COVER SHEET

3	9	2	7	4						

SEC Registration Number

A	C	E	N		C	O	R	P	O	R	A	T	I	O	N		A	N	D											
S	U	B	S	I	D	I	A	R	I	E	S																			

(Company's Full Name)

3	5	T	H		F	L	O	O	R	,		A	Y	A	L	A		T	R	I	A	N	G	L	E				
G	A	R	D	E	N	S		T	O	W	E	R		2	,		P	A	S	E	O		D	E					
R	O	X	A	S		C	O	R	N	E	R		M	A	K	A	T	I		A	V	E	N	U	E	,			
M	A	K	A	T	I		C	I	T	Y		1	2	2	6															

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

ATTY. ALAN T. ASCALON	(632) 7730-6300
Contact Person	*Company's Telephone Number*

0	6	3	0	1	7	-	Q	0	4	2	2
Month	Day			Form Type				Month		Day	

Not Applicable
(Secondary License Type, If Applicable)

C	F	D
Dept. Requiring this Doc.		

-
Amended Articles Number/Section

Total Amount of Borrowings

4,659	-	-
Total No. of Stockholders	*Domestic*	*Foreign*

To be accomplished by SEC Personnel concerned

File Number	*LCU*
Document ID	*CASHIER*

STAMPS

Remarks: Please use BLACK ink for scanning purposes.

Document Name: Q2 2026 ACEN 17Q_Final.pdf Transaction ID: CBJCHBCAABAAHW5cwPm2qVuz3jEASg-6pg-bTOXw-4AR

SEC Number: 39274
File Number: _____

ACEN CORPORATION
(Company's Full Name)

35th Floor, Ayala Triangle Gardens Tower 2,
Paseo de Roxas corner Makati Avenue, Makati City
(Company's Address)

(632) 7730-6300
(Telephone Number)

2026 June 30
(Fiscal Year ending) (month & day)

SEC FORM 17-Q
(Form Type)

Document Name: Q2 2026 ACEN 17Q_Final.pdf Transaction ID: CBJCHBCAABAAHW5cwPm2qVuz3jEASg-6pg-bTOXw-4AR

SECURITIES AND EXCHANGE COMMISION (SEC)

SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND SECTION 141 OF THE CORPORATION CODE OF THE PHILIPPINES

1.	For the fiscal period ended	**June 30, 2026**
2.	Commission identification number	**39274**
3.	BIR Tax Identification No.	**000-506-020-000**
4.	Exact name of issuer as specified in its charter	**ACEN CORPORATION**
5.	Province, country or other jurisdiction of incorporation or organization	**Metro Manila, Philippines**
6.	Industry Classification Code:	(SEC Use Only)
7.	Address of issuer's principal office	**35th Floor, Ayala Triangle Gardens Tower 2, Paseo de Roxas corner Makati Avenue, Makati City** Postal Code: **1226**
8.	Issuer's telephone number, including area code	**(632) 7730-6300**
9.	Former name, former address and former fiscal year, if changed since last report	**Not Applicable**

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

a. Shares of stock as of 30 June 2026

Title of Each Class	Par Value	No. of Shares	Amount
Common Shares	Php1.00	39,951,435,064	Php39,951,435,064
Preferred Shares – Series A	Php1.00	8,341,500	Php8,341,500
Preferred Shares – Series B	Php1.00	16,658,500	Php16,658,500
Treasury Shares - Common	Php1.00	14,500,000	Php14,500,000
Total Issued Shares		39,990,935,064	

b. Debt securities as of 30 June 2026

Php10.00 billion in bonds registered with the Philippine SEC and listed in PDEX

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

Yes [**X**] No [ ]

As of June 30 2026, a total of 39,951,435,064 common shares, 8,341,500 preferred A (ACENA) shares, and 16,658,500 preferred B (ACENB) shares are listed in the Philippine Stock Exchange (PSE). A total of 14,500,000 common shares are held in treasury by the Company.

12. Check whether the issuer:

(a) has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17.1 thereunder or Section 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 that the registrant was required to file such reports);

Yes [**X**] No [ ]

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

Yes [**X**] No [ ]

PART I -- FINANCIAL INFORMATION

Item 1. Financial Statements

Please refer to attached **ANNEX A**

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

Please refer to attached **ANNEX B**

PART II -- OTHER INFORMATION

Please refer to attached **ANNEX C**

SIGNATURES

Pursuant to the requirements of Section 17 of the Securities Regulation Code and Section 141 of the Corporation Code, this report is signed on behalf of the issuer by the undersigned, thereunto duly authorized, in the City of Makati on August 11, 2026.

ACEN CORPORATION
By:

JOHN ERIC T. FRANCIA
President and Chief Executive Officer

JONATHAN P. BACK
Group Chief Finance Officer
and Group Chief Strategy Officer

ANNEX A

COVER SHEET

for

AUDITED FINANCIAL STATEMENTS

SEC Registration Number

3	9	2	7	4						

COMPANY NAME

A	C	E	N		C	O	R	P	O	R	A	T	I	O	N		A	N	D											
S	U	B	S	I	D	I	A	R	I	E	S																			

PRINCIPAL OFFICE *(No. / Street / Barangay / City / Town / Province)*

3	5	T	H		F	L	O	O	R	,		A	Y	A	L	A		T	R	I	A	N	G	L	E				
G	A	R	D	E	N	S		T	O	W	E	R		2	,		P	A	S	E	O		D	E					
R	O	X	A	S		C	O	R	N	E	R		M	A	K	A	T	I		A	V	E	N	U	E	,			
M	A	K	A	T	I		C	I	T	Y		1	2	2	6															

Form Type	Department requiring the report	Secondary License Type, If Applicable
1 7 - Q	S E C	N / A

COMPANY INFORMATION

Company's Email Address	Company's Telephone Number	Mobile Number
corporatesecretary@acenrenewables.com	(632) 7730-6300	--

No. of Stockholders	Annual Meeting (Month / Day)	Fiscal Year (Month / Day)
4,659	04/22	12/31

CONTACT PERSON INFORMATION

The designated contact person ***MUST*** be an Officer of the Corporation

Name of Contact Person	Email Address	Telephone Number/s	Mobile Number
Alan T. Ascalon	alan.ascalon@acenrenewables.com	(632) 7730-6300	--

CONTACT PERSON's ADDRESS

35th Floor, Ayala Triangle Gardens Tower 2,
Paseo de Roxas corner Makati Avenue, Makati City, 1226

NOTE 1 *In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.*

2 *All Boxes must be properly and completely filled-up. Failure to do so shall cause the delay in updating the corporation's records with the Commission and/or non-receipt of Notice of Deficiencies. Further, non-receipt of Notice of Deficiencies shall not excuse the corporation from liability for its deficiencies.*

ACEN CORPORATION and Subsidiaries

Unaudited Interim Condensed Consolidated
Financial Statements
As at June 30, 2026
and for the Six-Month Periods Ended
June 30, 2026 and 2025
(With comparative figures as at
December 31, 2025)

Document Name: Q2 2026 ACEN 17Q_Final.pdf Transaction ID: CBJCHBCAABAAHW5cwPm2qVuz3jEASg-6pg-bTOXw-4AR

ACEN CORPORATION AND SUBSIDIARIES

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As at June 30, 2026 (with Comparative Audited Figures as at December 31, 2025)
(Amounts in Thousands)

	Notes	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
ASSETS			
Current Assets			
Cash and cash equivalents	4, 25	**₱20,221,978**	₱18,358,434
Current portion of:			
Accounts and notes receivable	5	**27,312,082**	24,763,585
Input value added tax (VAT)		**2,043,212**	2,471,774
Creditable withholding taxes		**485,886**	293,222
Financial assets at fair value through profit or loss (FVTPL)	26	**1,207,729**	1,412,681
Fuel and spare parts - at cost		**265,416**	227,521
Other current assets	11	**4,855,146**	1,954,353
		56,391,449	49,481,570
Noncurrent assets held for sale		**3,382**	–
Total Current Assets		**56,394,831**	49,481,570
Noncurrent Assets			
Investments in:			
Associates and joint ventures	6	**44,108,774**	46,823,966
Redeemable preferred shares and convertible loans	7	**20,207,609**	20,050,761
Financial assets at FVTPL	26	**869,733**	744,873
Financial assets at fair value through other comprehensive income (FVOCI)	26	**17,338,672**	13,279,340
Property, plant and equipment	8	**166,891,997**	148,280,390
Right-of-use assets	9	**8,729,813**	8,261,261
Goodwill and other intangible assets	10	**32,179,540**	26,341,205
Net of current portion:			
Accounts and notes receivable	5	**19,171,947**	19,807,659
Input VAT		**2,334,464**	3,389,211
Creditable withholding taxes		**4,318,634**	4,262,508
Deferred income tax assets - net	21	**3,486,687**	3,085,546
Other noncurrent assets	11	**18,941,965**	17,980,570
Total Noncurrent Assets		**338,579,835**	312,307,290
TOTAL ASSETS		**₱394,974,666**	₱361,788,860

(Forward)

	Notes	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
LIABILITIES AND EQUITY			
Current Liabilities			
Accounts payable and other current liabilities	12	**₱15,127,083**	₱12,758,197
Short-term loans	13, 25	**13,140,800**	11,299,890
Current portion of:			
Long-term loans	13, 26	**10,501,923**	1,546,140
Lease liabilities	9, 26	**1,691,139**	1,631,540
Income and withholding taxes payable		**236,309**	494,043
Due to stockholders	22	**96,764**	13,156
Total Current Liabilities		**40,794,018**	27,742,966
Noncurrent Liabilities			
Notes payable	13, 26	**34,509,207**	33,467,881
Noncurrent portion of:			
Long-term loans	13, 26	**130,452,358**	116,398,256
Lease liabilities	9, 26	**12,839,393**	12,591,279
Pension and other employee benefits		**340,224**	306,925
Deferred income tax liabilities - net	21	**690,923**	551,192
Other noncurrent liabilities	14	**11,388,408**	9,882,884
Total Noncurrent Liabilities		**190,220,513**	173,198,417
Total Liabilities		**231,014,531**	200,941,383
Equity			
Common shares	1, 15	**39,965,935**	39,965,935
Redeemable preferred shares	15	**25,000**	25,000
Additional paid-in capital	15	**132,570,571**	132,570,571
Other equity reserves		**(58,996,243)**	(58,996,243)
Unrealized fair value loss on equity instruments at FVOCI		**(3,118,946)**	(2,560,205)
Unrealized fair value loss on derivative instruments designated as hedges - net of tax		**(1,033,520)**	(325,366)
Remeasurement loss on defined benefit plans - net of tax		**(45,104)**	(45,104)
Accumulated share in other comprehensive loss of associates and joint ventures		**(415,707)**	(274,710)
Cumulative translation adjustments	15	**15,410,626**	11,612,280
Retained earnings	15	**31,123,866**	30,184,113
Treasury shares		**(28,657)**	(28,657)
Total equity attributable to equity holders of the Parent Company		**155,457,821**	152,127,614
Non-controlling interests	15	**8,502,314**	8,719,863
Total Equity		**163,960,135**	160,847,477
TOTAL LIABILITIES AND EQUITY		**₱394,974,666**	₱361,788,860

See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statements

Document Name: Q2 2026 ACEN 17Q_Final.pdf Transaction ID: CBJCHBCAABAAHW5cwPm2qVuz3jEASg-6pg-bTOXw-4AR

ACEN CORPORATION AND SUBSIDIARIES

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF INCOME

(Amounts in Thousands, Except Per Share Figures)

	Notes	Three-Month Period Ended June 30 (Unaudited)		Six-Month Period Ended June 30 (Unaudited)	
		2026	2025	**2026**	2025
REVENUES					
Revenue from sale of electricity	16	**₱11,774,815**	₱7,741,714	**₱22,512,248**	₱15,294,496
Dividend income	22	**138,520**	119,466	**261,968**	234,949
Rental income		**17,989**	17,504	**35,784**	35,009
Other revenues		**162,431**	70,182	**315,496**	151,817
		12,093,755	7,948,866	**23,125,496**	15,716,271
COSTS AND EXPENSES					
Costs of sale of electricity	17				
Cost of purchased power		**6,891,145**	4,437,549	**11,778,891**	8,865,957
Depreciation and amortization		**1,128,823**	722,622	**2,171,306**	1,496,159
Fuel		**2,564**	99,634	**2,733**	190,651
Others		**701,777**	694,573	**1,363,546**	1,414,049
		8,724,309	5,954,378	**15,316,476**	11,966,816
General and administrative expenses	18				
Provision for impairment		**350,190**	3,059,025	**2,208,007**	3,584,745
Personnel costs, management, and professional fees		**1,162,681**	333,689	**1,852,712**	1,114,391
Depreciation and amortization		**136,898**	199,959	**348,981**	361,750
Others		**1,113,698**	308,075	**1,902,791**	724,883
		2,763,467	3,900,748	**6,312,491**	5,785,769
		11,487,776	9,855,126	**21,628,967**	17,752,585
EQUITY IN NET INCOME OF ASSOCIATES AND JOINT VENTURES	6	**379,957**	212,295	**1,758,811**	1,408,842
OTHER INCOME (CHARGES)					
Interest and other financial income	20				
Cash in banks and short-term deposits	4, 11	**92,719**	180,254	**269,791**	376,504
Accounts and notes receivable	5	**522,710**	676,299	**1,028,741**	1,504,026
Investments in redeemable preferred shares and convertible loans	7	**588,526**	655,166	**1,256,721**	1,328,980
		1,203,955	1,511,719	**2,555,253**	3,209,510
Interest and other finance charges	19	**(1,784,400)**	(1,176,502)	**(3,906,162)**	(2,317,808)
Other income - net	20				
Remeasurement gain		**–**	–	**1,814,465**	–
Loss on disposal of investment		**–**	(89,611)	**(204,696)**	(89,611)
Others		**447,925**	16,555	**669,432**	379,797
		447,925	(73,056)	**2,279,201**	290,186
		(132,520)	262,161	**928,292**	1,181,888
INCOME (LOSS) BEFORE INCOME TAX		**853,416**	(1,431,804)	**4,183,632**	554,416
PROVISION FOR (BENEFIT FROM) INCOME TAX	21	**(158,748)**	(394,934)	**119,232**	(492,678)
NET INCOME (LOSS)		**₱1,012,164**	(₱1,036,870)	**₱4,064,400**	₱1,047,094
Net Income (Loss) Attributable To:					
Equity holders of the Parent Company		**₱977,817**	(₱1,186,511)	**₱3,901,164**	₱763,040
Non-controlling interests		**34,347**	149,641	**163,236**	284,054
		₱1,012,164	(₱1,036,870)	**₱4,064,400**	₱1,047,094
Net income (loss) attributable to equity holders of the Parent Company		**₱977,817**	(₱1,186,511)	**₱3,901,164**	₱763,040
Less cumulative preferred share dividends		**481,920**	481,920	**963,840**	963,840
Net income (loss) attributable to common shareholders of the Parent Company		**₱495,897**	(₱1,668,431)	**₱2,937,324**	(₱200,800)
Basic/Diluted Earnings (Loss) Per Share	23	**₱0.01**	(₱0.04)	**₱0.07**	(₱0.01)

See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statements

Document Name: Q2 2026 ACEN 17Q_Final.pdf Transaction ID: CBJCHBCAABAAHW5cwPm2qVuz3jEASg-6pg-bTOXw-4AR

ACEN CORPORATION AND SUBSIDIARIES

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Amounts in Thousands, Except Per Share Figures)

	Notes	Three-Month Period Ended June 30 (Unaudited)		Six-Month Period Ended June 30 (Unaudited)	
		2026	2025	**2026**	2025
NET INCOME (LOSS)		**₱1,012,164**	(₱1,036,870)	**₱4,064,400**	₱1,047,094
OTHER COMPREHENSIVE INCOME (LOSS)					
Other comprehensive income (loss) to be reclassified to profit or loss in subsequent periods					
Cumulative translation adjustments		**831,778**	(358,889)	**3,782,473**	(705,355)
Unrealized fair value income (loss) on derivative instruments designated as hedges - net of tax		**(508,371)**	197,851	**(708,154)**	(96,676)
		323,407	(161,038)	**3,074,319**	(802,031)
Other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods					
Net changes in the fair value of equity instruments at FVOCI		**198,036**	423,326	**(558,741)**	731,185
Remeasurement gain on defined benefit plans - net of tax		**–**	–	**–**	3,018
		198,036	423,326	**(558,741)**	734,203
		521,443	262,288	**2,515,578**	(67,828)
SHARE IN OTHER COMPREHENSIVE INCOME (LOSS) OF ASSOCIATES AND JOINT VENTURES	6				
Other comprehensive income (loss) to be reclassified to profit or loss in subsequent periods					
Cumulative translation adjustments		**(43,275)**	(56,131)	**(81,074)**	(146,498)
Interest rate swap		**15,461**	31,177	**(14,943)**	(40,517)
Other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods					
Remeasurement gain (loss) on defined benefit plans - net of tax		**(2,721)**	199	**(44,980)**	(12,016)
		(30,535)	(24,755)	**(140,997)**	(199,031)
TOTAL OTHER COMPREHENSIVE INCOME (LOSS)		**490,908**	237,533	**2,374,581**	(266,859)
TOTAL COMPREHENSIVE INCOME (LOSS)		**₱1,503,072**	(₱799,337)	**₱6,438,981**	₱780,235
Total Comprehensive Income (Loss) Attributable To:					
Equity holders of the Parent Company		**₱1,469,522**	(₱949,036)	**₱6,291,618**	₱481,846
Non-controlling interests		**33,550**	149,699	**147,363**	298,389
		₱1,503,072	(₱799,337)	**₱6,438,981**	₱780,235

See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statements

Document Name: Q2 2026 ACEN 17Q_Final.pdf Transaction ID: CBJCHBCAABAAHW5cwPm2qVuz3jEASg-6pg-bTOXw-4AR

ACEN CORPORATION AND SUBSIDIARIES

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(Amounts in Thousands)

	Attributable to Equity Holders of the Parent Company														
	Common Shares (Note 15)	Additional Paid-in Capital - Common Shares (Note 15)	Redeemable Preferred Shares (Note 15)	Additional Paid-in Capital – Redeemable Preferred Shares (Note 15)	Other Equity Reserves	Unrealized Fair Value Loss on Equity Instruments at FVOCI	Unrealized Fair Value Loss on Derivative Instruments Designated as Hedges – net of tax	Remeasurement Loss On Defined Benefit Plans – net of tax	Accumulated Share in Other Comprehensive Loss of Associates and Joint Ventures (Note 6)	Cumulative Translation Adjustments (Note 15)	Retained Earnings (Note 15)	Treasury Shares (Note 15)	Total	Non-controlling Interests (Note 15)	Total Equity
For the six-month period ended June 30, 2026 (Unaudited)															
Balances at January 1, 2026	**₱39,965,935**	**₱107,767,125**	**₱25,000**	**₱24,803,446**	**(₱58,996,243)**	**(₱2,560,205)**	**(₱325,366)**	**(₱45,104)**	**(₱274,710)**	**₱11,612,280**	**₱30,184,113**	**(₱28,657)**	**₱152,127,614**	**₱8,719,863**	**₱160,847,477**
Net income	–	–	–	–	–	–	–	–	–	–	**3,901,164**	–	**3,901,164**	**163,236**	**4,064,400**
Other comprehensive income	–	–	–	–	–	**(558,741)**	**(708,154)**	–	**(140,997)**	**3,798,346**	–	–	**2,390,454**	**(15,873)**	**2,374,581**
Total comprehensive income	–	–	–	–	–	**(558,741)**	**(708,154)**	–	**(140,997)**	**3,798,346**	**3,901,164**	–	**6,291,618**	**147,363**	**6,438,981**
Dividends declared (Note 15)	–	–	–	–	–	–	–	–	–	–	**(2,961,411)**	–	**(2,961,411)**	**(332,313)**	**(3,293,724)**
Non-controlling interests arising from business combination (Note 15)	–	–	–	–	–	–	–	–	–	–	–	–	–	**(32,599)**	**(32,599)**
	–	–	–	–	–	–	–	–	–	–	**(2,961,411)**	–	**(2,961,411)**	**(364,912)**	**(3,326,323)**
Balances at June 30, 2026	**₱39,965,935**	**₱107,767,125**	**₱25,000**	**₱24,803,446**	**(₱58,996,243)**	**(₱3,118,946)**	**(₱1,033,520)**	**(₱45,104)**	**(₱415,707)**	**₱15,410,626**	**₱31,123,866**	**(₱28,657)**	**₱155,457,821**	**₱8,502,314**	**₱163,960,135**
For the six-month period ended June 30, 2025 (Unaudited)															
Balances at January 1, 2025	₱39,691,895	₱107,492,243	₱25,000	₱24,803,446	(₱59,450,345)	(₱3,074,292)	(₱592,720)	(₱64,414)	(₱167,097)	₱8,590,223	₱30,320,264	(₱28,657)	₱147,545,546	₱9,897,654	₱157,443,200
Net income	–	–	–	–	–	–	–	–	–	–	763,040	–	763,040	284,054	1,047,094
Other comprehensive loss	–	–	–	–	–	731,185	(96,676)	3,018	(199,031)	(719,690)	–	–	(281,194)	14,335	(266,859)
Total comprehensive income	–	–	–	–	–	731,185	(96,676)	3,018	(199,031)	(719,690)	763,040	–	481,846	298,389	780,235
Dividends declared (Note 15)	–	–	–	–	–	–	–	–	–	–	(2,947,709)	–	(2,947,709)	(308,913)	(3,256,622)
Acquisition of non-controlling interests in a subsidiary	–	–	–	–	454,102	–	–	–	–	–	–	–	454,102	(595,369)	(141,267)
Capital redemption of non-controlling interests in a subsidiary	–	–	–	–	–	–	–	–	–	–	–	–	–	(488,733)	(488,733)
	–	–	–	–	454,102	–	–	–	–	–	(2,947,709)	–	(2,493,607)	(1,393,015)	(3,886,622)
Balances at June 30, 2025	₱39,691,895	₱107,492,243	₱25,000	₱24,803,446	(₱58,996,243)	(₱2,343,107)	(₱689,396)	(₱61,396)	(₱366,128)	₱7,870,533	₱28,135,595	(₱28,657)	₱145,533,785	₱8,803,028	₱154,336,813

See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statements

ACEN CORPORATION AND SUBSIDIARIES

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(Amounts in Thousands)

	Notes	Six-Month Period Ended June 30 (Unaudited) **2026**	2025
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before income tax		**₱4,183,632**	₱554,416
Adjustments for:			
Interest and other finance charges	19	**3,906,162**	2,317,808
Depreciation and amortization	17, 18	**2,520,287**	1,857,909
Provision for impairment	18	**2,208,007**	3,584,745
Pension and other employee benefits	17, 18	**111,945**	76,570
Interest and other financial income	20	**(2,555,253)**	(3,209,510)
Equity in net income of associates and joint ventures	6	**(1,758,811)**	(1,408,842)
Dividend income	22	**(261,968)**	(234,949)
Unrealized foreign exchange gains - net		**(160,202)**	(59,925)
Loss (gain) on:			
Disposal of investment - net	6, 20	**204,696**	89,611
Discount on long-term receivables	20	**31,526**	–
Sale of property, plant and equipment	20	**14,388**	(60)
Remeasurement on investments	6, 20	**(1,814,465)**	–
Sale of financial assets at FVTPL	20	**(60,183)**	(91,680)
Settlement of derivatives	20	**(17,480)**	265,836
Fair value adjustment on financial assets at FVTPL	20	**(1,694)**	50,228
Gain from loan assignment	20	**–**	(27,186)
Operating income before working capital changes		**6,550,587**	3,764,971
(Increase) decrease in:			
Accounts receivable		**(5,424,352)**	1,183,323
Fuel and spare parts		**(37,895)**	(192,979)
Other current assets and creditable withholding taxes		**(1,309,393)**	(1,293,444)
Increase (decrease) in accounts payable and other current liabilities		**3,073,643**	(749,033)
Cash generated from operations		**2,852,590**	2,712,838
Interest received		**257,666**	337,774
Income and withholding taxes paid		**(319,618)**	(220,254)
Net cash flows from operating activities		**2,790,638**	2,830,358
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to:			
Property, plant and equipment	8, 28	**(11,358,728)**	(7,843,515)
Loans receivable	5, 22	**(4,358,335)**	(4,098,581)
Investment in financial assets at FVTPL	22	**(3,443,033)**	(6,727,260)
Investment in associates and joint ventures	6	**(2,238,236)**	(303,103)
Investment in financial assets at FVOCI		**(1,840,870)**	(207,100)
Short-term investments		**(1,375,926)**	–
Advances for land acquisition	11	**(374,611)**	(1,665,538)
Other intangible assets	10	**(360,317)**	(300,575)
Subscription deposits	7	**(242,432)**	(404,449)
Acquisition of subsidiaries, net of cash acquired		**(27,126)**	–
Investment in redeemable preferred shares		**–**	(220,342)
Proceeds from:			
Collection of loans receivable	5, 22	**6,213,713**	2,299,728
Sale of investment in financial assets at FVTPL	22	**3,705,864**	8,218,007
Short-term investments		**606,266**	161,966
Sale of property, plant and equipment	8	**11,202**	9,756
Return of capital from a joint venture	6	**10,768**	–
Dividends received from:			
Investment in associates and joint ventures	6	**1,840,510**	521,295
Financial assets at FVOCI		**261,968**	119,466
Interest received		**4,748,493**	1,667,791
Increase in other noncurrent assets		**(2,468,539)**	(2,460,255)
Net cash flows used in investing activities		**(10,689,369)**	(11,232,709)

(Forward)

Document Name: Q2 2026 ACEN 17Q_Final.pdf Transaction ID: CBJCHBCAABAAHW5cwPm2qVuz3jEASg-6pg-bTOXw-4AR

	Notes	Six-Month Period Ended June 30 (Unaudited) 2026	2025
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from:			
Availment of long-term loans	13, 28	**₱32,523,523**	₱22,841,955
Availment of short-term loans	13, 28	**14,525,214**	10,567,353
Payments of:			
Long-term loans	13, 28	**(16,256,355)**	(13,333,330)
Short-term loans	13, 28	**(12,723,830)**	(7,150,000)
Interest on short-term and long-term loans	28	**(4,420,557)**	(3,449,007)
Cash dividends	15, 28	**(3,210,116)**	(1,321,251)
Debt issue cost	13	**(880,496)**	(16,980)
Lease liabilities	9, 28	**(491,223)**	(795,724)
Interest on lease liabilities	9, 28	**(259,361)**	(207,483)
Capital redemption of non-controlling interests in a subsidiary	15	**–**	(488,733)
Acquisition of non-controlling interests in a subsidiary	15	**–**	(795)
Decrease in other noncurrent liabilities		**609,349**	515,868
Net cash flows from financing activities		**9,416,148**	7,161,873
EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		**346,127**	173,411
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		**1,863,544**	(1,067,067)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD		**18,358,434**	25,158,358
CASH AND CASH EQUIVALENTS AT END OF PERIOD	4	**₱20,221,978**	₱24,091,291

See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statements

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1. Corporate Information

ACEN CORPORATION ("ACEN" or the "Parent Company"), incorporated on September 8, 1969 and registered with the Philippine Securities and Exchange Commission (SEC), is engaged in the business of, and/or investing in, electric power development and generation, retail electricity supply, and providing guarantees or similar security arrangements. The Parent Company is a licensed Retail Electricity Supplier (RES). As a RES, the Parent Company is allowed to supply electricity to the contestable market pursuant to the Electric Power Industry Reform Act (EPIRA). Other activities of the Parent Company include investing in various operating companies and financial instruments. ACEN and its subsidiaries are referred to as "the Group".

The direct parent company (or intermediate parent company) of ACEN is AC Energy and Infrastructure Corporation (ACEIC), a wholly owned subsidiary of Ayala Corporation (AC). AC is a publicly listed company which is 47.81% owned by Mermac, Inc. (ultimate parent company), and the rest by the public. AC is a listed entity incorporated in the Philippines.

As at June 30, 2026 and December 31, 2025, ACEIC owns 58.60% of ACEN's total outstanding shares of stock, based on its direct and indirect ownership interests.

Amendment of Articles of Incorporation
As of August 6, 2026, the Parent Company's application with the SEC to increase its authorized capital stock, as approved by its Board of Directors (BOD) and stockholders on March 10, 2025 and April 23, 2025, respectively, remains suspended due to the postponement of ACEN's proposed stock rights offering (SRO). The proceeds of the proposed SRO are intended to fund the minimum required subscription for the increase in authorized capital stock. ACEN's BOD approved the postponement of the proposed SRO, initially approved on April 23, 2025, on August 8, 2025, due to the revised scheduling of the Group's capital expenditure in several markets in Southeast Asia.

The unaudited interim condensed consolidated financial statements of the Group as at June 30, 2026, and for the six-month periods ended June 30, 2026 and 2025, were approved and authorized for issuance by ACEN's Audit Committee (pursuant to the authority delegated by ACEN's BOD) on August 6, 2026.

2. Material Accounting Policy Information

Basis of Preparation
The unaudited interim condensed consolidated financial statements of the Group as at June 30, 2026, and for the six-month periods ended June 30, 2026 and 2025, have been prepared on a historical cost basis, except for financial assets at FVTPL, equity instruments at FVOCI, and derivative financial instruments that have been measured at fair value.

The unaudited interim condensed consolidated financial statements are presented in Philippine peso (₱), which is the Parent Company's functional and presentation currency. All values are rounded to the nearest thousands ('000), except par values, per share amounts, number of shares and when otherwise indicated.

Statement of Compliance

The unaudited interim condensed consolidated financial statements of the Group have been prepared in accordance with Philippine Accounting Standards (PAS) 34, *Interim Financial Reporting*.

The unaudited interim condensed consolidated financial statements of the Group do not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as at December 31, 2025.

Basis of Consolidation

The unaudited interim condensed consolidated financial statements comprised the unaudited interim condensed consolidated financial statements of the Group as at June 30, 2026 and for the six-month periods ended June 30, 2026 and 2025.

For the six-month period ended June 30, 2026, the changes in the Parent Company's ownership interests follow:

		Percentage of Ownership (%)			
		June 30, 2026		December 31, 2025	
Investees	Principal Activity	**Direct**	**Indirect**	Direct	Indirect
Unlimited Renewable Holdings B.V. (URH)*	International investment holding	**–**	**100.00**	–	50.00
Vietnam Wind Energy Limited (VWEL)**	International investment holding	**–**	**50.00**	–	50.00

** Accounted as an investment in joint venture as of December 31, 2025 (see Note 24); Incorporated in Netherlands*

*** Accounted as an investment in joint venture as of December 31, 2025 (see Note 24); Incorporated in Hong Kong; the Group has 95% voting rights in VWEL*

The following are the significant transactions of the Group during the six-month period ended June 30, 2026:

Approval by the Energy Regulatory Commission (ERC) of Price Adjustments to ACEN's Power Supply Agreements (PSAs) with MERALCO due to Change in Circumstances

On January 26, 2026, ERC approved price adjustments to the baseload and mid-merit PSAs between ACEN and MERALCO due to change in circumstances arising from the extraordinary coal price surge during 2022 to 2023 driven by global supply disruptions, including the Indonesia coal export ban and the Russia-Ukraine war. Further, ERC noted that the baseload and mid-merit PSAs were terminated effective November 2024.

The approved price adjustments amounted to ₱1,748.99 million, and will be recovered through MERALCO generation charges and collected over a twelve-month recovery period which commenced in March 2026.

Step acquisition by ACEN Renewables International Pte. Ltd. (ACRI) of Unlimited Renewables Holdings B.V. (URH)

On February 4, 2026, the Agreement for the Sale and Purchase of 50% of Issued Common A Shares in URH (the "Share Purchase Agreement"), executed on January 23, 2026 between UPC Renewables Asia Pacific Holdings Pte. Ltd., UPC India Pte. Ltd. (UPC India), UPC Solar Asia Pacific Limited, ACEN International, Inc., ACRI, and URH for the acquisition by ACRI of UPC India's 50% ownership interest in URH, achieved financial close. The acquisition resulted to ACRI obtaining 100% ownership interest and control over URH. Prior to the acquisition, ACRI held 50% ownership interest in URH, which was accounted for as an investment in joint venture using the equity method.

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Following the step acquisition, URH, including its subsidiaries, becomes part of the Group's consolidated operations effective February 4, 2026 (see Note 24).

ACEN's Bijapur Wind Project in India Secures INR7.51 billion Green Term Loan
On March 25, 2026, ACEN, through Diyos Renewables India Project Private Limited, secured a project finance term loan of INR7.51 billion to support the development of its Bijapur Wind project in Karnataka, India.

The greenfield project financing facility, arranged with Mitsubishi UFJ Financial Group (MUFG) and Sumitomo Mitsui Banking Corporation (SMBC), will partially fund the construction of the 100MW (Phase 1) of the Bijapur Wind project. The project will supply renewable power under a Power Purchase Agreement (PPA) with SJVN Limited, a government-owned company under India's Ministry of Power, and set to be commissioned in 2027.

Obtaining Control of Vietnam Wind Energy Limited (VWEL)
On March 27, 2026, ACEN Vietnam Investments 2 Pte. Ltd. (ACEV2), UPC Vietnam (HK) Limited (UPCV), VWEL and UPC APAC Holdings Pte. Ltd. entered into a binding term sheet for the acquisition by ACEV2 of the 9,000 common shares of VWEL, representing 45% ownership interest, held by UPCV for a total consideration of US$9,000, subject to the fulfillment of regulatory and closing conditions. As at June 30, 2026, certain regulatory and closing conditions remained outstanding and had not yet been fully satisfied.

On March 31, 2026, prior to the execution of definitive agreements, ACEV2 obtained control over VWEL following the execution of the Irrevocable Appointment of Proxy and Power of Attorney (the "Irrevocable Proxy") between UPCV and ACEV2, where UPCV granted ACEV2 the exclusive right to appear, vote and otherwise act in its capacity, and with the same powers, over its 45% common shareholdings in VWEL at any and all meetings of, including on all matters submitted to, the shareholders of VWEL. The Irrevocable Proxy is coupled with an interest and may only be revoked with the written consent by ACEV2 or terminate upon the completion of the acquisition by ACEV2 of the 9,000 common shares of VWEL held by UPCV. The execution of the Irrevocable Proxy resulted to the increase of ACEV2's voting rights in VWEL from 50%, accounted for as an investment in joint venture, to 95%. Upon the execution of the Irrevocable Proxy, the Group obtained the ability to direct the relevant activities of VWEL and became exposed to, and able to influence, variable returns of VWEL. Accordingly, VWEL, including its subsidiaries, were consolidated to the Group effective March 31, 2026 (see Note 24).

Issuance of Notices to Proceed for the Jinbi Solar Project
In May 2026, Yindjibarndi Energy Corporation (YEC), a company established as a joint venture between ACEN and Yindjibarndi Aboriginal Corporation and one of Australia's largest Indigenous-led renewable energy initiatives, issued Notices to Proceed to its Engineering, Procurement and Construction contractor and construction accommodation provider to begin construction of the Jinbi Solar Project following the project's financial close and the execution of a thirty (30)-year Power Purchase Agreement with Hamersley Iron Pty Limited, a subsidiary of Rio Tinto Limited, for Stage 1 of the project. Stage 1 of the Jinbi Solar Project will comprise a 75 MWac (102 MWdc) solar facility with an option to expand to 150 MWac (204 MWdc), including the potential addition of a Battery Energy Storage System (BESS), subject to regulatory approvals and future development decisions.

Memorandum of Understanding for the Deployment of Floating Solar Technology
On May 20, 2026, Ocean Sun AS (Ocean Sun) and ACEN-Silverwolf Pte Ltd. (ACEN-Silverwolf), a joint venture between ACRI and Silverwolf Capital Limited, executed a non-binding memorandum of understanding to establish a strategic framework for the deployment of Ocean Sun's floating solar technology across selected Asian markets. Ocean Sun and ACEN-Silverwolf intend to enter into a

binding collaboration framework upon securing the relevant approvals and finalizing the definitive documentation. As of June 30, 2026, the parties have not yet executed the definitive agreements.

Execution of Share Purchase Agreements for Oxylus Energy Corporation, Vayu Energy Corporation and Zephyrus Energy Corporation
In May 2026, ACEN executed various Share Purchase Agreements for the sale of its 100% ownership interests in Oxylus Energy Corporation, Vayu Energy Corporation, and Zephyrus Energy Corporation to Yanara Philippines Corporation (Yanara Philippines). The Deeds of Absolute Sale will be executed upon the completion of closing condition precedents. These sale transactions form part of ACEN's portfolio rationalization and support the consolidation of special purpose vehicles for utility-scale renewable energy projects across the Philippines under Yanara Philippines to improve efficiency, reduce costs, and accelerate project execution. Yanara Philippines is a joint venture platform between ACEN and BrightNight APAC B.V. As at June 30, 2026, certain closing condition precedents remained outstanding.

Execution of Project Financing Facility for Palauig Solar 1 Inc.'s Projects
On June 4, 2026, ACEN's subsidiaries, Palauig Solar 1 Inc., as the Borrower, and Gigasol 2, Inc., as the Share Collateral Grantor, signed a Project Financing Facility amounting to ₱2.925 billion with the Bank of the Philippine Islands, as the Lender, and BPI Asset Management and Trust Corporation, as the Collateral Trustee. The proceeds will be used to partially finance the Palauig 1 Energy Storage System (ESS) Project, and refinance or repay advances from shareholders used for the construction and development of the Palauig 1 Solar Power Plant and/or the Palauig 1 ESS Project. The Palauig 1 ESS Project is a 35MW / 140 MWh ESS facility to be located adjacent to, and integrated with, the existing 63 MWdc / 50 MWac Palauig 1 Solar Power Plant in Brgys. Salaza and Cauyan, Municipality of Palauig, Province of Zambales.

Divestment of up to 49% Ownership Interest in Tejorupa Renewables India Project Private Limited
On June 12, 2026, ACEN, through its subsidiary, Unlimited Renewables Holdings B.V. (URH), executed a Securities Subscription and Purchase Agreement with Diamond India Renewables One B.V. (DIRO) for the acquisition by DIRO of up to 49% ownership interest in Tejorupa Renewables India Project Private Limited (Tejorupa). The transaction is expected to close in stages, subject to the satisfaction of agreed contractual and customary conditions precedent. Tejorupa is in the process of developing and constructing a 250 MWac solar utility project in Rajasthan, India. On the same date, URH, DIRO, Tejorupa, and Amsa Solar Holdco Pte. Ltd., a shareholder of Tejorupa, signed the related Shareholders' Agreement.

New Standards, Interpretations and Amendments
The accounting policies adopted in the preparation of the unaudited interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements as at, and for the year ended, December 31, 2025, except for the adoption of amendments effective beginning January 1, 2026. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

The adoption of these amendments did not have any material impact on the unaudited interim condensed consolidated financial statements of the Group as at, and for the six-month period ended, June 30, 2026.

Effective beginning on or after January 1, 2026
- Amendments to PFRS 9 and PFRS 7, *Classification and Measurement of Financial Instruments*
- Annual Improvements to PFRS Accounting Standards—Volume 11
    - Amendments to PFRS 1, *Hedge Accounting by a First-time Adopter*

- Amendments to PFRS 7, *Gain or Loss on Derecognition*
- Amendments to PFRS 9, *Lessee Derecognition of Lease Liabilities* and *Transaction Price*
- Amendments to PFRS 10, *Determination of a 'De Facto Agent'*
- Amendments to PAS 7, *Cost Method*

3. Significant Accounting Judgments, Estimates and Assumptions

The preparation of the Group's unaudited interim condensed consolidated financial statements in conformity with PAS 34, *Interim Financial Reporting*, requires management to make estimates and assumptions that affect the amounts reported in the unaudited interim condensed consolidated financial statements and accompanying notes. The estimates and assumptions used in the unaudited interim condensed consolidated financial statements are based upon management's evaluation of relevant facts and circumstances as at the date of the unaudited interim condensed consolidated financial statements. Actual results could differ from such estimates.

Except as otherwise stated, the significant accounting policies, judgements, estimates and assumptions used in the preparation of the Group's unaudited interim condensed consolidated financial statements are consistent with those used in the annual consolidated financial statements as at, and for the year ended, December 31, 2025.

Judgments

In the process of applying the Group's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognized in the unaudited interim condensed consolidated financial statements as at, and for the six-month period ended, June 30, 2026:

Determination of Control in Business Combinations

The Group applies judgment in determining whether, and at what point, it has obtained control over an investee in transactions involving step-up acquisitions, complex ownership arrangements, or on contractual rights that confer decision-making power other than through direct equity ownership.

During the six-month period ended June 30, 2026, significant judgments were applied in the following transactions:

Step-up acquisition by ACRI of URH

The Group acquired the 50% ownership interest held by UPC India in URH, resulting to its increase in ownership interests in URH from 50% to 100%. In determining the date control was obtained, management assessed when the Group achieved the ability to direct the relevant activities, and became fully exposed to variable returns from operations, of URH. Judgment was applied in concluding that control was obtained on the date of the financial close and completion of the acquisition, and on which date URH ceased to be jointly controlled by the Group and UPC India and became a wholly owned subsidiary of the Group.

