilities as of September 30, 2025 and December 31, 2024, translated to Philippine Peso:

	September 30, 2025 (Unaudited)		December 31, 2024 (Audited)	
	US Dollar	Philippine Peso equivalent ¹	US Dollar	Philippine Peso equivalent ²
Financial assets:				
Cash and cash equivalents	\$125,276	₱7,290,562	\$214,008	₱12,379,293
Trade and other receivables	19,218	1,118,411	2,443	141,315
Advances to associates	20	1,164	21	1,215
Derivative Asset	1,234	71,819	3,857	223,109
Total financial assets	145,748	8,481,956	220,329	12,744,932
Financial liabilities:				
Trade and other payables	4,453	259,147	3,753	217,092
Long-term debt	162,703	9,468,660	—	—
Total financial liabilities	167,156	9,727,807	3,753	217,092
Total net financial assets (liabilities)	(\$21,408)	(₱1,245,851)	\$216,576	₱12,527,840

¹\$1 = 58.196

²\$1 = 57.85

The following table demonstrates the sensitivity to a reasonably possible change in the US dollar exchange rates, with all other variables held constant, of the Group's income before tax for the periods ended September 30:

	Increase (decrease) in US Dollar	Effect on income before tax
2025		
US Dollar denominated accounts	US Dollar weakens by 5%	(₱65,884)
US Dollar denominated accounts	US Dollar strengthens by 5%	65,884
2024		
US Dollar denominated accounts	US Dollar weakens by 5%	₱615,237
US Dollar denominated accounts	US Dollar strengthens by 5%	(615,237)

The increase in US Dollar rate represents the depreciation of the Philippine Peso while the decrease in US Dollar rate represents appreciation of the Philippine Peso.

There is no other impact on the Group's equity other than those already affecting the unaudited interim consolidated statements of income.

Credit risk

For its cash investments (including restricted portion), financial assets at FVTPL and receivables, the Group's credit risk pertains to possible default by the counterparty, with a maximum exposure equal to the carrying amount of these investments. With respect to cash investments and financial assets at FVTPL, the risk is mitigated by the short-term and/or liquid nature of its cash investments mainly in bank deposits and placements, which are placed with financial institutions and entities of high credit standing. With respect to receivables, credit risk is controlled by the application of credit approval, limit and monitoring procedures. It is the Group's policy to only enter into transactions with credit-worthy parties to mitigate any significant concentration of credit risk. The Group ensures that sales are made to customers with appropriate credit history and it has internal mechanisms to monitor the granting of credit and management of credit exposures.

Concentration Risk

Credit risk concentration of the Group's receivables according to the customer category is summarized in the following table:

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Power distribution:		
Industrial	₱10,911,551	₱11,415,839
Residential	3,369,409	3,363,528
Commercial	1,099,253	1,135,639
City street lighting	37,221	36,456
Power generation:		
Power supply contracts	14,640,850	9,990,081
Non-power supply contracts	3,132,901	4,633,995
	₱33,191,185	₱30,575,538

Capital Management

Capital includes equity attributable to the equity holders of the parent. The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Group monitors capital using a gearing ratio, which is net debt divided by equity plus net debt. The Group's policy is to keep the gearing ratio at 70% or below. The Group determines net debt as the sum of interest-bearing short-term and long-term loans (comprising long-term debt and lease liabilities) less cash and short-term deposits (including restricted cash).

Gearing ratios of the Group are as follows:

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Short-term loans	₱48,211,310	₱25,035,435
Long-term debt	250,977,769	213,719,266
Lease liabilities	4,856,618	4,445,893
Cash and cash equivalents	(54,482,479)	(56,759,297)
Short-term investments	(8,140,005)	—
Restricted cash	(4,671,516)	(6,098,865)
Net debt (a)	236,751,697	180,342,432
Equity	219,937,682	215,896,682
Equity and net debt (b)	456,689,379	396,239,114
Gearing ratio (a/b)	51.84%	45.51%

No changes were made in the objectives, policies or processes during the period ended September 30, 2025.

21. Financial Instruments

Fair Value of Financial Instruments

Fair value is defined as the amount at which the financial instrument could be sold in a current transaction between knowledgeable willing parties in an arm's length transaction, other than in a forced liquidation or sale. Fair values are obtained from quoted market prices, discounted cash flow models and option pricing models, as appropriate.

