

January 2, 2026

ATTY. SUZY CLAIRE R. SELLEZA

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

Dear Atty. Selleza:

We write in compliance with the Exchange’s request for clarification with respect to the news article in the Philippine Daily Inquirer on January 2, 2026, entitled “*EDC to invest P30B in Leyte geothermal complex*”. The article reported in part that:

“MANILA, Philippines — Energy Development Corp. (EDC) will shell out about P30 billion to rebuild its Leyte geothermal complex, targeting a 700-megawatt capacity by 2029, as part of a multiyear program to raise capacity and replace aging facilities.

Starting this year, a new plant will be built to replace old units, lifting the operating capacity of the Leyte facility by around 55 percent.

In a chance interview with reporters, EDC chief finance officer Erwin Avante said the company would focus on “reimagining” Leyte, particularly the upper Mahiao area, where two old units have already been decommissioned.

“The plan is to increase the capacity from, right now it’s operating less than 450 megawatts (MW), more or less,” Avante said.

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EDC said part of the spending would still go to drilling, with six wells planned, mostly in Leyte.

Aside from Leyte, EDC is also pursuing new geothermal prospects, including the Amacan project in Mindanao, which Avante said could benefit from the geothermal de-risking facility of the Department of Energy (DOE).

“So, it’s a new exploration project that we have, and it will definitely help—especially because of the de risking facility. I think it’s a good program by the DOE for new projects,” he said.

EDC is likewise upgrading its Palinpinon facilities, with plans to add around 12 MW of capacity.

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We confirm that we are looking to enhance our Leyte facilities. But various technical studies are still ongoing and any financial investment decisions will be made based on those assessments.

Very truly yours,



Ryan Z. Velasco

Vice President,
Corporate Information Officer,
Head of Corporate Strategy and Planning