Obtaining control of VWEL

The Group obtained control of VWEL through the execution of the Irrevocable Proxy between UPCV and ACEV2. Under the Irrevocable Proxy, UPCV granted to ACEV2 the exclusive right to appear, vote and otherwise act in its capacity, and with the same powers, over its 45% common shareholdings in VWEL, resulting to ACEV2 effectively holding 95% of the voting rights of VWEL. Management exercised judgment in determining that the Irrevocable Proxy conferred substantive rights that were

immediately exercisable, irrevocable, and sufficient to provide the Group with the ability to direct relevant activities, and became fully exposed to variable returns from operations, of VWEL pending the financial close and completion of the acquisition by ACEV2 of the 9,000 common shares, representing 45% ownership interest, of VWEL held by UPCV. Judgment was also exercised in determining that control over VWEL was obtained at the date of the execution of the Irrevocable Proxy, notwithstanding that the acquisition of the shares has not yet achieved financial close nor completed.

These judgments significantly affected the timing of consolidations, the remeasurements of previously held interests, and the recognition of assets, liabilities, income, and expenses in the Group's consolidated financial statements.

Provision for Vietnam Projects
During 2025, Vietnam Electricity (EVN) applied revised payment practices to certain projects, including the use of Completion Certificate Acceptance (CCA) as part of its administrative review of Commercial Operation Date (COD) recognition. Historically, CCAs were not required as a condition for COD, and projects were able to commence operations, bill, and collect under the Feed-in Tariff (FIT) even without the CCA. As at June 30, 2026, the Group's Vietnam portfolio investments remained exposed to regulatory processes, administrative approvals and payment mechanics customary in the local operating environment.

Recent developments indicate potential tariff clawbacks by the state-owned offtaker in Vietnam, which are expected to reduce future cash flows of affected projects. Accordingly, the Group recognized a provision of ₱1,200.08 million (US$20.00 million). The provision reflects management's best estimate of the adverse financial impact based on available information as of the reporting date, and may increase or decrease depending on the final outcome of discussions with EVN, pending the finalization of settlement terms (see Note 30).

Allowance for Expected Credit Losses related to UPC Wind Projects in Vietnam
In 2025, the UPC Wind Projects in Vietnam, comprising of Lac Hoa (30MW) and Hoa Dong (30MW), signed their respective final Power Purchase Agreement (PPA) with a final tariff of VND1,579/kWh. The final tariff was retroactively applied to start of operations in 2024.

The Group identified impairment indicators for these UPC Wind Projects, including the lower final tariff relative to the investment case, operational delays, and updated assumptions such as increased maintenance and insurance costs. Accordingly, the Group recognized additional allowance for expected credit losses amounting to ₱172.94 million (US$2.93 million) for the six-month period ended June 30, 2026 (see Note 5). As at June 30, 2026, the related balance of the allowance for expected credit losses was fully eliminated upon the Group's obtaining control of VWEL on March 31, 2026 (see Note 5).

Impairment and Write-off of Certain Assets in Australia
The Group identified impairment indicators on several assets held by its Australia portfolio, namely Direct Current Electrical Cables at the New England Solar Farm, capitalized development cost related to a solar and battery project in New South Wales, and a portion of outstanding receivables. The Group determined that the recoverable amount of these assets is nil as at June 30, 2026. Accordingly, for the six-month period ended June 30, 2026, the Group recognized impairment loss and expected credit loss amounting to ₱267.12 million and ₱25.85 million, respectively.

Assessment of Joint Control over Joint Ventures
The Group's investments in joint ventures are structured in separate incorporated entities (see Note 6) and are accounted for as such since the fundamental business and operational matters requires unanimous consent from all parties to the joint arrangement.

Though the Group holds various percentages of interests in these joint arrangements, their respective joint arrangement agreement requires unanimous consent from all parties to the agreement for the relevant activities identified. In addition, the Group considers the number of its Board seats in the incorporated entity. Further, the Group and the parties to the agreement only have rights to the net assets of the joint venture through the term of their contractual agreements. Considering these factors, management assessed that it has joint control over these joint ventures.

Assessment and Monitoring of Longer-term Impact of Typhoon-related and Other Issues Affecting Pagudpud Wind and Capa Wind
A number of wind turbines forming part of the Pagudpud and Capa Wind farms in Ilocos Norte, Philippines sustained typhoon-related and other issues in 2024 and 2025. Assessment of these issues, alongside repair activities, remain ongoing. The Group continues to closely monitor the wind turbine's status and performance for any potential longer-term effects.

Management's Use of Estimates
The key assumptions concerning the future and other sources of estimation uncertainties at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below. 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.

Purchase Price Allocations on Business Combinations
The Group uses significant estimates and assumptions in determining the fair values of identifiable assets acquired and liabilities assumed at the time control over an investee is obtained. These estimates directly affect the amounts of intangible assets and goodwill recognized in a business combination and the subsequent depreciation, amortization, and impairment of assets.

Significant estimation uncertainties arose in the Group's step-up acquisition of URH and obtaining control of VWEL, particularly in the determination of goodwill and the valuation of intangible assets, property, plant and equipment, contingent consideration, and certain provisions and other liabilities.

The valuation of long-term Power Purchase Agreements (PPAs) pertaining to the step-up acquisition of URH and obtaining control of VWEL required management to estimate the expected future cash flows of these PPAs over the remaining contractual terms. These estimates involved assumptions on projected electricity generation, contracted tariffs, operating and maintenance costs, commissioning timelines, and project-specific discount rates. Income-based valuation techniques were applied to estimate the economic value attributable to the PPAs, after considering the appropriate contributory asset charges. Changes in these assumptions could result in material differences in the recognized values of the intangible assets. Further, management applied estimates in determining the fair value of property, plant and equipment, including adjustments to reflect current conditions and expected remaining useful lives.

In relation to the step-up acquisition of URH, estimation uncertainties arose from the valuation of the contingent consideration, including probability-weighted assessments of the projected results of project milestones, discount rates, and contractual caps.

The purchase price allocations for the Group's step-up acquisition of URH and obtaining control of VWEL were prepared on a preliminary basis as certain information necessary to finalize the fair values of identifiable assets acquired and liabilities assumed, including the completion of detailed valuations and the finalization of underlying assumptions for certain assets and obligations, were not yet available at the reporting date. Accordingly, the provisional amounts recognized may be adjusted as the information becomes available, detailed valuations are completed, underlying assumptions are finalized, and additional information about facts and circumstances that existed at acquisition date or the date control was obtained becomes available. Any such adjustments will be recognized retrospectively.

Impairment of Goodwill from Business Combinations
The Group applies significant judgment and estimates in assessing the recoverability of non-current assets, including goodwill, arising from business combinations. Recoverable amounts are determined based on estimates of future cash flows attributable to the relevant cash-generating units, discounted using rates that reflect the time value of money and risks specific to the assets.

Management assessed the recoverability of goodwill recognized from the Group's obtaining control of VWEL. Due to the current energy regulatory environment in Vietnam affecting the VWEL group, management concluded that the expected future cash flows of VWEL are not sufficient to support the carrying amount of the goodwill recognized upon obtaining control of VWEL. Accordingly, the carrying value of the recognized goodwill is fully impaired and a provision for impairment loss is recognized in the unaudited interim condensed consolidated statement of income of the Group for the six-month period ended June 30, 2026.

Fair Value Measurement of Financial Assets at FVTPL and FVOCI
In the estimation of the fair value of investments recorded as financial assets at FVTPL and FVOCI, management needs to determine the appropriate techniques and inputs for fair value measurements. The Group uses the discounted cash flow technique for unquoted instruments, published net asset value (NAV) for investments in Unit Investment Trust Funds (UITFs) and quoted prices for publicly traded shares in estimating the fair value of the financial assets at FVTPL and FVOCI.

Measurement of Expected Credit Losses (ECL)
At each reporting date, the Group assesses whether there has been a significant increase in credit risk for financial assets since initial recognition by comparing the risk of default occurring over the expected life between the reporting date and the date of initial recognition. The Group considers reasonable and supportable information that is relevant and available without undue cost or effort for this purpose. This includes quantitative and qualitative information and forward-looking analysis. An exposure will migrate through the ECL stages as asset quality deteriorates. If in a subsequent period, asset quality improves and any previously assessed significant increase in credit risk also reverses since origination, then the loss allowance measurement reverts from lifetime ECL to a 12-month ECL.

As at June 30, 2026 and December 31, 2025, the Group assessed that for its financial assets such as cash and cash equivalents, there has been no significant increase in credit risk since origination and is assessed as low credit risk based on published information of comparable entities. For trade receivables, the Group used a provision matrix in estimating ECL. A broad range of forward-looking information was considered as economic inputs, such as GDP growth, inflation rates, unemployment rates, interest rates and BSP statistical indicators. The inputs and models used for calculating ECL may not always capture all characteristics of the market at the reporting date. To reflect this, qualitative adjustments or overlays are occasionally made as temporary adjustments when such differences are significantly material. While these model inputs, including forward-looking

information, are revised, the ECL models and definitions of default remain consistent with prior periods (see Notes 5 and 7).

Recognition of Deferred Tax Assets
The Group reviews its business and operations to take into consideration the estimated impact of the macroeconomic environment and the market outlook to the Group's operations. As such, the Group assessed its ability to generate sufficient taxable income in the future that will allow the realization of its deferred tax assets.

As a result, the carrying amount of deferred tax assets is reduced to the extent that the related tax assets cannot be realized in the future due to insufficient taxable income against which the deferred tax assets will be applied. The Group assessed that sufficient taxable income will be available to allow all or part of the deferred tax assets to be utilized (see Note 21).

Assessment of Contingencies
The Group is currently involved in various legal proceedings and assessments for local and national taxes (see Note 29). The estimate of the probable costs for the resolution of these claims has been developed in consultation with the outside counsel handling the defense in these matters, and is based upon an analysis of potential results. The final settlement of these may result in material adverse impact to the Group's consolidated financial statements. The Group also invokes limited disclosures on certain matters due to their prejudicial nature.

4. Cash and Cash Equivalents

This account consists of:

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Cash on hand and in banks	**₱7,846,835**	₱5,252,976
Cash equivalents	**12,375,143**	13,105,458
	₱20,221,978	₱18,358,434

Interest income earned on cash and cash equivalents amounted to ₱251.98 million and ₱374.45 million for the six-month periods ended June 30, 2026 and 2025, respectively (see Note 20).

5. Accounts and Notes Receivable

This account consists of:

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Accounts and other receivable	**₱18,747,264**	₱12,720,361
Notes receivable		
Bridge financing	**3,868,671**	9,256,940
Development loans	**5,346,676**	4,933,366
Other loans	**11,490,751**	12,675,996
Accrued interest receivable	**9,253,872**	11,582,481

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
	48,707,234	51,169,144
Less allowance for expected credit losses	**2,223,205**	6,597,900
	46,484,029	44,571,244
Less noncurrent portion	**19,171,947**	19,807,659
Current portion	**₱27,312,082**	₱24,763,585

Accounts and other receivable

This account consists of:

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Trade receivables		
Third party		
Independent Electricity Market Operator of the Philippines ("IEMOP")	**₱3,593,556**	₱2,226,196
RES Buyers	**2,553,617**	1,724,482
National Transmission Corporation ("TransCo")	**2,177,661**	2,342,247
Philippine Electric Market Corporation ("PEMC")	**10,262**	10,262
National Grid Corporation of the Philippines ("NGCP")	**151**	42,993
Others	**751,536**	350,958
Other receivables		
Third party	**4,725,695**	1,779,895
Related party (Note 22)	**4,934,786**	4,243,328
	18,747,264	12,720,361
Allowance for expected credit losses	**596,377**	150,197
	18,150,887	12,570,164
Less noncurrent portion	**2,484,560**	2,597,102
Current portion	**₱15,666,327**	₱9,973,062

On January 30, 2026, the Group converted its other receivables from ACEN C&I HK Limited, a joint venture entity of the Group, with a total carrying value of ₱2.67 million (US$0.04 million) into 43,634 redeemable preferred shares of ACEN C&I HK Limited. The Group's ownership interest in ACEN C&I HK Limited remained unchanged following the conversion (see Note 6).

During the six-month period ended June 30, 2026, the Group reclassified input VAT amounting to ₱1,314.64 million into other receivables following the approval by the Bureau of Internal Revenue (BIR) of the VAT refund application of SanMar Solar Inc. (formerly Sta Cruz Solar Energy Inc), a subsidiary of the Group.

Notes receivable

This account consists of:

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Bridge financing - related party (Note 22)	**₱3,868,671**	₱9,256,940
Development loans:		
Third party	**398,840**	382,135
Related party (Note 22)	**4,947,836**	4,551,231
Other loans:		
Third party	**4,993,168**	3,720,768
Related party (Note 22)	**6,497,583**	8,955,228
	20,706,098	26,866,302
Allowance for expected credit losses (Note 18)	**909,140**	3,209,132
	19,796,958	23,657,170
Less noncurrent portion	**15,595,104**	16,882,851
Current portion	**₱4,201,854**	₱6,774,319

The roll forward of this account follows:

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Balance at beginning of period	**₱26,866,302**	₱23,578,747
Additions	**4,358,335**	19,734,953
Collections	**(6,213,713)**	(15,057,536)
Effect of business combination	**(4,781,413)**	–
Reclassification to investments in associates and joint ventures (Note 6)	**–**	(1,615,415)
Foreign exchange adjustment	**475,074**	321,824
Others	**1,513**	(96,271)
Balance at end of period	**₱20,706,098**	₱26,866,302

Bridge Financing
Bridge financing facilities are provided to related parties to fund investment requirements for renewable power plants while under construction and undergoing implementation or release of project financing from financial institutions (see Note 22).

Bridge financing loans bear interests with rates ranging from 4% to 15% per annum.

Development Loans
Development loan facilities are provided to related parties and third parties to fund the development of renewable power plant projects.

Development loans bear interests with rates ranging from 2% to 12.22% per annum.

Other Loans
Other loans receivable from third parties include long term loan receivables for land acquisitions. These generally matures 1-2 years after drawdown.

Interest rates of interest-bearing "Other loans" ranges from 1.15% to 12.90% per annum.

Accrued Interest Receivable

This account consists of:

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Bridge financing - related party (Note 22)	**₱557,431**	₱2,850,939
Development loans:		
Third party	**53,172**	35,457
Related party (Note 22)	**1,292,591**	967,515
Investment in redeemable preferred shares and convertible loans - related party (Note 22)		
Redeemable preferred shares	**5,977,364**	5,078,223
Convertible loans	**657,765**	1,998,737
Other loans:		
Third party	**182,634**	146,221
Related party (Note 22)	**477,827**	462,426
Trade receivables		
Third party	**54,846**	42,100
Related party (Note 22)	**242**	863
	9,253,872	11,582,481
Allowance for expected credit losses	**717,688**	3,238,571
	8,536,184	8,343,910
Less noncurrent portion	**1,092,283**	327,706
Current portion	**₱7,443,901**	₱8,016,204

Allowance for Expected Credit Losses (ECL)
In determining ECL, the Group takes into account the historical default experience, the financial position of the counterparties and the future prospects of the industries in which the issuers of these debt instruments operate, in assessing if there is a significant increase in credit risk, as well as estimating the probability of default of each of these financial assets occurring within their respective loss assessment time horizon, and the loss upon default in each case.

As at June 30, 2026, the allowance for ECL pertaining to VWEL in notes and interest receivables, amounting to ₱2,350.10 million (US$41.46 million) and ₱2,827.21 million (US$49.54 million), respectively, were fully eliminated upon the Group's obtaining control of VWEL.

For the six-month period ended June 30, 2026, the Group recognized additional allowance for ECL as follows:

1. ₱70.97 million (US$1.19 million) on accrued interest receivable from the development loan with UPC-AC Energy Solar Limited (UPC-ACE Solar);
2. ₱55.70 million (US$0.91 million) on accrued interest receivable from the investment in convertible loan to VWEL;
3. ₱36.37 million (US$0.62 million) on accrued interest receivable from the bridge financing granted to VWEL;
4. ₱43.01 million (US$0.73 million) on accrued interest receivable from the bridge financing granted to Wind Power Lac Hoa Co. Ltd. (Lac Hoa); and

5. ₱37.86 million (US$0.67 million) on accrued interest receivable from the bridge financing granted to Wind Power Hoa Dong Co. Ltd. (Hoa Dong).

The Group recognized provision for ECL on the guarantee fee included in other receivables of UPC-ACE Solar amounting to ₱397.45 million (US$6.82 million) and on the outstanding receivables from ZEN Energy, Inc. amounting to ₱25.85 million (US$0.42 million).

The total additional allowance for ECL, before the elimination of allowance for ECL pertaining to VWEL, for the six-month period ended June 30, 2026 amounted to ₱667.21 million (US$11.36 million).

For the six-month period ended June 30, 2025, the Group recognized additional allowance for ECL as follows:

1. ₱2.14 million (US$0.04 million) on principal amount from development loan with UPC-ACE Solar;
2. ₱52.35 million (US$0.92 million) on accrued interest receivable of development loan with UPC-ACE Solar;
3. ₱288.40 million (US$5.12 million) on principal amount from bridge financing to VWEL;
4. ₱804.68 million (US$14.10 million) on accrued interest receivable of investment in convertible loans and of bridge financing with VWEL;
5. ₱1,406.81 million (US$24.94 million) on principal amount from bridge financing with Lac Hoa (under VWEL);
6. ₱1,021.00 million (US$18.10 million) on principal amount from bridge financing with Hoa Dong (under VWEL);
7. ₱0.09 million reversal of impairment on HDP Bulk Water accounts receivable.

The total additional allowance for ECL for the six-month period ended June 30, 2025 amounted to ₱3,575.47 million (US$63.22 million) (see Note 18).

The aging analysis of accounts and notes receivable follows:

	June 30, 2026 (Unaudited)						
		Past Due but Not Impaired				**Past Due**	
	Current	**<30 Days**	**30–60 Days**	**61–90 Days**	**More than 90 Days**	**Individually Impaired**	**Total**
Trade receivables	**₱5,689,945**	**₱258,215**	**₱1,033,271**	**₱581,823**	**₱1,942,198**	**₱45,033**	**₱9,550,485**
Due from related parties	**19,144,987**	**42,004**	**5,727**	**173,757**	**7,334,509**	**2,047,410**	**28,748,394**
Others	**5,759,209**	**53,364**	**26,866**	**1,774,375**	**2,663,779**	**130,762**	**10,408,355**
	₱30,594,141	**₱353,583**	**₱1,065,864**	**₱2,529,955**	**₱11,940,486**	**₱2,223,205**	**₱48,707,234**

	December 31, 2025 (Audited)						
		Past Due but not Impaired				Past Due	
	Current	<30 Days	30–60 Days	61–90 Days	More than 90 Days	Individually Impaired	Total
Trade receivables	₱4,730,867	₱462,238	₱371,206	₱182,129	₱1,180,669	₱45,033	₱6,972,142
Due from related parties	30,516,143	351,681	606,376	107,674	60,549	6,448,002	38,090,425
Others	3,004,627	47,930	35,577	95,998	2,817,580	104,865	6,106,577
	₱38,251,637	₱861,849	₱1,013,159	₱385,801	₱4,058,798	₱6,597,900	₱51,169,144

Interest income

The Group earns interest income from its accounts and notes receivables amounting to (see Note 20):

	Three-Month Period Ended June 30 (Unaudited)		Six-Month Period Ended June 30 (Unaudited)	
	2026	2025	**2026**	2025
Bridge Financing				
Related Party:				
Asian Wind Power 1 HK Ltd (Asian Wind 1)	**₱40,511**	₱37,229	**₱79,716**	₱75,929
Asian Wind Power 2 HK Ltd (Asian Wind 2)	**30,429**	28,093	**60,014**	57,297
VWEL	**–**	13,955	**22,390**	28,305
Lac Hoa	**–**	104,194	**21,294**	305,427
Hoa Dong	**–**	90,876	**19,616**	267,815
BIM Renewable Energy Joint Stock Company (BIMRE)	**77**	7,029	**4,192**	7,029
Greencore Power Solutions 3, Inc. (Greencore 3)	**–**	176,657	**–**	351,372
	71,017	458,033	**207,222**	1,093,174
Development Loans				
Related Party:				
UPC Power Solutions LLC (UPC Power)	**70,406**	41,192	**132,209**	77,947
UPC-ACE Solar	**36,608**	25,828	**71,255**	52,372
Yoma Strategic Investments Ltd (Yoma)	**18,900**	17,821	**37,172**	35,023
PT Dewata ACEN Renewables Indonesia (PT Dewata)	**1,502**	1,250	**2,955**	2,549
ACEN-Silverwolf	**246**	355	**416**	868
Third Party:				
AMI Greenergy Investment JSC	**8,072**	6,362	**15,532**	12,041
	135,734	92,808	**259,539**	180,800
Other Loans				
Related Party:				
Yanara India, B.V. (Yanara)	**100,485**	1,055	**182,446**	34,500
CI GMF II Camarines Offshore Wind Energy Corporation (CI GMF)	**16,213**	611	**29,587**	611
URH	**–**	46,638	**23,733**	46,638
Amihan Renewable Energy Corp. (AREC)	**4,369**	–	**11,765**	–
Lac Hoa	**–**	–	**11,149**	–
Hoa Dong	**–**	–	**9,346**	–
Infineum 4 Energy, Inc. (Infineum 4)	**3,665**	2,586	**7,126**	5,065
Solar NT Holdings Pte. Ltd. (Solar NT)	**146**	–	**305**	–
Third Party:				
BIM Group Joint Stock Company (BIM Group JSC)	**176,855**	43,552	**217,431**	77,886
Cleantech Renewable Energy 50 Corporation (Cleantech)	**9,577**	11,838	**18,822**	23,563
Others	**–**	4,143	**–**	6,126
	311,310	110,423	**511,710**	194,389

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	Three-Month Period Ended June 30 (Unaudited)		Six-Month Period Ended June 30 (Unaudited)	
	2026	2025	**2026**	2025
Accounts and Other Receivables				
Related Party	**–**	538	**722**	538
Third Party	**4,649**	14,497	**49,548**	35,125
	4,649	15,035	**50,270**	35,663
	₱522,710	₱676,299	**₱1,028,741**	₱1,504,026

6. Investments in Associates and Joint Ventures

The Group's investments in associates and joint ventures and the corresponding effective percentages of ownerships are shown below:

	Place of incorporation and operation	Principal activities	Percentage of ownership (%)		Carrying amount	
			June 30, 2026 (Unaudited)	December 31, 2025 (Audited)	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Investments in associates:						
BIM Energy Holding Corporation (BIMEH)	Vietnam	Financial holdings	**49.00**	49.00	**₱6,347,279**	₱5,858,398
Solar NT Holdings Pte. Ltd. (Solar NT)	Singapore	Financial holdings	**49.00**	49.00	**2,453,140**	2,322,148
BIM Renewable Energy Joint Stock Company (BIMRE)	Vietnam	Power generation	**64.00**	64.00	**1,943,919**	1,972,861
Maibarara Geothermal, Inc. (MGI)	Philippines	Power generation	**25.00**	25.00	**1,058,159**	1,036,846
PT UPC Sidrap Bayu Energi Tahap Dua (PT Sidrap 2)	Indonesia	Power generation	**49.00**	49.00	**456,327**	462,408
BIM Wind Power Joint Stock Company (BIM Wind)	Vietnam	Power generation	**64.30**	64.30	**372,984**	295,909
PT UPC Sukabumi Bayu Energi (PT Sukabumi)	Indonesia	Power generation	**49.00**	49.00	**312,801**	313,637
PT UPC Lombok Timur Bayu Energi (PT Lombok)	Indonesia	Power generation	**49.00**	49.00	**235,310**	229,881
PT Puri Prakarsa Batam (PPB)	Indonesia	Power generation	**40.00**	40.00	**172,068**	185,331
BIM Energy Joint Stock Company (BIME JSC)	Vietnam	Power generation	**64.00**	64.00	**134,136**	125,683
CI GMF II Camarines Offshore Wind Energy Corporation (CI GMF) *(formerly CI GMF II San Miguel Holdings Corp.)*	Philippines	Financial holdings	**25.00**	25.00	**89,471**	89,471
PT Nusantara Tenaga Bayu (PT NEFIN Solar Asset)	Indonesia	Wind research activity	**49.00**	–	**40,558**	–
Others	Various	Various	**various**	various	**9,615**	9,615
					13,625,767	12,902,188
Interests in joint ventures:						
ACEHI Netherlands B.V. (ACEHI Netherlands)	Netherlands	Financial holdings	**75.76**	75.76	**14,601,172**	13,859,117
Philippine Wind Holdings Corporation (PhilWind)	Philippines	Financial holdings	**69.81**	69.81	**6,926,446**	7,086,587
North Luzon Renewable Energy Corp. (NLR)	Philippines	Power generation	**33.30**	33.30	**3,413,991**	3,560,000
Yanara Philippines Corp. (Yanara Ph) *(formerly BrightNight Philippines Corp. and Paivatar Energy Corporation)*	Philippines	Financial holdings	**50.00**	50.00	**1,592,482**	666,262
Jinbi Project Pty Ltd	Australia	Power generation	**50.00**	–	**1,305,297**	–
Ingrid Power Holdings, Inc. (Ingrid)	Philippines	Power generation	**50.00**	50.00	**1,246,302**	1,181,002
UPC Power Solutions LLC (UPC Power)	USA	Financial holdings	**83.33**	83.33	**1,099,456**	1,263,134
Greencore Power Solutions 3, Inc. (Greencore 3)	Philippines	Power generation	**50.00**	50.00	**1,034,798**	978,666
Monsoon Wind B.V. (Monsoon Wind)	Netherlands	Financial holdings	**50.00**	50.00	**401,290**	402,796
Yanara India, B.V. (Yanara) *(formerly BrightNight India B.V.)*	Netherlands	Financial holdings	**–**	50.00	**–**	2,941,080
Unlimited Renewables Holdings, B.V. (URH)	Netherlands	Financial holdings	**–**	50.00	**–**	1,697,292
ACEN C&I Asia HK Limited (ACEN C&I Asia) (*formerly NEFIN Limited)*	Hong Kong	Financial holdings	**–**	88.00	**–**	206,732
Others	Various	Various	**various**	various	**645,166**	638,176
					32,266,400	34,480,844
Less allowance for impairment loss					**1,783,393**	559,066
					₱44,108,774	₱46,823,966

The details and movements of investments in associates and joint ventures accounted for under the equity method follows:

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Acquisition costs:		
Balance at beginning of period	**₱45,222,311**	₱41,883,135
Additions	**2,238,236**	2,575,160
Conversion from subscription deposits and redeemable preferred shares (Note 7)	**586,935**	–
Acquired from business combination (Note 24)	**37,739**	–
Conversion from financial assets at FVTPL	**37,178**	–
Reclassification from receivables (Note 5)*	**2,665**	1,615,415
Interest retained in a former subsidiary	**–**	29
Reclassification to financial assets at FVOCI	**(5,173,650)**	–
Disposal / divestment (Note 20)	**(601,091)**	(7)
Return of capital	**(10,768)**	(1,341,096)
Cumulative translation adjustment	**1,212,500**	489,675
Balance at end of period	**43,552,055**	45,222,311
Accumulated equity in net earnings:		
Balance at beginning of period	**2,435,431**	1,509,201
Equity in net income of associates and joint ventures	**1,758,811**	2,709,314
Disposal	**402,087**	(89,497)
Dividends received	**(1,840,510)**	(1,693,587)
Balance at end of period	**2,755,819**	2,435,431
Accumulated share in other comprehensive loss:		
Balance at beginning of period	**(274,710)**	(167,097)
Remeasurement loss on defined benefit plans - net of tax	**(44,980)**	(4,690)
Cumulative translation adjustments	**(81,074)**	(87,934)
Interest rate swap	**(14,943)**	(14,989)
Balance at end of period	**(415,707)**	(274,710)
Accumulated impairment losses:		
Balance at beginning of period	**(559,066)**	(490,236)
Impairment loss (Notes 18 and 30)	**(1,200,082)**	(68,830)
Cumulative translation adjustment	**(24,245)**	–
Balance at end of period	**(1,783,393)**	(559,066)
Total investments	**₱44,108,774**	₱46,823,966

**For the six-month period ended June 30, 2026, other receivables of ₱2.67 million was reclassified as investments in associates and joint ventures*

Capital call
During the six-month periods ended June 30, 2026 and 2025, the Group made investments equivalent to its proportionate share in the following investee companies:

						Amounts in thousands	
Investee Company	Domicile	Project	Project Location	Technology	Attributable Capacity (MW)	**June 30, 2026 (Unaudited)**	June 30, 2025 (Unaudited)
Jinbi Project Pty Ltd	Australia	Jinbi Solar	Australia	Solar	77	**₱1,291,884**	~~₱~~ –
Yanara Ph	Philippines	--	Philippines	--	--	**946,352**	91,169
Monsoon Wind	Netherlands	Monsoon	Lao PDR	Wind	146	**–**	16,507
UPC Power	USA	Stockyard & Chestnut Flats	USA	Wind	141	**–**	102,758
Others						**–**	92,669
Total						**₱2,238,236**	~~₱~~303,103

Subscription deposit conversions and reclassifications
During the six-month periods ended June 30, 2026 and 2025, the Group made the following subscription deposit conversions and reclassifications to (from):

						Amounts in thousands	
Investee Company	Domicile	Project	Project Location	Technology	Attributable Capacity (MW)	**June 30, 2026 (Unaudited)**	June 30, 2025 (Unaudited)
Yanara	Netherlands	BN Maharashtra	Netherlands	--	--	**(₱2,941,080)**	~~₱~~ –
URH	Netherlands	--	India	Solar, Wind	--	**(1,697,292)**	–
PT Nefin Solar Asset	Indonesia	--	--	--	--	**40,268**	–
Masaya Solar	India	Masaya Solar	India	Solar	336	**37,178**	–
PT Sidrap 2	Indonesia	Sidrap 2	Indonesia	Wind	34	**14,054**	373,563
PT Sukabumi	Indonesia	Sukabumi	Indonesia	Wind	74	**–**	240,929
PT Lombok	Indonesia	Lombok	Indonesia	Wind	39	**–**	54,760
Total						**(₱4,546,872)**	~~₱~~669,252

Dividends
The Group received dividends amounting to:

	Three-Month Period Ended June 30 (Unaudited)		**Six-Month Period Ended June 30 (Unaudited)**	
	2026	2025	**2026**	2025
PhilWind	**₱355,260**	~~₱~~138,942	**₱525,721**	~~₱~~272,086
ACEHI Netherlands	**504,560**	222,339	**504,560**	222,339
BIMRE	**388,215**	–	**388,215**	–
Ingrid	**201,025**	–	**354,610**	–
NLR	**35,132**	13,665	**52,033**	26,870
BIME JSC	**15,371**	–	**15,371**	–
	₱1,499,563	~~₱~~374,946	**₱1,840,510**	~~₱~~521,295

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Interests in Joint Ventures

Jinbi Project Pty Ltd.
Following the deconsolidation of Yindjibarndi Energy Corporation Pty Ltd (YEC) on August 31, 2025, the Group's investment in Jinbi Project Pty. Ltd (Jinbi) was reclassified under "Interests in Joint Ventures" and accounted for using the equity method of accounting. Jinbi commenced construction of Stage 1 of the Jinbi Solar Project, comprised of a 75MWac (102MWdc) solar facility in Australia, with an option to expand to 150MWac (204MWdc), including the potential addition of a Battery Energy Storage System (BESS). The principal place of business and country of incorporation of Jinbi is in Australia.

For the six-month period ended June 30, 2026, the Group's investments in Jinbi of ₱1,291.88 million (US$21.28 million) were used to fund the ongoing construction of Stage 1 of the Jinbi Solar Project.

7. Investments in Redeemable Preferred Shares and Convertible Loans

The Group's investments in redeemable preferred shares and convertible loans are shown below:

	Payment Terms	Interest	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Redeemable preferred shares				
AMI AC Renewables Corporation (AAR)	Redeemable at the issuer's option	Fixed base rate	**₱7,694,814**	₱7,372,524
Impact Wind Investments Limited (Impact Wind)	Redeemable until March 31, 2043	Fixed, cumulative and compounding rate	**3,951,301**	3,785,805
BIM Wind Power Joint Stock Company (BIM Wind)	Redeemable at the issuer's option	Fixed, cumulative and compounding rate	**2,469,244**	2,365,822
ACEN C&I Asia HK Limited (ACEN C&I Asia) *(formerly NEFIN Limited)*	Redeemable at the issuer's option	Fixed, cumulative and compounding rate	**2,129,192**	2,040,013
BIM Renewable Energy Joint Stock Company (BIMRE)	Redeemable at the issuer's option	Fixed, cumulative and compounding rate	**1,496,366**	1,433,692
BIM Energy Joint Stock Company (BIME JSC)	Redeemable at the issuer's option	Fixed, cumulative and compounding rate	**261,099**	250,163
			18,002,016	17,248,019
Subscription deposits				
ACEHI Netherlands B.V.	--	--	**240,448**	–
PT UPC Sukabumi Bayu Energi	--	--	**4,620**	–
ACEN C&I HK Limited	--	--	**–**	515,447
ACEN Australia Holdings Pty Ltd	--	--	**–**	355,860
PT Nefin Solar Asset	--	--	**–**	38,970
PT Sidrap Bayu Energi Tahap Dua	--	--	**–**	14,054
			245,068	924,331
Convertible loans				
Vietnam Wind Energy Limited (VWEL)	Redeemable no later than 20 years from drawdown date	Fixed, cumulative and compounding rate	**–**	2,112,850
Asian Wind Power 1 HK Ltd (Asian Wind 1)	Redeemable until July 31, 2040	Fixed, cumulative and compounding rate	**997,971**	956,172
Asian Wind Power 2 HK Ltd (Asian Wind 2)	Redeemable until October 31, 2041	Fixed, cumulative and compounding rate	**962,554**	922,239
			1,960,525	3,991,261
			20,207,609	22,163,611
Allowance for expected credit losses			**–**	(2,112,850)
Balance at end of period			**₱20,207,609**	₱20,050,761

Investments in redeemable preferred shares and subscription deposits

The roll forward analysis of this account follows:

	June 30, 2026 (Unaudited)		
	Redeemable Preferred Shares	**Subscription Deposits**	**Total**
Balances at beginning of period	**₱17,248,019**	**₱924,331**	**₱18,172,350**
Additions	**–**	**242,432**	**242,432**
Conversion to investments in associates and joint ventures (Note 6)	**–**	**(586,935)**	**(586,935)**
Cumulative translation adjustment	**753,997**	**(334,760)**	**419,237**
Balances at end of period	**₱18,002,016**	**₱245,068**	**₱18,247,084**

	December 31, 2025 (Audited)		
	Redeemable Preferred Shares	Subscription Deposits	Total
Balances at beginning of year	₱15,980,307	₱–	₱15,980,307
Additions	996,133	904,236	1,900,369
Cumulative translation adjustment	271,579	20,095	291,674
Balances at end of year	₱17,248,019	₱924,331	₱18,172,350

For the six-month period ended June 30, 2026, the Group converted its subscription deposits for redeemable preferred shares into PT Sidrap, PT Nefin Solar Asset and ACEN C&I HK Limited, totaling to ₱586.94 million, to investments in associates and joint ventures.

Convertible loans

The roll forward analysis of this account follows:

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Balances at beginning of period	**₱3,991,261**	₱3,961,067
Effect of business combination	**(2,112,850)**	–
Cumulative translation adjustment	**82,114**	30,194
	1,960,525	3,991,261
Allowance for ECL	–	(2,112,850)
Balance at end of period	**₱1,960,525**	₱1,878,411

For the six-month period ended June 30, 2026, the Group has no addition nor redemption in investments in convertible loans.

The investment in convertible loans to VWEL, fully impaired as at December 31, 2025, was fully eliminated upon the Group's obtaining control of VWEL as at March 31, 2026.

Allowance for expected credit losses (ECL)

In determining ECL, the Group takes into account the historical default experience, the financial position of the counterparties, and the future prospects of the industries in which the issuers of these debt instruments operate, in assessing if there is a significant increase in credit risk, as well as estimating the probability of default of each of these financial assets occurring within their respective loss assessment time horizon, and the loss upon default in each case.

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The Group has not recognized any allowance for ECL for the six-month period ended June 30, 2026 on its investments in redeemable preferred shares and convertible loans.

Investments in redeemable preferred shares and convertible loans bear interests with rates ranging from 8.80% to 14.00% and 9.00% to 14.00% per annum for the six-month periods ended June 30, 2026 and 2025, respectively.

Interest income

The Group earns interest income from its investments in redeemable preferred shares and convertible loans as follows (see Notes 20 and 22):

	Three-Month Period Ended June 30 (Unaudited)		Six-Month Period Ended June 30 (Unaudited)	
	2026	2025	**2026**	2025
Redeemable preferred shares				
AAR	**₱272,166**	₱242,333	**₱530,143**	₱488,551
Impact Wind	**97,829**	70,650	**192,505**	138,178
BIM Wind	**82,973**	79,971	**164,378**	167,014
BIMRE	**55,720**	46,870	**101,846**	89,649
BIME	**10,184**	9,689	**18,465**	19,561
ACEN C&I Asia	**–**	51,562	**–**	114,058
	518,872	501,075	**1,007,337**	1,017,011
Convertible loans				
VWEL	**–**	96,675	**112,319**	195,404
Asian Wind 1	**36,323**	29,941	**71,475**	60,785
Asian Wind 2	**33,331**	27,475	**65,590**	55,780
	69,654	154,091	**249,384**	311,969
	₱588,526	₱655,166	**₱1,256,721**	₱1,328,980

8. Property, Plant and Equipment

As at June 30, 2026 and December 31, 2025, the carrying value of the Group's property, plant and equipment amounted to ₱166,892.00 million and ₱148,280.39 million, respectively.

The Group invested significant capital expenditures to the following projects amounting to ₱10,569.16 million and ₱6,734.50 million for the six-month periods ended June 30, 2026 and 2025, respectively.

Project	Attributable Capacity (MW)	Location	% Completion **June 30, 2026 (Unaudited)**	% Completion December 31, 2025 (Audited)
Palauig 2 Solar	300	Zambales, Philippines	**98%**	97%*
Quezon North Wind (Phase 1)	345	Real and Mauban, Quezon, Philippines	**30%**	17%
San Marcelino Solar (Phase 3)	200	Zambales, Philippines	**55%**	13%
Sual Solar	69	Pangasinan, Philippines	**50%**	2%
Palauig 1 BESS	35	Zambales, Philippines	**14%**	2%
Jinbi Solar	102	Pilabara, Western Australia	**4%**	–
New England BESS	200	Uralla, New South Wales, Australia	**95%**	74%

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Project	Attributable Capacity (MW)	Location	% Completion **June 30, 2026 (Unaudited)**	% Completion December 31, 2025 (Audited)
Maharashtra Hybrid	153	Maharashtra, India	**77%**	–
Tejorupa Solar	420	Rajasthan, India	**26%**	–
Sheo 1 Hybrid	389	Rajasthan, India	**6%**	–
Sheo 2 Hybrid	399	Rajasthan, India	**11%**	–
Bijapur Wind	120	Karnataka, India	**13%**	–

**Excluding transmission line with 72% and 67.45% completion as of June 30, 2026 and December 31, 2025, respectively.*

Unpaid Property, Plant and Equipment

As at June 30, 2026 and December 31, 2025, the unpaid balance from the acquisition of property, plant and equipment amounted to ₱394.37 million and ₱1,579.50 million, respectively.

Borrowing Cost Capitalized

Borrowing cost capitalized to property, plant and equipment amounted to ₱1,072.60 million and ₱1,364.24 million for the six-month periods ended June 30, 2026 and 2025, respectively (see Note 19). The capitalization rate used to determine the borrowing cost eligible for capitalization is 5.32% and 5.50% in 2026 and 2025, respectively.

Mortgaged Property, Plant and Equipment

NorthWind's land, wind turbine generator, building and machinery with a total carrying value of ₱1,494.75 million and ₱2,124.05 million as at June 30, 2026 and December 31, 2025, respectively, included under "Property, plant and equipment", are mortgaged as security for a long-term loan (see Note 13).

Guimaras Wind's wind farm with a total carrying value of ₱2,961.81 million and ₱3,216.43 million as at June 30, 2026 and December 31, 2025, respectively, included under "Machinery and Equipment" account of property, plant and equipment, is mortgaged as security for a long-term loan (see Note 13).

MONTESOL's solar power plant with a total carrying value of ₱723.17 million and ₱746.49 million as at June 30, 2026 and December 31, 2025, respectively, included under "Buildings and Improvements" and "Machinery and Equipment" accounts of property, plant and equipment, is mortgaged as security for a long-term loan (see Note 13).

Giga Ace 6's wind farm with a total carrying value of ₱10,275.98 million as of June 30, 2026, included under "Property, plant and equipment", is mortgaged as security for a long-term loan (see Note 13).

Disposals

For the six-month periods ended June 30, 2026 and 2025, the Group sold equipment with a total net carrying value of ₱25.59 million and ₱9.70 million, respectively, for cash considerations of ₱11.20 million and ₱9.76 million, respectively. The net gain (loss) on these disposals were recorded under "Other income-net" (see Note 20).