A financial instrument is regarded as quoted in an active market if quoted prices are readily available from an exchange, dealer, broker, pricing services or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis. For a financial instrument with an active market, the quoted market price is used as its fair value. On the other hand, if transactions are no longer regularly occurring even if prices might be available and the only observed transactions are forced transactions or distressed sales, then the market is considered inactive. For a financial instrument with no active market, its fair value is determined using a valuation technique (e.g. discounted cash flow approach) that incorporates all factors that market participants would consider in setting a price.

Set out below is a comparison by category of carrying amounts and fair values of the Group's financial instruments whose fair values are different from their carrying amounts.

	September 30, 2025		December 31, 2024	
	(Unaudited)		(Audited)	
	Carrying Amounts	Fair Values	Carrying Amounts	Fair Values
Financial Asset				
Concession contract asset	₱8,252,216	₱9,394,368	₱8,886,664	₱10,167,633
Financial Liabilities				
Lease liabilities	₱4,856,618	₱6,995,839	₱4,445,893	₱6,048,230
Long-term debt - fixed rate	238,230,714	241,514,901	199,192,972	197,985,928
Long-term obligation on power distribution system	105,729	119,261	97,238	119,261
	₱243,193,061	₱248,630,001	₱203,736,103	₱204,153,419

The following methods and assumptions are used to estimate the fair value of each class of financial instruments:

Cash and cash equivalents, trade and other receivables, short-term loans and trade and other payables. The carrying amounts of cash and cash equivalents, trade and other receivables, short-term loans and trade and other payables approximate fair value due to the relatively short-term maturity of these financial instruments.

Concession contract asset. The fair value of concession contract asset is based on cash flows discounted using prevailing rate.

Fixed-rate borrowings. The fair value of fixed rate interest-bearing loans is based on the discounted value of future cash flows using the applicable rates for similar types of loans.

Floating-rate borrowings. Since repricing of the variable-rate interest bearing loan is done on a quarterly basis, the carrying value approximates the fair value.

Lease liabilities. The fair value of the lease liabilities was calculated by discounting future cash flows using applicable interest rates.

Long-term obligation on PDS and PSALM deferred adjustment. The fair value of the long-term obligation is calculated by discounting expected future cash flows at prevailing market rates.

Customers' deposits. The fair value of bill deposits approximates the carrying values as these deposits earn interest at the prevailing market interest rate in accordance with regulatory guidelines. The timing and related amounts of future cash flows relating to transformer and lines and poles deposits cannot be reasonably and reliably estimated for purposes of establishing their fair values using an alternative valuation technique.

Financial assets at FVTPL. These equity securities are carried at fair value.

Derivative financial instruments. The fair value of forward contracts is calculated by reference to prevailing interest rate differential and spot exchange rate as of valuation date, taking into account its remaining term to maturity. The fair value of the interest rate swap and interest rate cap are determined by generally accepted valuation techniques with reference to observable market data such as interest rates.

The Group entered into non-deliverable short-term forward contracts with counterparty banks to manage its foreign currency risks associated with foreign currency-denominated liabilities and purchases.

The Group also entered into an interest rate swap agreement to fully hedge its floating rate exposure on its foreign currency-denominated loan and par forward contracts to hedge the floating rate exposure on foreign-currency denominated payments.

The Group also entered into commodity swap contracts to hedge the price volatility of its forecasted coal purchases.

The movements in fair value changes of all derivative instruments for the nine-month period ended September 30, 2025 and for the year ended December 31, 2024 are as follows:

	2025	2024
	(Unaudited)	(Audited)
At beginning of period	₱81,030	(₱126,287)
Net changes in fair value of derivatives designated as cash flow hedges	(40,097)	207,317
Net changes in fair value of derivatives not designated as accounting hedges	(321)	—
Fair value of settled instruments	18,135	—
At end of period	₱58,747	₱81,030

Fair Value Hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

As of September 30, 2025, the Group held the following financial instruments that are measured and carried or disclosed at fair value:

	Total	Level 1	Level 2	Level 3
Carried at fair value:				
Derivative assets	₱91,132	₱—	₱91,132	₱—
Concession contract asset	9,394,368	—	—	9,394,368
Derivative liabilities	32,385	—	32,385	—
Disclosed at fair value:				
Derivative liabilities	32,385	—	32,385	—
Lease liabilities	6,995,839	—	—	6,995,839
Long-term debt - fixed rate	241,514,901	—	—	241,514,901
Long-term obligation on PDS	119,261	—	—	119,261

During the nine-month period ended September 30, 2025, there were no transfers between level 1 and level 2 fair value measurements and transfers into and out of level 3 fair value measurement.

