

July 30, 2026

PHILIPPINE STOCK EXCHANGE, INC.

Disclosure Department

PSE Tower, 28th Street, cor. 5th Avenue

Bonifacio Global City, Taguig City

ATTENTION : **ATTY. JOHANNE DANIEL M. NEGRE**
Head, Disclosure Department

Re : Clarification to the July 28, 2026 GMA (Online Edition) News Article

Gentlemen:

This refers to your letter requesting us to confirm the veracity of the information contained in, and our comments on, the GMA (Online Edition) article dated July 28, 2026 entitled “*DOE backs Marcos' call to amend EPIRA and remove system loss charges*”, the relevant portion of which is quoted hereunder:

“The Department of Energy on Monday expressed support for President Ferdinand “Bongbong” Marcos Jr.'s call for the immediate amendment of the Electric Power Industry Reform Act (EPIRA) to remove system loss charges from consumers' bills.

....

Marcos in his State of the Nation Address (SONA 2026) called on both chambers of Congress to amend the Electric Power Industry Reform Act (EPIRA) to put a stop to system loss charges, including an accompanying value-added tax (VAT), from being passed on to consumers.

System loss refers to electricity lost during transmission and distribution, whether caused by technical issues or illegal acts such as use of “jumpers” or pilferage.

Current laws such as the EPIRA and Republic Act No. 7832 or the Anti-Pilferage of Electricity and Theft of Electric Transmission Lines/Materials Act allow distribution utilities to recover a portion of system loss from end-consumers through system loss charge reflected in monthly electricity bills.

....”

Aboitiz Power Corporation (“AboitizPower” or the “Company”) clarifies that the statements referenced in the article were made by representatives of the Department of Energy (DOE). Unfortunately, the Company is not in a position to confirm the statements or representations in the said article.

In the meantime, AboitizPower will work closely with the DOE, the Energy Regulatory Commission (ERC), and industry partners while the details of any proposed amendment to the Electric Power Industry Reform Act (EPIRA) and related regulations are studied. The Company will be able to evaluate the impact to the Company's business, operations, and financial condition once any amendments to the EPIRA and its related regulations regarding the treatment of system losses become final.

Very truly yours,

ABOITIZ POWER CORPORATION

By:



RANULFO J. JAVELOSA, III
Corporate Secretary

Cc:

PHILIPPINE DEALING & EXCHANGE CORP.

Market Regulatory Services Group
29th Floor BDO Equitable Tower
8751 Paseo de Roxas, Makati City 1226

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