Depreciation

Total depreciation charged to operations amounted to ₱1,964.34 million and ₱1,357.76 million for the six-month periods ended June 30, 2026 and 2025, respectively. The amount charged to "General and administrative expenses" account amounted to ₱253.12 million and ₱215.37 million for the six-month periods ended June 30, 2026 and 2025, respectively (see Notes 17 and 18).

Provision for Impairment loss

For the six-month periods ended June 30, 2026 and 2025, the Group recognized provision for impairment on property, plant and equipment amounting to ₱267.12 million and ₱9.90 million, respectively (see Note 18).

Others

The Group has no significant property, plant and equipment which are temporarily idle as at June 30, 2026 and 2025.

9. Right-of-Use Assets and Lease Liabilities

The roll forward of these accounts follows:

	June 30, 2026 (Unaudited)						
	Right-of-Use Assets						
	Land and Easement Rights	**Land and Power Plants**	**Office Space and Parking Slots**	**Land and Office Building**	**Leased Vehicle**	**Total**	**Lease Liabilities**
As at January 1, 2026	**₱1,671,043**	**₱1,801,366**	**₱1,544,873**	**₱3,085,181**	**₱158,798**	**₱8,261,261**	**₱14,222,819**
New lease agreements	**–**	**63,165**	**23,092**	**7,057**	**11,892**	**105,206**	**104,393**
Remeasurements	**(766)**	**306,288**	**(4,800)**	**3,267**	**–**	**303,989**	**75,910**
Disposal	**–**	**(4,151)**	**–**	**–**	**–**	**(4,151)**	**(5,346)**
Reclassifications	**–**	**4,622,015**	**(4,622,015)**	**–**	**–**	**–**	**–**
Amortization expense (Notes 17 and 18)	**(5,238)**	**(81,771)**	**(103,570)**	**(15,459)**	**(11,555)**	**(217,593)**	**–**
Capitalized interest (amortization)	**(38,555)**	**(49,040)**	**(2,524)**	**(12,483)**	**(10,187)**	**(112,789)**	**338,469**
Acquired from business combination (Note 24)	**–**	**–**	**–**	**55,455**	**–**	**55,455**	**268**
Interest expense (Note 19)	**–**	**–**	**–**	**–**	**–**	**–**	**259,361**
Payments:							
Principal	**–**	**–**	**–**	**–**	**–**	**–**	**(491,223)**
Interest	**–**	**–**	**–**	**–**	**–**	**–**	**(259,361)**
Foreign exchange adjustments	**–**	**332,461**	**5,974**	**–**	**–**	**338,435**	**285,242**
As at June 30, 2026	**1,626,484**	**6,990,333**	**(3,158,970)**	**3,123,018**	**148,948**	**8,729,813**	**14,530,532**
Less current portion	**–**	**–**	**–**	**–**	**–**	**–**	**1,691,139**
Noncurrent portion	**₱1,626,484**	**₱6,990,333**	**(₱3,158,970)**	**₱3,123,018**	**₱148,948**	**₱8,729,813**	**₱12,839,393**

	December 31, 2025 (Audited)						
	Right-of-Use Assets						
	Land and Easement Rights	Land and Power Plants	Office Space and Parking Slots	Land and Office Building	Leased Vehicle	Total	Lease Liabilities
As at January 1, 2025	₱1,462,583	₱2,599,177	₱1,159,414	₱3,197,770	₱36,012	₱8,454,956	₱14,498,442
New lease agreements	12,473	–	365,883	8,688	160,023	547,067	321,403
Change due to loss of control	–	(151,146)	(7,177)	–	–	(158,323)	(302,654)
Remeasurements	(75,197)	(96,022)	(15,849)	(68,803)	(5,540)	(261,411)	(407,965)
Amortization expense	(22,710)	(52,566)	(241,998)	(51,211)	(20,063)	(388,548)	–
Capitalized interest (amortization)	(203,216)	(967)	(101,547)	(1,263)	(11,634)	(318,627)	1,026,004
Reclassifications	497,110	(497,110)	–	–	–	–	–

	December 31, 2025 (Audited)						
	Right-of-Use Assets						
	Land and Easement Rights	Land and Power Plants	Office Space and Parking Slots	Land and Office Building	Leased Vehicle	Total	Lease Liabilities
Interest expense	–	–	–	–	–	–	406,135
Payments							
Principal	–	–	–	–	–	–	(1,266,846)
Interest	–	–	–	–	–	–	(406,135)
Foreign exchange adjustments	–	–	386,147	–	–	386,147	354,435
As at December 31, 2025	1,671,043	1,801,366	1,544,873	3,085,181	158,798	8,261,261	14,222,819
Less current portion	–	–	–	–	–	–	1,631,540
Noncurrent portion	₱1,671,043	₱1,801,366	₱1,544,873	₱3,085,181	₱158,798	₱8,261,261	₱12,591,279

The following are the amounts recognized in the unaudited interim condensed consolidated statements of income:

	June 30, 2026 (Unaudited)	June 30, 2025 (Unaudited)
Amortization expense of right-of-use assets (Notes 17 and 18)	**₱217,593**	₱196,909
Interest expense on lease liabilities (Note 19)	**259,361**	207,483
Expenses relating to short-term leases (Notes 17 and 18)	**66,041**	52,118
	₱542,995	₱456,510

The Group's total cash outflows for leases amounted to ₱750.58 million and ₱1,672.98 million as at June 30, 2026 and December 31, 2025, respectively.

For the six-month period ended June 30, 2026, the Group had non-cash additions to its right-of-use assets and lease liabilities amounting to ₱105.21 million and ₱104.39 million, respectively. For the year ended December 31, 2025, the Group had non-cash additions to its right-of-use assets and lease liabilities amounting to ₱547.07 million and ₱321.40 million, respectively.

Depreciation and Amortization

Total amortization charged to operations for the six-month periods ended June 30, 2026 and 2025 amounted to ₱127.34 million and ₱58.54 million, respectively (see Note 17).

The amounts charged to "General and administrative expenses" account for the six-month periods ended June 30, 2026 and 2025 amounted to ₱90.25 million and ₱138.37 million, respectively (see Note 18).

10. Goodwill and Other Intangible Assets

The roll forward of this account follows:

	June 30, 2026 (Unaudited)				
	Goodwill	**Deferred Exploration Costs**	**Leasehold and Water Rights**	**Other Intangible Assets**	**Total**
Cost:					
Balances at beginning of period	**₱23,576,156**	**₱140,411**	**₱185,347**	**₱3,483,631**	**₱27,385,545**
Cash calls	**–**	**–**	**–**	**360,317**	**360,317**
Acquired from business combination (Note 24)	**2,686,885**	**–**	**–**	**1,707,168**	**4,394,053**

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	June 30, 2026 (Unaudited)				
	Goodwill	**Deferred Exploration Costs**	**Leasehold and Water Rights**	**Other Intangible Assets**	**Total**
Write-off	**–**	**(40,575)**	**–**	**–**	**(40,575)**
Reclassification	**–**	**–**	**–**	**634**	**634**
Cumulative translation adjustment	**1,124,833**	**–**	**–**	**95,395**	**1,220,228**
Balances at end of period	**27,387,874**	**99,836**	**185,347**	**5,647,145**	**33,320,202**
Accumulated amortization:					
Balances at beginning of period	**–**	**–**	**73,392**	**884,887**	**958,279**
Amortization (Notes 17 and 18)	**–**	**–**	**3,825**	**81,410**	**85,235**
Balances at end of period	**–**	**–**	**77,217**	**966,297**	**1,043,514**
Allowance for impairment:					
Balances at beginning of period	**–**	**86,061**	**–**	**–**	**86,061**
Impairment loss (Note 24)	**38,602**	**–**	**8,330**	**4,730**	**51,662**
Write-off	**–**	**(40,575)**	**–**	**–**	**(40,575)**
Balances at end of period	**38,602**	**45,486**	**8,330**	**4,730**	**97,148**
Net book value	**₱27,349,272**	**₱54,350**	**₱99,800**	**₱4,676,118**	**₱32,179,540**

	December 31, 2025 (Audited)				
	Goodwill	Deferred Exploration Costs	Leasehold and Water Rights	Other Intangible Assets	Total
Cost:					
Balances at beginning of year	₱23,459,100	₱140,411	₱185,347	₱2,685,406	₱26,470,264
Cash calls	–	–	–	798,225	798,225
Change due to loss of control	(234,152)	–	–	–	(234,152)
Cumulative translation adjustment	351,208	–	–	–	351,208
Balances at end of year	23,576,156	140,411	185,347	3,483,631	27,385,545
Accumulated amortization:					
Balances at beginning of year	–	–	65,284	719,914	785,198
Amortization	–	–	8,108	164,973	173,081
Balances at end of year	–	–	73,392	884,887	958,279
Allowance for impairment:					
Balances at beginning and end of year	–	86,061	–	–	86,061
Net book value	₱23,576,156	₱54,350	₱111,955	₱2,598,744	₱26,341,205

For the six-month periods ended June 30, 2026 and 2025, total additions to other intangible assets amounted to ₱360.32 million and ₱300.58 million, respectively.

Total amortization charged to operations for the six-month periods ended June 30, 2026 and 2025 amounted to ₱79.62 million and ₱79.86 million, respectively (see Note 17).

Total amortization charged to general and administrative expenses for the six-month periods ended June 30, 2026 and 2025 amounted to ₱5.61 million and ₱8.01 million, respectively (see Note 18).

Impairment Assessment of the Bulk Water Plants
For the six-month period ended June 30, 2026, the Group assessed the recoverability of its Bulk Water Plants (namely, LCC, MCV, SCC and HDP) in accordance with PAS 36, *Impairment of Assets*. These plants were developed to supply bulk and domestic water primarily to identified biopower plants. These biopower plants have experienced prolonged and recurring shutdowns due mainly to fuel supply constraints. As a result, the Bulk Water Plants' production has been largely limited for domestic supply or use only, which led to the sustained underutilization of assets and thus, weak financial performance.

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Management concluded that the aforementioned represents indicators of impairment, and assessed the recoverable amount of the Bulk Water Plants CGU to be nil. Accordingly, an impairment loss of ₱8.33 million was recognized and included in the "Provision for impairment" account presented under "Costs and Expenses" in the unaudited interim condensed consolidated statement of income for the six-month period ended June 30, 2026.

Write-off of Impaired Deferred Exploration Costs
For the six-month period ended June 30, 2026, the Group has written off deferred exploration costs pertaining to SC 6 (Blocks A and B) and SC 50. The Group assessed that no future economic benefits are expected from these deferred exploration costs due to the expiration/relinquishment of the service contracts and the Group's withdrawal of its participating interest in the service contract's consortium. Accordingly, the corresponding allowance for probable losses was reversed.

Other Intangible Assets

Intangible asset amounting to ₱2,191.81 million arising from an identifiable FIT contract with remaining life of thirteen (13) years was recognized from the acquisition of SACASOL in 2020. This is amortized on a straight-line basis over its remaining life. The carrying amount as at June 30, 2026 and December 31, 2025 amounted to ₱1,244.34 million and ₱1,320.14 million, respectively.

11. Other Assets

Other current assets

This account consists of:

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Prepaid expenses	**₱1,215,439**	₱1,175,552
Short-term investments	**938,400**	161,673
Derivative asset	**825,792**	409,057
Advances to suppliers and contractors	**1,888,075**	236,542
Other current assets	**19,524**	2,367
	4,887,230	1,985,191
Less allowance for impairment loss	**32,084**	30,838
	₱4,855,146	₱1,954,353

Prepaid expenses largely pertain to software subscription, maintenance, prepaid taxes and other prepaid services. This also includes loan upfront fees to be amortized upon loan drawdown.

Short-term investments include time deposits that have maturities of more than 90 days at the time of availment. Interest income earned on short-term investments for the six-month periods ended June 30, 2026 and 2025 amounted to ₱17.81 million and ₱2.05 million, respectively (see Note 20).

For the six-month periods ended June 30, 2026 and 2025, the Group recognized a provision for impairment on advances to suppliers and contractors amounting to ₱1.25 million and a reversal of previously recognized impairment loss on other current assets amounting to ₱0.45 million, respectively.

Other noncurrent assets

This account consists of:

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Advances to suppliers and contractors	**₱7,160,057**	₱6,277,536
Derivative assets	**5,005,555**	5,520,869
Advances for land acquisition	**4,907,553**	4,559,372
Development costs	**1,486,021**	1,296,558
Others	**403,461**	326,235
	18,962,647	17,980,570
Less allowance for impairment loss	**20,682**	–
	₱18,941,965	₱17,980,570

Advances to suppliers and contractors
Advances to suppliers and contractors represent payments made to suppliers and contractors for goods and services that have not yet been received nor completed. These advances are typically made to ensure the timely delivery of materials and services necessary for projects under construction.

Derivative assets
ACEN Australia has secured a 20-year Long Term Energy Supply Agreements (LTESA) for its solar projects in New South Wales (NSW) through the government's first renewable energy and storage auction. These agreements cover the 720MW New England Solar Project (NESF 1 and NESF 2) and the 400MW Stubbo Solar Project. The LTESA grants the generator the option to engage in a two-year electricity swap contracts from July 1, 2026 to June 30, 2047, known as “Swaptions”. If exercised, the swap settles based on the difference between the LTESA fixed price and the National Electricity Market (NEM) spot rate for each MWh of energy produced.

The contract includes ten consecutive Swaptions, each providing a two-year swap if exercised. Swaptions must be activated within a 6-12 month window before the swap's effective date. If not exercised, no cash exchanges occur, and a clawback mechanism initiates if the Scheme Financial Vehicle (SFV) has been the net payer under LTESA and the dispatch-weighted average price exceeds its threshold. NESF or Stubbo must repay SFV an amount capped at sums previously received during the Swaption period. LTESA maturity dates are June 30, 2046, for NESF, and June 30, 2047, for Stubbo.

As of June 30, 2026, ACEN Australia is engaged in ongoing discussions to renegotiate certain terms of the LTESA for NESF. The outcome of these discussions may affect the valuation of the related derivative asset. The LTESA for Stubbo remains unchanged as of June 30, 2026.

Advances for land acquisition
Advances for land acquisition pertain to partial payments to landowners and service providers related to the acquisition of various properties for future renewable projects.

For the six-month periods ended June 30, 2026 and 2025, additions to advances for land acquisition amounted to ₱351.99 million and ₱1,665.54 million, respectively. Total cash paid amounted to ₱374.61 million and ₱1,665.54 million for the six-month periods ended June 30, 2026 and 2025, respectively.

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Development costs
Development costs include expenditures incurred during the development phase of a renewable power plant project. These include direct expenses that will be reclassified as part of property, plant and equipment upon achievement of certain milestones (e.g. start of construction). These costs are not depreciated nor amortized until such time as the relevant assets are completed and available for use. For the six-month period ended June 30, 2026, the Group recognized provision for impairment of GigaWind4, Inc.'s development costs amounting to ₱20.68 million.

12. Accounts Payable and Other Current Liabilities

This account consists of:

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Due to related parties (Note 22)	**₱3,521,326**	₱3,350,138
Trade payables	**3,515,014**	1,887,580
Accrued expenses	**2,642,700**	2,122,705
Accrued interest expenses	**1,705,382**	1,562,879
Nontrade payables	**1,597,160**	2,158,209
Output VAT - net	**847,853**	662,526
Accrued director's and annual incentives	**474,870**	316,270
Retention payable	**459,922**	492,191
Derivative liability	**12,893**	4,774
Others	**349,963**	200,925
	₱15,127,083	₱12,758,197

Accrued expenses
Accrued expenses consist mainly of unbilled construction-related costs, including equipment charges, materials, labor, overhead, and repair provisions. It also includes accruals for insurance, sick and vacation leave accruals, incentive pays, and other incurred but not yet billed or paid operating expenses.

13. Short-term Loans, Long-term Loans, and Notes Payable

Short-term Loans
This account consists of:

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
As at beginning of period	**₱11,299,890**	₱5,600,000
Availments	**14,525,214**	25,899,320
Payments	**(12,723,830)**	(20,199,430)
Cumulative translation adjustments	**39,526**	–
As at end of period	**₱13,140,800**	₱11,299,890

Interest rates of short-term loans from local banks ranges from 4.50% to 5.33% and 4.70% to 5.75% for the six-month period ended June 30, 2026 and for the year ended December 31, 2025, respectively.

Total interest expense recognized on short-term loans for the six-month periods ended June 30, 2026 and 2025 amounted to ₱190.82 million and ₱181.64 million, respectively (see Note 19).

Long-term Loans

This account consists of:

Facility	Loan Availed (Current)	Date of Availment	Maturity	Interest Rate per Annum (Current)	Payment Terms	Covenants / Collateral	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
ACEN								
₱1,500.00 million Loan A	₱1,175.00 million	January 11, 2017	July 11, 2029	6.50%	Principal and interest payable semi-annually	Maximum net DE ratio of 3.0x Based on ACEN consolidated balances Tested semi-annually	**₱367,773**	₱420,342
₱5,000.00 million Loan B	₱5,000.00 million	November 15, 2019	November 14, 2029	*For the period of:* November 14, 2024 to November 14, 2029 - 7.1314% Fixed at 5.0505% for the first 5 years; repricing on the succeeding five (5) years based on the average of the 5-year BVAL, three (3) days prior to repricing date, plus an agreed margin	Principal and interest payable semi-annually	Maximum net DE ratio of 3.0x Based on ACEN consolidated balances Tested semi-annually	**4,657,895**	4,684,211
₱7,000.00 million Loan C	₱500.00 million ₱1,000.00 million ₱1,000.00 million	July 15, 2020 August 24, 2020 June 10, 2022	July 15, 2030 July 15, 2030 July 15, 2030	5.00% 5.00% *For the period of:* July 15, 2024 to July 15, 2027 – 6.9273%	Principal and interest payable semi-annually	Maximum net DE ratio of 3.0x Based on ACEN consolidated balances Tested semi-annually	**6,697,000**	6,739,000

Facility	Loan Availed (Current)	Date of Availment	Maturity	Interest Rate per Annum (Current)	Payment Terms	Covenants / Collateral	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
				Repricing on the 4th and 7th anniversaries of the initial drawdown based on the Final BVAL, one (1) banking day prior to repricing date, plus an agreed margin				
	₱2,000.00 million	November 15, 2022	July 15, 2030	*For the period of:* July 15, 2023 to July 15, 2026 – 7.1720% Repricing on the 3rd and 6th anniversaries of the initial drawdown based on the Final BVAL, one (1) banking day prior to repricing date, plus an agreed margin				
	₱2,500.00 million	January 13, 2023	July 15, 2030	*For the period of:* July 15, 2024 to July 15, 2027 - 6.9273% Repricing on the 4th and 7th anniversaries of the initial drawdown based on the Final BVAL, one (1) banking day prior to repricing date, plus an agreed margin				
₱4,500.00 million Loan D	₱805.00 million ₱2,000.00 million	March 30, 2021 February 28, 2022	March 30, 2031 March 30, 2031	*Applicable rates for all availments for the period of:* March 30, 2026 to September 30, 2026 – 5.7196%	Principal and interest payable semi-annually	Maximum net DE ratio of 3.0x Based on ACEN consolidated balances Tested semi-annually	**4,365,000**	4,387,500

Facility	Loan Availed (Current)	Date of Availment	Maturity	Interest Rate per Annum (Current)	Payment Terms	Covenants / Collateral	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
	₱1,695.00 million	April 11, 2022	March 30, 2031	Floating interest rate repriced on every succeeding semi-annual period				
₱10,000.00 million Loan E	₱3,000.00 million ₱3,000.00 million	December 13, 2022 January 27, 2023	December 13, 2032 December 13, 2032	*Applicable rates for all availments for the period of:* June 13, 2026 to December 13, 2026 – 6.1624% Floating interest rate repriced on every succeeding semi-annual period	Principal and interest payable semi-annually	Maximum net DE ratio of 3.0x Based on ACEN consolidated balances Tested semi-annually	**6,000,000**	6,000,000
₱10,000.00 million Loan F	₱250.00 million	August 17, 2023	August 17, 2033	*For the period of:* August 17, 2025 to August 17, 2027 – 6.3162% Repricing for the 2nd, 4th, 6th, and 8th anniversaries on the Final BVAL, one (1) banking day prior to repricing date, plus an agreed margin	Principal and interest payable semi-annually	Maximum net DE ratio of 3.0x Based on ACEN consolidated balances Tested semi-annually	**236,875**	239,500
₱5,000.00 million Loan G	₱500.00 million	October 24, 2023	October 24, 2033	*For the period of:* April 24, 2026 to July 24, 2026 – 5.1876% Floating interest rate repriced on every succeeding quarterly period. Can be converted to fixed up to 12 months from initial drawdown.	Principal and interest payable quarterly	Maximum net DE ratio of 3.0x Based on ACEN consolidated balances Tested semi-annually	**4,901,933**	4,727,664

Facility	Loan Availed (Current)	Date of Availment	Maturity	Interest Rate per Annum (Current)	Payment Terms	Covenants / Collateral	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
	$54.86 million (₱3,200.00 million) $17.04 million (₱1,000.00 million)	August 6, 2024 December 18, 2024	July 24, 2029 April 30, 2030	5.1280% per annum (6.370% cross-currency swap rate) 5.3310% per annum (6.130% cross-currency swap rate)	Principal and interest payable quarterly Principal and interest payable quarterly			
₱2,500.00 million Loan H	₱500.00 million ₱500.00 million ₱1,500.00 million	December 22, 2023 September 11, 2024 December 18, 2024	December 22, 2033 December 22, 2033 December 22, 2033	*Applicable rates for all availments for the period of:* June 22, 2026 to September 22, 2026 – 5.7386% Floating interest rate is repriced on every succeeding quarterly period. One-time option to convert floating interest to fixed at least one (1) day before the intended conversion date (any interest payment date)	Principal and interest payable quarterly	Maximum net DE ratio of 3.0x Based on ACEN consolidated balances. Tested semi-annually	**2,475,000**	2,500,000
₱5,500.00 million Loan I	₱509.09 million ₱2,290.91 million	October 24, 2024 October 24, 2024	October 24, 2034 October 24, 2034	6.0733% 6.7233% Repricing on the 5th anniversary of financial close. Optional second and final repricing on the 7th or	Principal and interest payable semi-annually	Maximum net DE ratio of 3.0x Based on ACEN consolidated balances Tested semi-annually ₱509.09 million guaranteed by third party	**2,800,000**	2,800,000

Facility	Loan Availed (Current)	Date of Availment	Maturity	Interest Rate per Annum (Current)	Payment Terms	Covenants / Collateral	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
				8th anniversaries of the financial close on the Final BVAL, one (1) banking day prior to repricing date, plus an agreed margin				
₱5,500.00 million Loan J	₱2,800.00 million	October 24, 2024	October 24, 2034	5.8900% Repricing on the 5th anniversary of financial close. Optional second and final repricing on the 7th or 8th anniversaries of the financial close is an agreed base rate, one (1) banking day prior to repricing date, plus an agreed margin	Principal and interest payable semi-annually	Maximum net DE ratio of 3.0x Based on ACEN consolidated balances Tested semi-annually	**2,800,000**	2,800,000
₱8,000.00 million Loan K	₱2,000 million	November 11, 2025	November 9, 2035	*For the period of*: May 11, 2026 to August 11, 2026 – 5.4257% Floating interest rate repriced on every succeeding quarterly period. One-time option to convert floating interest to fixed at least one (1) day before the intended conversion date (any interest payment date)	Principal and interest payable quarterly	Maximum net DE ratio of 3.0x Based on ACEN consolidated balances Tested semi-annually	**2,000,000**	2,000,000

Facility	Loan Availed (Current)	Date of Availment	Maturity	Interest Rate per Annum (Current)	Payment Terms	Covenants / Collateral	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Giga Ace 6, Inc. (Quezon North Wind)								
₱34,410 million Loan	₱2,000.00 million ₱1,750.00 million ₱1,250.00 million	January 6, 2026 January 6, 2026 January 6, 2026	January 4, 2041 January 4, 2041 January 4, 2041	6.3222% 6.3222% 6.3222% Repricing one (1) banking day prior to the 2nd, 5th, 8th, and 13th anniversary of the initial drawdown date based on PHP BVAL of the applicable benchmark tenor plus margin divided by Interest Premium Factor	Principal and interest payable semi-annually	Minimum historical DSCR of 1.05x Maximum net DE ratio of 75:25 Secured by various components of property, plant and equipment, and share pledge (see Note 8) Guaranteed by ACEN	**5,000,000**	–
NorthWind								
₱2,300.00 million Loan	₱2,300.00 million	May 29, 2020	May 29, 2032	Fixed at a rate of 5.1250% for ten (10) years to be repriced after the 10th anniversary at a rate equivalent to the 2-year base fixed rate plus an agreed spread	Principal and interest payable semi-annually	Minimum historical DSCR of 1.05x Based on the stand-alone balances of the borrower Tested semi-annually Secured by property, plant and equipment (see Note 8)	**1,334,460**	1,426,920
Guimaras Wind								
₱4,300.00 million Loan	Loan A ₱2,150.00 million	February 14, 2014	February 14, 2029	*For the period of:* February 14, 2024 to February 14, 2029 – 8.1665%	Principal and interest payable semi-annually	Minimum DSCR of 1.2x Maximum debt to equity ratio of 70:30	**524,098**	644,580

Facility	Loan Availed (Current)	Date of Availment	Maturity	Interest Rate per Annum (Current)	Payment Terms	Covenants / Collateral	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
	Loan B ₱310.00 million ₱550.00 million ₱550.00 million ₱500.00 million ₱240.00 million			*For the period of:* February 14, 2024 to February 14, 2029 – 7.0277% February 14, 2024 to February 14, 2029 – 6.8421% February 14, 2024 to February 14, 2029 – 6.8421% February 14, 2024 to February 14, 2029 – 6.8581% February 14, 2024 to February 14, 2029 – 6.8421%		Based on the stand-alone balances of the borrower Tested semi-annually Secured by property, plant and equipment (see Note 8)		
Monte Solar Energy, Inc. (MONTESOL)								
₱600.00 million Loan	₱600.00 million	September 20, 2023	September 20, 2035	*For the period of:* September 20, 2025 - September 20, 2035 - 6.7588% Repricing one (1) business day prior to the 2nd and 7th anniversaries of the initial drawdown date at a rate equivalent to (a) the 5-year Base Rate-Fixed plus an agreed spread, divided by the Interest Premium Factor, or (b) five hundred seventy-five	Principal and interest payable semi-annually	Minimum historical DSCR of 1.05x Distribution DSCR of 1.2x Based on the standalone balances of the Borrower Tested semi-annually Secured by property, plant and equipment (see Note 8)	**474,990**	499,992

Facility	Loan Availed (Current)	Date of Availment	Maturity	Interest Rate per Annum (Current)	Payment Terms	Covenants / Collateral	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
				basis points (5.50%), divided by the Interest Premium Factor, whichever is higher				
San Carlos Solar Energy Inc. (SACASOL)								
₱1,400.00 million Loan	₱1,400.00 million	May 22, 2024	May 22, 2034	For the period of: May 22, 2025 to May 22, 2027 – 6.7636% Repricing at a rate based on simple average of the PHP BVAL reference rate with a tenor of four (4) years, for three (3) banking days immediately preceding and ending on the banking day prior to the repricing date divided by the Interest Premium Factor.	Principal and interest payable quarterly	On each calculation date, maintain DSCR of at least 1.10x From initial borrowing date, maintain a net debt to equity ratio of a maximum of 70:30 From initial borrowing date, maintain a dividend DSCR of at least 1.20x, based on standalone balances of the Borrower Tested semi-annually; Guaranteed by ACEN	**1,120,000**	1,190,000
ACEN International, Inc. (ACEN International)								
₱7,000.00 million Loan	₱198.00 million ₱285.00 million ₱164.47 million ₱1,209.00 million ₱22.00 million	January 22, 2024 February 16, 2024 April 24, 2024 June 21, 2024 July 19, 2024	January 31, 2031 January 31, 2031 January 31, 2031 January 31, 2031 January 31, 2031	7.1386% 7.2891% 7.777% 7.5699% 7.3244%	Principal and interest payable semi-annually	Maximum net DE ratio of 3.0x Based on ACEN International consolidated balance sheet Tested semi-annually Guaranteed by ACRI	**4,760,578**	4,833,074

Facility	Loan Availed (Current)	Date of Availment	Maturity	Interest Rate per Annum (Current)	Payment Terms	Covenants / Collateral	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
	₱187.80 million	September 17, 2024	January 31, 2031	7.2229%				
	₱2,100.00 million	November 6, 2024	January 31, 2031	6.8864%				
	₱103.50 million	January 13, 2025	January 31, 2031	7.2359%				
	₱118.70 million	January 20, 2025	January 31, 2031	7.2572%				
	₱444.60 million	March 11, 2025	January 31, 2031	7.1085% Repricing on the 36th month at a rate of whichever is higher of (i) moving average of the 4-year BVAL plus margin divided by 0.95; and (ii) 3.25% per annum divided by 0.95				
EUR50.00 million	EUR10.00 million (₱625.9 million)	May 27, 2025	May 27, 2030	*For the period of:* May 27, 2026 to August 27, 2026 – 3.4040% With cross-currency swap fixed at 6.1980%	Principal repayment upon maturity Interest is payable on a quarterly basis.	Maximum net DE ratio of 3.0x Based on ACEN International's consolidated balance sheet Tested semi-annually Guaranteed by ACRI	**3,498,015**	3,462,730
	EUR10.00 million (₱636.5 million)	June 16, 2025	May 27, 2030	*For the period of:* May 27 2026 to August 27, 2026 – 3.4040%				

Facility	Loan Availed (Current)	Date of Availment	Maturity	Interest Rate per Annum (Current)	Payment Terms	Covenants / Collateral	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
				With cross-currency swap rate fixed at 6.1980%.				
	EUR5.00 million (₱315.0 million)	June 16, 2025	May 27, 2030	*For the period of:* May 27 2026 to August 27, 2026 - 3.4040% With cross-currency swap fixed at 6.2225%.				
	EUR20.00 million (₱1,260.0 million)	July 15, 2025	May 27, 2030	*For the period of:* May 27 2026 to August 27, 2026 - 3.4040% With cross-currency swap fixed at 6.2125%.				
	EUR5.00 million (₱318.25 million)	July 15, 2025	May 27, 2030	*For the period of:* May 27 2026 to August 27, 2026 – 3.4040% With cross-currency swap fixed at 6.1950%.				
US$100.00 million	US$25.00 million (₱1,474.50 million)	November 28, 2025	August 11, 2032	5.2400% (6.434% cross-currency swap rate)	Principal repayment upon maturity Interest is payable on a semi-annual basis	Maximum net DE ratio of 3.0x Based on ACEN International's consolidated balance sheet Tested semi-annually Guaranteed by ACRI	**6,122,900**	2,058,175
	US$ 10.00 million (₱592.50 million)	December 15, 2025	August 11, 2032	5.3990% (6.4299% cross-currency swap rate)				

Facility	Loan Availed (Current)	Date of Availment	Maturity	Interest Rate per Annum (Current)	Payment Terms	Covenants / Collateral	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
	US$10.00 million (₱594.90 million)	January 23, 2026	August 11, 2032	5.4790% (6.5729% cross-currency swap rate)				
	US$10.00 million (₱581.45 million)	February 25, 2026	August 11, 2032	5.2600% 6.5960% cross-currency swap rate				
	US$25.00 million	March 25, 2026	August 11, 2032	5.4400% (7.3270% cross-currency swap rate)				
	US$20.00 million	April 24, 2026	August 11, 2032	5.4700% (7.3270% swap rate)				
ACEN Renewables International Pte. Ltd (ACRI)								
AU$75.00 million	AU$12.00 million	April 17, 2024	December 7, 2028	For the period of: April 20, 2026 to July 20, 2026 – 5.7814%	Interest is payable quarterly from date of availment Principal is bullet payment on maturity date	Net DE Ratio of 3.00:1.00 Based on ACRI consolidated Net debt and Total Equity expressed in Singaporean Dollars Tested quarterly together with the financial statements	**3,169,397**	2,951,993
	AU$34.00 million	June 18, 2024	December 7, 2028	June 18, 2026 to September 18, 2026 – 5.9174%				
	AU$21.50 million	September 16, 2024	December 7, 2028	June 17, 2026 to September 17, 2026 – 5.9185%				
	AU$7.50 million	November 11, 2024	December 7, 2028	May 13, 2026 to August 13, 2026 – 5.9007%				

Facility	Loan Availed (Current)	Date of Availment	Maturity	Interest Rate per Annum (Current)	Payment Terms	Covenants / Collateral	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
US$150.00 million	US$25.00 million	September 16, 2024	April 16, 2029	*For the period of:* April 15, 2026 to July 15, 2026 – 5.2531% With Interest Rate Swap (IRS) fixed at 5.074% (weighted average of multiple IRS placements) until maturity	Interest is payable quarterly from date of availment Principal amortization is payable every 6 months after the grace period	Net Debt to Total Equity does not exceed 3.00:1.00 Based on ACRI consolidated Net Debt to Total Equity expressed in Singapore dollars Tested semi-annually together with the financial statements.	**8,339,339**	5,794,342
	US$10.00 million	October 15, 2024	April 16, 2029	April 15, 2026 to July 15, 2026 – 5.9542% With IRS fixed at 4.81%				
	AU$6.00 million (US$3.94 million)	November 18, 2024	April 16, 2029	April 15, 2026 to July 15, 2026 – 5.9542% With IRS fixed at 5.43% effective from April 15, 2025 up to maturity				
	AU$20.00 million (US$12.65 million)	March 17, 2025	April 16, 2029	April 15, 2026 to July 15, 2026 – 5.9542% With IRS fixed at 5.445%				
	AU$27.00 million (US$17.10 million)	March 20, 2025	April 16, 2029	April 15, 2026 to July 15, 2026 – 5.9542%				
	US$10.00 million	May 29, 2025	April 16, 2029	April 15, 2026 to July 15, 2026 –5.2531%				

Facility	Loan Availed (Current)	Date of Availment	Maturity	Interest Rate per Annum (Current)	Payment Terms	Covenants / Collateral	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
	A$27.00 million (U$ 17.64 million)	December 16, 2025	April 16, 2029	April 15, 2026 to July 15, 2026 – 5.9542%				
	AU$52.00 million (US$35.66 million)	April 15, 2026	April 16, 2029	April 15, 2026 to July 15, 2026 – 5.7298%				
US$100.00 million	US$20.00 million	September 23, 2024	December 8, 2028	*For the period of*: June 10, 2026 to September 10, 2026 – 5.3614% With IRS fixed at 5.75% until maturity	Interest is payable quarterly from date of availment Principal is bullet payment on maturity date	Net Debt to Total Equity does not exceed 3.00:1.00 Based on ACRI consolidated Net Debt to Total Equity expressed in Singapore dollars Tested quarterly together with the financial statements	**6,136,000**	4,468,040
	US$10.00 million	September 16, 2025	December 8, 2028	June 10, 2026 to September 10, 2026 – 5.3614% With IRS fixed at 5.04% until maturity				
	US$12.00 million	October 16, 2025	December 8, 2028	March 10, 2026 to June 10, 2026 – 5.3690% With IRS fixed at 5.04% until maturity				
	US$10.00 million	November 18, 2025	December 8, 2028	June 10, 2026 to September 10, 2026 – 5.3614% With IRS fixed at 5.04% on the US$3.00 million portion,				

Facility	Loan Availed (Current)	Date of Availment	Maturity	Interest Rate per Annum (Current)	Payment Terms	Covenants / Collateral	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
				and 5.098% on the US$7.00 million portion until maturity				
	US$24.00 million	November 26, 2025	December 8, 2028	June 10, 2026 to September 10, 2026 – 5.3614% With IRS fixed at 5.098% on the US$18.00 million portion				
	US$24.00 million	May 22, 2026	December 8, 2028	June 10, 2026 to September 10, 2026 – 5.3614%				
US$150.00 million	US$5.00 million	October 4, 2024	July 4, 2029	*For the period of:* April 7, 2026 to July 7, 2026 – 5.3285%	Interest is payable quarterly from date of availment Principal amortization is payable in 2028 and 2029 after the grace period	Net Debt to Total Equity does not exceed 3.00:1.00 Based on ACRI consolidated Net Debt to Total Equity Tested semi-annually together with financial statements	**3,374,800**	293,950
	US$15.00 million	May 26, 2026	July 4, 2029	May 26, 2026 to July 7, 2026 – 5.2437%				
	US$35.00 million	June 30, 2026	July 4, 2029	June 30, 2026 to July 7, 2026 – 5.2750%				
ACEN Cayman Limited								
$140.00 million Loan	$140.00 million	January 23, 2024	January 23, 2027	5.3980%	Principal payable on maturity date Interest payable quarterly	Maximum net DE ratio of 3.0x Based on ACEN consolidated balances Tested semi-annually Guaranteed by ACEN	**8,590,400**	8,230,600
$180.00 million Loan	$180.00 million	January 19, 2024	January 19, 2029	5.3060%	Principal and interest payable semi-annually	Maximum net DE ratio of 3.0x Based on ACEN consolidated balances	**10,603,008**	10,264,734

Facility	Loan Availed (Current)	Date of Availment	Maturity	Interest Rate per Annum (Current)	Payment Terms	Covenants / Collateral	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
						Tested semi-annually Guaranteed by ACEN		
ACEN Australia Pty Ltd. (ACEN Australia)								
AU$277.00 million Loan [(1)]	AU$277.00 million	November 28, 2025	February 27, 2026	5.3625%	Fully-paid on February 16, 2026		–	10,902,694
AU$750.00 million Loan	AU$373.00 million	April 10, 2025	April 9, 2030	80% of the drawdown is hedged with IRS fixed at 5.0750% until maturity; 20% of the drawdown amount is floating for the period of (current): June 22, 2026 to September 22, 2026 – 6.0166%	Principal repayment based on agreed schedule Interest and principal are payable on a quarterly basis	DSCR not less than 1.10:1.00 Secured by property Tested quarterly	**31,265,344**	14,615,315
	AU$377.00 million	February 13, 2026	April 9, 2030	61% of the drawdown is hedged with IRS fixed at 5.9320% until maturity; 39% of the drawdown amount is floating for the period of (current): June 22, 2026 to September 22, 2026 – 6.0166%				
AU$100 million Loan [(2)]	AU$34.54 million	February 21, 2023	August 18, 2027	5.6667%	Three or six months with automatic rollover but not to exceed the maturity date	Net DE Ratio of 3.0x Based on ACEN consolidated balances Tangible Net worth of AU$150 million at ACEN Australia level	**1,722,528**	1,952,707
	AU$9.00 million	April 12, 2023	August 18, 2027	5.8920%				
	AU$0.504 million	May 22, 2023	August 18, 2027	6.1158%				

Facility	Loan Availed (Current)	Date of Availment	Maturity	Interest Rate per Annum (Current)	Payment Terms	Covenants / Collateral	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
	AU$43.89 million	May 22, 2023	August 18, 2027	6.1158%		Tested semi-annually together with the financial statements Guaranteed by ACEN		
	AU$44.39 million	August 22, 2023	August 18, 2027	6.0725%				
	AU$44.39 million	November 22, 2023	August 18, 2027	6.1418%				
	AU$23.00 million	January 22, 2024	August 18, 2027	6.2375%				
	AU$44.39 million	February 22, 2024	August 18, 2027	6.2103%				
	AU$67.39 million	April 22,2024	August 18, 2027	5.8474%				
	AU$67.39 million	July 31, 2024	August 18, 2027	5.8387%				
	AU$67.39 million	October 30, 2024	August 18, 2027	5.7619%				
	AU$67.39 million	February 28, 2025	August 18, 2027	5.5576%				
	AU$1.10	May 22, 2026	August, 31, 2026	6.2046%				
	AU$38.41	May 29, 2026	August, 31, 2026	6.2063%				
	AU$1.25	June 22, 2026	August, 31, 2026	6.1557%				

Facility	Loan Availed (Current)	Date of Availment	Maturity	Interest Rate per Annum (Current)	Payment Terms	Covenants / Collateral	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
AU$75.00 million Loan [(3)]	AU$66.98 million	November 28, 2025	February 27, 2026	6.4275%	Fully-paid on February 27, 2026		–	2,636,130
AU$75.00 million [(4)]	AU$63.03 million	June 30, 2026	September 30, 2026	6.1615%	Borrower shall repay loan in full on the termination date Interest periods may be selected from one, three or six months, or any other period greater than one month as agreed	Net DE Ratio of 3.0x Based on ACEN consolidated balances Tangible Net worth of AU$150 million at ACEN Australia level Tested semi-annually together with the financial statements Guaranteed by ACEN	**2,663,350**	2,480,658
AU$75.00 million [(4)]	AU$63.11 million	June 30, 2026	September 30, 2026	6.1615%	Borrower shall repay loan in full on the termination date Interest periods may be selected from one, three or six months, or any other period greater than one month as agreed	Net DE Ratio of 3.0x Based on ACEN consolidated balances Tangible Net worth of AU$150 million at ACEN Australia level Tested semi-annually together with the financial statements Guaranteed by ACEN	**2,666,731**	2,483,807
Diyos Renewables India Project Private Limited								
INR3,758 million	INR185.00	April 10, 2026	December 31, 2045	8.0000%	Principal payable quarterly and interest payable monthly	Minimum DSCR of 1.05x Secured by property and equity pledge	**120,080**	–

Facility	Loan Availed (Current)	Date of Availment	Maturity	Interest Rate per Annum (Current)	Payment Terms	Covenants / Collateral	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
INR3,758 million	INR451.10 million	April 10, 2026	December 31, 2045	7.9600%	Principal payable quarterly and interest payable monthly	Minimum DSCR of 1.05x Secured by property and equity pledge	**488,094**	–
	INR89.82 million	May 25, 2026	December 31, 2045	8.2200%				
	INR119.76 million	June 9, 2026	December 31, 2045	8.0200%				
	INR92.31 million	June 23, 2026	December 31, 2045	7.9200%				
Vietnam Wind Energy Limited (VWEL)								
VND720,800.00 million	VND 720,800.00 million	January 30, 2026	December 19, 2040	7.0000%	Principal and interest payable quarterly	Secured by property and equity pledge Cross-guarantee among borrowers	**3,041,622**	–
VND610,000.00 million	VND 610,000.00 million	January 30, 2026	December 19, 2040	7.0000%				
PT ACEN Development Indonesia								
IDR1,900 million	IDR 1,900 million	March 4, 2026	December 13, 2026	0%	Upon maturity		**6,532**	17,529
Total							**142,323,742**	118,506,187
Less unamortized debt issue cost							**1,369,461**	561,791
							140,954,281	117,944,396
Less current portion							**10,501,923**	1,546,140
Long-term loans, net of current portion							**₱130,452,358**	₱116,398,256

(1) Facility was cancelled after full repayment on February 16, 2026
(2) Maturity of the facility is on August 18, 2027
(3) Facility was cancelled after full repayment on February 27, 2026
(4) Maturity of the facility is on February 29, 2028

The roll forward of this account follows:

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
As at beginning of period	**₱118,506,187**	₱95,484,152
Availments	**32,523,523**	41,295,668
Payments	**(16,256,355)**	(22,684,475)
Assumed through business combination	**3,015,760**	–
Foreign exchange adjustments	**393,678**	372,772
Cumulative translation adjustments	**4,140,949**	4,038,070
	142,323,742	118,506,187
Less unamortized debt issue costs	**1,369,461**	561,791
As at end of period	**₱140,954,281**	₱117,944,396

Movements in debt issue costs related to long-term loans follows:

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
As at beginning of period	**₱561,791**	₱628,258
Additions	**880,496**	59,640
Cumulative translation adjustments	**24,388**	5,083
Amortization/accretion (Note 19)	**(97,214)**	(131,190)
As at end of period	**₱1,369,461**	₱561,791

Loan covenants
The Group has complied with all its long-term loan covenants as at June 30, 2026 and December 31, 2025.