22. Leases

Set out below, are the carrying amounts of the Group's right-of-use assets and lease liabilities and the movements during the nine-month period ended September 30, 2025:

	Land	Building	Equipment and		Total	Lease liabilities
			Power Plant	Others		
At beginning of the period	₱3,232,385	₱918,123	₱24,720,181	₱127,419	₱28,998,108	₱4,445,893
Additions	4,780,454	—	—	—	4,780,454	573,505
Amortization expense	(158,222)	(60,970)	(257)	(1,476)	(220,925)	—
Capitalized amortization	(4,667)	—	—	—	(4,667)	—
Interest expense	—	—	—	—	—	241,507
Capitalized interest	—	—	—	—	—	7,899
Payments	—	—	—	—	—	(399,774)
Others	(11,424)	(13,095)	(24,719,896)	(503)	(24,744,918)	(12,412)
At end of the period	₱7,838,526	₱844,058	₱28	₱125,440	₱8,808,052	₱4,856,618

Set out below, are the amounts recognized in the unaudited interim consolidated statements of income:

	For periods ended September 30	
	2025	2024
Amortization expense of right-of-use assets	₱220,925	₱860,672
Interest expense on lease liabilities	241,507	174,597
Rent expense - short-term leases	71,962	67,186
	₱534,394	₱1,102,455

23. Retained Earnings

- a. On March 6, 2025, the BOD approved the declaration of regular cash dividends of ₱2.35 per share (₱16.93 billion) to all stockholders of record as of March 21, 2025. These dividends were paid on March 28, 2025.
- b. The balance of retained earnings includes the accumulated equity in net earnings of subsidiaries, associates and joint arrangements amounting to ₱155.56 billion and ₱138.10 billion as at September 30, 2025 and December 31, 2024, respectively. Such amounts are not available for distribution until such time that the Company receives the dividends from the respective subsidiaries, associates and joint arrangements.

24. Disclosures

1. Seasonality of Interim Operations

Operations of hydropower plants are generally affected by climatic seasonality. Seasonality and location have a direct effect on the level of precipitation. In Luzon where rainy and summer seasons are more pronounced, higher rainfall is normally experienced in the months of June to September. As such, the hydropower plants located in Luzon operate at their maximum capacity during this period. In contrast, the hydropower plants in Mindanao experience a well-distributed rainfall throughout the year, with a slightly better precipitation during the months of December to April. This precipitation seasonality greatly affects subsidiary companies HI, HSI, Hedcor Tudaya, Hedcor Sabangan and LHC, which operate 'run-of-river' hydropower plants since these plants do not have any means to impound water.

Any unexpected change in the seasonal aspects will have no material effect on the Group's financial condition or results of operations.

2. Wholesale Electricity Spot Market Price

During the nine months ended September 30, 2025, the electricity spot market experienced significant price fluctuations compared to the same period in the prior year. Spot prices decreased by approximately 33% or ₱1.85 per kilowatt hour. These changes in market prices materially affected the Group's operating results for the period, contributing to lower revenues and operating margins compared to the same period in 2024.

3. Acquisition of Additional CEDI Interest

In January 2025, the Company acquired the remaining 40% non-controlling interest in CEDI from Mainstream Renewable Power (MRP), resulting in 100% ownership of CEDI. The transaction was accounted for as an equity transaction.

The excess of the carrying amount over the consideration paid, totaling ₱88.050 million, was recognized directly in equity as an adjustment to the equity reserve. The total consideration paid amounted to ₱1.00, while the carrying amount of the non-controlling interest acquired was ₱88.050 million.

5. Caliraya-Botocan-Kalayaan Hydroelectric Power Plant Complex

On July 4, 2025, the Thunder Consortium consisting of ARI, Electric Power Development Co., Ltd. (or J-Power), and Sumitomo Corporation, was declared as the highest-ranking bidder in the bidding process conducted by the Power Sector Assets and Liabilities Management Corporation (PSALM) Privatization Bids and Awards Committee for the privatization of the Caliraya-Botocan-Kalayaan Hydroelectric Power Plant Complex. On July 18, 2025, the Consortium received the Notice of Award as the winning bidder for the project.