Debt issue cost
For the six-month periods ended June 30, 2026 and 2025, total amortization of debt issue costs on long-term loans amounted to ₱97.21 million and ₱63.24 million, respectively (see Note 19).

Interest expense
Total interest expense recognized on long-term loans amounted to ₱3,494.28 million and ₱2,351.11 million for the six-month periods ended June 30, 2026 and 2025, respectively (see Note 19).

Notes payable

The roll forward of this account follows:

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Principal		
Balances at beginning of period	**₱33,516,000**	₱33,138,000
Cumulative translation adjustments	**1,028,000**	378,000
Balances at end of period	**34,544,000**	33,516,000

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Debt issue cost		
Balances at beginning of period	**48,119**	81,519
Amortization (Note 19)	**(13,326)**	(33,351)
Cumulative translation adjustments	–	(49)
Balances at end of period	**34,793**	48,119
	₱34,509,207	₱33,467,881

Debt issue cost
For the six-month periods ended June 30, 2026 and 2025, total amortization of debt issue cost on notes payable amounted to ₱13.33 million and ₱20.36 million, respectively (see Note 19).

Interest expense
For the six-month periods ended June 30, 2026 and 2025, total interest expense and other financing charges recognized on the US Dollar Green Bonds amounted to ₱479.67 million (US$8.00 million) and ₱456.82 million (US$7.91 million), respectively.

For the six-month periods ended June 30, 2026 and 2025, total interest expense and other financing charges recognized on the Philippine Peso Bonds amounted to ₱300.66 million for each period ended.

The redemption option was assessed to be embedded derivatives that are clearly and closely related to the host contract, therefore, not required to be bifurcated.

Compliance with covenants
The Group has complied with the covenants required by its notes payable as at June 30, 2026 and December 31, 2025.

14. Other Noncurrent Liabilities

This account consists of:

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Unearned revenues	**₱6,631,154**	₱5,967,818
Asset retirement obligations	**2,461,257**	2,554,980
Other payables	**710,000**	710,000
Contingent consideration (see Note 24)	**643,613**	–
Derivative liability	**267,455**	177,484
Provision for employee benefits / long service leave	**84,698**	281,763
Retention payable	**65,778**	58,714
Contract liabilities	**50,412**	100,056
Nontrade payable	**2,508**	2,573
Others	**471,533**	29,496
	₱11,388,408	₱9,882,884

Other payables include the earnout consideration for Maraj Energy and Development Corp. for the acquisition by ACEN of 6,000 secondary Common Shares representing the remaining 60% ownership in Real Wind Energy, Inc. (RWEI). The earnout remains unpaid and is payable upon achievement of certain milestones which is beyond twelve (12) months from June 30, 2026.

15. **Equity**

Capital Stock

This account consists of:

Class of share	Common	Redeemable Preferred	Total
Authorized shares	48,300,000,000	100,000,000	48,400,000,000
Par value	₱1	₱1	₱1
Issued shares:			
Balances as at June 30, 2026 and December 31, 2025	**39,965,935, 064**	**25,000,000**	**39,990,935,064**

The issued and outstanding shares are held by a number of equity holders, as follows:

	June 30, 2026	December 31, 2025
Common shares	**4,647**	4,660
Redeemable preferred shares	**12**	10

The following table presents the track record of registration of capital stock:

Year of Approval	No. of Shares Registered	No. of Shares Issued	Par Value
Prior to 2005*	1,000,000,000	**840,601,987	₱0.01/1.00
2005	1,000,000,000	264,454,741	1.00
2007	–	552,528,364	1.00
2008	–	4,713,558	1.00
2009	–	304,419	1.00
2010	–	2,022,535	1.00
2011	2,200,000,000	1,165,237,923	1.00
2012	4,200,000,000	2,027,395,343	1.00
2013	–	6,603,887	1.00
2014	–	1,283,332	1.00
2016	–	20,751,819	1.00
2017	–	3,877,014	1.00
2019	–	2,632,000,000	1.00
2020	16,000,000,000	6,185,182,288	1.00
2021	24,000,000,000	24,623,380,967	1.00

Year of Approval	No. of Shares Registered	No. of Shares Issued	Par Value
2022	–	1,361,556,596	1.00
2025	–	274,040,291	1.00
Total	48,400,000,000	39,965,935,064	

**On April 7, 1997, par value was increased from ₱0.01 to ₱1.00.*
***Equivalent number of shares at ₱1.00 par value.*

Additional Paid-in Capital

The roll forward of this account follows:

	Additional Paid-In Capital (Amount; in Thousands)		
Class of share	Common	Redeemable Preferred	Total
Balances as at June 30, 2026 and December 31, 2025	**₱107,767,125**	**₱24,803,446**	**₱132,570,571**

Cumulative Translation Adjustments

This account pertains to cumulative translation adjustments of subsidiaries with functional currency other than the Group's presentation currency (see Note 2). Foreign exchange differences arising from translation of foreign operations for the six-month period ended June 30, 2026 and year ended December 31, 2025 follows:

	June 30, 2026 (Unaudited)	
	in US$	in PHP
ACRI	**(US$342,378)**	**(₱21,008,326)**
ACEN Cayman	**(76,794)**	**(4,712,089)**
Others	**16**	**970**
Consolidations and eliminations	**168,264**	**10,324,692**
	(US$250,892)	**(₱15,394,753)**
Attributable to:		
Equity holders of the Parent	**(US$251,151)**	**(₱15,410,626)**
Non-controlling interest	**259**	**15,873**
	(US$250,892)	**(₱15,394,753)**

	December 31, 2025 (Audited)	
	in US$	in PHP
ACRI	(US$268,065)	(₱15,759,500)
ACEN Cayman	(69,189)	(4,067,635)
Others	(44)	(2,569)
Consolidations and eliminations	139,185	8,182,640
	(US$198,113)	(₱11,647,064)
Attributable to:		
Equity holders of the Parent	(US$197,521)	(₱11,612,280)
Non-controlling interest	(592)	(34,784)
	(US$198,113)	(₱11,647,064)

Retained Earnings

Retained earnings represent the Group's accumulated earnings, net of dividend declarations. The balance includes accumulated earnings of subsidiaries, joint venture and associates, which are not available for dividend declaration by the Parent Company until these are declared by the investee companies.

Retained earnings not available for dividend declaration are included in the Group's retained earnings to the extent of (a) accumulated equity in undistributed net earnings of consolidated subsidiaries, and associates and joint ventures accounted for under equity method amounting to ₱41,536.39 million and ₱40,867.05 million as at June 30, 2026 and December 31, 2025, respectively; and (b) the cost of treasury shares amounting to ₱28.66 million as June 30, 2026 and December 31, 2025.

As at June 30, 2026 and December 31, 2025, deferred tax liabilities have not been recognized on undistributed earnings and cumulative translation adjustments of foreign subsidiaries since the timing of the reversal of the temporary differences can be controlled by the Group. Management does not expect the reversal of the temporary differences in the foreseeable future. The undistributed earnings and cumulative translation adjustments amounted to ₱46,615.85 million (US$896.14 million) and ₱42,423.02 million (US$736.78 million) as at June 30, 2026 and December 31, 2025, respectively.

Dividends

Cash dividends declared for the six-month periods ended June 30, 2026 and 2025 follows:

				Amounts		
Approval	Record	Payment	Dividend	Common	Preferred Shares	
Date	Date	Date	Per Share	Shares	ACENA	ACENB
2026						
February 3	February 16	March 2	**₱17.8325**	**₱–**	**₱148,750**	**₱–**
			20.0000	**–**	**–**	**333,170**
May 4	May 18	May 29	**17.8325**	**–**	**148,750**	**–**
			20.0000	**–**	**–**	**333,170**
May 13	May 28	June 18	**0.0500**	**1,997,571**	**–**	**–**
				₱1,997,571	**₱297,500**	**₱666,340**
2025						
February 3	February 17	March 3	₱17.8325	₱–	₱148,750	₱–
			20.0000	–	–	333,170
May 5	May 19	June 2	17.8325	–	148,750	–
			20.0000	–	–	333,170
June 4	June 20	July 3	0.0500	1,983,869	–	–
				₱1,983,869	₱297,500	₱666,340

Non-controlling Interest (NCI)

The roll forward of this account follows:

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Balances at beginning of period	**₱8,719,863**	₱9,897,654
Dividends	**(332,313)**	(632,108)
Net income attributable to NCI	**163,236**	503,635
Non-controlling interest arising from business combination	**(32,599)**	–
Acquisition of NCI in a subsidiary	**–**	(595,369)
Capital redemption of NCI in a subsidiary	**–**	(488,733)
Change due to loss of control	**–**	43,892
Cumulative translation adjustments	**(15,873)**	(9,108)
Balances at end of period	**₱8,502,314**	₱8,719,863

Dividends

	in US$	In PHP
ACEN Cayman Limited		
June 30, 2026	**US$5,433**	**₱332,313**
June 30, 2025	US$5,433	₱308,913

16. Revenue from Sale of Electricity

The Group's revenue from rendering of services consists of:

	Three-Month Period Ended June 30 (Unaudited)		**Six-Month Period Ended June 30 (Unaudited)**	
	2026	2025	**2026**	2025
Revenue from power supply contracts	**₱7,134,117**	₱3,202,056	**₱13,562,205**	₱7,783,867
Revenue from power generation and trading	**4,640,698**	4,539,658	**8,950,043**	7,510,629
	₱11,774,815	₱7,741,714	**₱22,512,248**	₱15,294,496

17. Costs of Sale of Electricity

This account consists of:

	Three-Month Period Ended June 30 (Unaudited)		Six-Month Period Ended June 30 (Unaudited)	
	2026	2025	**2026**	2025
Costs of purchased power	**₱6,891,145**	₱4,437,549	**₱11,778,891**	₱8,865,957
Depreciation and amortization (Notes 8, 9 and 10)	**1,128,823**	722,622	**2,171,306**	1,496,159
Fuel	**2,564**	99,634	**2,733**	190,651
Others				
Taxes and licenses	**215,859**	180,428	**375,255**	347,557
Repairs and maintenance	**136,175**	166,689	**288,117**	398,534
Salaries and directors' fees	**108,106**	91,889	**239,760**	187,921
Transmission costs	**78,386**	64,883	**133,549**	129,231
Insurance	**54,558**	91,339	**120,644**	153,949
Contractor's fee	**51,987**	49,097	**103,611**	94,446
Transportation and travel	**10,818**	6,420	**15,635**	11,136
Pension and other employee benefits	**9,885**	2,089	**13,686**	4,225
Filing fees	**5,875**	1,834	**13,199**	2,703
Communication	**5,318**	4,212	**8,762**	7,854
Rent	**1,179**	19,702	**2,655**	37,407
Others	**23,631**	15,991	**48,673**	39,086
	₱8,724,309	₱5,954,378	**₱15,316,476**	₱11,966,816

18. General and Administrative Expenses

This account consists of:

	Three-Month Period Ended June 30 (Unaudited)		Six-Month Period Ended June 30 (Unaudited)	
	2026	2025	**2026**	2025
Personnel costs, management, and professional fees				
Salaries and directors' fees	**₱867,413**	₱178,669	**₱1,295,605**	₱733,707
Management and professional fees	**247,347**	115,400	**458,848**	308,339
Retirement Cost	**47,921**	39,620	**98,259**	72,345
Provision for impairment - net of reversals (Notes 5, 6, 7, 8, 10 and 11)	**350,190**	3,059,025	**2,208,007**	3,584,745
Depreciation and amortization (Notes 8, 9 and 10)	**136,898**	199,959	**348,981**	361,750
Others				
Contractor's fee	**490,101**	71,391	**675,013**	137,517

	Three-Month Period Ended June 30 (Unaudited)		Six-Month Period Ended June 30 (Unaudited)	
	2026	2025	**2026**	2025
Taxes and licenses	**195,147**	88,340	**364,451**	263,441
Insurance, dues and subscriptions	**198,945**	2,182	**317,215**	39,749
Software, licenses and other IT cost	**68,008**	9,848	**172,643**	59,373
Transportation and travel	**33,517**	13,451	**70,655**	32,827
Rent	**23,575**	6,302	**63,386**	14,711
Corporate social responsibilities	**5,504**	40,706	**38,243**	46,915
Building maintenance and repairs	**25,245**	5,410	**35,564**	12,466
Meeting and conferences	**8,750**	15,801	**19,121**	26,098
Training and commitment fees	**9,554**	13,257	**19,042**	19,132
Office supplies	**5,674**	7,091	**11,990**	12,410
Communication	**4,025**	5,133	**9,327**	9,683
Advertisements	**1,056**	8,527	**6,732**	15,962
Others	**44,597**	20,636	**99,409**	34,599
	₱2,763,467	₱3,900,748	**₱6,312,491**	₱5,785,769

19. Interest and Other Finance Charges

This account consists of:

	Three-Month Period Ended June 30 (Unaudited)		Six-Month Period Ended June 30 (Unaudited)	
	2026	2025	**2026**	2025
Interest expense on:				
Long-term loans (Note 13)	**₱1,776,389**	₱1,182,658	**₱3,494,283**	₱2,351,111
Notes payable (Note 13)	**393,437**	374,718	**780,333**	757,484
Short-term loans (Note 13)	**120,332**	108,427	**190,823**	181,637
Lease obligations (Note 9)	**11,996**	111,020	**259,361**	207,483
Amortization of debt issue cost (Note 13)	**43,935**	37,960	**110,540**	83,596
Bank charges and interest expense on asset retirement obligation	**31,848**	40,131	**143,423**	100,739
	2,377,937	1,854,914	**4,978,763**	3,682,050
Capitalized interest (Note 8)	**593,537**	678,412	**1,072,601**	1,364,242
	₱1,784,400	₱1,176,502	**₱3,906,162**	₱2,317,808

20. Interest and Other Financial Income, and Other Income - Net

Interest and Other Financial Income

Interest and other financial income arise from cash in banks and short-term deposits, investments in redeemable preferred shares, convertible loans, bridge financing (debt replacement), development loans and other loans and advances extended to related and third parties.

The details of interest and other financial income follows:

	Three-Month Period Ended June 30 (Unaudited)		Six-Month Period Ended June 30 (Unaudited)	
	2026	2025	**2026**	2025
Interest income on:				
Cash in banks and short-term deposits (Notes 4 and 11)	**₱92,719**	₱180,254	**₱269,791**	₱376,504
Accounts and notes receivables (Note 5)				
Development loans	**135,734**	92,808	**259,539**	180,800
Bridge financing	**71,017**	458,033	**207,222**	1,093,174
Accounts and other receivable	**4,649**	15,035	**50,270**	35,663
Other loans	**311,310**	110,423	**511,710**	194,389
Investments in redeemable preferred shares and convertible loans (Note 7)				
Redeemable preferred shares	**518,872**	501,075	**1,007,337**	1,017,011
Convertible loans	**69,654**	154,091	**249,384**	311,969
	₱1,203,955	₱1,511,719	**₱2,555,253**	₱3,209,510

Other Income

Other income account consists of:

	Three-Month Period Ended June 30 (Unaudited)		Six-Month Period Ended June 30 (Unaudited)	
	2026	2025	**2026**	2025
Remeasurement gain on investments (Note 24)	**₱–**	₱–	**₱1,814,465**	₱–
Loss on disposal of investment - net	**–**	(89,611)	**(204,696)**	(89,611)
Other income				
Foreign exchange gain (loss) - net	**305,351**	14,095	**433,406**	(61,166)
Tolling fee	**76,838**	21,019	**146,995**	138,034
Gain on withdrawal of financial assets at FVTPL	**26,666**	32,544	**60,183**	91,680
Guarantee fee income	**17,702**	44,558	**38,489**	90,705
Gain (loss) on settlement of derivatives	**13,950**	(196,855)	**17,480**	**(265,836)**
Fair value adjustment on financial assets at FVTPL	**(13,473)**	1,142	**1,694**	(50,228)
Gain (loss) on sale of property, plant and equipment	**(14,392)**	(3)	**(14,388)**	60
Discount on long-term receivables	**–**	–	**(31,526)**	–
Gain from loan assignment	–	27,186	**–**	27,186
Liquidated damages	–	–	**–**	234,840
Others	**35,283**	72,869	**17,099**	174,522
	₱447,925	(₱73,056)	**₱2,279,201**	₱290,186

Loss on disposal of investment – net

Restructuring of investment in ACEN C&I Asia HK Limited Group (ACEN C&I Asia)
On January 12, 2026, ACRI and ACEN C&I HK Limited (ACEN C&I) executed share transfer agreements for the transfer of ACRI's 10,000,000 common shares in ACEN C&I Asia, equivalent to its 50% direct ownership interest, to ACEN C&I for a total consideration of US$1. The share transfer was completed upon registration with, and acknowledgement by, the Hong Kong Companies Registry, including the payment of the applicable stamp duties, on February 2, 2026.

Prior to the share transfer, ACRI's investment in ACEN C&I Asia is accounted for as an investment in joint venture using the equity method. As of December 31, 2025, the fair value of ACEN C&I Asia's common shares is nil. As a result of the share transfer, the Group's effective ownership interest in ACEN C&I Asia decreased from 87.50% to 75%.

The carrying value of the Group's investment in ACEN C&I Asia's common shares prior to the share transfer amounted to ₱204.70 million (US$3.52 million). The disposal resulted to a loss on disposal of investment amounting to ₱204.70 million (US$3.52 million) included under "Other income – net" in the unaudited interim condensed consolidated statement of income for the six-month period ended June 30, 2026.

21. Income Taxes

Provision for (benefit from) income tax consists of:

	Three-Month Period Ended June 30 (Unaudited)		**Six-Month Period Ended June 30 (Unaudited)**	
	2026	2025	**2026**	2025
Current				
Minimum corporate income tax	**₱55,030**	₱44,718	**₱107,725**	₱72,235
Regular corporate income tax	**94,883**	89,606	**134,794**	103,413
Final income tax	**13,448**	18,698	**30,476**	41,796
Deferred	**(322,109)**	(547,956)	**(153,763)**	(710,122)
	(₱158,748)	(₱394,934)	**₱119,232**	(₱492,678)

Net deferred tax liabilities amounted to ₱690.92 million and ₱551.19 million as at June 30, 2026 and December 31, 2025, respectively.

Net deferred tax assets amounted to ₱3,486.69 million and ₱3,085.55 million as at June 30, 2026 and December 31, 2025, respectively

22. Related Party Transactions

Parties are related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence, which include affiliates. Related parties may be individual or corporate entities.

In the ordinary course of business, the Group transacts with its associates, affiliates, jointly controlled entities, and other related parties on advances, loans, reimbursement of expenses, office space rentals, management service agreements, electricity supply, and others.

ACEN served as the guarantor for the US$400.00 million senior undated fixed-for-life (non-deferrable) Notes with a fixed coupon of 4.00% for life, with no step-up and no reset, priced at par, issued by ACEN Finance Limited on September 8, 2021, under its medium-term note (MTN) Programme. Proceeds were used to finance or refinance, in whole or in part, new or existing Eligible Green Projects in accordance with ACEN's Green Bond Framework.

The related party balances as at June 30, 2026 and December 31, 2025, and transactions for the six-month periods ended June 30, 2026 and 2025, follows:

a. Transactions with ACEIC, the intermediate parent company

	Amount/Volume		Outstanding Balance Receivable (Payable)		Terms/Conditions
Nature	**June 30, 2026 (Unaudited)**	June 30, 2025 (Unaudited)	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)	
Management fee income	**₱33,364**	₱3,597	**₱–**	₱56,359	No impairment
Management fee (expense) (Note 12)	**(1,447)**	(286)	**(17,015)**	(16,903)	Non-interest bearing; due and demandable
Net released obligation due to employee transfers	**–**	–	**193,492**	163,632	Non-interest bearing; due and demandable
Due from related parties	**–**	–	**545**	844	Non-interest bearing; due and demandable
Due to related parties (Note 12)	**–**	**–**	**(80,849)**	(77,967)	Non-interest bearing; due and demandable
Dividends declared	**1,164,879**	1,149,554	**–**	**–**	Non-interest bearing; due and demandable

b. Notes Receivables

	Amount/Volume		Outstanding Balance Receivable (Payable)		Terms/Conditions
Related Party	**June 30, 2026 (Unaudited)**	June 30, 2025 (Unaudited)	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)	
Development loans (Note 5)					
Joint Ventures					
UPC Power	**₱172,538**	₱413,644	**₱2,309,326**	₱2,047,291	Payable in 2028; interest bearing; unsecured; no impairment
UPC-ACE Solar	**–**	2,112	**909,140**	859,036	Due in 2029; interest bearing; unsecured; with impairment

	Amount/Volume		Outstanding Balance Receivable (Payable)		Terms/Conditions
Related Party	**June 30, 2026 (Unaudited)**	June 30, 2025 (Unaudited)	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)	
PT Dewata	**–**	–	**47,514**	45,524	Due in 2025 but extended to 2027; interest bearing; no impairment. The loan is secured with a share charge by the Sponsor (PT Dewata Megaenergi) in favor of ACEN Indonesia over 100% of its Common Shares in LandCo Kutai
ACEN-Silverwolf	**11,045**	4,505	**11,045**	–	Due in 2028; interest bearing; unsecured; no impairment
Affiliate					
Yoma	**–**	–	**1,670,811**	1,599,380	Due in 2033; interest bearing; guaranteed by Yoma Strategic Holdings Ltd; no impairment
	₱183,583	₱420,261	**₱4,947,836**	₱4,551,231	
Bridge Financing (Note 5)					
Associate					
BIMRE	**₱ –**	₱ –	**₱ –**	₱3,033,564	Due in 2026 along with principal
Joint Ventures					
Asian Wind 1	–	–	**1,631,562**	1,563,226	Due in 2035; interest bearing; unsecured; no impairment
Asian Wind 2	–	–	**1,214,299**	1,179,621	Due 2035; interest bearing; unsecured; no impairment
ACEN C&I Asia	–	–	**1,022,810**	979,971	Due and demandable; interest bearing; unsecured; no impairment
Lac Hoa	–	116,137	**–**	1,145,332	Due in 2031; interest bearing; with impairment. The loan is secured by an Equity Interest Mortgage Agreement. Lac Hoa was consolidated to the Group beginning March 31, 2026.
Hoa Dong	–	116,137	**–**	1,064,996	Due in 2031; interest bearing; with impairment. The loan is secured by an Equity Interest Mortgage Agreement. Hoa Dong was consolidated to the Group beginning March 31, 2026.
VWEL	**–**	–	**–**	290,230	Due in 2042; interest bearing; unsecured; with impairment. VWEL was consolidated to the Group beginning March 31, 2026.
	₱ –	₱232,274	**₱3,868,671**	₱9,256,940	
Other Loans					
Associates					
CI GMF	**₱154,754**	₱383,973	**₱747,683**	₱563,720	Payable at the option of the lender; interest bearing; unsecured; no impairment
UPC Renewables India	**343,225**	–	**343,225**	**–**	Due in 2045; unsecured, unlisted, redeemable optionally, convertible debentures; interest bearing; no impairment
Solar NT	**48,106**	–	**78,172**	28,807	Due in 2026 along with principal
Joint Ventures					
Yanara	**2,216,037**	50,599	**4,925,977**	2,730,820	Due in 20 years; interest bearing; unsecured; no impairment
AREC	**–**	200,000	**291,000**	300,000	Payable in installments until 2030; interest bearing; unsecured; no impairment

Related Party	Amount/Volume: June 30, 2026 (Unaudited)	Amount/Volume: June 30, 2025 (Unaudited)	Outstanding Balance Receivable (Payable): June 30, 2026 (Unaudited)	Outstanding Balance Receivable (Payable): December 31, 2025 (Audited)	Terms/Conditions
Infineum 4	–	–	**111,526**	111,526	Due in 2026; interest bearing; unsecured; no impairment
URH	–	68,481	–	2,280,855	Paid upon maturity; interest bearing; unsecured; no impairment URH was consolidated to the Group beginning February 4, 2026.
Lac Hoa	–	–	–	1,599,088	Due in 2040; interest bearing; unsecured; no impairment; Lac Hoa was consolidated to the Group beginning March 31, 2026
Hoa Dong	–	–	–	1,340,412	Due in 2040; interest bearing; unsecured; no impairment; Hoa Dong was consolidated to the Group beginning March 31, 2026
	₱2,762,122	₱703,053	**₱6,497,583**	₱8,955,228	

Except as indicated above, the movements in the notes receivable from related parties pertain to the revaluation of US$ denominated notes receivable to Philippine Peso for the six-month period ended June 30, 2026 and year ended December 31, 2025.

c. Interest Income and Receivable

This account consists of:

Related Party	Amount/Volume: June 30, 2026 (Unaudited)	Amount/Volume: June 30, 2025 (Unaudited)	Outstanding Balance Receivable (Payable): June 30, 2026 (Unaudited)	Outstanding Balance Receivable (Payable): December 31, 2025 (Audited)	Terms
Redeemable preferred shares	**₱1,007,337**	₱1,017,011	**₱5,977,364**	₱5,078,223	various dates
Convertible loans	**249,384**	311,969	**657,765**	1,998,737	various dates
	₱1,256,721	₱1,328,980	**₱6,635,129**	₱7,076,960	
Development loans (Note 5)					
Joint Ventures					
UPC-ACE Solar	**₱71,255**	₱52,372	**₱717,688**	₱584,297	various dates
UPC Power	**132,209**	77,947	**385,992**	240,340	various dates
ACEN-Silverwolf	**416**	868	**424**	–	various dates
Associate					
PT Dewata	**2,955**	2,549	**13,749**	10,277	various dates
Affiliate					
Yoma	**37,172**	35,023	**174,738**	132,601	various dates
	₱244,007	₱168,759	**₱1,292,591**	₱967,515	
Bridge Financing (Note 5**)**					
Associate					
BIMRE	**₱4,192**	₱–	**₱–**	₱22,440	various dates
Joint Ventures	–				
Asian Wind 1	**79,716**	75,929	**382,733**	288,541	various dates
ACEN C&I Asia	–	7,029	**164,579**	157,686	various dates
Asian Wind 2	**60,014**	57,297	**10,119**	20,207	various dates
Lac Hoa	**21,294**	305,427	–	976,181	various dates

	Amount/Volume		Outstanding Balance Receivable (Payable)		Terms
Related Party	**June 30, 2026 (Unaudited)**	June 30, 2025 (Unaudited)	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)	
Hoa Dong	**19,616**	267,815	**–**	802,444	various dates
VWEL	**22,390**	28,305	**–**	583,440	various dates
Greencore 3	**–**	351,372	**–**	–	30-day; non-interest bearing
	₱207,222	₱1,093,174	**₱557,431**	₱2,850,939	
Other Loans (Note 5**)**					
Associates					
CI GMF	**₱29,587**	₱611	**₱69,685**	₱37,409	various dates
Solar NT	**305**	–	**395**	71	various dates
Joint Ventures					
Yanara	**182,446**	–	**371,939**	190,479	30-day; non-interest bearing
Infineum 4	**7,126**	5,065	**31,440**	25,243	30-day; non-interest bearing
AREC	**11,765**	–	**4,368**	13,438	various dates
URH	**23,733**	46,638	–	186,122	30-day; non-interest bearing
Hoa Dong	**9,346**	–	–	5,257	various dates
Lac Hoa	**11,149**	–	–	4,407	various dates
BrightNight	–	34,500	–	–	various dates
	₱275,457	₱86,814	**₱477,827**	₱462,426	
Trade Receivables					
Affiliates	**₱722**	₱538	**₱242**	₱863	30-day; non-interest bearing

d. Loans Payable

	Amount/Volume		Outstanding Balance Receivable (Payable)		Terms
Related Party	**June 30, 2026 (Unaudited)**	June 30, 2025 (Unaudited)	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)	
Bank of the Philippine Islands (BPI)					
Amortization of debt issue cost / Interest payable	**₱3,708**	₱3,560	**(₱14,761)**	(₱15,722)	30 days; unsecured
Long-term loans	**145,844**	153,271	**(6,417,797)**	(4,676,975)	10 years; interest bearing
PT ACENDI					
Long-term loans	**–**	**–**	**(6,532)**	(17,529)	2 years; interest bearing

e. Financial asset at FVTPL

	Amount/Volume		Outstanding Balance Receivable (Payable)		Terms
Related Party	**June 30, 2026 (Unaudited)**	June 30, 2025 (Unaudited)	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)	
BPI Wealth – A Trust Corporation (BPI Wealth)					
Peso	**₱2,722,900**	₱2,184,344	**₱1,016,096**	₱1,173,553	Redeemable (On Demand)
Foreign	**720,133**	4,542,915	**191,633**	239,128	Redeemable (On Demand)
Masaya Solar					
Foreign	**–**	–	**869,733**	744,873	28 years from allotment date
	₱3,443,033	₱6,727,259	**₱2,077,462**	₱2,157,554	

The Group holds investments in Unit Investment Trust Funds (UITFs) with BPI Wealth. For the six-month periods ended June 30, 2026 and 2025, the Group made additional subscriptions amounting to ₱3,443.03 million and ₱6,727.26 million, respectively. The Group also made withdrawals amounting to ₱3,705.86 million and ₱8,218.01 million for the six-month periods ended June 30, 2026 and 2025, respectively.

The Group subscribed to Compulsorily Convertible Debentures (CCDs) of Masaya Solar. For the six-month periods ended June 30, 2026 and 2025, the Group has no additional subscription to CCDs.

f. Right of Use Assets / Lease Liabilities

The Group entered into lease agreements with Ayala Land, Inc. (ALI) for the use of its office units and parking spaces. In 2024, the Group entered into lease agreements with AREIT Inc. (AREIT) for the use of land and easement rights and BPI Tokyo Century Rental Corporation (BPI TCR) for the use of vehicles.

	Amortization/Interest Expense		Right-of-use assets / (Lease Liabilities)		Terms
Related Party	**June 30, 2026 (Unaudited)**	June 30, 2025 (Unaudited)	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)	
ALI					
Right of use assets (Note 9)	**₱84,915**	₱87,144	**₱843,988**	₱928,904	10 years; unsecured
Lease liabilities (Note 9)	**39,768**	44,452	**(1,160,670)**	(1,219,700)	10 years; unsecured
AREIT, Inc.					
Right of use assets (Note 9)	**–**	–	**389,979**	398,555	25years; unsecured
Lease liabilities (Note 9)	**–**	–	**(6,302,755)**	(6,320,112)	25 years; unsecured
BPI TCR					
Right of use assets (Note 9)	**505**	505	**2,105**	2,611	2 years; unsecured
Lease liabilities (Note 9)	**89**	123	**(2,344)**	(2,836)	2 years; unsecured

g. Other Related Party Transactions

	Amount/ Volume		Outstanding Balance Receivable (Payable)		Terms
Nature	**June 30, 2026 (Unaudited)**	June 30, 2025 (Unaudited)	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)	
Management fee income	**₱182,344**	₱112,232	**₱1,017,100**	₱679,578	30-days; unsecured
Dividend income (Financial asset at FVOCI)	**261,968**	234,949	**–**	–	Non-interest bearing; due and demandable
Rental income	**8,554**	8,669	**1,212**	1,676	30-days; unsecured
Revenue from power supply contracts	**986,654**	761,882	**–**	–	30-days; unsecured
Cost of sale of electricity (Note 12)	**(507,907)**	(508,262)	**(176,671)**	(195,826)	30-days; unsecured
Due from related parties	**–**	–	**3,049,918**	2,665,689	On demand; unsecured
Due to related parties (Note 12)	**–**	–	**(3,246,791)**	(3,059,442)	On demand; unsecured

Management fee income pertains to service fees billed by the Group to its related parties under common control and to its joint ventures and associates for providing a full range of business process outsourcing services, such as, but not limited to, financial and general accounting/ bookkeeping services, human resources management, manpower related services and other related functions.

Rental income pertains to revenue from the sublease agreement with Ingrid for a parcel of land in Brgy. Malaya, Pililla,Rizal.

The Parent Company purchased the entire net electricity output of MGI.

Due from related parties mostly pertain to advances granted, including those for project development, and reimbursement of expenses. These are non-trade, interest-free, repayable on demand, and to be settled in cash.

Due to related parties pertain to advances availed, including those for development costs, utilities expenses, professional services and other miscellaneous expenses. These are non-trade, interest-free, repayable on demand, and to be settled in cash.

h. Receivables from Officers and Employees

Receivables from officers and employees amounting to ₱672.52 million and ₱675.55 million as at June 30, 2026 and December 31, 2025, respectively, pertain to housing, car, salary and other loans granted to the Group’s officers and employees.

i. Payables to Directors and Stockholders

	Amount /Volume		Outstanding Balance Receivable (Payable)		Terms
Nature	**June 30, 2026 (Unaudited)**	June 30, 2025 (Unaudited)	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)	
Accrued director's fee and annual incentives					
Directors' fee and annual incentives	**₱20,150**	₱20,092	**(₱200)**	(₱5,500)	On demand; unsecured
Due to stockholders					
Cash dividends	**1,796,532**	1,798,155	**(96,764)**	(13,156)	On demand; unsecured

Key Management Compensation
The compensation of the Group's key management personnel includes the following:

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Short-term employee benefits	**₱60,435**	₱66,441
Post-employment benefits	**598**	30,740
	₱61,033	₱97,181

AREIT's Declaration of Cash Dividends
On May 13, 2026, AREIT declared a regular cash dividend of ₱0.62 per common share for shareholders of record as of May 27, 2026. Dividend income of ₱123.45 million was received on June 11, 2026.

On February 20, 2026, AREIT declared a regular cash dividend of ₱0.62 per common share for shareholders of record as of March 5, 2026. Dividend income of ₱123.45 million was received on March 19, 2026.

On February 19, 2025, AREIT declared a regular cash dividend of ₱0.58 per common share for shareholders of record as of March 5, 2025. Dividend income of ₱115.48 million was received on March 21, 2025.

On May 13, 2025, AREIT declared a regular cash dividend of ₱0.58 per common share for shareholders of record as of May 27, 2025. Dividend income of ₱117.47 million was received on June 11, 2025.

Identification, Review and Approval of Related Party Transactions

All (1) SEC-defined material related party transactions, i.e., related party transaction/s, either individually or in aggregate over a twelve (12)-month period of the Group with the same related party, amounting to ten percent (10%) or higher of the Group's total consolidated assets based on its latest audited consolidated financial statements; and (2) any related party transaction/s that meet the threshold values approved by the Risk Management and Related Party Transactions Committee (the Committee), i.e., ₱50.00 million or five percent (5%) of the Group's total consolidated assets,

whichever is lower, shall be reviewed by the Committee and approved by the BOD before its commencement, except transactions that are explicitly excluded/exempted by the SEC and transactions delegated to management.

For SEC-defined material related party transactions, the approval shall be by at least 2/3 vote of the BOD, with at least a majority vote of the independent directors. In case that the vote of a majority of the independent directors is not secured, the material related party transactions may be ratified by the vote of the stockholders representing at least 2/3 of the outstanding capital stock.

23. Earnings Per Share

Basic and diluted earnings (loss) per share are computed as follows:

	Three-Month Period Ended June 30 (Unaudited)		Six-Month Period Ended June 30 (Unaudited)	
	2026	2025	**2026**	2025
	(In Thousands, Except for Number of Shares and Per Share Amounts)			
Net income (loss) attributable to equity holders of the Parent Company	**₱977,817**	(₱1,186,511)	**₱3,901,164**	₱763,040
Less cumulative preferred share dividends	**481,920**	481,920	**963,840**	963,840
(a) Net income (loss) attributable to common shareholders of the Parent Company	**495,897**	(₱1,668,431)	**2,937,324**	(₱200,800)
Common shares outstanding at beginning of period (Note 15)	**39,951,435,064**	39,677,394,773	**39,951,435,064**	39,677,394,773
(b) Weighted average common shares outstanding	**39,951,435,064**	39,677,394,773	**39,951,435,064**	39,677,394,773
Basic/Diluted earnings (loss) per share (a/b)	**₱0.01**	(₱0.04)	**₱0.07**	(₱0.01)

For the six-month periods ended June 30, 2026 and 2025, except for ESOWN, the Parent Company does not have any material potential common shares or other instruments that may entitle the holder to common shares. Consequently, diluted earnings (loss) per share is the same as basic earnings (loss) per share for the six-month periods ended June 30, 2026 and 2025.

24. Business Combinations

The Group has the following business combination transactions for the six-month period ended June 30, 2026:

Step acquisition by ACRI of Unlimited Renewables Holdings B.V. (URH)
On February 4, 2026, the Agreement for the Sale and Purchase of 50% of Issued Common A Shares in URH (the "Share Purchase Agreement"), executed on January 23, 2026 between UPC Renewables Asia Pacific Holdings Pte. Ltd., UPC India Pte. Ltd. (UPC India), UPC Solar Asia Pacific Limited,

ACEN International, Inc., ACRI, and URH for the acquisition by ACRI of UPC India's 50% ownership interest in URH, achieved financial close. This acquisition resulted to ACRI obtaining 100% ownership interest and control over URH. Prior to the acquisition, ACRI held 50% ownership interest in URH, accounted for as an investment in joint venture using the equity method and with a carrying value of nil as at the acquisition date.

Following the acquisition, URH, including its subsidiaries, becomes part of the Group's consolidated operations effective February 4, 2026, the acquisition date (date on which the Group obtained the power to direct the relevant activities of URH and became entitled or exposed to URH's results of operations).

Transaction price

The total consideration of the acquisition amounted to ₱1,796.91 million (US$31.16 million), broken-down as follows:

	In US$	In PHP
Initial cash consideration	US$20,000	₱1,153,300
Fair value of the contingent consideration (earnout)	11,161	643,613
Total consideration	US$31,161	₱1,796,913

The contingent consideration pertains to the Earnout Consideration Payments and Earnout Termination Payments (Earnout Consideration) to be paid in the manner, and subject to conditions, set out in the Share Purchase Agreement, including an Earnout Cap. The Earnout Consideration is linked to the future performance of URH's renewable energy projects, and is dependent on the achievement of specified project milestones or development profit realizations. The Group calculated the fair value of the Earnout Consideration and recognized a corresponding financial liability, which will be subsequently remeasured based on developments or updates on expectations of future outcomes. Changes will be recognized in profit or loss.

The transaction price represents the fair value of the interest acquired and was negotiated on an arm's length basis between unrelated, knowledgeable, willing, and able parties.

Previously held interest in URH

At acquisition date, the Group remeasured its previously held 50% ownership interest in URH to its fair value, resulting to a remeasurement gain of ₱1,813.93 million (US$31.16 million) recognized in the unaudited interim condensed consolidated statement of income for the six-month period ended June 30, 2026.

Purchase price allocation

The identifiable assets acquired and liabilities assumed were recognized at their provisional fair values at acquisition date, summarized below:

	Book Value		Fair Value	
	In US$	In PHP	In US$	In PHP
Assets				
Cash and cash equivalents	$16,714	₱963,790	$16,714	₱963,790
Accounts and notes receivable – current portion	29,113	1,678,796	29,113	1,678,796
Other current assets	8,258	476,219	8,258	476,219
Investment in associates	654	37,739	654	37,739
Property, plant and equipment	10,494	605,153	10,494	605,153
Right-of-use assets	4	214	4	214
Intangible assets	–	–	25,817	1,488,753
Accounts and notes receivable – net of current portion	2,654	152,998	2,654	152,998
Deferred income tax assets	16	934	16	934
	67,907	3,915,843	93,724	5,404,596
Liabilities				
Accounts payable and other current liabilities	43,167	2,489,214	43,167	2,489,214
Deferred tax liabilities	–	–	6,712	387,076
	43,167	2,489,214	49,879	2,876,290
Total identifiable net assets	24,740	1,426,629	43,845	2,528,306
Cumulative translation adjustment	–	–	–	16,920
Less non-controlling interests	(33,186)	(1,913,677)	(27,448)	(1,582,668)
Total identifiable net assets attributable to the Parent	($8,446)	(₱487,048)	$16,397	₱962,558

The intangible assets recognized pertain to the long-term power purchase agreements (PPAs) held by certain URH subsidiaries. These PPAs were measured based on the present value of expected future cash flows over the remaining contractual terms, using project-specific assumptions on generation, tariffs, and discount rates. Appropriate charges for contributory assets that are required to generate the related cash flows were considered in the valuation. These intangible assets were recognized separately from goodwill.

Non-controlling interests represent ownership interests held by minority shareholders in certain URH subsidiaries and the redeemable preferred shares issued to ACEN International. These were measured at fair value at acquisition date.

Goodwill arising from the acquisition is determined as follows:

	In US$	In PHP
Total consideration	$31,161	₱1,796,913
Fair value of previously held interest	31,161	1,813,928
Total	62,322	3,610,841
Less: identifiable net assets attributable to the Parent	(16,397)	(962,558)
Goodwill	$45,925	₱2,648,283

The goodwill recognized is primarily attributable to synergies expected from integrating URH's renewable energy development pipeline into the Group's international portfolio and future economic benefits arising from assets and opportunities that are not qualified for separate recognition. Goodwill is allocated at the URH platform level, which represents a single cash-generating unit. The goodwill is tested for impairment annually or whenever indicators of impairment arise.

The purchase price allocation has been prepared on a preliminary basis as at the acquisition date. Certain information necessary to finalize the fair values of identifiable assets acquired and liabilities assumed, including the completion of detailed valuations and the finalization of underlying assumptions for certain assets and contingent consideration, were not yet available as at the reporting date. Accordingly, the provisional amounts recognized may be adjusted as the information becomes available, detailed valuations are completed, underlying assumptions are finalized, and additional information about facts and circumstances that existed at the acquisition date becomes available. Any such adjustments will be recognized retrospectively.

Obtaining Control by ACEN Vietnam Investments 2 Pte. Ltd. (ACEV2) of Vietnam Wind Energy Limited (VWEL)
On March 27, 2026, ACEV2, UPC Vietnam (HK) Limited (UPCV), VWEL and UPC APAC Holdings Pte. Ltd. entered into a binding term sheet for the acquisition by ACEV2 of the 9,000 common shares of VWEL, representing 45% ownership interest, held by UPCV for a total consideration of US$9,000, subject to the fulfillment of certain regulatory and closing conditions.

On March 31, 2026, ACEV2 obtained control over VWEL following the execution of the Irrevocable Appointment of Proxy and Power of Attorney (the "Irrevocable Proxy") between UPCV and ACEV2, where UPCV granted ACEV2 the exclusive right to appear, vote and otherwise act in its capacity, and with the same powers, over its 45% common shareholdings in VWEL at any and all meetings of, including on all matters submitted to, the shareholders of VWEL. The Irrevocable Proxy is coupled with an interest and may only be revoked with the written consent by ACEV2 or terminate upon the completion of the acquisition by ACEV2 of the 9,000 common shares of VWEL held by UPCV. The execution of the Irrevocable Proxy resulted to the increase of ACEV2's voting rights in VWEL to 95% from 50%, accounted for as an investment in joint venture and with a carrying value of nil as at June 30, 2026.

Upon the execution of the Irrevocable Proxy, the Group obtained the ability to direct the relevant activities of VWEL and became exposed to, and able to influence, variable returns of VWEL. Accordingly, VWEL, including its subsidiaries, were consolidated to the Group effective March 31, 2026.

Transaction price

The total consideration of the acquisition of shares amounted to US$9,000, which will be paid on financial close upon the satisfaction of the completion conditions. Accordingly, the Group has not transferred any consideration when it obtained control of VWEL.

The transaction price represents the fair value of the interest acquired and was negotiated on an arm's length basis between unrelated, knowledgeable, willing, and able parties.

Previously held interest in VWEL

On March 31, 2026, the Group remeasured its previously held 50% ownership interest in VWEL to its fair value, resulting to a remeasurement gain of ₱0.54 million (US$9,000) recognized in the unaudited interim condensed consolidated statement of income for the six-month period ended June 30, 2026.

Purchase price allocation

The identifiable assets acquired and liabilities assumed were recognized at their provisional fair values as at March 31, 2026 (date control was obtained), summarized below:

	Book Value		Fair Value	
	In US$	In PHP	In US$	In PHP
Assets				
Cash and cash equivalents	$2,673	₱162,384	$2,673	₱162,384
Accounts and notes receivable – current portion	7,096	431,078	7,096	431,078
Property, plant and equipment	67,980	4,129,638	65,091	3,954,172
Right-of-use assets	909	55,241	909	55,241
Intangible assets	–	–	3,595	218,415
Other noncurrent assets	72	4,374	74	4,373
	78,730	4,782,715	79,438	4,825,663
Liabilities				
Accounts payable and other current liabilities	2,236	135,829	2,236	135,829
Current portion of lease liabilities	4	268	4	268
Long-term loans	49,644	3,015,760	49,644	3,015,760
Deferred tax liabilities	–	–	187	11,344
Other noncurrent liabilities	7,047	428,079	7,047	428,079
	58,931	3,579,936	59,118	3,591,280
Net identifiable assets at fair value	$19,799	₱1,202,779	$20,320	₱1,234,383

The provisional fair values include (i) adjustments to property, plant and equipment to reflect current estimated replacement values, and (ii) recognition of intangible assets arising from the long-term power purchase agreements (PPAs) of Lac Hoa and Hoa Dong wind projects. These PPAs were measured based on the present value of expected future cash flows over the remaining contractual terms, taking into account expected generation, contractual tariffs, contributory asset charges, and project-specific discount rates. These intangible assets arising from the PPAs were recognized separately from goodwill.

Non-controlling interests represent the value of UPCV's equity interest in VWEL following the execution of the Irrevocable Proxy and ACEV2's obtaining control of VWEL. These were measured at fair value as at March 31, 2026 amounting to ₱0.67 million (US$0.01 million).

Goodwill arising from the acquisition was determined as follows:

	In US$	In PHP
Intercompany receivable between ACEV2 and VWEL	$20,949	₱1,271,841
Fair value of previously held interest	9	537
Total deemed consideration	20,958	1,272,378
Add non-controlling interests	10	607
Less identifiable net assets at fair value	(20,320)	(1,234,383)
Goodwill	$648	₱38,602

The goodwill recognized is primarily attributable to anticipated synergies and strategic and other future economic benefits arising from the consolidation of VWEL to the Group that are not qualified for separate recognition.

Impairment of Goodwill
Following an assessment on the recoverability of the goodwill recognized, management determined that it is not recoverable due to the current energy regulatory environment in Vietnam affecting the VWEL group. Consequently, the Group fully impaired the goodwill and recognized a provision for impairment loss of ₱38.60 million (US$0.65 million) in the unaudited interim condensed consolidated statement of income for the six-month period ended June 30, 2026 (see Note 10).

The purchase price allocation has been prepared on a preliminary basis as at the date control was obtained. Certain information necessary to finalize the fair values of identifiable assets acquired and liabilities assumed, including the completion of detailed valuations and the finalization of underlying assumptions for certain assets and obligations, were not yet available as at the reporting date. Accordingly, the provisional amounts recognized may be adjusted as the information becomes available, detailed valuations are completed, underlying assumptions are finalized, and additional information about facts and circumstances that existed at the date control was obtained becomes available. Any such adjustments will be recognized retrospectively.

25. Financial Risk Management Objectives and Policies

Objectives and Investment Policies

The funds of the entities are held directly by the Group and are managed by the Corporate Finance and Treasury Group (CFT).

All cash investments of the Group are carried and governed by the following principles, stated in order of importance:

- Preservation of invested cash;
- Liquidity of invested cash; and
- Yield on invested cash.

The preservation of principal and the maintenance of investments in liquid instruments shall take precedence over yield.

The CFT manages the funds of the Group and invests them in highly liquid instruments such as short-term deposits, marketable instruments, corporate promissory notes and bonds, government bonds, and trust funds denominated in Philippine peso and U.S. dollar. It is responsible for the sound and prudent management of the Group's financial assets that finance the Group's operations and investments in enterprises.

CFT focuses on the following major risks that may affect its transactions:
- Foreign exchange risk
- Credit or counterparty risk
- Liquidity risk
- Interest rate risk

The Corporate Planning and Investor Relations (CPIR) group focuses on the following major risks that may affect its transactions:
- Market risk
- Equity price risk

The Commercial Operations (CO) group focuses on commodity price risk.

Professional competence, prudence, clear and strong separation of office functions, due diligence and the use of risk management tools are exercised at all times in the handling of the funds of the Group.

Risk Management Process

Foreign Exchange Risk
The Group defines its foreign exchange risk as the risk of realizing reduced operating cash flows and/or increasing the volatility of future earnings from movements in foreign exchange. The risk is measured based on potential downside impact of market volatility to operating cash flows and target earnings.

Foreign exchange risk is generally managed in accordance with the Natural Hedge principle and further evaluated through:
- Continual monitoring of global and domestic political and economic environments that have impact on foreign exchange;
- Regular discussions with banks to get multiple perspectives on currency trends/forecasts; and
- Constant updating of the foreign currency holdings gains and losses to ensure prompt decisions if the need arises.

In the event that a Natural Hedge is not apparent, the Group endeavors to actively manage its open foreign currency exposures through:
- Trading by spot conversions; or
- Entering into derivative forward transactions on a deliverable or non-deliverable basis to protect values.

Cash flow hedges
The Group manages its foreign exchange risk by hedging future cash flows that are expected to occur within the next twelve (12) months.

On August 1, 2024, the Group entered into a cross-currency swap agreement to hedge its exposure to variable cash flows due to foreign exchange movements on its US$54.86 million loan due to mature in 2029 (see Note 13). There is an economic relationship between the hedged item and the hedging instrument as the terms of the foreign currency-denominated fixed-rate loan match the terms of the cross-currency swap (i.e., notional amount, maturity, payment dates).

On December 16, 2024, the Group entered into a forward currency contract with a notional amount of ₱1,000.00 million to hedge its exposure to variability in future cash flows due to foreign exchange movements on its highly probable forecasted EPC payments.

The Group has established a hedge ratio of 1:1 or 100% for its hedging relationships as the underlying risk of the cross-currency swap and forward currency contracts is identical to the hedged risk components. In assessing the hedge effectiveness, the Group uses the hypothetical derivative method and compares the changes in the fair value of the hedging instrument against the changes in fair value of the hedged item attributable to the hedged risk.

The Group's significant foreign currency-denominated financial assets and financial liabilities as at June 30, 2026 and December 31, 2025 follows:

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
	U.S. Dollar (US$)	U.S. Dollar (US$)
Financial Assets		
Cash and cash equivalents	**$169,769**	$161,001
Other receivables	**392,493**	497,707
	562,262	658,708
Financial Liabilities		
Accounts payable and other current liabilities	**(187,177)**	(228,026)
Short-term loans	**(30,000)**	(91,000)
Notes payable and long-term loans	**(1,956,123)**	(1,702,076)
	(2,173,300)	(2,021,102)
Net foreign currency-denominated liabilities	**(1,611,038)**	($1,362,394)
Peso equivalent	**(₱98,642,246)**	(₱80,115,579)

In translating foreign currency-denominated financial assets and financial liabilities into Philippine Peso amounts, the exchange rates used were ₱61.23 to US$1.00 as at June 30, 2026 and ₱58.81 to US$1.00 as at December 31, 2025.

With all other variables held constant, the following tables demonstrate the sensitivity to reasonably possible changes in the exchange rate of the Group's profit before tax (due to the changes in the fair value of monetary assets and liabilities) in periods presented. The possible changes are based on the survey conducted by management among its banks. There is no impact on the Group's equity other than those already affecting the profit or loss. The effect on profit before tax already includes the impact of derivatives.

Pertinent Period	Increase (Decrease) in Foreign Exchange Rate	US$
June 30, 2026 (Unaudited)	**(₱0.50)**	**805,519**
	(1.00)	**1,611,038**
	0.50	**(805,519)**
	1.00	**(1,611,038)**
December 31, 2025 (Audited)	(₱0.50)	681,197
	(1.00)	1,362,394
	0.50	(681,197)
	1.00	(1,362,394)

For subsidiaries with functional currency in US$, their financial assets and financial liabilities are translated into Philippine peso, the presentation currency of the Group, using the closing exchange rate prevailing at the reporting date, and respective income and expenses at the average rate for the period. These include the assets and liabilities of ACRI and its subsidiaries, composed of dollar denominated investments in associates and joint ventures, accounts and other payables, and notes payable with US$ functional currency. These were translated into the presentation currency of the Group using the closing foreign exchange rate prevailing at the reporting date, and the respective income and expenses at the average rate for the period. Assets and liabilities of ACEN Cayman Limited and ACEN Finance Limited, which are in US$ functional currency, were likewise translated to the Group's presentation currency.

The exchange differences arising on the translations are recognized in other comprehensive income under "Cumulative Translation Adjustments". The carrying amounts follows:

	June 30, 2026 (Unaudited)	
	PHP	**US$**
Cash and cash equivalents	**₱8,820,412**	**$143,749**
Receivables	**23,382,955**	**381,078**
Investments in:		
Associates and joint ventures	**28,738,611**	**468,361**
Redeemable preferred shares and convertible loans	**20,207,609**	**329,329**
Financial asset at FVTPL	**7,868,800**	**128,240**
	89,018,387	**1,450,757**
Accounts payable and other current liabilities	**11,413,840**	**186,014**
Short-term loans	**1,840,800**	**30,000**
Notes payable	**106,400,256**	**1,734,033**
	119,654,896	**1,950,047**
Net foreign currency position	**(₱30,636,509)**	**($499,290)**

	December 31, 2025 (Audited)	
	PHP	US$
Cash and cash equivalents	₱7,755,532	$131,919
Receivables	26,206,382	445,763
Investments in:		
Associates and joint ventures	27,578,244	469,098
Redeemable preferred shares and convertible loans	20,050,761	341,057
Financial asset at FVTPL	5,362,002	91,206

	December 31, 2025 (Audited)	
	PHP	US$
	86,952,921	1,479,043
Accounts payable and other current liabilities	13,395,604	227,855
Short-term loans	5,349,890	91,000
Notes payable	90,381,842	1,537,367
	109,127,336	1,856,222
Net foreign currency position	(₱22,174,415)	($377,179)

The following are the sensitivity rates used in reporting foreign currency risk internally to key management personnel. The sensitivity rates represent management's assessment of the impact of reasonably possible changes in foreign exchange rates to financial instruments.

		Increase (decrease) in Peso per foreign currency	**Effect on other comprehensive income**
June 30, 2026	**US$**	**($0.50)**	**249,645**
(Unaudited)		**(1.00)**	**499,290**
		0.50	**(249,645)**
		1.00	**(499,290)**
December 31, 2025	US$	($0.50)	188,590
(Audited)		(1.00)	377,179
		0.50	(188,590)
		1.00	(377,179)

Credit or Counterparty Risk
The Group defines credit or counterparty risk as the risk of sustaining a loss resulting from a counterparty's default to a transaction entered with the Group.

Credit or counterparty risk is managed through the following:

- Investments are coursed through or transacted with duly accredited domestic and foreign banks subject to investment limits per counterparty as approved by the BOD.
- Discussions are made on every major investment by CFT before it is executed subject to the Group Chief Financial Officer's (CFO) approval. Exposure limits are tracked for every transaction and CFT Finance Managers supervise major transaction executions.
- Market and portfolio reviews are done at least once a week and as often as necessary should market conditions require. Monthly reports are given to the Group CFO with updates in between these reports as needed.
- A custodian bank for Philippine peso instruments and foreign currency instruments has been appointed based on its track record on such service and the bank's financial competence.

With respect to credit risk arising from the receivables of the Group, its exposures arise from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

With respect to credit risk arising from the other financial assets of the Group, which comprise cash and cash equivalents, short-term investments, financial assets at FVOCI and derivative instruments, the Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

The Group's assessments of the credit quality of its financial assets are as follows:

- Cash and cash equivalents, short-term investments and derivative assets were assessed as high grade since these are deposited in or transacted with reputable banks, which have low probability of insolvency.
- Listed and unlisted financial assets at FVOCI were assessed as high grade since these are investments in instruments that have a recognized foreign or local third-party rating or instruments which carry guaranty or collateral.

There are no significant concentrations of credit risk within the Group.

Maximum exposure to credit risk of financial assets not subject to impairment
The gross carrying amount of financial assets not subject to impairment follows:

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Financial assets at FVTPL	**₱2,077,462**	₱2,157,554
Financial assets at FVOCI	**17,338,672**	13,279,340
Derivative asset	**5,831,347**	5,929,926

Maximum exposure to credit risk of financial assets subject to impairment
The gross carrying amount of financial assets subject to impairment follows:

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Financial Assets at Amortized Cost (Portfolio 1)		
Cash and cash equivalents	**₱20,221,978**	₱18,358,434
Short-term investments	**938,400**	161,673
Under "Receivables" account		
Current:		
Trade receivables	**7,710,447**	5,425,832
Due from related parties	**13,258,110**	16,307,689
Others	**6,343,525**	3,030,064
Noncurrent:		
Trade receivables	**1,795,006**	1,501,278
Due from related parties	**13,442,874**	15,334,734
Receivables from third parties	**3,934,067**	2,971,648
Redeemable preferred shares and convertible loans	**20,207,609**	20,050,761
Under "Other Noncurrent Assets" account		
Deposits	**192,109**	185,950
	₱88,044,125	₱83,328,063

The Group's maximum exposure to credit risk follows:

	June 30, 2026 (Unaudited)				
		Lifetime ECL			
Grade	**12-month Stage 1**	**Stage 2**	**Stage 3**	**Simplified Approach**	**Total**
High	**₱80,761,877**	**₱–**	**₱–**	**₱–**	**₱80,761,877**
Standard	**–**	**–**	**–**	**9,505,453**	**9,505,453**
Substandard	**–**	**–**	**–**	**–**	**–**
Default	**–**	**–**	**–**	**–**	**–**
Gross carrying amount	**80,761,877**	**–**	**–**	**9,505,453**	**90,267,330**
Less loss allowance	**1,626,828**	**–**	**–**	**596,377**	**2,223,205**
Carrying amount	**₱79,135,049**	**₱–**	**₱–**	**₱8,909,076**	**₱88,044,125**

	December 31, 2025 (Audited)				
		Lifetime ECL			
Grade	12-month Stage 1	Stage 2	Stage 3	Simplified Approach	Total
High	₱82,998,853	₱–	₱–	₱–	₱82,998,853
Standard	–	–	–	6,927,110	6,927,110
Substandard	–	–	–	–	–
Default	–	–	–	–	–
Gross carrying amount	82,998,853	–	–	6,927,110	89,925,963
Less loss allowance	6,447,703	–	–	150,197	6,597,900
Carrying amount	₱76,551,150	₱–	₱–	₱6,776,913	₱83,328,063

The Group uses the following criteria to rate credit risk as to grade:

Grade	Description
High	Accounts with very low credit risk
Standard	Accounts with moderate credit risk
Substandard	Accounts with higher credit risk
Default	Accounts considered credit-impaired

Simplified Approach
Set out below is the information on the credit risk exposure of the Group's trade receivables using simplified approach (provision matrix) as at June 30, 2026 and December 31, 2025:

	June 30, 2026 (Unaudited)					
		Days Due				
	Current	**<30 days**	**30-60 days**	**61-90 days**	**>91 days**	**Total**
Expected credit loss rate	**0.55%**	**1.95%**	**3.81%**	**1.14%**	**8.18%**	
Estimated total gross carrying amount at default	**₱1,974,699**	**₱437,736**	**₱38,593**	**₱18,334**	**₱7,036,091**	**₱9,505,453**
Expected credit loss	**₱10,771**	**₱8,516**	**₱1,469**	**₱209**	**₱575,412**	**₱596,377**

	December 31, 2025 (Audited)					
		Days Due				
	Current	<30 days	30-60 days	61-90 days	>91 days	Total
Expected credit loss rate	0.55%	1.95%	3.81%	1.14%	2.90%	
Estimated total gross carrying amount at default	₱1,974,699	₱437,736	₱38,593	₱18,334	₱4,457,748	₱6,927,110
Expected credit loss	₱10,771	₱8,516	₱1,469	₱209	₱129,232	₱150,197

Liquidity Risk

Liquidity risk is defined as the risk that the Group may not be able to settle or meet its obligations on time or at a reasonable price.

Liquidity risk is managed through:

- Asset and Liability Management principle. Short-term assets are used to fund short-term liabilities while major investments, capital expenditures and long-term assets are funded by long-term liabilities.
- Detailed cash flow forecasting and continuous monitoring of the weekly and monthly cash flows as well as frequent updates of the annual plans of the Group.
- Investment maturities being spread on a weekly, monthly, and annual basis as indicated in the Group's plans. Average duration of investments does not exceed one (1) year.
- Setting up working capital lines to address unforeseen cash requirements that may cause pressure to liquidity.

	June 30, 2026 (Unaudited)					
	On Demand	**Less than 3 Months**	**3 to 12 Months**	**More than 1 Year to 5 Years**	**More than 5 Years**	**Total**
Accounts payable and other current liabilities:						
Trade and nontrade accounts payable	**₱2,473,866**	**₱2,525,815**	**₱112,493**	**₱2,508**	**₱–**	**₱5,114,682**
Retention payable	**234,820**	**38,062**	**187,040**	**65,778**	**–**	**525,700**
Accrued expenses	**709,514**	**1,917,659**	**15,527**	**–**	**–**	**2,642,700**
Accrued interest	**–**	**1,237,455**	**467,927**	**–**	**–**	**1,705,382**
Due to related parties	**–**	**1,994,783**	**1,526,543**	**–**	**–**	**3,521,326**
Others	**–**	**–**	**349,963**	**361,907**	**417,870**	**1,129,740**
Derivative liability	**–**	**–**	**–**	**280,348**	**–**	**280,348**
Short-term loans	**–**	**12,926,911**	**936,632**	**–**	**–**	**13,863,543**
Due to stockholders	**96,764**	**–**	**–**	**–**	**–**	**96,764**
Lease liabilities [1]	**–**	**344,549**	**1,055,075**	**4,163,793**	**32,570,536**	**38,133,953**
Long-term loans [2]	**–**	**10,782,145**	**11,428,481**	**44,506,612**	**93,365,126**	**160,082,364**
Notes payable[2]	**–**	**–**	**–**	**–**	**35,269,949**	**35,269,949**
Other noncurrent liabilities [3]	**–**	**–**	**–**	**6,982,146**	**4,000**	**6,986,146**
	₱3,514,964	**₱31,767,379**	**₱16,079,681**	**₱56,363,092**	**₱161,627,481**	**₱269,352,597**

[1] *Gross contractual payments.*
[2] *Including contractual interest payments.*
[3] *Excluding contract liabilities.*

	December 31, 2025 (Audited)					
	On Demand	Less than 3 Months	3 to 12 Months	More than 1 Year to 5 Years	More than 5 Years	Total
Accounts payable and other current liabilities:						
Trade and nontrade accounts payable	₱2,930,616	₱959,884	₱155,289	₱2,573	₱–	₱4,048,362
Retention payable	209,467	150	282,574	58,714	–	550,905
Accrued expenses [1]	1,221,486	815,568	85,651	–	–	2,122,705
Accrued interest	–	581,310	981,569	–	–	1,562,879
Due to related parties	–	991,280	2,358,858	15	–	3,350,153
Others	–	–	200,926	20	736,554	937,500
Derivative Liability	–	4,774	–	177,484	–	182,258
Short-term loans	–	10,970,201	920,108	–	–	11,890,309
Due to stockholders	13,156	–	–	–	–	13,156
Lease liabilities [1]	–	185,792	2,264,612	3,772,007	24,066,834	30,289,245
Long-term loans [2]	–	3,526,172	18,377,039	40,448,106	72,750,021	135,101,338
Notes payable	–	–	–	34,586,803	–	34,586,803
Other noncurrent liabilities [3]	–	–	–	5,970,724	–	5,970,724
	₱4,374,725	₱18,035,131	₱25,626,626	₱85,016,446	₱97,553,409	₱230,606,337

[1] *Gross contractual payments.*
[2] *Including contractual interest payments.*
[3] *Excluding contract liabilities.*

As at June 30, 2026 and December 31, 2025, the profile of financial assets used to manage the Group's liquidity risk follows:

	June 30, 2026 (Unaudited)				
	On Demand	**Less than 3 Months**	**3 to 12 Months**	**Over 12 Months**	**Total**
Cash and cash equivalents	**₱20,221,978**	**₱–**	**₱–**	**₱–**	**₱20,221,978**
Loans and receivables:					
Current:					
Accounts and Notes Receivables:					
Accounts and other receivable	**13,939,730**	**986,627**	**739,970**	**–**	**15,666,327**
Notes receivable	**2,368,382**	**1,047,698**	**785,774**	**–**	**4,201,854**
Interest receivable	**7,418,458**	**14,539**	**10,904**	**–**	**7,443,901**
Noncurrent:					
Receivables:					
Accounts and other receivable	**–**	**–**	**–**	**2,484,560**	**2,484,560**
Notes receivable	**–**	**–**	**–**	**15,595,104**	**15,595,104**
Interest receivable	**–**	**–**	**–**	**1,092,283**	**1,092,283**
Derivative assets	**–**	**–**	**825,792**	**5,005,555**	**5,831,347**
Investment in redeemable preferred shares and convertible loans	**–**	**–**	**–**	**20,207,609**	**20,207,609**
Financial assets at FVOCI:					
Quoted	**7,436,737**	**–**	**–**	**–**	**7,436,737**
Unquoted	**–**	**–**	**–**	**9,901,935**	**9,901,935**
	₱51,385,285	**₱2,048,864**	**₱2,362,440**	**₱54,287,046**	**₱110,083,635**

	December 31, 2025 (Audited)				
	On Demand	Less than 3 Months	3 to 12 Months	Over 12 Months	Total
Cash and cash equivalents	₱18,358,434	₱–	₱–	₱–	₱18,358,434
Loans and receivables:					
Current:					
Accounts and Notes Receivables:					
Accounts and other receivable	7,525,105	2,031,739	416,218	–	9,973,062
Notes receivable	6,128,392	196,862	449,065	–	6,774,319
Interest receivable	7,920,277	32,208	63,719	–	8,016,204
Noncurrent:					
Receivables:					
Accounts and other receivable	–	–	–	2,597,102	2,597,102
Notes receivable	–	–	–	16,882,851	16,882,851
Interest receivable	–	–	–	327,706	327,706
Derivative assets	–	–	409,057	5,520,869	5,929,926
Investment in redeemable preferred shares and convertible loans	–	–	–	20,050,761	20,050,761
Financial assets at FVOCI:					
Quoted	8,661,261	–	–	–	8,661,261
Unquoted	–	–	–	4,618,079	4,618,079
	₱48,593,469	₱2,260,809	₱1,338,059	₱49,997,368	₱102,189,705

Interest Rate Risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at June 30, 2026 and December 31, 2025, the Group has fixed rate financial instruments measured at fair value.

The Group's exposure to interest rate risk relates primarily to long-term debt obligations that bear floating interest rate. The Group generally mitigates risk of changes in market interest rates by constantly monitoring fluctuations of interest rates and maintaining a mix of fixed and floating interest-bearing loans.

Market Risk
Market risk is the risk that the value of an investment will decrease due to drastic adverse market movements that consist of interest rate fluctuations affecting bid values or fluctuations in stock market valuation due to gyrations in offshore equity markets or business and economic changes. Interest rate, foreign exchange rates and risk appetite are factors of a market risk as the summation of the three defines the value of an instrument or a financial asset.

Equity Price Risk
Equity price risk is the risk to earnings or capital arising from changes in stock exchange indices relating to its quoted equity securities. The Group's exposure to equity price risk relates primarily to its financial assets at FVTPL and financial assets at FVOCI.

Commodity Price Risk

Cash flow hedges

The Group defines commodity price risk as the risk of realizing reduced profit margins and/or increasing the volatility of future earnings that are affected by the pricing variability and uncertainty in coal and fuel supply and any associated foreign exchange risk. The risk is measured based on potential downside impact of market volatility to target earnings.

To manage commodity price risk, the Group develops a Coal and Fuel Hedging Strategy aimed to:

- Manage the risk associated with unexpected increase in coal and fuel prices which affect the target Profit & Loss of the Group
- Determine the Hedge Item and appropriate Hedging Instrument to use, including but not limited to price, amount and tenor of the hedge to reduce the risk to an acceptable level
- Reduce Mark-to-Market impact of hedges by qualifying the hedging transaction for hedge accounting

Only the Group's Chief Executive Officer, Chief Finance Officer and Philippine Chief Operating Officer (PH COO) are authorized to make coal and bunker fuel oil hedging decisions for the Group. All executed hedges go through a stringent approval process to justify the tenor, price and volume of the hedge to be undertaken.

Monitoring and assessment of the hedge effectiveness and Coal and Fuel Hedging Strategy are reviewed periodically by CO. Continuation, addition, reduction and termination of existing hedges are decided by the Head of CO and any material change in permissible hedging instrument, counterparties and limits are elevated to the BOD for approval.

The Group purchases coal and bunker fuel oil on an ongoing basis for its operating activities in the thermal energy power generators, composed of SLTEC (by virtue of the AMA) and other diesel power plants (LTI, OSPGC, BTI). The increased volatility in coal and fuel oil prices over time led to entering in commodity swap contracts. The forecasted volumes are determined based on each plant's projected operating capacity, plant availability, required monthly consumption and storage capacity.

These contracts are expected to reduce the volatility attributable to price fluctuations. Hedging the price volatility of forecasted coal and bunker fuel oil purchases is in accordance with the risk management strategy outlined by the BOD.

There is an economic relationship between the hedged items and the hedging instruments as the terms of the foreign exchange and commodity swap contracts match the terms of the expected highly probable forecasted transactions (i.e., notional amount and expected payment date). The Group has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the foreign exchange and commodity swap contracts are identical to the hedged risk components. To test the hedge effectiveness, the Group uses the hypothetical derivative method and compares the changes in the fair value of the hedging instruments against the changes in fair value of the hedged items attributable to the hedged risks.

The hedge ineffectiveness can arise from:

- Differences in the timing of the cash flows of the hedged items and the hedging instruments
- Different indexes (and accordingly different curves) linked to the hedged risk of the hedged items and hedging instruments
- The counterparties' credit risk differently impacting the fair value movements of the hedging instruments and hedged items
- Changes to the forecasted amount of cash flows of hedged items and hedging instruments

The Group is holding the following foreign exchange and commodity swap contracts:

	Maturity						
	< 1 month	**1-3 months**	**4-6 months**	**7-9 months**	**10-12 months**	**>12 months**	**Total**
As at June 30, 2026 (Unaudited)							
Foreign exchange forward contracts							
Notional amount ($000)	**$–**	**$25,277**	**$–**	**$–**	**$–**	**$–**	**$25,277**
Average forward rate ($/₱)	**–**	**61.21**	**–**	**–**	**–**	**–**	
As at December 31, 2025 (Audited)							
Foreign exchange forward contracts							
Notional amount ($000)	$–	$29,301	$–	$–	$–	$–	$29,301
Average forward rate ($/₱)	–	59.12	–	–	–	–	

The impact of the hedging instruments on the consolidated statements of financial position are as follows:

	Notional amount	Carrying amount	Line item in the statements of financial position	Change in fair value used for measuring ineffectiveness for the period
As at June 30, 2026 (Unaudited)				
Foreign exchange forward contracts	**$25,277**	**638,482**	Other current assets	**638,482**
Foreign exchange forward contracts	**$–**	**(880)**	Accounts payable and other current liabilities	**(880)**
As at December 31, 2025 (Audited)				
Foreign exchange forward contracts	$29,301	269,567	Other current assets	269,567
Foreign exchange forward contracts	$–	–	Accounts payable and other current liabilities	(4,968)

The impact of hedged items on the consolidated statements of financial position are as follows:

	Change in fair value used for measuring ineffectiveness	Cash flow hedge reserve	Cost of hedging reserve
As at June 30, 2026 (Unaudited)			
Highly probable forecast purchases	**₱–**	**₱–**	**₱–**
Highly probable forecast purchases	**(880)**	**–**	**–**
Coal purchase	**–**	**–**	**–**
As at December 31, 2025 (Audited)			
Highly probable forecast purchases	(₱3,103)	₱–	₱–
Highly probable forecast purchases	(1,865)	–	–
Coal purchase	**–**	–	–

The effect of the cash flow hedge in the consolidated statements of comprehensive income are as follows:

	Total hedging gain/(loss) recognized in OCI	Ineffectiveness recognized in profit or loss	Line item in consolidated statements of comprehensive income	Cost of hedging recognized in OCI	Amount reclassified from OCI to profit or loss	Line item in the statement of profit or loss
As at June 30, 2026 (Unaudited)						
Foreign exchange forward contracts	**(₱23,485)**	**₱–**	**₱–**	**₱–**	**₱–**	**₱–**
Foreign exchange forward contracts	**(22,014)**	**–**	**–**	**–**	**–**	**–**
As at December 31, 2025 (Audited)						
Foreign exchange forward contracts	(₱23,647)	₱–	₱–	₱–	₱–	₱–
Foreign exchange forward contracts	2,061	–	–	–	–	–

Monitoring of Risk Management Process

Risk management is regarded as a core competency, thus the review of processes and approval processes, including periodic audit, are practiced and observed as follows:

- Enterprise risk assessments are refreshed on an annual basis. Risk assessments at the plant level are also conducted for operational risks. Insurance coverage is also reviewed annually by the Insurance Committee.
- Monthly treasury meetings are scheduled where approved strategies, limits, mixes are challenged and rechallenged based on current and forecasted developments on the financial and political events.
- Monthly management reports are submitted to the Operations Management Committee that includes updates from the various business and functional units, including market updates. This includes updates on financials, leverage, operations, health and safety, human resources, sustainability, and other risk areas.
- Annual planning sessions are conducted to set the targets for the Group, and these are revisited at midyear to review the progress and risks related to the accomplishment of these targets.
- Annual teambuilding sessions are organized as a venue for the review of personal goals, corporate goals and professional development.
- One-on-one coaching sessions are scheduled to assist, train and advise personnel.
- Periodic review of treasury risk profile and control procedures.
- Periodic specialized audit is performed to ensure active risk oversight.

Capital Management

The primary objective of the Group's capital management policy is to ensure that it maintains a robust statements of financial position in order to support its business and maximize shareholder value.

The Group manages its capital structure and adjusts 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, issue new shares or acquire long-term debts.

Statutory debt consists of short-term and long-term debts of the Group. Net statutory debt includes short-term and long-term debts less cash and cash equivalents, short-term investments and restricted cash. The Group considers its total equity (including redeemable preferred shares) as its capital.

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Short-term debt (Note 13)	**₱13,140,800**	₱11,299,890
Long-term debt (Note 13)	**175,463,488**	151,412,277
Total statutory debt	**188,604,288**	162,712,167
Less:		
Cash and cash equivalent (Note 4)	**20,221,978**	18,358,434
Short-term investments (Note 11)	**938,400**	161,673
Net statutory debt	**₱167,443,910**	₱144,192,060
Total equity	**₱163,960,135**	₱160,847,477
Debt to equity	**115.03%**	101.16%
Net debt to equity	**102.12%**	89.65%

The Group closely monitors its debt covenants and maintains a capital expenditure program and dividend declaration policy that keeps the compliance of these covenants into consideration. The Group is not subject to externally imposed capital requirements.

26. Fair Values

The table below presents the carrying and fair values of the Group's financial assets and financial liabilities, by category and by class, as at June 30, 2026 and December 31, 2025:

	June 30, 2026 (Unaudited)			
		Fair Value		
	Carrying Value	Quoted Prices in Active Markets (Level 1)	Significant Observable Input (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
Financial assets at FVTPL	**₱2,077,462**	**₱–**	**₱1,207,729**	**₱869,733**
Financial assets at FVOCI	**17,338,672**	**7,436,737**	**–**	**9,901,935**
Investment in redeemable preferred shares and convertible loans	**20,207,609**	**–**	**–**	**20,625,033**
Derivative asset [(1) (2)]	**5,005,555**	**–**	**825,792**	**4,179,763**
Refundable deposits [(2)]	**192,109**	**–**	**–**	**199,459**
Trade receivables [(3)]	**2,177,661**	**–**	**–**	**1,954,041**
Receivables from third parties [(4)]	**10,262**	**–**	**–**	**10,262**
	₱47,009,330	**₱7,436,737**	**₱2,033,521**	**₱37,740,226**

	June 30, 2026 (Unaudited)			
		Fair Value		
	Carrying Value	Quoted Prices in Active Markets (Level 1)	Significant Observable Input (Level 2)	Significant Unobservable Inputs (Level 3)
Liabilities				
Notes payable	**₱34,509,207**	**₱–**	**₱–**	**₱35,269,949**
Long-term debt	**140,954,281**	**–**	**–**	**141,185,348**
Deposit payables and other liabilities[5]	**354,992**	**–**	**–**	**357,648**
Derivative liability [6]	**280,348**	**–**	**12,893**	**267,455**
Lease liabilities	**14,530,532**	**–**	**–**	**14,851,026**
	₱190,629,360	**₱–**	**₱12,893**	**₱191,931,426**

[1] *Included under "Other current assets" account.*
[2] *Included under "Other noncurrent assets" account.*
[3] *Included under "Receivables" account and pertain to FIT adjustments*
[4] *Included under "Receivables" account and pertain to multilateral agreement with PEMC*
[5] *Included under "Accounts payable and other current liabilities" and "Other noncurrent liabilities" accounts.*
[6] *Included under "Accounts payable and other current liabilities" and "Other noncurrent Liabilities" accounts.*

	December 31, 2025 (Audited)			
		Fair Value		
	Carrying Value	Quoted Prices in Active Markets (Level 1)	Significant Observable Input (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
Financial assets at FVTPL	₱2,157,554	₱–	₱1,412,681	₱744,873
Financial assets at FVOCI	13,279,340	8,661,261	–	4,618,079
Investment in redeemable preferred shares and convertible loans	20,050,761	–	–	20,698,029
Derivative asset [1]	5,520,869	–	409,057	5,111,812
Refundable deposits [2]	185,950	–	–	192,975
Trade receivables [3]	2,342,247	–	–	2,171,973
Receivables from third parties [4]	10,262	–	–	10,262
	₱43,546,983	₱8,661,261	₱1,821,738	₱33,548,003
Liabilities				
Notes payable	₱33,467,881	₱–	₱–	₱34,586,803
Long-term debt	117,944,396	–	–	121,578,399
Deposit payables and other liabilities[5]	2,906	–	–	5,269
Derivative liability [6]	182,258	–	4,774	177,484
Lease liabilities	14,222,819	–	–	14,489,266
	₱165,820,260	₱–	₱4,774	₱170,837,221

[1] *Included under "Other current assets" account.*
[2] *Included under "Other noncurrent assets" account.*
[3] *Included under "Receivables" account and pertain to FIT adjustments*
[4] *Included under "Receivables" account and pertain to multilateral agreement with PEMC*
[5] *Included under "Accounts payable and other current liabilities" and "Other noncurrent liabilities" accounts.*
[6] *Included under "Other noncurrent Liabilities"*

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: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

Cash and Cash Equivalents, Short-term Investment, Receivables, Accounts Payable and Other Current Liabilities and Due to Stockholders
The carrying amounts of cash and cash equivalents, short-term investment, receivables, accounts payable and other current liabilities and due to stockholders approximate their fair values due to the relatively short-term maturities of these financial instruments.

Financial Assets at FVTPL and FVOCI
Quoted financial assets at FVOCI and FVTPL, specifically for publicly traded shares held by the Group, were measured using market prices and classified as Level 1.

In 2024, the Group acquired equity shares of AREIT via a property-for-share swap. The AREIT shares are accounted for as financial assets at FVOCI and classified as Level 1. The carrying amount of AREIT shares amounted to ₱7,436.74 million and ₱8,661.26 million as at June 30, 2026 and December 31, 2025, respectively.

Other quoted financial assets at FVTPL held by the Group consist of investments in UITFs which were measured using the funds' net asset value (NAV) and classified as Level 2. The carrying amount of the Group's investment in UITFs amounted to ₱1,207.73 million and ₱1,412.68 million as at June 30, 2026 and December 31, 2025, respectively.