6. Property, Plant and Equipment

During the nine-month period ended September 30, 2025, the Group's additions to property, plant and equipment amounted to ₱16.88 billion mainly coming from Power Plant Equipment and Steam Field Assets and Construction-in-Progress subcategory of property, plant and equipment.

7. Dividends to Non-controlling Interests

The Group's material partly-owned subsidiaries, VECO and SPI paid cash dividends amounting to ₱1.45 billion and ₱1.86 billion to non-controlling interests during the nine-month periods ended September 30, 2025 and 2024, respectively. In 2025, GMEC also declared dividends to non-controlling interests amounting to ₱2.71 billion which was offset against GMEC's receivables from its partners.

8. Contingencies

The Group is a party to certain proceedings and legal cases with other parties in the normal course of business. The ultimate outcome of these proceedings and legal cases cannot be presently determined. Management, in consultation with its legal counsels, believes that it has substantial legal and factual bases for its positions and is currently of the opinion that the likely outcome of these proceedings and legal cases will not have a material adverse effect on the Group's financial position and operating results. It is possible, however, that the future results of operations could be materially affected by changes in estimates or in the effectiveness of the strategies relating to these proceedings and legal cases.

The Company obtained Standby Letters of Credit and is acting as surety for the benefit of certain associates and a subsidiary in connection with loans and credit accommodations.

SCHEDULE A – RELEVANT FINANCIAL RATIOS

	Formula	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
LIQUIDITY RATIOS			
Current ratio	$\frac{\text{Current assets}}{\text{Current liabilities}}$	1.10	1.56
Acid test ratio	$\frac{\text{Cash + Marketable securities} + \text{Accounts receivable} + \text{Other liquid assets}}{\text{Current liabilities}}$	0.89	1.19
SOLVENCY RATIOS			
Debt to equity ratio	$\frac{\text{Total liabilities}}{\text{Total equity}}$	1.66	1.40
Asset to equity ratio	$\frac{\text{Total assets}}{\text{Total equity}}$	2.66	2.40
Net debt to equity ratio	$\frac{\text{Debt - Cash \& cash equivalents} - \text{Short-term investments}}{\text{Total equity}}$	1.08	0.84
Gearing ratio	$\frac{\text{Debt - Cash \& cash equivalents} - \text{Short-term investments}}{\text{Total equity} + (\text{Debt - Cash \& cash equivalents} - \text{Short-term investments})}$	51.84%	45.51%
Interest coverage ratio	$\frac{\text{EBIT}}{\text{Interest expense}}$	n.a	4.64
PROFITABILITY RATIOS			
Operating margin	$\frac{\text{Operating profit}}{\text{Total revenues}}$	n.a	21.00%
Return on equity	$\frac{\text{Net income after tax}}{\text{Total equity}}$	n.a	20.00%

*Ratio marked * is deemed not applicable (n.a.) for the interim reporting period since this would not be comparable to the ratio reported in the previous period.*

ABOITIZ POWER CORPORATION AND SUBSIDIARIES

1.) AGING OF RECEIVABLES

As of September 30, 2025

(Amounts in Thousands)

	30 Days	60 Days	90 Days	Over 90 Days	Total
Trade receivables:					
Power Distribution Customers	4,693,632	1,091,100	111,612	1,841,355	7,737,699
Power Generation Customers	12,840,099	856,501	378,914	5,637,290	19,712,804
Management & Other Services Customers	4,911,224	36,375	74,510	718,573	5,740,682
	22,444,955	1,983,976	565,036	8,197,218	33,191,185
Less : Allowance for impairment losses				3,242,151	3,242,151
Net trade Receivables	22,444,955	1,983,976	565,036	4,955,067	29,949,034
Non-trade receivables	5,537,347	29	15	18,798	5,556,189
Grand Total	27,982,302	1,984,005	565,051	4,973,865	35,505,223

2.) ACCOUNTS RECEIVABLE DESCRIPTION

Type of Receivable	Nature/Description	Collection Period
Trade	uncollected billings to customers for sale of power, goods and services	30 - 60 days
Non-Trade	claims, operating cash advances and advances to suppliers & employees	30 - 120 days

3.) NORMAL OPERATING CYCLE

Power Subsidiaries

Distribution - 60 days

Generation - 65 days