Unquoted financial assets at FVTPL and FVOCI, specifically debt and equity instruments, held by the Group were measured using the DCF technique in estimating the fair value of the financial instruments. Based on the financial performance and financial position of the investee entity, which is a related party investment company, management estimates the amount and timing of the future cash inflow arising from the redemption of preferred shares.

Financial assets at FVTPL classified as Level 3 consists of Compulsorily Convertible Debentures of Masaya Solar Energy Private Limited. The carrying amount of financial assets at FVTPL amounted to ₱869.73 million and ₱744.87 million as at June 30, 2026 and December 31, 2025, respectively.

Financial assets at FVOCI classified as Level 3 consists of investments in Redeemable Preference Share in UPC-ACE Solar, PT Puri Prakarsa Batam, Yanara India, B.V., IBV ACEN Renewables Asia Pte and ACEN C&I HK Limited. The carrying amount of financial assets at FVOCI amounted to ₱9,900.99 million and ₱4,617.13 million as at June 30, 2026 and December 31, 2025, respectively.

Investment in Redeemable Preferred Shares and Convertible Loans
The estimated fair value is based on the discounted value of future cash flows using the prevailing credit adjusted risk-free rates that are adjusted for credit spread.

Noncurrent Trade Receivables, Receivables from Third Parties, Refundable Deposits, Deposits Payable and Other Liabilities
Estimated fair value is based on the present value of future cash flows discounted using the prevailing BVAL rates that are specific to the tenor of the instruments' cash flows at the end of the reporting period.

Long-Term Loans
The estimated fair value is based on the discounted value of future cash flows using the prevailing credit adjusted risk-free rates that are adjusted for credit spread. Interest rates used in discounting cash flows ranged from 4.25% to 9.07% and 2.83% to 8.14 % as at June 30, 2026 and December 31, 2025, respectively.

Notes Payable
The estimated fair value is based on the discounted value of future cash flows using the prevailing credit adjusted risk-free rates that are adjusted for credit spread. Interest rates used in discounting cash flows is 5.71% and 5.37% as at June 30, 2026 and December 31, 2025, respectively.

Derivative Asset and Liability
The fair value of the derivative asset and liability is determined using valuation techniques with inputs and assumptions that are based on market observable data and conditions and reflect appropriate risk adjustments that market participants would make for risks existing at the end of each reporting period. The following table gives information about how the fair values of derivative asset are determined (in particular, the valuation technique(s) and inputs used).

Derivative asset	**Valuation technique**
Long-term Energy Supply Agreement	Discounted cash flow. Valuation requires the use of long dated energy valuation volumes and long dated energy and LGC price curves
Interest Rate Swaps	Discounted cash flow. Future cash flows are estimated based on forward interest rates (from observable yield curves at the end of the reporting period) and contract interest rates, discounted at a rate that reflects the credit risk of various counterparts

There were no transfers between levels in the fair value hierarchy for the six-month period ended June 30, 2026 and year ended December 31, 2025.

27. Operating Segment Information

The Group's operating segments are based on the internal reports prepared by management and reviewed by the Group Chief Executive Officer and Group CFO and Group Chief Strategy Officer. Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the consolidated financial statements.

For management purposes, the Group is organized into the following operating segments:

Philippines

The Philippines segment represents the Group's domestic operations and includes the generation of electricity, and supply for retail electricity supply business, as well as other related and support activities conducted in the Philippines. This segment comprises the following business activities:

1. Retail Electricity Supply (RES) and Commercial Operations (CO)
2. Renewable energy operations, including generation, transmission, distribution, and supply of electricity using renewable sources such as solar, wind, and geothermal
3. Thermal[1] energy operations, including generation, transmission, distribution, and supply of electricity using conventional energy sources
4. Project development activities
5. Leasing activities
6. Bulk water supply arising from legacy biomass projects
7. Petroleum and exploration activities, pursued through the Group's 75.92%-owned subsidiary, ENEX Energy Corp.

Australia

The Australia segment represents the Group's renewable energy operations and development activities in Australia. This includes operating and under-construction renewable energy assets, energy storage projects, and project development activities, as well as related financing and overhead costs directly attributable to the Australian business. The segment reflects Australia as one of the Group's core markets with full operational accountability.

ACEN Investments

The ACEN Investments segment represents the Group's investment platform focused on renewable energy projects and platforms in emerging and strategic markets. This segment includes the Group's equity investments through partnerships in renewable energy projects across selected markets where the Group is present, including Vietnam, India, Indonesia, and the United States, as well as other approved geographies in Asia and the Pacific. Activities under this segment primarily consist of highly contracted renewable energy assets, platform- and project-level investments, asset rotation activities, as well as related project development, financing activities, and overhead expenses. The objective of this segment is to provide stable earnings and risk-adjusted returns while developing future core markets for the Group.

[1] Except for Ingrid, the Group no longer has equity interest in the thermal projects and mainly provides operations and maintenance services.

Corporate

The Corporate segment represents the operations of the Parent Company and other entities that are not directly attributable to the Philippines, Australia, or ACEN Investments segments. This includes corporate management, treasury, financing entities (such as ACEN Finance Limited and ACEN Cayman Ltd.), centralized support functions, and other corporate-level activities. Corporate expenses primarily relate to general and administrative costs, strategic management, and financing activities that are not allocated to the operating segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on (1) operating profit or loss and is measured consistently with operating profit or loss in the consolidated financial statements referred to by management as "Core Operating Earnings"; and (2) selected attributable financial information, specifically attributable earnings before interest, taxes, depreciation, and amortization (EBITDA) and attributable debt of renewable energy projects.

Statutory EBITDA is the sum of the consolidated (1) revenues, (2) less cost and expenses excluding depreciation and amortization and provision for impairment, (3) equity in net income of associates and joint ventures and (4) other income - net (excluding gain on remeasurement of previously held interest, unrealized foreign exchange gain/loss, fair value loss on financial asset at FVTPL).

Attributable EBITDA is the sum of (1) statutory EBITDA, and (2) nonconsolidated operating projects' EBITDA multiplied by ACEN's economic interest, (3) less equity in net income of associates and joint ventures, and (4) less interest and other financial income from investment in redeemable preferred shares and convertible loans (this is presented under other income (charges) in the consolidated statements of income). This is not equivalent to the statutory EBITDA of the Group.

Operating projects' EBITDA follows the same definition as statutory EBITDA.

Nonconsolidated projects are investments in associates and joint ventures and investment in redeemable preferred shares and convertible loans of the Group.

Statutory net debt is the sum of consolidated (1) short-term loans, (2) long-term loans, and (3) notes payable, less consolidated cash and cash equivalents. Attributable net debt is the sum of (1) statutory net debt and (2) nonconsolidated operating projects' net debt, which is debt less cash multiplied by ACEN's economic interest. Statutory and attributable net debt includes recourse and non-recourse debt. Nonconsolidated operating projects' net debt excludes intercompany loans where the Group is the lender. These are bridge financing, development loans and investment in redeemable preferred shares and convertible loans in the consolidated statements of financial position of the Group.

For the six-month periods ended June 30, 2026 and 2025, revenue earned from a single external customer amounted to ₱1,963.42 million and ₱1,725.91 million arising from sales in the Philippines segment.

Intersegment transfers or transactions are entered into under normal commercial terms and conditions that would also be available to unrelated parties. Segment revenues, segment expenses and segment results are shown net of transfers between operating segments. Those transfers are eliminated during consolidation.

The following tables, regarding operating segments, present revenue and income information for the six-month periods ended June 30, 2026 and 2025, and assets and liabilities as at June 30, 2026 and December 31, 2025:

	For the six-month period ended June 30, 2026 (Unaudited)				
	Philippines	Australia	ACEN Investments	Corporate	Consolidated
REVENUES					
Revenue from sale of electricity	**₱20,130,845**	**₱2,312,485**	**₱68,918**	**₱–**	**₱22,512,248**
Dividend income	**246,896**	**–**	**15,072**	**–**	**261,968**
Rental income	**35,784**	**–**	**–**	**–**	**35,784**
Other revenues	**221,988**	**–**	**–**	**93,508**	**315,496**
	20,635,513	**2,312,485**	**83,990**	**93,508**	**23,125,496**
COSTS AND EXPENSES					
Costs of sale of electricity					
Cost of purchased power	**11,602,268**	**90,579**	**86,044**	**–**	**11,778,891**
Depreciation and amortization	**1,124,417**	**1,046,889**	**–**	**–**	**2,171,306**
Fuel	**2,733**	**–**	**–**	**–**	**2,733**
Others	**1,363,546**	**–**	**–**	**–**	**1,363,546**
	14,092,964	**1,137,468**	**86,044**	**–**	**15,316,476**
General and administrative expenses					
Provision for impairment	**35,083**	**292,872**	**1,880,052**	**–**	**2,208,007**
Personnel costs, management, and professional fees	**299,300**	**739,132**	**446,464**	**367,816**	**1,852,712**
Depreciation and amortization	**218,903**	**23,167**	**10,441**	**96,470**	**348,981**
Others	**630,783**	**760,558**	**203,872**	**307,578**	**1,902,791**
	1,184,069	**1,815,729**	**2,540,829**	**771,864**	**6,312,491**
	15,277,033	**2,953,197**	**2,626,873**	**771,864**	**21,628,967**

(Forward)

	For the six-month period ended June 30, 2026 (Unaudited)				
	Philippines	Australia	ACEN Investments	Corporate	Consolidated
EQUITY IN NET INCOME OF ASSOCIATES AND JOINT VENTURES	**₱749,858**	**₱–**	**₱1,008,953**	**₱–**	**₱1,758,811**
OTHER INCOME (CHARGES)					
Interest and other financial income					
Investment in redeemable preferred shares and convertible loans	**–**	**–**	**1,256,721**	**–**	**1,256,721**
Accounts and notes receivable	**79,424**	**–**	**910,824**	**38,493**	**1,028,741**
Cash in banks and short-term deposits	**94,885**	**73,427**	**10,568**	**90,911**	**269,791**
	174,309	**73,427**	**2,178,113**	**129,404**	**2,555,253**
Interest and other finance charges	**(206,188)**	**(1,105,796)**	**(69,920)**	**(2,524,258)**	**(3,906,162)**
Other income (charges) - net					
Loss on disposal of assets	**–**	**–**	**(204,696)**	**–**	**(204,696)**
Remeasurement gain	**–**	**–**	**1,814,465**	**–**	**1,814,465**
Others	**587,653**	**(41,367)**	**40,564**	**82,582**	**669,432**
	587,653	**(41,367)**	**1,650,333**	**82,582**	**2,279,201**
INCOME (LOSS) BEFORE INCOME TAX	**6,664,112**	**(1,714,448)**	**2,224,596**	**(2,990,628)**	**4,183,632**
PROVISION FOR (BENEFIT FROM) INCOME TAX	**508,977**	**(513,313)**	**(67,859)**	**191,427**	**119,232**
SEGMENT NET INCOME (LOSS)	**6,155,135**	**(1,201,135)**	**2,292,455**	**(3,182,055)**	**4,064,400**
NON-CONTROLLING INTERESTS IN NET INCOME (LOSS) OF SUBSIDIARIES	**1,197**	**7,461**	**(177,722)**	**332,300**	**163,236**
NET INCOME (LOSS) ATTRIBUTABLE TO THE PARENT COMPANY	**₱6,153,938**	**(₱1,208,596)**	**₱2,470,177**	**(₱3,514,355)**	**₱3,901,164**

(Forward)

	For the six-month period ended June 30, 2026 (Unaudited)				
	Philippines	Australia	ACEN Investments	Corporate	Consolidated
Other disclosures:					
Depreciation and amortization	**₱1,343,320**	**₱1,070,056**	**₱10,441**	**₱96,470**	**₱2,520,287**
Capital expenditures	**8,140,556**	**1,742,743**	**685,858**	**–**	**10,569,157**
Provision for impairment	**35,083**	**292,872**	**1,880,052**	**–**	**2,208,007**
Statutory EBITDA	**7,566,165**	**640,770**	**2,400,858**	**(543,393)**	**10,064,400**
Attributable EBITDA	**8,425,049**	**640,770**	**7,218,209**	**(543,393)**	**15,740,635**
Statutory cash	**8,717,180**	**1,408,797**	**–**	**10,096,001**	**20,221,978**
Statutory debt	**8,074,249**	**31,265,582**	**3,656,326**	**145,608,131**	**188,604,288**
Statutory net debt (cash)	**(642,931)**	**29,856,785**	**3,656,326**	**135,512,130**	**168,382,310**
Attributable cash	**850,227**	**–**	**6,796,010**	**–**	**7,646,237**
Attributable debt	**8,185,691**	**–**	**62,927,371**	**–**	**71,113,062**
Attributable net debt	**6,692,533**	**29,856,785**	**59,787,687**	**135,512,130**	**231,849,135**
	As at June 30, 2026 (Unaudited)				
Operating assets	**₱173,881,843**	**₱89,282,211**	**₱64,204,008**	**₱67,606,604**	**₱394,974,666**
Operating liabilities	**22,259,974**	**46,261,615**	**3,806,004**	**158,686,938**	**231,014,531**
Investments in associates and joint ventures	**15,370,165**	**–**	**28,738,609**	**–**	**44,108,774**

The reconciliation of statutory and attributable EBITDA, cash, and debt follows:

	For the six-month period ended June 30, 2026 (Unaudited)				
	Philippines	Australia	ACEN Investments	Corporate	Consolidated
Revenues	**₱20,635,513**	**₱2,312,485**	**₱83,990**	**₱93,508**	**₱23,125,496**
Cost and expenses (excluding depreciation and amortization and provision for impairment)	**(13,898,630)**	**(1,671,715)**	**(654,934)**	**(675,394)**	**(16,900,673)**
Equity in net income of associates and joint ventures	**749,858**	**–**	**1,008,953**	**–**	**1,758,811**
Interest and other financial income					
Accounts and notes receivable	**79,424**	**–**	**910,824**	**38,493**	**1,028,741**
Investments in redeemable preferred shares and convertible loans	**–**	**–**	**1,256,721**	**–**	**1,256,721**
Loss on disposal of assets	**–**	**–**	**(204,696)**	**–**	**(204,696)**
Statutory EBITDA	**₱7,566,165**	**₱640,770**	**₱2,400,858**	**(₱543,393)**	**₱10,064,400**

	For the six-month period ended June 30, 2026 (Unaudited)				
	Philippines	Australia	ACEN Investments	Corporate	Consolidated
Statutory EBITDA	**₱7,566,165**	**₱640,770**	**₱2,400,858**	**(₱543,393)**	**₱10,064,400**
Nonconsolidated operating projects' EBITDA	**1,608,742**	**–**	**7,083,025**	**–**	**8,691,767**
Equity in net income of associates and joint ventures	**(749,858)**	**–**	**(1,008,953)**	**–**	**(1,758,811)**
Interest and other financial income from investments in redeemable preferred shares and convertible loans	**–**	**–**	**(1,256,721)**	**–**	**(1,256,721)**
Attributable EBITDA	**₱8,425,049**	**₱640,770**	**₱7,218,209**	**(₱543,393)**	**₱15,740,635**

	As at June 30, 2026 (Unaudited)				
	Philippines	Australia	ACEN Investments	Corporate	Consolidated
Short-term loans	₱–	₱–	₱–	₱13,140,800	₱13,140,800
Long-term loans	8,074,249	31,265,582	3,656,326	97,958,124	140,954,281
Notes payable	–	–	–	34,509,207	34,509,207
Statutory debt	8,074,249	31,265,582	3,656,326	145,608,131	188,604,288
Statutory cash and cash equivalent	8,717,180	1,408,797	–	10,096,001	20,221,978
Statutory net debt (cash)	(₱642,931)	₱29,856,785	₱3,656,326	₱135,512,130	₱168,382,310

	As at June 30, 2026 (Unaudited)				
	Philippines	Australia	ACEN Investments	Corporate	Consolidated
Statutory net debt (cash)	(₱642,931)	₱29,856,785	₱3,656,326	₱135,512,130	₱168,382,310
Statutory debt	8,074,249	31,265,582	3,656,326	145,608,131	188,604,288
Statutory cash and cash equivalents	8,717,180	1,408,797	–	10,096,001	20,221,978
Nonconsolidated operating projects'					
Attributable debt	8,185,691	–	62,927,371	–	71,113,062
Attributable cash	850,227	–	6,796,010	–	7,646,237
Gross attributable debt	₱16,259,940	₱31,265,582	₱66,583,697	₱145,608,131	₱259,717,350
Attributable net debt	₱6,692,533	₱29,856,785	₱59,787,687	₱135,512,130	₱231,849,135

As of June 30, 2026, with recourse, limited recourse and non-recourse statutory debt amounted to ₱56,009.82 million, ₱995.07 million and ₱73,262.94 million, respectively. These amounts exclude the statutory debt of the Parent Company. Some of the international attributable debt is covered by guarantees (see Note 13).

	For the six-month period ended June 30, 2025 (Unaudited)				
	Philippines	Australia	ACEN Investments	Corporate	Consolidated
REVENUES					
Revenue from sale of electricity	₱14,097,030	₱1,197,466	₱–	₱–	₱15,294,496
Dividend income	234,949	–	–	–	234,949
Rental income	35,009	–	–	–	35,009
Other revenues	122,019	–	29,798	–	151,817
	14,489,007	1,197,466	29,798	–	15,716,271
COSTS AND EXPENSES					
Costs of sale of electricity					
Cost of purchased power	8,808,321	57,636	–	–	8,865,957
Depreciation and amortization	1,116,286	379,873	–	–	1,496,159
Fuel	190,651	–	–	–	190,651
Others	1,414,049	–	–	–	1,414,049
	11,529,307	437,509	–	–	11,966,816
General and administrative expenses					
Personnel costs, management and professional fees	196,749	478,843	385,825	52,974	1,114,391
Provision for impairment	9,371	–	3,575,374	–	3,584,745
Depreciation and amortization	162,583	49,405	13,795	135,967	361,750
Others	358,530	264,679	97,355	4,319	724,883
	727,233	792,927	4,072,349	193,260	5,785,769
	12,256,540	1,230,436	4,072,349	193,260	17,752,585

(Forward)

	For the six-month period ended June 30, 2025 (Unaudited)				
	Philippines	Australia	ACEN Investments	Corporate	Consolidated
EQUITY IN NET INCOME (LOSS) OF ASSOCIATES AND JOINT VENTURES	₱810,937	(₱228,432)	₱826,337	₱–	₱1,408,842
OTHER INCOME (CHARGES)					
Interest and other financial income					
Cash in banks and short-term deposits	166,376	64,468	76,630	69,030	376,504
Accounts and notes receivable	491,848	77,947	922,541	11,690	1,504,026
Investment in redeemable preferred shares and convertible loans	–	–	1,328,980	–	1,328,980
	658,224	142,415	2,328,151	80,720	3,209,510
Interest and other finance charges	(414,785)	(357,651)	(139,476)	(1,405,896)	(2,317,808)
Other income (charges) - net					
Loss on sale of assets	–	–	(89,611)	–	(89,611)
Others	379,797	22,759	(22,759)	–	379,797
	379,797	22,759	(112,370)	–	290,186
INCOME (LOSS) BEFORE INCOME TAX	3,666,640	(453,879)	(1,139,909)	(1,518,436)	554,416
PROVISION FOR (BENEFIT FROM) INCOME TAX	41,049	(262,512)	(77)	(271,138)	(492,678)
SEGMENT NET INCOME (LOSS)	3,625,591	(191,367)	(1,139,832)	(1,247,298)	1,047,094
NON-CONTROLLING INTERESTS IN NET INCOME (LOSS) OF SUBSIDIARIES	(12,941)	(1,973)	(9,932)	308,900	284,054
NET INCOME (LOSS) ATTRIBUTABLE TO THE PARENT COMPANY	₱3,638,532	(₱189,394)	(₱1,129,900)	(₱1,556,198)	₱763,040

(Forward)

	For the six-month period ended June 30, 2025 (Unaudited)				
	Philippines	**Australia**	**ACEN Investments**	**Corporate**	**Consolidated**
Other disclosures:					
Depreciation and amortization	₱1,278,869	₱429,278	₱13,795	₱135,967	₱1,857,909
Provision for impairment	9,371	–	3,575,374	–	3,584,745
Statutory EBITDA	5,058,332	245,823	2,624,476	(45,603)	7,883,028
Attributable EBITDA	5,723,630	474,255	5,846,607	(45,603)	11,998,889
Statutory cash	5,995,468	279,828	–	12,083,138	18,358,434
Statutory debt	3,743,328	14,615,315	–	144,353,524	162,712,167
Statutory net debt (cash)	(2,252,140)	14,335,487	–	132,270,386	144,353,733
Attributable cash	1,075,077	–	4,312,852	–	5,387,929
Attributable debt	8,426,061	–	54,408,045	–	62,834,106
Attributable net debt	5,098,844	14,335,487	50,095,193	132,270,386	201,799,910
	As at December 31, 2025 (Audited)				
Operating assets	₱167,916,465	₱80,414,215	₱56,884,505	₱56,573,675	₱361,788,860
Operating liabilities	42,384,330	28,252,461	–	130,304,592	200,941,383
Capital expenditures	9,559,152	11,876,144	347,777	–	21,783,073
Investments in associates and joint ventures	14,607,351	–	32,216,615	–	46,823,966

The reconciliation of statutory and attributable EBITDA, cash, and debt follows:

	For the six-month period ended June 30, 2025 (Unaudited)				
	Philippines	Australia	ACEN Investments	Corporate	Consolidated
Revenues	₱14,489,007	₱1,197,466	₱29,798	₱–	₱15,716,271
Cost and expenses (excluding depreciation and amortization and provision for impairment)	(10,968,300)	(801,158)	(483,180)	(57,293)	(12,309,931)
Equity in net income of associates and joint ventures	810,937	(228,432)	826,337	–	1,408,842
Interest and other financial income					
Accounts and notes receivable	491,848	77,947	922,541	11,690	1,504,026
Investments in redeemable preferred shares and convertible loans	–	–	1,328,980	–	1,328,980
Other income - net	234,840	–	–	–	234,840
Statutory EBITDA	₱5,058,332	₱245,823	₱2,624,476	(₱45,603)	₱7,883,028

	For the six-month period ended June 30, 2025 (Unaudited)				
	Philippines	Australia	ACEN Investments	Corporate	Consolidated
Statutory EBITDA	₱5,058,332	₱245,823	₱2,624,476	(₱45,603)	₱7,883,028
Nonconsolidated operating projects' EBITDA	1,476,235	–	5,377,448	–	6,853,683
Equity in net income of associates and joint ventures	(810,937)	228,432	(826,337)	–	(1,408,842)
Interest and other financial income from investments in redeemable preferred shares and convertible loans	–	–	(1,328,980)	–	(1,328,980)
Attributable EBITDA	₱5,723,630	₱474,255	₱5,846,607	(₱45,603)	₱11,998,889

	As at December 31, 2025 (Audited)				
	Philippines	Australia	ACEN Investments	Corporate	Consolidated
Short-term loans	₱–	₱–	₱–	₱11,299,890	₱11,299,890
Long-term loans	3,743,328	14,615,315	–	99,585,753	117,944,396
Notes payable	–	–	–	33,467,881	33,467,881
Statutory debt	3,743,328	14,615,315	–	144,353,524	162,712,167
Statutory cash and cash equivalent	5,995,468	279,828	–	12,083,138	18,358,434
Statutory net debt (cash)	(₱2,252,140)	₱14,335,487	₱–	₱132,270,386	₱144,353,733

	As at December 31, 2025 (Audited)				
	Philippines	Australia	ACEN Investments	Corporate	Consolidated
Statutory net debt (cash)	(₱2,252,140)	₱14,335,487	₱–	₱132,270,386	₱144,353,733
Statutory debt	3,743,328	14,615,315	–	144,353,524	162,712,167
Statutory cash and cash equivalents	5,995,468	279,828	–	12,083,138	18,358,434
Nonconsolidated operating projects'					
Attributable debt	8,426,061	–	54,408,045	–	62,834,106
Attributable cash	1,075,077	–	4,312,852	–	5,387,929
Gross attributable debt	12,169,389	14,615,315	54,408,045	144,353,524	225,546,273
Attributable net debt	₱5,098,844	₱14,335,487	₱50,095,193	₱132,270,386	₱201,799,910

As of December 31, 2025, with recourse, limited recourse and non-recourse statutory debt amounted to ₱63,579.99 million, ₱1,139.67 million and ₱45,041.34 million, respectively. These amounts exclude the statutory debt of the Parent Company. Some of the international attributable debt is covered by guarantees (see Note 13).

Adjustments and Eliminations

Interest on parent loans and other financial income, including fair value gains and losses on financial assets, are not allocated to individual segments as the underlying instruments are managed on a group basis. Likewise, certain operating expenses and finance-related charges are managed on a group basis and are not allocated to operating segments. Allocable operating expenses have been allocated as applicable.

Current taxes, deferred taxes and certain financial assets and liabilities are not allocated to operating segments as they are also managed on a group basis.

"Other income - net" includes, as applicable, interest and other financial income from investments in redeemable preferred shares of associates and joint ventures and from development loans and advances to these associates and joint ventures, guarantee fee income, reversal of allowance for impairment of advances to contractors and impairment of investments in joint ventures, tax credits on real property taxes, gain (loss) on derivatives, gain on sale of by-product, claims on insurance, foreign exchange gain (loss), gain (loss) on sale of property, plant and equipment, mark-to market gains, fees on advisory services, and other miscellaneous income (expense) which are allocated to operating segments.

Capital expenditures consist of additions to property, plant and equipment. Investments and advances consist of investments and cash advances to the Group's associates and joint ventures.

28. Supplemental Cash Flows Information

The Group's non-cash investing activities for the six-month periods ended June 30, 2026, and 2025 follows:

	Six-Month Period Ended June 30 (Unaudited)	
	2026	2025
Non-cash additions to property, plant and equipment	**(₱1,185,125)**	(₱531,610)
Set-up of right-of-use assets from new lease agreements	**105,671**	42,853
Reclassifications to (from):		
Financial assets at FVOCI	**5,173,650**	–
Property, plant and equipment	**4,972,083**	2,574,171
Investment in associates and joint ventures	**(4,546,872)**	669,252
Investment in redeemable preferred shares and convertible loans	**(586,935)**	–
Creditable withholding taxes	**(192,664)**	(246,464)
Right-of-use assets	**(113,254)**	–
Financial assets at FVTPL	**86,748**	–
Other noncurrent assets	**53,158**	(2,574,171)
Noncurrent assets held for sale	**3,382**	–
Receivables	**2,665**	–
Changes due to business combination:		
Property, plant and equipment	**4,559,325**	–
Goodwill and other intangible assets	**4,394,053**	–
Right-of-use assets	**55,455**	–
Investment in associates and joint ventures	**37,739**	–
Other noncurrent assets	**4,373**	

Movements in the Group's liabilities from financing activities for the six-month periods ended June 30, 2026 and 2025 are as follows:

	January 1, 2026 (Audited)	Availments/ Proceeds	Payments	Others	June 30, 2026 (Unaudited)
Current portion of:					
Short-term loans	**₱11,299,890**	**₱14,525,214**	**(₱12,723,830)**	**₱39,526**	**₱13,140,800**
Long-term loans	**1,546,140**	**–**	**(16,256,355)**	**25,212,138**	**10,501,923**
Lease liabilities	**1,631,540**	**–**	**(750,584)**	**810,183**	**1,691,139**
Interest payable	**1,578,601**	**–**	**(4,420,557)**	**4,608,862**	**1,766,906**
Due to stockholders (cash dividends)	**13,156**	**–**	**(3,210,116)**	**3,293,724**	**96,764**
Noncurrent portion of:					
Notes payable	**33,467,881**	**–**	**–**	**1,041,326**	**34,509,207**
Long-term loans	**116,398,256**	**32,523,523**	**–**	**(18,469,421)**	**130,452,358**
Lease liabilities	**12,591,279**	**–**	**–**	**248,114**	**12,839,393**
Other noncurrent liabilities	**9,882,884**	**–**	**609,349**	**896,175**	**11,388,408**
Total liabilities from financing activities	**₱188,409,627**	**₱47,048,737**	**(₱36,752,093)**	**₱17,680,627**	**₱216,386,898**

	January 1, 2025 (Audited)	Availments/ Proceeds	Payments	Others	June 30, 2025 (Unaudited)
Current portion of:					
Short-term loans	₱5,600,000	₱10,567,353	(₱7,150,000)	~~₱–~~	₱9,017,353
Long-term loans	7,456,367	–	(13,333,330)	11,143,231	5,266,268
Lease liabilities	1,889,401	–	(1,003,207)	937,830	1,824,024
Interest payable	1,538,735	–	(3,449,007)	3,390,971	1,480,699
Due to stockholders (cash dividends)	13,138	–	(1,321,251)	3,256,622	1,948,509
Noncurrent portion of:					
Notes payable	33,056,481	–	–	(585,683)	32,470,798
Long-term loans	87,399,527	22,841,955	–	(10,618,243)	99,623,239
Lease liabilities	12,609,041	–	–	(326,563)	12,282,478
Other noncurrent liabilities	7,580,040	–	515,868	50,934	8,146,842
Total liabilities from financing activities	₱157,142,730	₱33,409,308	(₱25,740,927)	₱7,249,099	₱172,060,210

Others include the amortization of debt issue costs, interest expense, capitalized borrowing costs, foreign exchange gains/losses and the effect of the reclassification of non-current portion to current portion due to passage of time.

29. Provisions and Contingencies

Tax assessments:

a. ACEN

On October 22, 2014, ACEN received a Formal Letter of Demand (FLD) from the BIR assessing ACEN for a total donor's tax due of ₱157.75 million, inclusive of penalties and interests up to September 30, 2014. The FLD is in relation to the distribution by ACEN on August 20, 2014 of cash and property dividends in the form of shares in ENEX after securing SEC's approval of the registration and receipt of Certificate Authorizing Registration (CAR) from the BIR.

On November 21, 2014, ACEN and its independent legal counsel filed an administrative protest in response to the FLD, on the following grounds:

1. The dividend distribution is a distribution of profits by ACEN to its stockholders and not a "disposition" as contemplated under Revenue Regulations Nos. 6-2008 and 6-2013 which would result in the realization of any capital gain for ACEN;
2. ACEN did not realize any gain or increase its wealth as a result of the dividend distribution; and,
3. There was no donative intent on the part of ACEN.

On May 27, 2015, ACEN received from the BIR a Final Decision on Disputed Assessment (FDDA) denying the protest.

On June 25, 2015, ACEN filed with the Court of Tax Appeals (CTA) a Petition for Review seeking a review of the FDDA and requesting the cancellation of the assessment.

In its decision dated September 28, 2018, the CTA Third Division granted ACEN's petition and ordered the cancellation and withdrawal of the FLD (the CTA Third Division Decision). On January 18, 2019, the CTA denied the Commissioner of Internal Revenue's (CIR) motion for reconsideration (CTA Resolution). On February 22, 2019, the CIR filed a petition for review with the CTA en banc seeking the reversal of the CTA Third Division's Decision and CTA Resolution. On July 21, 2020, the CTA en banc upheld the CTA Third Division Decision and denied the CIR's petition. The CIR filed a motion for reconsideration dated August 26, 2020 to which ACEN has timely responded. On January 8, 2021, CTA en banc issued a resolution denying BIR's Motion for Reconsideration. On March 8, 2021, ACEN received a copy of BIR's Petition for Review on Certiorari filed with the Supreme Court assailing the CTA Resolution dated January 8, 2021. The Supreme Court issued a resolution denying BIR's Petition for Review. As of latest update, the resolution of the Supreme Court has become final and executory.

b. NorthWind Power Development Corporation v. Commissioner of Internal Revenue (Final Decision on Disputed Assessment - CTA Case No. 12171)

This is a Petition for Review filed by NorthWind Power Development Corporation (NorthWind) with the CTA in accordance with Section 228 of the National Internal Revenue Code of 1997, as amended, in relation to Section 7 of Republic Act No. 1125, as amended, to cancel and set aside the FDDA dated September 2, 2025, issued by the CIR, imposing upon NorthWind alleged deficiency taxes totaling to ₱15,858,533.51, which is comprised of the following: (1) Value Added Tax ("VAT") – ₱15,833,533.51, and (2) Compromise Penalty – ₱25,000.00.

The Petition for Review was filed with the CTA on October 2, 2025.

On October 17, 2025, while the case is still pending before the CTA, NorthWind received a copy of a Warrant of Distraint and/or Levy with Warrant No. 121-2025-162, dated October 9, 2025 (the "WDL"), whereby the CIR is enforcing the collection of a sum of ₱15,833,533.51 from NorthWind. The said WDL likewise authorizes the Chief of Large Taxpayers Collection Enforcement to distrain the goods, chattels or effects, and other personal property, and to levy upon the real property and interest in/or rights to real property of NorthWind.

On October 24, 2025, NorthWind filed with the CTA an Urgent Motion to Quash Warrant of Distraint and/or Levy, Suspend the Collection of Tax, and Dispense with Payment of Bond. The hearing was held on February 3, 2026. On March 3, 2026, NorthWind submitted the formal offer of exhibits to the CTA. As at June 30, 2026, NorthWind is awaiting further updates from the CTA.

c. Guimaras Wind Corporation v. Commissioner of Internal Revenue
(Final Decision on Disputed Assessment – CTA Case No. 12151)

This is a Petition for Review filed by Guimaras Wind Corporation (Guimaras Wind) with the CTA in accordance with Section 228 of the National Internal Revenue Code of 1997, as amended, in relation to Section 7 of Republic Act No. 1125, as amended, to cancel and set aside the FDDA dated August 13, 2025, issued by the CIR, imposing upon Guimaras Wind alleged deficiency value-added tax, including interests, and compromise penalty for taxable year 2022, in the total amount of ₱13,031,212.28.

The Petition for Review was filed with the CTA on September 12, 2025.

On October 17, 2025, while the case is still pending before the CTA, Guimaras Wind received a copy of a Warrant of Distraint and/or Levy with Warrant No. 121-2025-146 dated October 2, 2025 (the "WDL"), involving Guimaras Wind's alleged deficiency VAT for taxable year 2022 in the total amount of ₱13,031,212.28, inclusive of interests and compromise penalty.

On October 24, 2025, Guimaras Wind filed with the CTA an Urgent Motion to Quash Warrant of Distraint and/or Levy, Suspend the Collection of Tax, and Dispense with Payment of Bond. The hearing on the Urgent Motion was held on May 6, 2026. As of June 30, 2026, Guimaras Wind is awaiting further orders from the CTA.

Claims for tax refund:

a. On May 19, 2022, Guimaras Wind Corporation ("Guimaras Wind") received a copy of the Decision of the CTA En Banc, dated May 17, 2022, denying Guimaras Wind 's Petition for Review for lack of merit. The CTA En Banc affirmed the decision dated January 3, 2020 and Resolutions dated July 1, 2020 and September 23, 2020, both rendered by the CTA Third Division, which partially granted Guimaras Wind 's claim for the refund of or the issuance of a tax credit certificate in the reduced amount of ₱16,149,514, out of the total amount claimed of ₱335,759,253, representing Guimaras Wind's excess and unutilized input value-added tax for Q3 and Q4 of 2014 and Q1 and Q2 of 2015. Guimaras Wind filed its Motion for Reconsideration ("MR") to the CTA En Banc on June 3, 2022.

On June 27, 2022, Guimaras Wind received a Resolution from the CTA En Banc directing Guimaras Wind to file its Comment to the MR filed by the CIR within five (5) days from receipt of the said Resolution. Consequently, Guimaras Wind complied with the Resolution and filed its Comment to the CTA En Banc on July 4, 2022.

On January 17, 2023, the CTA En Banc issued a Resolution reiterating its Decision dated May 17, 2022, which in turn affirmed the CTA Third Division's Decision limiting Guimaras Wind's entitlement to refund to a reduced amount of ₱16,149,514.

The CTA En Banc held that the Certificate of Endorsement (COE) from the DOE and the Certificate of Compliance (COC) from the Energy Regulatory Commission (ERC) are both required in order for Guimaras Wind to properly avail of VAT zero-rating incentives. The CTA En Banc also rejected Guimaras Wind's position that its application for COC should be deemed "provisionally approved" six months from the filing of its application for a COC with the ERC.

On February 3, 2023, Guimaras Wind filed a Motion for Extension of Time ("MOTEX") to File Petition for Review on Certiorari with the Supreme Court (SC). On March 6, 2023, Guimaras Wind filed the Petition.

On January 24, 2024, the SC Third Division issued a Resolution requiring Guimaras Wind to file a Comment to the Petition for Review filed by the CIR within ten (10) days from receipt of the notice. Guimaras Wind filed the Comment on February 10, 2024.

On April 16, 2024, Guimaras Wind received the CIR's MOTEX to file their Comment dated April 3, 2024. On December 19, 2024, Guimaras Wind received a copy of the SC Third Division's Notice which notifies Guimaras Wind and CIR that it issued a Resolution dated August 7, 2024, requiring Guimaras Wind to file a Reply to the Comment within ten (10) days from notice, or until January 2, 2025. Guimaras Wind filed the Reply on said date.

As at June 30, 2026, Guimaras Wind has not received any decision nor resolution from the SC's Third Division relating to the case.

b. On April 12, 2017, San Carlos Solar Energy Inc. (SACASOL) filed a Petition for Review with the CTA regarding the disallowed claim of 2015 input VAT amounting to ₱40.62 million. On February 3, 2021, the CTA denied SACASOL's Petition for Review on the ground that SACASOL failed to establish that its sales qualify for VAT zero-rating because SACASOL did not present any proof that it was issued a DOE Certificate of Endorsement (COE), on a per transaction basis. On February 26, 2021, SACASOL filed a Motion for Reconsideration (MR), on the basis that there is no legal requirement for the COE to be on a per transaction basis for the VAT zero-rating of SACASOL's sales, and the VAT zero-rated sales were never disputed considering the partial grant by the BIR of SACASOL's claim for unutilized input VAT attributable to VAT zero-rated sales.

On May 6 and 20, 2021, SACASOL filed Supplemental Motions to admit additional evidence which included a DOE letter and certification confirming that a COR on a per transaction basis is not required for purposes of VAT zero-rating of RE Sales of RE Developers and such document is not actually being issued by the DOE. On September 22, 2021, CTA Third Division issued a resolution denying the Motion for Reconsideration.

On February 2, 2023, SACASOL filed a Petition for Review before the CTA En Banc.

On April 27, 2023 CTA En Banc denied SACASOL Petition for Review on the basis of jurisdictional grounds. The CTA En Banc denied the Petition on the ground that the CTA Third Division purportedly has no jurisdiction to entertain the judicial claim for refund being filed beyond the 120+30 day mandatory and jurisdictional period. The CTA En Banc counted the 120-day period from November 3, 2016 - the date when SACASOL filed its administrative claim for refund, and noted that the BIR only had until March 3, 2017 to decide the said claim. The CTA En Banc then held that since SACASOL did not receive an adverse decision from the BIR by March 3, 2017, the law considers the administrative claim as denied. According to the Decision, SACASOL had 30 days from March 3, 2017 or until April 3, 2017 to seek judicial redress. Since the Petition was only filed on April 12, 2017, the CTA is deprived of jurisdiction to hear the case.

On May 19, 2023, SACASOL filed its MR on the ground that (i) Sec112(c) does not require that the BIR acts and the taxpayer receives the decision within 120 days; and (ii) SACASOL should be able to file the judicial claim within 30 days from receipt of the decision, as long as the decision was made within the 120-day period.

On January 12, 2024, SACASOL received CTA EN Banc Resolution denying the MR and reiterated its earlier ruling that CTA has no jurisdiction for failure of SACASOL to file its judicial claim for refund within the 120+30 days period from the filing of its administrative claim. The

CTA En Banc ruled that the issues in the MR were already addressed, discussed and found wanting in its earlier Decision.

On March 4, 2024, SACASOL filed its Petition for Review with the Supreme Court. On February 5, 2025, BIR filed its Comment with the Supreme Court. On August 18, 2025, SACASOL submitted its reply to the Supreme Court.

As of June 30, 2026, SACASOL has not received any orders from the Supreme Court relating to the case.

c. NorthWind Power Development Corporation v. Commissioner of Internal Revenue (Q2-Q4 2022 VAT Judicial Claim - CTA Case No. 11637)

On October 7, 2024, NorthWind Power Development Corporation ("NorthWind") timely made its judicial claim for VAT Refund through the filing of a Petition for Review with the CTA, with a total claimed amount of ₱14,726,368.99.

On December 26, 2024, NorthWind received the CIR's Answer. The CIR hearing was held on June 26, 2025 while the presentation of NorthWind's witness and Independent Certified Public Accountant's ("ICPA") Commissioning was held on September 11, 2025 at CTA Quezon City. Commissioner's Hearings for NorthWind and CIR were held on September 18, 2025 and October 21, 2025, respectively. The presentation of ICPA Report and Judicial Affidavit of ICPA as well as the Amendments thereto were submitted on October 27, 2025, October 30, 2025, and November 3, 2025, respectively. The presentation of the ICPA Report was held on May 6, 2026 and the hearing for the presentation of the BIR witness was held on July 9, 2026.

d. North Luzon Renewable Energy Corp. v. Bureau of Internal Revenue (Q2-Q4 2022 VAT Judicial Claim - CTA Case No.11634)

On October 7, 2024, North Luzon Renewable Energy Corp. ("NLR") timely made its judicial claim for VAT Refund through the filing of a Petition for Review with the CTA, for a total claimed amount of ₱21,607,808.75.

On December 26, 2024, NLR received the CIR's Answer. On March 6, 2025, the CTA Division conducted Pre-Trial Conference. On August 28, 2025, the Commissioner's Hearing was conducted.

On October 2, 2025, NLR filed the Judicial Affidavit ("JA") of the Independent Certified Public Accountant and the Motion to Substitute Witness and JA of Mr. Ronald Edward Tan, NLR's Head of Finance. The hearing was held on January 22, 2026. On April 7, 2026, a hearing was held for the presentation of the BIR witness. As of June 30, 2026, NLR is awaiting updates from the CTA.

e. Guimaras Wind Corporation v. Commissioner of Internal Revenue (Q2-Q4 2022 VAT Judicial Claim - CTA Case No. 11638)

On October 7, 2024, Guimaras Wind Corporation timely made its judicial claim for VAT Refund through the filing of a Petition for Review with the CTA, for a total claimed amount of ₱12,192,129.28.

On December 5, 2024, Summons were issued by the CTA 2nd Division. On June 24, 2025 and July 8, 2025, the Commissioner's hearings were held where marking of exhibits was completed.

The presentation of ICPA Report was held on November 20, 2025 while the filing of Formal Offer of Evidence was completed on December 22, 2025. On March 19, 2026, the hearing was held where the BIR witness was presented. As of June 30, 2026, Guimaras Wind Corporation is awaiting updates from the CTA.

f. Monte Solar Energy Inc. v. Commissioner of Internal Revenue (Q2-Q4 2022 VAT Judicial Claim - CTA Case No. 11632)

On October 7, 2024, Monte Solar Energy Inc. (MONTESOL) timely made its judicial claim for VAT Refund through the filing of a Petition for Review with the CTA, for a total claimed amount of ₱6,371,207.40.

On December 27, 2024, Summons were issued by the CTA 1st Division. On March 27, 2025, Parties attended the Pre-Trial Conference. On April 15, 2025, MONTESOL and BIR filed a Joint Stipulation of Facts and Issues. MONTESOL also filed a Motion to Avail of the Provisions of Rule 13 of the Revised Rules of the CTA (Trial by Commissioner). On May 20, 2025, the Commissioner's hearing was conducted. On July 2, 2025, MONTESOL presented its witness. On August 20, 2025, the Independent Certified Public Accountant presented his report. On September 2, 2025, MONTESOL's Formal Offer of Evidence was filed. The case was transferred to the CTA 2nd Division. On March 26, 2026, the court resolved MONTESOL's Formal Offer of Evidence and set the presentation of BIR's evidence on April 30, 2026.

As of June 30, 2026, MONTESOL is awaiting further orders from the CTA.

g. Negros Island Solar Power Inc. v. Commissioner of Internal Revenue (Q2-Q4 2022 VAT Judicial Claim - CTA Case No. 11633)

On October 7, 2024, Negros Island Solar Power Inc. (ISLASOL) timely made its judicial claim for VAT Refund through the filing of a Petition for Review with the CTA, for a total claimed amount of ₱5,976,370.76.

On March 20, 2025, Summons were issued by the CTA Division and Pre-Trial Conference was held on June 25, 2025. On May 21, 2025, CIR filed its answer. On June 5, 2025, ISLASOL filed its Pre-Trial Brief and on June 25, 2025, the Pre-Trial Conference was held. On July 29, 2025, ISLASOL and BIR filed a Joint Stipulation of Facts and Issues. On November 20, 2025, the CTA issued the Pre-Trial Order.

On January 23, 2026, the case was transferred to the First Division. As at the report date, ISLASOL is awaiting for hearing schedule to present its witness.

h. Monte Solar Energy Inc. v. Commissioner of Internal Revenue (Claim for 2018 Input VAT Refund - CTA Case No. 10434)

On December 28, 2020, Monte Solar Energy Inc. (MONTESOL) filed a Petition for Review before the CTA for a refund claim for unutilized input VAT in the total amount of ₱4,600,672.57, attributable to zero-rated sales of power generated from RE sources for the four (4) quarters of 2018. BIR filed its Answer on March 15, 2021 and the Pre-Trial Conference proceeded on July 15, 2021.

On January 18, 2024, the CTA issued its Decision partially allowing the refund claimed by MONTESOL and ordering the refund or issuance of tax credit certificate amounting to ₱4,128,580.59, representing MONTESOL's unutilized input VAT attributable to its zero-rated sales for all quarters of 2018, with a ₱472,091.98 variance from the claim that was filed. MONTESOL's management decided not to appeal the disallowed claim.

On February 21, 2024, MONTESOL received CIR's Motion for Partial Reconsideration arguing that MONTESOL is not the proper party to seek the tax refund. The CIR further argued that MONTESOL failed to prove that the same remained unutilized and were not carried over to the succeeding periods and that MONTESOL's input tax is creditable and directly attributable to its zero-rated sales.

On May 7, 2024, MONTESOL received a copy of the CTA Division's Resolution promulgated on May 2, 2024 which denied the CIR's Motion for Partial Reconsideration. The CTA held that the issues raised by the CIR in its MR were already ruled upon by the Court. The CTA also held that the grant of refund of valid input VAT is proper irrespective of whether the input taxes claimed as refund is directly attributable to its zero-rated sales.

On June 5, 2024, the CIR filed its Petition for Review before the CTA En Banc praying for the reversal of the Decision and Resolution. On July 8, 2024, MONTESOL filed its Comment on the CIR's Petition for Review. On July 26, 2024, MONTESOL received a copy of the CTA En Banc's resolution submitting the Petition for decision. On April 15, 2025, CTA En Banc promulgated its Decision dismissing CIR's Petition for Review. On April 25, 2025, CIR filed its Motion for Reconsideration. On June 19, 2025, MONTESOL filed it Comment and on July 28, 2025, CTA En Banc noted the comment and submitted the Motion for Reconsideration for resolution. On November 5, 2025, the CTA denied BIR's Motion for Reconsideration. On December 9, 2025, BIR filed a Motion for Extension of Time to File Petition for Review on Certiorari and the Solicitor General filed its Entry of Appearance. On January 8, 2026, CIR filed a Petition for Review on Certiorari before the Supreme Court.

As at the report date, MONTESOL is awaiting further orders from the Supreme Court.

i. San Carlos Solar Energy Inc. v. Commissioner of Internal Revenue (Q2-Q4 2022 VAT Judicial Claim - CTA Case No. 11636)

On October 7, 2024, San Carlos Solar Energy Inc. (SACASOL) timely made its judicial claim for VAT Refund through the filing of a Petition for Review with the CTA, for a total claimed amount of ₱11,764,786.11.

On December 13, 2024, Summons were issued by the CTA 1st Division. On February 19, 2025, BIR filed its Answer and on June 4, 2025, Pre-trial Conference was held. On July 28, 2025, the Commissioner's Hearing was held and on October 22, 2025, the ICPA Commissioning and Presentation of SACASOL's witness was held. On December 10, 2025, the ICPA report was submitted. Subsequently, SACASOL filed a Motion to Admit an Amended ICPA Report on December 22, 2025. On May 5, 2026, the ICPA was presented as a witness. On June 2, 2026, SACASOL filed its Formal Offer of Evidence and on June 4, 2026, the CIR filed its Comment. As of June 30, 2026, SACASOL is awaiting updates from the CTA.

j. Palauig Solar 1 Inc. (formerly Gigasol3, Inc.) v. Commissioner of Internal Revenue (Q2-Q4 2022 VAT Judicial Claim - CTA Case No. 11635)

On October 7, 2024, Gigasol3, Inc. (Gigasol3) timely made its judicial claim for VAT Refund through the filing of a Petition for Review with the CTA, for a total claimed amount of ₱1,034,207.30.

On December 21, 2024, Gigasol3 received the CIR's Answer and on March 19, 2025, the Pre-Trial Conference was held. On April 15, 2025, Gigasol3 filed a Motion to avail of the provisions of Rule 13 of the Rules of the Court of Tax Appeals to avail of the services of an Independent CPA who will conduct the audit, examination, and verification of the voluminous documents supporting the petition.

On December 18, 2025, the CTA issued a Minute Resolution. The initial presentation of evidence for Gigasol3, testimony of its witness and the commissioning of the ICPA was held on April 8, 2026. The Company notified the CTA of its change in name from Gigasol3 to Palauig Solar 1 Inc. (Palauig 1).

As at the report date, the CTA has yet to issue a new schedule of hearing for presentation of Palauig 1's witness.

k. Alaminos Solar Inc. (formerly SolarAce1 Energy Corp.) v. Commissioner of Internal Revenue (Q2-Q4 2022 VAT Judicial Claim - CTA Case No. 11639)

On October 7, 2024, Alaminos Solar Inc. (Alaminos Solar) timely made its judicial claim for VAT Refund through the filing of a Petition for Review with the CTA, for a total claimed amount of ₱1,829,304.74.

On January 3, 2025, Alaminos Solar received the Answer filed by the CIR. The CTA Division set the case for CAM on March 17, 2025, and subsequently, for Pre-Trial Conference on June 10, 2025. The ICPA commissioning and Presentation of witness was held on August 28, 2025.

ICPA report and Supplemental ICPA Report were filed on September 29, 2025 and October 6, 2025, respectively. ICPA was presented and Commissioner's Hearing for some documents was held on October 9, 2025. The Formal Offer of Evidence was filed on October 29, 2025. As at the report date, the CTA has yet to schedule the hearing for presentation of CIR's witness

l. ACEN Tech Hub Inc. (formerly Bataan Solar Energy, Inc.) v. Commissioner of Internal Revenue (Q2-Q4 2022 VAT Judicial Claim - CTA Case No. 11540)

On June 26, 2024, ACEN Tech Hub Inc. (Tech Hub) timely made its judicial claim for VAT Refund through the filing of a Petition for Review with the CTA, for a total claimed amount of ₱18,582,442.30.

On October 16, 2024, Tech Hub received a copy of the Court's Order setting the case for Pre-Trial Conference on February 12, 2025, with Pre-Trial set on February 9, 2025. Tech Hub engaged Reyes Tacandong & Co. as its ICPA.

On April 30, 2025, Tech Hub presented its witness and on July 2, 2025, the ICPA was presented. On August 1, 2025, Tech Hub filed its Formal Offer of Evidence, to which BIR filed a comment/opposition on August 17, 2025. CIR's presentation of evidence was held on April 21, 2026.

m. Monte Solar Energy Inc. (MONTESOL) v. Commissioner of Internal Revenue (VAT Final Decision on Disputed Assessment - CTA Case No. 12198)

On October 20, 2025, MONTESOL filed a Petition for Review with the CTA, praying to cancel and set aside the FDDA dated July 11, 2025 issued by the BIR, imposing alleged deficiency income taxes, VAT, miscellaneous taxes, and compromise penalty for taxable year 2021, in the total amount of ₱13,657,920.18, inclusive of interest.

On March 23, 2026, the Court directed the Company to submit (1) Names of witnesses and their judicial affidavit; and (2) the Amended Verification and Certification Against Forum Shopping containing the wet signatures of the affiant. On April 27, 2026, the Company filed its Compliance to the CTA's order to submit additional documents.

On May 26, 2026, the Company received a Warrant of Distraint and/or Levy issued by the BIR, covering the taxes assessed in the assailed FDDA. The Company filed its Urgent Motion to Suspend Collection of Taxes, Quash and Invalidate the Warrant of Distraint and/or Levy, and Dispense with the Requirement to Post a Bond with the CTA on June 9, 2026.

Provisions and Contingencies

NorthWind Power Development Corporation (NorthWind) is a party to several cases involving the assessment and collection by the Provincial Treasurer of Ilocos Norte of real property tax (RPT) on the wind turbine generators, civil works, equipment, machinery, and transmission lines of NorthWind located in the Municipality of Bangui. NorthWind was assessed RPT at a rate of two percent (2%) or an aggregate amount of ₱211.59 million for years 2017 to 2024. NorthWind paid under protest the RPT thereon and filed a protest questioning the imposition of 2% tax rate on its Renewable Energy (RE) facilities. Under Republic Act 9513 or the RE Law, realty and other taxes on civil works, equipment, machinery, and other improvements of a Registered RE Developer actually and exclusively used for RE facilities shall not exceed 1.5% of their original cost less accumulated normal depreciation or net book values.

As at June 30, 2026, the 2017 to 2024 RPT protest is pending decision with the Local Board of Assessment Appeals of Ilocos Norte.

30. **Vietnam Portfolio – Regulatory and Operational Environment**

The Group has renewable energy investments in Vietnam that operate under long-term Power Purchase Agreements (PPAs) with Vietnam Electricity (EVN), and with tariffs established under the Vietnam government's feed-in tariff (FIT) framework. The operating and regulatory environment for renewable energy projects in Vietnam continues to evolve, and certain aspects of the regulatory process remain subject to interpretation and administrative implementation.

During 2025, EVN applied revised payment practices to certain projects, including the use of Completion Certificate Acceptance (CCA) as part of its administrative review of Commercial Operation Date (COD) recognition. Historically, CCAs were not required as a condition for COD, and projects were able to commence operations, bill and collect under the FIT even without the CCA.

The application of these revised payment practices has resulted in timing differences in collections for certain projects while administrative matters are being addressed.

As of June 30, 2026, the Group's Mekong Portfolio (Vietnam and Laos) includes investments in solar and wind projects with an aggregate carrying value of ₱34,576.36 million (US$563.5 million), comprising of ₱24,151.30 million (US$393.6 million) in debt instruments and ₱10,425.06 million (US$169.9 million) in equity instruments (investments in JVAs). These investments remain exposed to regulatory processes, administrative approvals and payment mechanics customary in the local operating environment.

The Group continues to engage with EVN, Vietnam's Ministry of Industry and Trade and other relevant government agencies, together with other renewable energy investors, to monitor developments and support the timely resolution of administrative matters. As at the reporting date, Management understands that EVN is considering a recovery mechanism through tariff adjustments over a defined period, which is expected to reduce future cash flows rather than give rise to a one-time settlement obligation.

Accordingly, management has recognized a provision of ₱1,200.08 million (US$20.0 million) (see Note 6) to reflect the potential downside impact from reduced future cash flows arising from these developments. The provision is assessed at the Vietnam portfolio level and is not attributed to specific projects, but is supported by an evaluation of the most sensitive exposures within the portfolio. The assessment reflects management's current view based on available information and may increase or decrease depending on the final outcome of discussions with EVN, and will be updated as further clarity on the EVN mechanism becomes available.

31. Events After the Reporting Period

Below are the events after the reporting period which are treated as non-adjusting events as at June 30, 2026:

Divestment of up to 49% Ownership Interest in Diyos Renewables India Project Private Limited
On July 3, 2026, ACEN, through its subsidiary, URH, executed a Securities Sale and Purchase Agreement with DIRO in respect of the acquisition by DIRO of up to 49% of Diyos Renewables India Project Private Limited ("Diyos"). The transaction is expected to close in stages, subject to the satisfaction of agreed contractual and customary conditions precedent. Diyos is in the process of developing and constructing a 100MW wind utility project located in Karnataka, India.

Declaration of Cash Dividends on Outstanding Series A Preferred Shares and Series B Preferred Shares
On August 3, 2026, ACEN's Management confirmed the sufficiency of its unrestricted retained earnings as of June 30, 2026 for the declaration of cash dividends on ACEN's outstanding Series A Preferred Shares (ACENA) and Series B Preferred Shares (ACENB), as follows:

	ACENA	ACENB
Dividend Rate	¼ of 7.1330% per annum	¼ of 8.0000% per annum
Dividend per Share	₱17.83250	₱20.00
Dividends (in Thousands)	₱148,750	₱333,170

The total dividends amounting to ₱481.92 million will be paid on September 1, 2026. These dividend declarations are pursuant to the approval by ACEN's BOD on November 10, 2025 of the 2026 dividend declaration and payment schedule for ACEN's preferred shares, and the authority it delegated to Management.

ANNEX B

Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis of the financial position and results of operations of ACEN Corporation ("ACEN" or the "Company") and its subsidiaries (the "Group") should be read in conjunction with the unaudited interim condensed consolidated financial statements of the Group as at June 30, 2026, for the six-month periods ended June 30, 2026 and 2025, and the audited consolidated financial statements as at December 31, 2025. The audited consolidated financial statements of the Group as at December 31, 2025 have been prepared in compliance with the Philippine Financial Reporting Standards (PFRS) Accounting Standards.

2026

Corporate Highlights:

- In February 2026, ACEN, through its subsidiary ACEN Renewables International Pte. Ltd. (ACRI), consolidated its joint venture with UPC Renewables in India, making the development platform 100% owned by ACEN. The acquisition gives ACEN control of a fast-growing and diversified renewables portfolio in India and strengthens its presence in one of the world's most attractive clean energy markets. This strategic move supports ACEN's broader ambition to scale renewables across key growth markets in Asia-Pacific.

- In February 2026, ACEN was named one of TIME and Statista's Asia-Pacific's Best Companies 2026, a prestigious ranking that recognizes 500 top-performing organizations shaping the future of business across the region. The TIME and Statista ranking evaluates the companies across three key pillars – employee satisfaction, financial performance, and sustainability transparency (ESG), based on comprehensive data, including employee surveys, revenue growth metrics, and ESG disclosures.

- In March 2026, ACEN, through Diyos Renewables India Project Private Limited, secured a project finance term loan of INR7.517 billion to support the development of its Bijapur Wind project in Karnataka, India. The greenfield project financing facility, arranged with Mitsubishi UFJ Financial Group (MUFG) and Sumitomo Mitsui Banking Corporation (SMBC), will partially fund the construction of the 100 MW (Phase 1) of the Bijapur Wind project.

- In May 2026, Yindjibarndi Energy Corporation (YEC), a company established as a partnership between ACEN and Yindjibarndi Aboriginal Corporation and one of Australia's largest Indigenous-led renewable energy initiatives, issued Notices to Proceed to its Engineering, Procurement and Construction contractor and construction accommodation provider to begin construction of the Jinbi Solar Project following the project's financial close and the execution of a thirty (30)-year Power Purchase Agreement with Hamersley Iron Pty Limited, a subsidiary of Rio Tinto Limited, for Stage 1 of the project. Stage 1 of the Jinbi Solar Project will comprise a 75MWac (102 MWdc) solar facility, with an option to expand to 150 MWac (204 MWdc), including the potential addition of a Battery Energy Storage System (BESS), subject to regulatory approvals and future development decisions.

- In May 2026, Ocean Sun AS (Ocean Sun) and ACEN-Silverwolf Pte Ltd. (ACEN-Silverwolf), a joint venture between ACRI and Silverwolf Capital Limited, executed a non-binding memorandum of understanding to establish a strategic framework for the deployment of Ocean Sun's floating solar technology across selected Asian markets. Ocean Sun and ACEN-Silverwolf intend to enter into a binding collaboration framework upon securing the relevant approvals and finalizing the definitive documentation.

- In May 2026, ACEN executed various Share Purchase Agreements for the sale of its 100% ownership interests in Oxylus Energy Corporation, Vayu Energy Corporation, and Zephyrus Energy Corporation to Yanara Philippines Corporation (Yanara Philippines). The Deeds of Absolute Sale will be executed upon the completion of closing condition precedents. These sale transactions form part of ACEN's portfolio rationalization and support the consolidation of special purpose vehicles for utility-scale renewable energy projects across the Philippines under Yanara Philippines to improve efficiency, reduce costs, and accelerate project execution. Yanara Philippines is a joint venture platform between ACEN and BrightNight APAC B.V.

- In June 2026, ACEN's subsidiaries, Palauig Solar 1 Inc., as the Borrower, and Gigasol 2, Inc., as the Share Collateral Grantor, signed a Project Financing Facility amounting to ₱2.925 billion with the Bank of the Philippine Islands, as the Lender, and BPI Asset Management and Trust Corporation, as the Collateral Trustee. The proceeds will be used to (a) partially finance the Palauig 1 Energy Storage System (ESS) Project, and (b) refinance or repay advances from shareholders used for the construction and development of the Palauig 1 Solar Power Plant and/or the Palauig 1 ESS Project. The Palauig 1 ESS Project is a 35 MW / 140 MWh ESS facility to be located adjacent to and integrated with the existing 63 MWdc / 50 MWac Palauig 1 Solar Power Plant in Brgys. Salaza and Cauyan, Municipality of Palauig, Province of Zambales.

- In June 2026, URH, a subsidiary of ACEN, executed a Securities Subscription and Purchase Agreement with Diamond India Renewables One B.V. (DIRO) for the acquisition by DIRO of up to a 49% ownership interest in Tejorupa Renewables India Project Private Limited (Tejorupa). The sale of the ownership interest in Tejorupa had already been initiated before the opportunity for ACEN to wholly own URH arose. The transaction is expected to close in stages, subject to the satisfaction of agreed contractual and customary conditions precedent.

  Tejorupa is currently developing and constructing a 250 MWac solar utility project in Rajasthan, India. On the same date, URH, DIRO, Tejorupa, and Amsa Solar Holdco Pte. Ltd., a shareholder of Tejorupa, signed the related Shareholders' Agreement.

  This transaction reinforces ACEN's strategic partnerships while allowing the Group to maintain its controlling interest in Tejorupa.

Operating Highlights:

- As of June 30, 2026, ACEN has 7,748 megawatts (MW) of net attributable renewable capacity from projects in operation and under construction within the Philippines and other countries.

- The project status split of the 7,748 MW net attributable renewable capacity is:

  - 55% or 4,294 MW in operation; and
  - 45% or 3,454 MW under construction[2].

- The geographical split of the 7,748 MW net attributable renewable capacity is:

Geography	MW	%
Philippines	3,259	42%
India	1,727	22%
Australia	1,319	17%

[2] Includes SanMar 1-3 BESS (500 MW) and Palauig 2 BESS (240 MW) projects which issued Notices to Proceed in July 2026

Geography	MW	%
Vietnam / Lao PDR	1,015	14%
USA	142	2%
Indonesia	107	2%
Others[3]	179	1%
Total	7,748	100%

- The technology split of the 7,748 MW net attributable renewable capacity is:

Technology	MW	%
Solar	4,574	59%
Wind	1,980	26%
Battery	1,079	14%
Geothermal	115	1%
Total	7,748	100%

- The table below presents selected data on the Group's renewable portfolio in operation and under construction as of June 30, 2026.

Plant	Class	Technology	Geography	Status	Net Dependable Capacity (MW)	Approx. Economic Interest	Attributable Capacity (MW)
Pagudpud Wind (Bayog/Balaoi)	Renewable	Wind	Philippines	Operating	160	100%	**160**
North Luzon Renewables	Renewable	Wind	Philippines	Operating	81	81%	**66**
Capa Wind (Amihan)	Renewable	Wind	Philippines	Operating	70	81%	**57**
Guimaras Wind	Renewable	Wind	Philippines	Operating	54	100%	**54**
Northwind	Renewable	Wind	Philippines	Operating	52	100%	**52**
Monsoon Wind	Renewable	Wind	Lao PDR	Operating	600	24.4%	**146**
Stockyard Wind	Renewable	Wind	United States	Operating	129	85%	**109**
Chestnut Flats Wind	Renewable	Wind	United States	Operating	38	85%	**32**
Quang Binh Wind (AMI Wind)	Renewable	Wind	Vietnam	Operating	252	80%	**202**
Ninh Thuan Wind (BIM Wind)	Renewable	Wind	Vietnam	Operating	88	82.15%	**72**
Lac Hoa (UPC Soc Trang)	Renewable	Wind	Vietnam	Operating	30	80%	**24**
Hoa Dong (UPC Soc Trang)	Renewable	Wind	Vietnam	Operating	30	80%	**24**
Mui Ne Wind Phase 1 (Dai Phong)	Renewable	Wind	Vietnam	Operating	40	50%	**20**
Mui Ne Wind Phase 2 (Hong Phong 1)	Renewable	Wind	Vietnam	Operating	40	50%	**20**
SanMar Solar Phases 1 and 2	Renewable	Solar	Philippines	Operating	385	100%	**385**
Alaminos Solar	Renewable	Solar	Philippines	Operating	120	100%	**120**
Cagayan North Solar (CleanTech/ NAREDCO)	Renewable	Solar	Philippines	Operating	133	80%	**106**
Islasol	Renewable	Solar	Philippines	Operating	80	100%	**80**
Palauig 1 Solar	Renewable	Solar	Philippines	Operating	63	100%	**63**

[3] Primarily rooftop solar from ACEN C&I partnership across several countries in Asia

Plant	Class	Technology	Geography	Status	Net Dependable Capacity (MW)	Approx. Economic Interest	Attributable Capacity (MW)
Pangasinan Solar (Sinocalan)	Renewable	Solar	Philippines	Operating	60	100%	**60**
Arayat-Mexico Solar Phases 1 and 2	Renewable	Solar	Philippines	Operating	116	50%	**58**
Sacasol	Renewable	Solar	Philippines	Operating	45	100%	**45**
Montesol	Renewable	Solar	Philippines	Operating	18	100%	**18**
ACEN RE Tech Hub	Renewable	Solar	Philippines	Operating	4	100%	**4**
New England Solar Farm (NESF) Phase 1	Renewable	Solar	Australia	Operating	522	100%	**522**
Stubbo Solar	Renewable	Solar	Australia	Operating	520	100%	**520**
Masaya Solar	Renewable	Solar	India	Operating	420	80%	**336**
Sitara Solar	Renewable	Solar	India	Operating	140	80%	**112**
Paryapt Solar	Renewable	Solar	India	Operating	70	80%	**56**
Ninh Thuan Solar (BIM)	Renewable	Solar	Vietnam	Operating	405	74.5%	**302**
SUPER (Solar NT) First Phase Closing[4]	Renewable	Solar	Vietnam	Operating	287	49%	**141**
Khanh Hoa and Dak Lak Solar (AMI)	Renewable	Solar	Vietnam	Operating	80	80%	**64**
ACEN C&I	Renewable	Rooftop Solar	Various[5]	Operating	116	100%	**116**
Maibarara Geothermal	Renewable	Geothermal	Philippines	Operating	32	25%	**8**
Salak & Darajat Geothermal	Renewable	Geothermal	Indonesia	Operating	656	15%	**98**
Salak Binary Plant	Renewable	Geothermal	Indonesia	Operating	16	15%	**2**
Alaminos Battery Storage	Renewable	Battery	Philippines	Operating	40	100%	**40**
Quezon North 1 WPP	Renewable	Wind	Philippines	Under Construction	345	100%	**345**
Quezon North 2 WPP	Renewable	Wind	Philippines	Under Construction	208	100%	**208**
Sheo 1 -- Wind	Renewable	Wind	India	Under Construction	153	80%	**122**
Sheo 2 -- Wind	Renewable	Wind	India	Under Construction	153	80%	**122**
Bijapur	Renewable	Wind	India	Under Construction	120	100%	**120**
Maharashtra C&I Hybrid – Wind	Renewable	Wind	India	Under Construction	29	80%	**24**
Palauig 2 Solar	Renewable	Solar	Philippines	Under Construction	300	100%	**300**
San Marcelino Solar Phase 3	Renewable	Solar	Philippines	Under Construction	200	100%	**200**
Sual Solar	Renewable	Solar	Philippines	Under Construction	69	80%	**56**
Jinbi Solar	Renewable	Solar	Australia	Under Construction	102	75%	**77**
Tejorupa	Renewable	Solar	India	Under Construction	350	100%	**350**
Sheo 1 – Solar	Renewable	Solar	India	Under Construction	201	80%	**161**
Sheo 2 – Solar	Renewable	Solar	India	Under Construction	201	80%	**161**

[4] Succeeding phases of the Solar NT acquisition are subject to completion of conditions precedent
[5] Comprises of Mainland China, Hong Kong, Malaysia, Thailand, Taiwan, and Singapore

Plant	Class	Technology	Geography	Status	Net Dependable Capacity (MW)	Approx. Economic Interest	Attributable Capacity (MW)
Maharashtra C&I Hybrid – Solar	Renewable	Solar	India	Under Construction	124	80%	**99**
Dayasinar Solar	Renewable	Solar	Malaysia	Under Construction	40	80%	**32**
Solarscape	Renewable	Solar	Malaysia	Under Construction	40	80%	**32**
Salak Unit 7 Expansion	Renewable	Geothermal	Indonesia	Under Construction	40	15%	**6**
Palauig 1 BESS	Renewable	Battery	Philippines	Under Construction	35	100%	**35**
SanMar 1-3 BESS[6]	Renewable	Battery	Philippines	Under Construction	500	100%	**500**
Palauig 2 BESS[7]	Renewable	Battery	Philippines	Under Construction	240	100%	**240**
New England BESS (2hr)	Renewable	Battery	Australia	Under Construction	200	100%	**200**
Sheo 2 -- Battery	Renewable	Battery	India	Under Construction	45	80%	**36**
Sheo 1 -- Battery	Renewable	Battery	India	Under Construction	35	80%	**28**
						Total	**7,748**

- The attributable renewable generation output reached 4,024[8] gigawatt hours (GWh) at the end of the first half of 2026, up 21% from the same period in 2025. Growth was largely driven by the full half-year contribution of newly operational plants and the improved availability of the Northern Luzon wind plants.

  For the six-month period ended June 30, 2026:
  - Philippines' attributable renewable energy generation increased +17% year-on-year to 1,091[9] GWh, supported by higher generation from the Pagupdud and Capa wind plants due to improved availability. This was partly offset by softer wind resource and lower solar irradiance in certain plants during the period. Overall, plant availability remained broadly consistent with the prior year, except for the improved availability of the Pagudpud and Capa wind plants in Northern Luzon.
  - Australia's attributable output increased significantly year-on-year by +56% at 862 GWh, driven by the first full half-year contribution from the Stubbo solar plant following commencement of commercial operations in December 2025. This growth was partly tempered by weaker solar resource during the period and reduced output from the New England Solar Farm due to equipment-related issues.
  - ACEN Investments' attributable generation rose +13% year-on-year to 2,071 GWh, reflecting contributions from newly operational projects. The increase was led by the first full half-year contributions from the Monsoon wind plant in Vietnam/Laos, Maharashtra solar plant in India, and Stockyard wind plant in the U.S., alongside improved generation in Indonesia resulting from enhanced plant reliability and in Vietnam owing to higher solar irradiance. These gains were partly offset by lower solar irradiance in India and weaker wind resource across parts of Vietnam.

- The Philippine business contracts a significant portion of its capacity through the Feed-in-Tariff (FIT) program, Retail Electricity Supply (RES) agreements with commercial and industrial customers, and Power Purchase Agreements (PPA) with both distribution utilities and a limited number of industrial

[6] Notice to Proceed issued in July 2026
[7] Notice to Proceed issued in July 2026
[8] 4,185 GWh including output from diesel plant
[9] 1,252 GWh including output from diesel plant

customers. Any supply that is not sold to a contracted customer is sold to the Wholesale Electricity Spot Market (WESM) and is referred to as uncontracted sales. The spot market position reflects the difference between the contracted and uncontracted volumes.

The FIT program was introduced under the Philippine Renewable Energy Act (RE Law) where a guaranteed price is granted to renewable energy developers for power generation supplied to the grid over a certain period. FIT payments are funded by the FIT-All mechanism, a consumer-funded charge administered by National Transmission Corporation ("TransCo") under the Energy Regulatory Commission ("ERC") oversight.

The Philippines' net selling position for the first half of 2026 is at 677 GWh, representing a 40% decrease year-on-year, primarily due to higher contracted retail sales with customer capacity switched rising to 394 MW from 303 MW in the prior year, and the Meralco mid-merit renewable energy (MMRE) contracts. Further, the lower energy purchases from South Luzon Thermal Energy Corporation (SLTEC) following the implementation of a revised trading strategy contributed to the decrease. Under this approach, uncontracted SLTEC generation is sold directly into the WESM during periods when spot prices are below SLTEC's cost of supply, reducing transaction friction costs and improving commercial efficiency. Consistent with existing administration and management arrangements, ACEN remains obligated to ensure that SLTEC recovers its operating costs, capital expenditures, debt service requirements and agreed returns, with any shortfall between market revenues and contractual returns to be settled by ACEN.

Notwithstanding the reduction in net selling volumes, overall plant generation increased from 1,094 GWh in the first half of 2025 to 1,252 GWh in the first half of 2026, mainly driven by the improved plant availability of the Pagudpud and Capa wind plants following typhoon-related repair works in 2025. This improvement was partly offset by weaker wind resource and lower solar irradiance during the period. Except for the Pagudpud and Capa wind plants, plant availability remained broadly stable year-on-year. Post-repair activities, the longer-term impact of the typhoon damage continues to be assessed.

- Contracted capacity in the Philippines increased to 72% in the first half of 2026 from 49% in the prior year, driven by the continued expansion of the retail business reflected in customer capacity switched rising from 303 MW to 394 MW, and the full implementation of the MMRE contracts. In Australia, contracted capacity stood at 32% in the first half of 2026, compared to 34% in the same period in 2025, as the completion and ramp-up of the Stubbo solar plant increased available output ahead of contracting. With Stubbo solar plant now fully operational, the Group's contracting objective is to steadily increase Australia's contracted capacity. ACEN Investments' output remains generally contracted, supported by predominantly long-term offtake arrangements across the portfolio. At the Group level, contracted capacity improved to 76% in the first half of 2026 from 67% in the prior year, reflecting continued progress in strengthening revenue visibility despite new capacity additions.

- Construction updates as of June 30, 2026 are :

Project Name	Technology	Geography	Attributable Capacity (in MW)	% Completion	Estimated Annual Output (in GWh)	Target Completion
Palauig 2	Solar	Philippines	300	98%[1]	453	Q2 2027
San Marcelino Phase 3	Solar	Philippines	200	55%	298	Q2 2027
Sual	Solar	Philippines	69	50%	109	Q4 2026
Quezon North	Wind	Philippines	553	30%[2]	1,730	QN 1: Q4 2027 QN 2: Q2 2032
Palauig 1 BESS[3]	Battery	Philippines	35	14%	--	Q2 2027

Project Name	Technology	Geography	Attributable Capacity (in MW)	% Completion	Estimated Annual Output (in GWh)	Target Completion
New England BESS	Battery	Australia	200	95%	--	Q4 2026
Jinbi	Solar	Australia	102	4%	242	Q3 2028
Maharashtra Hybrid	Solar and Wind	India	153	77%	290	Q3 2026
Tejorupa	Solar	India	420	26%	762	Q1 2027
Sheo 1 Hybrid	Solar, Wind and Battery	India	389	6%	894	Q2 2027
Sheo 2 Hybrid	Solar, Wind and Battery	India	399	11%	886	Q1 2027
Bijapur	Wind	India	120	13%	381	Q1 2027
Salak & Darajat Unit 7	Geothermal	Indonesia	40	67%	320	Q4 2026
Dayasinar	Solar	Malaysia	40	100%	320	Q2 2026
Solarscape	Solar	Malaysia	40	81%	320	Q3 2026

1. Palauig 2 Solar Plant only; 2. Phase 1 only; 3. 35MW/140 MWh capacity

Financial Highlights:

The Group recorded net income attributable to equity holders of the Parent Company of ₱3,901.16 million in the first half of 2026, a significant increase from ₱763.04 million in the comparable period in 2025. The improvement was primarily driven by stronger operating performance across key markets, recognition of several material one-off items and lower Vietnam-related provisions during the period. Excluding non-recurring items, core net income after tax increased year-on-year from ₱3,494.21 million to ₱4,215.03 million, including the income recognized from the MERALCO change in circumstances (CIC) price adjustments approved by the Energy Regulatory Commission (ERC). Increase was partly tempered by the higher depreciation and interest expense associated with projects that recently commenced commercial operations.

The reconciliation from net income attributable to equity holders of the Parent Company to core net income attributable to equity holders of the Parent Company follows:

Amounts in Millions	Six-Month Period Ended June 30, 2026
Net income attributable to equity holders of the Parent Company	₱3,901.16
Add: Provisions for impairment or write off	
Vietnam portfolio	1,188.24
India guarantee fee	397.28
ACEN Australia asset impairments	298.98
ACEN C&I restructuring	204.70
VWEL goodwill	38.60
	2,127.80
Less: One-off gain	
India Platform remeasurement	(1,813.93)
Core net income attributable to equity holders of the Parent Company[10]	₱4,215.03

[10] Includes income (net of tax) recognized from the MERALCO CIC price adjustments approved by the ERC

From an operational standpoint, attributable renewable generation increased 21% year-on-year, driven by the first full half-year contribution of Stubbo Solar (Australia), Monsoon Wind (Lao-PDR), Maharashtra Solar (India), Stockyard Wind (U.S.) and additional generation from wind plants in Northern Luzon (Philippines) following improved plant availability. These gains were partially offset by weaker wind resource and lower solar irradiance in selected locations.

In the Philippines, operating performance improved year-on-year, supported by the retail business growth, trading and power supply optimization, recovery in wind generation, and full implementation of the MMRE contracts. The improvement was partly tempered by higher depreciation from Pagudpud wind plant following its start of commercial operations in Q3 2025.

In the first half of 2026, WESM spot prices in Luzon averaged ₱4.9/kWh, up by 29% year-on-year, as demand rose during the second quarter amid hotter weather conditions associated with the transition to El Nino. The elevated fuel prices and the reduced availability of coal and gas plants due to unplanned outages boosted the year-to-date average price. The continued commissioning of additional solar and IRESS capacities partly tempered the increase in prices, particularly during daytime hours.

In Australia, results are weighed down by higher depreciation and interest expense, following Stubbo solar plant's start of commercial operations, and recognition of asset impairments. This was partially mitigated by improved generation output from the first full half-year operation of Stubbo solar plant. Australia spot prices remained subdued in the first half of 2026, driven by mild weather and better wind regime. In New South Wales, prices for solar slightly improved around May and June; while BESS prices were negatively impacted during the period mainly due to increased battery capacity in the market.

ACEN Investments delivered higher year-on-year contributions arising from overall stronger plant performance driven by the newly operational projects. The performance was tempered by regulatory developments in Vietnam and higher interest expenses from new borrowings.

Overhead and development expenses is higher year-on-year, reflecting continued investments in platform capabilities, people, and development activities across the Group. Capitalization of development costs slowed during the period in alignment to project execution and progression.

Net financing costs increased primarily due to higher interest expense following the commencement of operations of project-financed plants and higher average debt balances. The increase was further amplified by lower interest income from bridge loans granted by the Group, which were repaid in Q4 2025 and had previously helped offset financing costs. The increase in net financing cost was partly offset by higher interest income derived from improved cash positioning and ongoing treasury optimization.

Year-on-year results were significantly influenced by several material one-off items:

With cash impact:

1. ERC-Approved Price Adjustments (Change in Circumstances)

   The ERC approved price adjustments for MERALCO baseload and mid-merit PSAs, allowing recovery of incremental fuel costs arising from the 2022–2023 coal price surge through generation charges beginning March 2026. The approval resulted in a significant positive pre-tax impact on earnings in the current period, partially reversing margin pressure from elevated fuel costs in prior years.

Without cash impact:

2. Acquisition of Unlimited Renewables Holdings B.V. (India Platform)

   The Group acquired the remaining 50% interest in Unlimited Renewables Holdings B.V., resulting in full ownership of its India Platform. The transaction generated a gain from remeasurement of the previously held interest and the recognition of goodwill, partly offset by the write-off of uncollected guarantee fees from prior years. Overall, the acquisition supports the Group's strategic expansion in India, with impact to current period's earnings driven by one-off consolidation effects.

3. Provision for Vietnam Projects

   The Group recognized a provision following developments indicating potential tariff clawbacks by the state-owned offtaker in Vietnam, which are expected to reduce future cash flows of affected projects. The provision reflects management's best estimate of the adverse financial impact based on available information as of the reporting date, and may increase or decrease depending on the final outcome of discussions with EVN, pending finalization of settlement terms.

4. Acquisition of Vietnam Wind Energy Limited Group

   The Group obtained control of Vietnam Wind Energy Limited (VWEL) Group through an irrevocable proxy arrangement, resulting in the consolidation and remeasurement of previously held interest at fair value. While a small gain was recognized upon remeasurement, the goodwill arising from the transaction was fully impaired in the same period due to prevailing economic and regulatory conditions in Vietnam, resulting in a net negative impact on earnings.

5. Restructuring of investment in ACEN C&I Asia HK Limited Group

   The Group disposed of its 50% direct interest in ACEN C&I Asia HK Limited Group for nominal consideration as part of a portfolio restructuring, resulting in loss of direct ownership and recognition of a loss on disposal. The transaction reflects a strategic simplification of the C&I portfolio, with impact on earnings driven by the derecognition of the investment's carrying value.

6. Asset impairments recognized by ACEN Australia

   The Group's Australia portfolio recognized: (i) partial impairment on the Direct Current Electrical Cables (DC Cables) at the New England Solar Farm; (ii) full write-off of capitalized development costs related to a Solar and Battery project in New South Wales following decision not to proceed with the project; and (iii) full expected credit losses provision on ACEN Australia's outstanding receivables from ZEN Energy, a power offtaker that entered voluntary administration in July 2026, due to uncertainty on collection. Management is implementing a replacement program for the faulty DC Cables.

The tables below summarize the consolidated results of operations of the Group for the six-month periods ended June 30, 2026 and 2025.

Revenues (amounts in Thousands):

	April to June		January to June		April to June		January to June	
	2026	2025	**2026**	2025	Inc (Dec)	%	Inc (Dec)	%
Revenue from sale of electricity	**₱11,774,815**	₱7,741,714	**₱22,512,248**	₱15,294,496	₱4,033,101	52	₱7,217,752	47
Dividend income	**138,520**	119,466	**261,968**	234,949	19,054	16	27,019	11
Rental income	**17,989**	17,504	**35,784**	35,009	485	3	775	2
Other revenues	**162,431**	70,182	**315,496**	151,817	92,249	131	163,679	108
	₱12,093,755	₱7,948,866	**₱23,125,496**	₱15,716,271	₱4,144,889	52	₱7,409,225	47

- **Revenue from sale of electricity** increased largely from the continued expansion of the Group's retail electricity supply business, with customer capacity switched rising to 394 MW from 303 MW in the prior year. This reflects sustained growth in the commercial and industrial customer base and higher contract rates.

  Revenue growth was further supported by the full implementation of the MMRE contracts, higher feed-in tariff rates following the adjustment issued in November 2025 and clarified in February 2026, and favorable WESM prices during the period. These factors contributed to improved realized prices in the Philippine portfolio.

  In Australia, revenues increased significantly following the full commercial operations of the Stubbo solar plant, which contributed incremental generation and earnings during the period, compared with partial operations in the prior year. The recent acquisition of the VWEL Group provided an additional uplift to the Group's revenue growth.

- **Dividend income** is derived from the Group's investment in AREIT, Inc. shares, which declared higher dividends year on year, as well as from other investee companies in which the Group does not hold a controlling interest.

- **Rental income** primarily comes from land leases with third parties.

- **Other revenues**, driven mostly by management and service fees from the Group's joint ventures and associates and bulk water sales, posted a year on year increase.

Costs and Expenses (amounts in Thousands):

	April to June		January to June		April to June		January to June	
	2026	2025	**2026**	2025	Inc (Dec)	%	Inc (Dec)	%
Costs of sale of electricity								
Cost of purchased power	**₱6,891,145**	₱4,437,549	**₱11,778,891**	₱8,865,957	₱2,453,596	55	₱2,912,934	33
Depreciation and amortization	**1,128,823**	722,622	**2,171,306**	1,496,159	406,201	56	675,147	45
Fuel	**2,564**	99,634	**2,733**	190,651	(97,070)	(97)	(187,918)	(99)
Others	**701,777**	694,573	**1,363,546**	1,414,049	7,204	1	(50,503)	(4)
	8,724,309	5,954,378	**15,316,476**	11,966,816	2,769,931	47	3,349,660	28
General and administrative expenses								
Provision for impairment	**350,190**	3,059,025	**2,208,007**	3,584,745	(2,708,835)	(89)	(1,376,738)	(38)
Personnel costs, management and professional fees	**1,162,681**	333,689	**1,852,712**	1,114,391	828,992	248	738,321	66

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	April to June		January to June		April to June		January to June	
	2026	2025	**2026**	2025	Inc (Dec)	%	Inc (Dec)	%
Depreciation and amortization	**136,898**	199,959	**348,981**	361,750	(63,061)	(32)	(12,769)	(4)
Others	**1,113,698**	308,075	**1,902,791**	724,883	805,623	262	1,177,908	162
	2,763,467	3,900,748	**6,312,491**	5,785,769	(1,137,281)	(29)	526,722	9
	₱11,487,776	₱9,855,126	**₱21,628,967**	₱17,752,585	₱1,632,650	17	₱3,876,382	22

- The **costs of sale of electricity** increased, primarily due to the full implementation of the MMRE contracts, which exposed the Group to time-of-day mismatch risk. This mismatch arises when the hourly profile of energy supply from own generation and contracted sources is not fully aligned with customer demand, particularly during the evening peak hours, resulting in periods where the Group is structurally short. As a result, the Group incurred higher night-time power purchases from the spot market to meet MMRE supply requirements. This mismatch, coupled with the increase in WESM prices, increased the costs of sale of electricity during the period.

  The increase in **depreciation and amortization** during the period was largely attributable to the commencement of commercial operations of Stubbo Solar in December 2025, with depreciation recognized in the current period and none in prior year. In the first half of 2025, Stubbo Solar was in a ramp-up phase, during which revenues were recognized, however, the plant did not yet achieved commercial operations, and depreciation was therefore not recognized. In addition, progress was made on typhoon-related repair works during Q4 2025 enabling the affected wind turbines to return to operations. Accordingly, depreciation expense started to be recognized, further contributing to the year-on-year increase in depreciation and amortization.

  Fuel costs significantly declined during the period, compared to prior year, mainly as a result of the Group's divestment of the diesel plants.

- **General and administrative expenses**

  - During the period, the Group recognized lower impairment provisions on its Vietnam portfolio compared to the prior year. In the first half of 2026, a provision was recognized following developments indicating potential tariff claw backs by the state-owned off taker in Vietnam, which are expected to reduce future cash flows of the affected projects. The provision reflects management's best estimate of the adverse financial impact based on available information as of the reporting date and may increase or decrease depending on the final outcome of discussions with EVN, pending finalization of settlement terms. In comparison, the provision recognized by the Group in the first half of 2025 is a result of the reduced tariff of the Lac Hoa and Hoa Dong Wind farms, which missed the FIT deadline of EVN on October 2021 due to delays attributed to pandemic-related restrictions, supply chain disruptions, and execution delays.

  - Continued investments in platform capabilities, people, and development activities drove the Group's year-on-year increase in overhead and development expenses. Development costs were also impacted by the alignment of cost capitalization with project advancement, resulting in lower capitalization levels during the period. The increase was partly offset by ongoing cost rationalization initiatives, disciplined cost management, and a more selective pacing of project origination and progression.

Document Name: Q2 2026 ACEN 17Q_Final.pdf Transaction ID: CBJCHBCAABAAHW5cwPm2qVuz3jEASg-6pg-bTOXw-4AR

Equity in Net Income (Loss) of Associates and Joint Ventures (amounts in Thousands):

	April to June		January to June		April to June		January to June	
	2026	2025	**2026**	2025	Inc (Dec)	%	Inc (Dec)	%
Philippines	**₱45,696**	₱151,651	**₱749,858**	₱810,937	(₱105,955)	(70)	(₱61,079)	(8)
Indonesia	**339,526**	305,746	**667,078**	586,701	33,780	11	80,377	14
Vietnam / Laos	**97,800**	2,211	**576,757**	364,051	95,589	4,323	212,706	58
United States of America (USA)	**(58,300)**	(200,012)	**(215,679)**	(228,432)	141,712	71	12,753	6
India	**(18,208)**	(19,900)	**(64,491)**	(34,231)	1,692	9	(30,260)	(88)
Others[11]	**(26,557)**	(27,401)	**45,288**	(90,184)	844	3	135,472	150
	₱379,957	₱212,295	**₱1,758,811**	₱1,408,842	₱167,662	79	₱349,969	25

Year-on-year movements mainly due to:

- **Philippines:** Net income of the Group's associates and joint ventures increased year-on-year, primarily driven by the adjustment to FIT rates approved in November 2025 and subsequently clarified in February 2026, together with the increase in generation for Capa Wind operations following progress made on typhoon-related repair works. However, overall equity in net income declined compared to the prior year, largely due to dividends declared to preferred shareholders by certain associates, which reduced earnings attributable to common shareholders on which the Group's equity in net income is based. The Group's share in the net income of Ingrid Power Holdings, Inc., a diesel power plant that began generating income from participation in the reserve market starting June 2024, partly tempered the reduction in equity in net income of associates and joint ventures during the period.

- **Indonesia:** Results improved year-on-year, supported by higher generation volumes and increased realized tariffs following CPI-linked tariff adjustments. The Group's investment in Salak-Darajat is through a Dutch layer company in the Netherlands.

- **Vietnam / Laos:** Year-on-year performance improved, driven by the first full half-year contribution of the Monsoon Wind project and higher solar irradiance from solar assets. Strong operating results were further supported by lower finance costs resulting from refinancing initiatives and the decline of secured overnight financing rates (SOFR), and lower foreign exchange losses. The project finance of selected Vietnam projects is in US$, while the functional currency of these projects is VND. Consequently, the foreign exchange losses associated with the entire value of the project finance are booked through the income statements of the relevant projects but will be serviced over time since the tariffs of these projects are US$-linked. These gains were partly offset by weaker wind resource across existing wind projects during the period.

- **India:** During the period, the Compulsory Convertible Debentures (CCDs) were converted into equity investments.

- **USA:** Income from the transfer of Production Tax Credits (PTCs) at the Stockyard project in April 2026 countered the losses at the Chestnut Flats project arising from reduced turbine availability during the ongoing refurbishment activities.

- **Rest of World:** Performance increased year-on-year, driven by additional operating capacities and lower operating costs following restructuring initiatives.

[11] 2026: Australia, Singapore, and Hong Kong; 2025: Singapore, and Hong Kong

Other Income (Charges) (amounts in Thousands):

	April to June		January to June		April to June		January to June	
	2026	2025	**2026**	2025	Inc (Dec)	%	Inc (Dec)	%
Interest and other financial income								
Investment in redeemable preferred shares and convertible loans	**₱588,526**	₱655,166	**₱1,256,721**	₱1,328,980	(₱66,640)	(10)	(₱72,259)	(5)
Accounts and notes receivable	**522,710**	676,299	**1,028,741**	1,504,026	(153,589)	(23)	(475,285)	(32)
Cash in banks and short-term deposits	**92,719**	180,254	**269,791**	376,504	(87,535)	(49)	(106,713)	(28)
	1,203,955	1,511,719	**2,555,253**	3,209,510	(307,764)	(20)	(654,257)	(20)
Less: Interest and other finance charges	**1,784,400**	1,176,502	**3,906,162**	2,317,808	607,898	52	1,588,354	69
Other income – net								
Remeasurement gain	–	–	**1,814,465**		–	–	1,814,465	100
Loss on disposal of assets	–	(89,611)	**(204,696)**	(89,611)	89,611	100	(115,085)	(128)
Others	**447,925**	16,555	**669,432**	379,797	431,370	2,606	289,635	76
	447,925	(73,056)	**2,279,201**	290,186	520,981	713	1,989,015	685
	(₱132,520)	₱262,161	**₱928,292**	₱1,181,888	(₱394,681)	(151)	(₱253,596)	(21)

- **Interest and other financial income** declined in the first half of 2026 compared to the prior year, primarily due to the repayment of the bridge financing loans generating interest, as well as scheduled loan maturities, granted by the Group to its uncontrolled investees. The consolidation of VWEL into the Group during the period also reduced interest income by the elimination of intercompany loan balances and related interest accruals. In addition, funds raised from financing activities were deployed to projects under construction, resulting in lower earnings from short-term placements.

- The year-on-year increase in **Interest and other finance charges** is largely due to higher short and long-term borrowings, mainly from the drawdown of a syndicated green term loan facility by ACEN Renewables International Pte. Ltd. (ACRI), a wholly-owned subsidiary of ACEN, and various loan drawdowns by the Group to fund operations and projects at pre-development and construction stages. The increase was further driven by interest expense on loans used to finance several power plants that reached commercial operations in 2025. These interest expenses ceased to be capitalized as part of project costs in the balance sheet, and are recognized as expense in profit and loss from the date of the start of commercial operations.

  Remeasurement gain came from the Group's acquisition of the remaining 50% equity interest in URH, resulting to full ownership and control, in February 2026. As a result of the step-up acquisition, the previously held interest, which had a nil carrying amount, was remeasured to fair value, giving rise to a one-off, non-cash remeasurement gain recognized in profit or loss. The gain reflects the fair value of URH's renewable energy development platform at the acquisition date and is not indicative of the Group's underlying operating performance during the period.

Provision for or (Benefit from) Income Tax (amounts in Thousands):

	April to June		January to June		April to June		January to June	
	2026	2025	**2026**	2025	Inc (Dec)	%	Inc (Dec)	%
Current	**₱163,363**	₱153,022	**₱272,996**	₱217,444	₱10,341	7	₱55,552	26
Deferred	**(322,111)**	(547,956)	**(153,764)**	(710,122)	225,845	41	556,358	78
	(₱158,748)	(₱394,934)	**₱119,232**	(₱492,678)	₱236,186	60	₱611,910	124

- Provision for income tax increased year-on-year, primarily reflecting higher taxable income recognized during the period, which resulted in a corresponding increase in current income tax. The increase in taxable income was driven by improved operating performance of certain taxable entities

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and a lower level of deductible losses available to offset current-year taxable income compared with the prior year.

- In addition, the Group recognized deferred tax liabilities, mainly arising from temporary differences associated with income and costs recognized for accounting purposes ahead of their tax deductibility, which include capitalized development costs and other timing differences. These were partly offset by deferred tax assets recognized from available net operating loss carryovers. The net movement of deferred taxes resulted in an overall increase in deferred tax expense year-on-year, reflecting expected pattern of future taxable profits.

The table below bridges the unaudited interim condensed consolidated statutory earnings before interest, taxes, and depreciation and amortization (EBITDA) to Attributable EBITDA, then to Core Attributable EBITDA, for the six-month periods ending June 30, 2026 and 2025:

	2026		Inc (Dec)		Jan – Jun		Inc (Dec)	
Amounts in Thousands	Jan - Mar	**Apr - Jun**	Amount	%	**2026**	2025	Amount	%
Revenues	₱11,031,741	**₱12,093,755**	₱1,062,014	10	**₱23,125,496**	₱15,716,271	₱7,409,225	47
Less: Costs and expenses	10,141,191	**11,487,776**	1,346,585	13	**21,628,967**	17,752,585	3,876,382	22
Depreciation and amortization	1,254,566	**1,265,721**	11,155	1	**2,520,287**	1,857,909	662,378	36
Provision for impairment	1,857,817	**350,190**	(1,507,627)	(81)	**2,208,007**	3,584,745	(1,376,738)	(38)
Equity in net income of associates and joint ventures	1,378,854	**379,957**	(998,897)	(72)	**1,758,811**	1,408,842	349,969	25
Interest and other financial income from investments in redeemable preferred shares and convertible loans	668,195	**588,526**	(79,669)	(12)	**1,256,721**	1,328,980	(72,259)	(5)
Value realization and other (income) / loss	(204,696)	**–**	204,696	(100)	**(204,696)**	234,840	(439,536)	(187)
Interest and other financial income from accounts and notes receivables	506,031	**522,710**	16,679	3	**1,028,741**	1,504,026	(475,285)	(32)
Statutory EBITDA	6,351,317	**3,713,083**	(2,638,234)	(42)	**10,064,400**	7,883,028	2,181,372	**28**
Less: Equity in net income of associates and joint ventures	1,378,854	379,957	(998,897)	(72)	1,758,811	1,408,842	349,969	25
Less: Interest and other financial income from investments in redeemable preferred shares and convertible loans	668,195	588,526	(79,669)	(12)	1,256,721	1,328,980	(72,259)	(5)
Attributable EBITDA from associates and joint ventures	4,667,839	**4,023,928**	(643,911)	(14)	**8,691,767**	6,853,683	1,838,084	27
Attributable EBITDA	8,972,107	**6,768,528**	(2,203,579)	(25)	**15,740,635**	11,998,889	3,741,746	**31**
Less: Interest and other financial income from accounts and notes receivables	506,031	522,710	16,679	3	1,028,741	1,504,026	(475,285)	(32)
Core Attributable EBITDA[12]	₱8,466,076	**₱6,245,818**	(₱2,220,258)	(26)	**₱14,711,894**	₱10,494,863	₱4,217,031	**40**

[12] Includes income (net of tax) recognized from the MERALCO CIC price adjustments approved by the ERC

Material changes in the unaudited interim condensed consolidated statements of financial position

Assets (amounts in Thousands):

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)	Increase (Decrease) Amount	%
Current Assets				
Cash and cash equivalents	**₱20,221,978**	₱18,358,434	₱1,863,544	10
Current portion of:				
Accounts and notes receivable	**27,312,082**	24,763,585	2,548,497	10
Input value added tax (VAT)	**2,043,212**	2,471,774	(428,562)	(17)
Creditable withholding taxes	**485,886**	293,222	192,664	66
Financial assets at fair value through profit or loss (FVTPL)	**1,207,729**	1,412,681	(204,952)	(15)
Fuel and spare parts – at cost	**265,416**	227,521	37,895	17
Other current assets	**4,855,146**	1,954,353	2,900,793	148
	56,391,449	49,481,570	6,909,879	14
Noncurrent assets held for sale	**3,382**	–	3,382	100
Total Current Assets	**56,394,831**	49,481,570	6,913,261	14
Noncurrent Assets				
Investment in:				
Associates and joint ventures	**44,108,774**	46,823,966	(2,715,192)	(6)
Redeemable preferred shares and convertible loans	**20,207,609**	20,050,761	156,848	1
Financial assets at FVTPL	**869,733**	744,873	124,860	17
Financial assets at fair value through other comprehensive income (FVOCI)	**17,338,672**	13,279,340	4,059,332	31
Plant, property and equipment	**166,891,997**	148,280,390	18,611,607	13
Right-of-use assets	**8,729,813**	8,261,261	468,552	6
Goodwill and other intangible assets	**32,179,540**	26,341,205	5,838,335	22
Net of current portion:				
Accounts and notes receivable	**19,171,947**	19,807,659	(635,712)	(3)
Input VAT	**2,334,464**	3,389,211	(1,054,747)	(31)
Creditable withholding tax	**4,318,634**	4,262,508	56,126	1
Deferred income tax assets – net	**3,486,687**	3,085,546	401,141	13
Other noncurrent assets	**18,941,965**	17,980,570	961,395	5
Total Noncurrent Assets	**338,579,835**	312,307,290	26,272,545	8
Total Assets	**₱394,974,666**	₱361,788,860	₱33,185,806	9

- Funds raised from financing activities, combined with internally generated cash, more than offset the continued deployment of funds to projects under development and construction.

- The balance of **Accounts and notes receivable (current and noncurrent)** increased as of the end of the first half of 2026 compared to end of 2025, primarily due to higher trade receivables, net of collections, during the period. This includes the outstanding balance of the MERALCO CIC claim, which is being collected over a 12-month period starting February 2026. The recently approved 2024 VAT refund of SanMar Solar Inc, reclassified to receivables from input VAT, amplified the higher balance of receivables. Increase was partially offset by the reduction in loan receivables following the

consolidation of URH, which resulted in the elimination of intercompany loan balances between URH and ACEN International, Inc.

- **Input VAT (current and noncurrent)** significantly decreased following the approval by the Bureau of Internal Revenue of the 2024 VAT refund of SanMar Solar Inc, reclassified to receivables during the period, as well as the application of current period output VAT. Partly offsetting the decrease are input VAT from higher purchases of assets and services, arising from the ramp up of activities during the period.

- **Creditable withholding tax** increased alongside the rise in revenues for the period.

- The current portion of the **Financial assets at FVTPL** decreased following the maturity of the Group's UITF investments, partly offsets by new subscriptions, in the first half 2026. The funds generated by the Group from financing activities, while not yet deployed, were invested in UITF investments.

- **Other current assets** increased at the end of June 2026, compared to balances at end-2025, mainly due to higher advances to suppliers and contractors largely attributed to the URH portfolio.

- Additional **Investments in associates and joint ventures** made during the six-month periods ended June 30, 2026 and 2025 are as follows (amounts in Thousands):

Investee Company	Domicile	Project	Project Location	Technology	Capacity (MW)	**June 30, 2026 (Unaudited)**	June 30, 2025 (Unaudited)
Yanara Ph	Philippines	--	Philippines	--	--	**₱946,352**	₱91,169
Jinbi	Australia	Jinbi Solar	Australia	Solar	82	**1,291,884**	–
PT Sidrap 2	Indonesia	Sidrap 2	Indonesia	Wind	34	**–**	373,563
PT Sukabumi	Indonesia	Sukabumi	Indonesia	Wind	74	**–**	240,929
UPC Power	USA	Stockyard and Chestnut Flats	USA	Wind	148	**–**	102,758
PT Lombok	Indonesia	Lombok	Indonesia	Wind	39	**–**	54,760
Monsoon Wind	Netherlands	Monsoon	Laos	Wind	146	**–**	16,507
Others						**–**	92,669
Total						**₱2,238,236**	₱972,355

- **Investments in redeemable preferred shares and convertible loans** pertain to the investments made for international projects (excluding Australia) in the form of redeemable preferred shares and convertible loans.

- The noncurrent portion of the **Financial assets at FVTPL** consists of the Compulsory Convertible Debentures (CCDs) of Masaya Solar Energy Private Limited (Masaya Solar). Masaya Solar constructed the 420 MW solar farm in the Central Indian state of Madhya Pradesh.

- **Financial assets at FVOCI** are largely investments in UPC-ACE Solar, Yanara, PT Puri Prakarsa Batam and IBV ACEN Renewables Asia Pte. Ltd. It also includes the common shares obtained from the sale and leaseback transaction with AREIT (AREIT shares), impact of the ACEN C&I restructuring, and golf club shares held. The AREIT shares are listed equity instruments where the fair value is based on the closing price as at the reporting date. The investments in UPC-ACE Solar's redeemable preferred shares (classes A and B) are valued using a discount rate of 12.65%. As of June 30, 2026, the cumulative unrealized fair value loss on the financial assets at FVOCI recognized in the Group's unaudited interim condensed consolidated statements of changes in equity amounted to ₱3,118.95 million.

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- The increase in **Plant, property and equipment** for the six-month period ended June 30, 2026 is mainly attributed to capital expenditures for the following projects:

Project	Capacity (MW)	Location	% Completion **June 30, 2026 (Unaudited)**	% Completion December 31, 2025 (Audited)
Palauig 2 Solar	300	Zambales, Philippines	**98%**	97%*
Quezon North Wind (Phase 1)	345	Real and Mauban, Quezon, Philippines	**30%**	17%
San Mar Solar (Phase 3)	200	Zambales, Philippines	**55%**	13%
Sual Solar	69	Pangasinan, Philippines	**50%**	2%
Palauig 1 BESS	35	Zambales, Philippines	**14%**	2%
Jinbi Solar	102	Pilabara, WA, Australia	**4%**	–
New England BESS	200	Uralla, New South Wales, Australia	**95%**	74%
Maharashtra Hybrid	153	Maharashtra, India	**77%**	–
Tejorupa Solar	420	Rajasthan, India	**26%**	–
Sheo 1 Hybrid	389	Rajasthan, India	**6%**	–
Sheo 2 Hybrid	399	Rajasthan, India	**11%**	–
Bijapur Wind	120	Karnataka, India	**13%**	–

**Excluding transmission line with 72.00% and 67.45% completion as of June 30, 2026 and December 31, 2025, respectively.*

- The increase in **Right-of-use assets** reflects the Group's utilization of its leased assets.

- **Goodwill and other intangible assets'** increase is largely attributed to the Group's recognition of goodwill from the acquisition of the India platform.

- The **Deferred income tax assets-net** is composed of future tax benefits mainly from temporary deductible differences (accrued expenses and lease liabilities), unused NOLCO, and excess minimum corporate income taxes (MCIT). The increase is due mainly to additional temporary deductible differences for the period, partially offsets by the utilization and expiration of NOLCO and MCIT during the period, and the reduction in lease liabilities resulting from passage of the lease term (lease payments).

- **Other noncurrent assets** increased primarily due to advances made for land acquisitions intended for future renewable projects in the Philippines, as well as advances to suppliers and contractors for projects under construction. The increase was partly offset by the downward movement of derivative assets.

Liabilities and Equity (amounts in Thousands):

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)	Increase (Decrease) Amount	%
Current Liabilities				
Accounts payable and other current liabilities	**₱15,127,083**	₱12,758,197	₱2,368,886	19
Short-term loans	**13,140,800**	11,299,890	1,840,910	16
Current portion of:				
Long-term loans	**10,501,923**	1,546,140	8,955,783	579
Lease liabilities	**1,691,139**	1,631,540	59,599	4
Income and withholding taxes payable	**236,309**	494,043	(257,734)	(52)
Due to stockholders	**96,764**	13,156	83,608	636
Total Current Liabilities	**40,794,018**	27,742,966	13,051,052	47

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)	Increase (Decrease) Amount	%
Noncurrent Liabilities				
Notes payable	**34,509,207**	33,467,881	1,041,326	3
Noncurrent portion of:				
Long-term loans	**130,452,358**	116,398,256	14,054,102	12
Lease liabilities	**12,839,393**	12,591,279	248,114	2
Pension and other employee benefits	**340,224**	306,925	33,299	11
Deferred income tax liabilities - net	**690,923**	551,192	139,731	25
Other noncurrent liabilities	**11,388,408**	9,882,884	1,505,524	15
Total Noncurrent Liabilities	**190,220,513**	173,198,417	17,022,096	10
Total Liabilities	**231,014,531**	200,941,383	30,073,148	15
Equity				
Common shares	**39,965,935**	39,965,935	–	–
Redeemable preferred shares	**25,000**	25,000	–	–
Additional paid-in capital	**132,570,571**	132,570,571	–	–
Other equity reserves	**(58,996,243)**	(58,996,243)	–	–
Unrealized fair value loss on equity instruments at FVOCI	**(3,118,946)**	(2,560,205)	(558,741)	(22)
Unrealized fair value loss on derivative instruments designated as hedges – net of tax	**(1,033,520)**	(325,366)	(708,154)	(218)
Remeasurement loss on defined benefit plans – net of tax	**(45,104)**	(45,104)	–	–
Accumulated share in other comprehensive loss of associates and joint ventures	**(415,707)**	(274,710)	(140,997)	(51)
Cumulative translation adjustments	**15,410,626**	11,612,280	3,798,346	33
Retained earnings	**31,123,866**	30,184,113	939,753	3
Treasury shares	**(28,657)**	(28,657)	–	–
Total equity attributable to equity holders of the Parent Company	**155,457,821**	152,127,614	3,330,207	2
Non-controlling interests	**8,502,314**	8,719,863	(217,549)	(2)
Total Equity	**163,960,135**	160,847,477	3,112,658	2
Total Liabilities and Equity	**₱394,974,666**	₱361,788,860	₱33,185,806	9

- The increase in **Accounts payable and other current liabilities** mainly pertains to additional accruals, largely for project costs and interest expenses, trade payables, and output VAT payables. These were partly offset by settlements during the period, including payments of retention payables as well as the reduction in refundable deposits.

- **Short-term loans** are interest-bearing bank loans and were utilized to bridge working capital requirements. For the first half of 2026, the Group availed a total of ₱14,525.21 million and paid a total of ₱12,723.83 million short-term loans.

- **Long-term loans (current and noncurrent)** increased significantly due to the Group's additional drawdowns from its various loan facilities – (i) by ACEN Australia amounting to ₱16,220.41 million (US$266.99 million) to refinance NESF and to fund CAPEX requirements of other existing projects; (ii) by ACEN Renewables International Pte. Ltd. of ₱6,814.35 million (US$111.06 million) to fund the development of new projects aligned with the Green Finance Framework; (iii) by Diyos Renewables India Project Private Limited of ₱608.17 million (US$9.91 million) to fund its CAPEX and other requirements; (iv) by ACEN International of ₱3,880.60 million to fund the development of new projects; and (v) by Quezon North Wind of ₱5,000.00 million to fund its CAPEX requirements.

In addition, an increase in long-term loans amounting to ₱3,015.76 million resulted from the consolidation of VWEL. During the period, the Group made principal repayments on its long-term loans in the total amount of ₱16,256.36 million.

- **Lease liabilities (current and noncurrent)** increased, mainly due to the accretion of interest, impact of foreign exchange changes and new leases, partly offsets by lease payments, during the period.

- The decrease in **Income and withholding taxes payable** is largely due to remittances made during the first half of 2026.

- **Notes payable** pertains to the ₱10,000 million 5-year Green Bonds by ACEN and the US$400 million U.S. dollar-denominated senior guaranteed undated fixed-for-life (non-deferrable) Green Bonds issued and listed in SGX-ST. The movements during the period reflects impact of foreign currency translation and amortization of debt issue costs.

- Majority of the balance of the **Deferred income tax liabilities-net** pertains to future tax liabilities on the recognized unrealized foreign exchange gains, asset revaluation, and recognized right-of-use assets of the Group as at June 30, 2026.

- The Group's **Other noncurrent liabilities** at the end of the period includes unearned revenues, contingent liability related to earnout consideration from the URH acquisition, and asset retirement obligations of renewable power plant projects in operation. The unearned revenues pertain to Long Term Energy Supply Agreements (LTESA) secured by ACEN Australia for its solar projects at the New South Wales government's first renewable energy and storage auction.

- The movement in **Unrealized fair value loss on equity instruments at FVOCI** is mainly attributable to the revaluation of AREIT shares.

- **Unrealized fair value loss on derivative instruments designated as hedges-net of tax** increased due largely to the movement of the derivative related to LTESA in ACEN Australia.

- The increase in **Accumulated share in other comprehensive loss of associates and joint ventures** is primarily attributable to the Group's share in cumulative translation adjustments of associates and joint ventures recognized for the period.

- **Cumulative translation adjustments** represents the impact of translating the financial statements of the Group's subsidiaries reporting in foreign currencies into Philippine Peso, the Group's reporting currency.

- The increase in **Retained earnings** is attributed to the Group's net income for the six-month period ended June 30, 2026, partially offsets by the dividend declarations during the period.

- The movement in **Non-controlling interests** is largely from the impact of the Group's step-up acquisition of URH and obtaining control of Vietnam Wind Energy Limited Group. These two transactions are accounted for as business combinations.

Key Performance Indicators

The Group's key performance indicators are:

Key Performance Indicator	Formula	30-Jun-26	31-Dec-25	Increase (Decrease) Amount	Increase (Decrease) %
Liquidity Ratios					
Current ratio	Current assets / Current liabilities	**1.38**	1.78	(0.40)	(22)
Acid test ratio	(Cash + Short-term investments + Accounts receivables + Other liquid assets) / Current liabilities	**1.22**	1.61	(0.39)	(24)
Solvency Ratios					
Debt-to-equity ratio	Total liabilities / Total equity	**1.41**	1.25	0.16	13
Asset-to-equity ratio	Total assets / Total equity	**2.41**	2.25	0.16	7
Interest coverage ratio	Statutory earnings before interest and tax (EBIT)[1] / Interest expense[2]	**1.52**	1.53	(0.01)	(1)
Net bank debt to equity ratio	(Short & long-term loans - Cash & cash equivalents) / Total equity	**1.03**	0.90	0.13	14
Profitability Ratios					
Return on equity[3]	Net income after tax attributable to equity holders of the Parent Company / Average total stockholders' equity attributable to equity holders of the Parent Company	**4.50%**	2.52%	1.98 %	79

Key Performance Indicator	Formula	30-Jun-26	31-Dec-25	Increase (Decrease) Amount	Increase (Decrease) %
Return on common equity(3)	Net income after tax attributable to equity holders of the Parent Company (Common) / Average common equity attributable to equity holders of the Parent Company (Common)	**3.87 %**	1.48%	2.39%	161
Return on assets(3)	Net income after taxes / Average total assets	**1.93%**	1.24%	0.69%	56
Asset turnover(3)	Revenues / Average total assets	**10.42%**	9.26%	1.16%	13

(1) Statutory EBIT is Statutory EBITDA less depreciation and amortization expense
(2) Cash interest expense is gross of capitalized borrowing cost of ₱1,072.60 million for the six-month period ended June 30, 2026 and ₱2,400.87 million for the year ended December 31, 2025
(3) Computed using trailing 12-months revenue, net income after tax attributable to equity holders of the Parent Company, and net income after tax attributable to equity holders of the Parent Company (common) for June 30, 2026 profitability ratios

Liquidity ratios (current ratio and acid test ratio)
Current and acid test ratios declined as of June 30, 2026, primarily due to the increase in current liabilities, partly offset by higher current assets. The increase in current liabilities was mainly attributable to additional loan drawdowns during the first half of 2026, as well as higher trade payables and accruals for project costs and interest expenses during the period. Meanwhile, current assets increased largely due to higher receivables and cash balances at period-end, which partially mitigated the impact of the rise in current liabilities on liquidity ratios. The increase in receivables was primarily driven by higher trade receivables, which includes the outstanding balance of the MERALCO CIC claim recognized at the beginning of the year but for collection over the 12-month period which commenced in March 2026.

Debt-to-equity ratio and Asset-to-equity ratio
Debt-to-equity ratio increased mainly due to higher borrowings, resulting from the additional loan drawdowns made by the Group during the first half of 2026 to support projects under construction. The increase was partly offset by net income generated during the period and favorable translation adjustments. Similarly, the asset to equity ratio rose as the growth in total assets outpaced the increase in equity.

Interest coverage ratio
The interest coverage ratio for the six-month period ended June 30, 2026 remained broadly unchanged, compared to the year ended December 31, 2025, as the increase in interest expense from higher borrowings was offset by higher earnings before interest and taxes (EBIT) reflecting a stronger operating performance across key markets.

Net bank debt to equity ratio
Net bank debt to equity ratio is higher as of June 30, 2026 compared to end-2025, mainly due to higher borrowings resulting from additional loan drawdowns during the first half of 2026. The increase was partly mitigated by the higher balances of cash and cash equivalents and equity at period end.

Asset turnover
The increase in asset turnover was primarily driven by higher revenues, arising from the continued growth of the retail electricity supply business, full implementation of the MMRE contracts, and increase in FIT rates. The rise in revenue was further supported by the contributions from the Australia segment, following the full commercial operations of the Stubbo solar plant. The increase in average total assets, as the Group continues to ramp up capacity through renewable projects under construction and strategic investments, partly tempered the higher asset turnover.

Material events and uncertainties

- There were no events that triggered direct or contingent financial obligations that were material to the Group. Except as disclosed in the Group's unaudited interim condensed consolidated financial statements, there were no contingent assets nor contingent liabilities since the last annual financial reporting date.

- There were no material off-balance sheet transactions, arrangements, obligations and other relationships of the Parent Company with unconsolidated entities or other persons created during the six-month period ended June 30, 2026.

- There were no material events that had occurred subsequent to the Group's financial reporting date except for the events after the reporting period disclosed in Note 31 of the Group's unaudited interim condensed consolidated financial statements.

- The Group has material commitments for capital expenditures or to invest in projects mainly in the following:

Project Name	Technology	Geography	Attributable Capacity (in MW)	Estimated Annual Output (in GWh)
Palauig 2	Solar	Philippines	300	453
San Marcelino Phase 3	Solar	Philippines	200	298
Sual	Solar	Philippines	56	109
Quezon North	Wind	Philippines	553	1,730
Palauig 1 BESS	Battery	Philippines	35	--
SanMar 1-3 BESS	Battery	Philippines	500	--
Palauig 2 BESS	Battery	Philippines	240	--
New England BESS	Battery	Australia	200	--
Jinbi	Solar	Australia	77	242
Maharashtra Hybrid	Solar and Wind	India	123	290
Tejorupa	Solar	India	350	762
Sheo 1 Hybrid	Solar, Wind and Battery	India	311	894
Sheo 2 Hybrid	Solar, Wind and Battery	India	319	886
Bijapur	Wind	India	120	381
Salak & Darajat Unit 7	Geothermal	Indonesia	6	320

Project Name	Technology	Geography	Attributable Capacity (in MW)	Estimated Annual Output (in GWh)
Dayasinar	Solar	Malaysia	32	320
Solarscape	Solar	Malaysia	32	320

- Any known trends, events, or uncertainties that have had or that were reasonably expected to have material favorable or unfavorable impact on net revenues/income from continuing operations
  - The results of operations of the Group depend, to a significant extent, on the performance of the Philippine economy
  - The results of operations of the Group's Vietnam Portfolio continues to be impacted by the evolving regulatory and operational environment in Vietnam
  - The current highly competitive environment and operation of priority-dispatch variable renewable energy will continue to impact demand and market prices of electricity
  - Movements in the WESM prices could have a significant favorable or unfavorable impact on the Group's financial results

- 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
  - The Group has a portfolio of renewable energy projects in development as part of its growth strategy. The related capital expenditures will be funded by a combination of equity and debt.

- There were no other significant elements of income or loss, apart from those disclosed in the Group's unaudited interim condensed consolidated financial statements, that did not arise from continuing operations that had a material effect on the financial condition or results of operations of the Group as at the reporting date.

- The Group's solar and wind plants operations are subject to seasonal and cyclical factors inherent in the renewable energy industry. Energy generation of solar facilities is influenced by solar irradiance levels in the countries or regions where the solar plants operate, while generation from wind plants are impacted by wind resource conditions prevailing in the areas where these facilities are situated. In addition, electricity demand and market prices also exhibit cyclical trends influenced by economic conditions, weather patterns, and changes in supply-demand dynamics within the electricity market.

ANNEX C

Reports on SEC Form 17-C

ACEN submitted SEC Form 17-C and Press Statements to PSE and SEC on the following matters during the second quarter ended June 30, 2026:

1. April 13, 2026 – Notice of Analysts'/Investors' Briefing
2. April 15, 2026 – List of Top 100 Stockholders (Common Shares) for the period of 31 March 2026
3. April 15, 2026 – List of Top 100 Stockholders (ACENA Shares) for the period of 31 March 2026
4. April 15, 2026 – List of Top 100 Stockholders (ACENB Shares) for the period of 31 March 2026
5. April 15, 2026 – Annual Report for the fiscal year ended 31 December 2025
6. April 15, 2026 – Amendment of Notice of 2026 Annual Stockholders' Meeting
7. April 15, 2026 – Public Ownership Report as of 31 March 2026
8. April 22, 2026 – Results of the 2026 Annual Stockholders' Meeting
9. April 22, 2026 – Results of the 2026 Organizational Meeting of the Board of Directors
10. April 23, 2026 – Clarification of News Report: ACEN eyes equity raising to fund RE expansion
11. April 24, 2026 – Initial Statement of Beneficial Ownership of Securities of Janel M. Bea
12. April 24, 2026 – Initial Statement of Beneficial Ownership of Securities of M. Andrea H. De Castro
13. April 29, 2026 – Press release: Lawson Philippines switches to 100% renewable energy with ACEN RES
14. April 29, 2026 – Press release: ACEN, GCash, and Ilocos Norte LGU launch first province-led solar rooftop campaign for households
15. May 4, 2026 – Material Information/Transaction: Short-term loan agreement with Palauig Solar 1 Inc.
16. May 4, 2026 – Declaration of Cash Dividends on Outstanding Series A Preferred Shares (ACENA)
17. May 4, 2026 – Declaration of Cash Dividends on Outstanding Series B Preferred Shares (ACENB)
18. May 5, 2026 – Material Information/Transaction: Short-term loan agreement with Giga Ace 6, Inc.
19. May 8, 2026 – Press release: AllCard advances sustainable manufacturing with 100% renewable energy from ACEN RES
20. May 11, 2026 – Press release: Yindjibarndi Energy Corporation reaches Financial Close on Jinbi Solar Project; Signs Power Purchase Agreement with Rio Tinto
21. May 11, 2026 – 2026 General Information Sheet
22. May 12, 2026 – Material Information/Transaction: Short-term loan agreement with Sanmar Solar Inc.
23. May 12, 2026 – Quarterly Report as of 31 March 2026
24. May 12, 2026 – Press release: ACEN records Q1 2026 net income of P2.9 billion
25. May 13, 2026 – Matters approved by the Board of Directors on 13 May 2026:
    a. Declaration and payment of cash dividends on ACEN's Common Shares at the rate of PHP0.05 per Common Share to stockholders of record as of 28 May 2026 (Record Date) and to be paid on 18 June 2026 (Payment Date)
    b. ACEN's business separation and unbundling plan (BSUP) for submission to the Energy Regulatory Commission (ERC) and delegation of authority to the Audit Committee to approve future annual BSUPs for submission to the ERC
26. May 13, 2026 - Declaration and Payment of Cash Dividends on Outstanding Common Shares
27. May 18, 2026 – Press release: San Beda College Alabang joins ACEN RES' growing network of schools shifting to renewable energy
28. May 20, 2026 – Press release: Ocean Sun and ACEN-Silverwolf sign MoU to accelerate utility-scale floating solar deployment in Asia
29. May 22, 2026 – Amendment to the Declaration of Cash Dividends on Outstanding Common Shares

30. May 22, 2026 – Press release: 7-Eleven Philippines becomes largest retail network under RAP with ACEN RES
31. May 29, 2026 – 2025 Integrated Annual Corporate Governance Report
32. June 1, 2026 – Annual Verification of the Department of Energy
33. June 5, 2026 – Material Information/Transaction: Project Financing Facility for Zambales Projects
34. June 8, 2026 – Press release: ACEN RES, ACMobility partner to bring renewable energy and EV charging solutions to businesses
35. June 11, 2026 – Acquisition or disposition of shares of another corporation: Subscription by ACEN to shares in Giga Ace 8, Inc.
36. June 15, 2026 – Material Information/Transaction: Divestment of up to 49% of Tejorupa Renewables India Project Private Limited
37. June 18, 2026 – Acquisition or disposition of shares of another corporation: Subscription by ACEN to additional shares in Buendia Christiana Holdings Corp.
38. June 25, 2026 – Acquisition or disposition of shares of another corporation: Subscription by ACEN to shares in ACEN Global Development Group, Inc.
39. June 29, 2026 – Amended Annual Verification of the Department of Energy