T (63-2) 8-886-2800

Aboitiz Power Corporation
NAC Tower, 32nd Street, Bonifacio Global City,
Taguig City 1635, Metro Manila, Philippines

May 15, 2025

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

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

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

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

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

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

Gentlemen:

Please see enclosed SEC Form 17-Q (1st Quarterly Report 2025) of Aboitiz Power Corporation.

Kindly acknowledge receipt hereof.

Thank you.

Very truly yours,

ABOITIZ POWER CORPORATION
By:

Ma. Cla S. O

MA. CLARISSE S. OSTERIA
Corporate Secretary

COVER SHEET

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S.E.C. Registration Number

A B O I T I Z   P O W E R   C O R P O R A T I O N

(Company's Full Name)

3 2 N D   S T R E E T , B O N I F A C I O   G L O B A L

C I T Y , T A G U I G   C I T Y , M E T R O   M A N I L A

P H I L I P P I N E S

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

MA. CLARISSE S. OSTERIA

Contact Person

(632) 8886-2600

Company Telephone Number

1 2 | 3 1

Month *Day*

Fiscal Year

1st Quarterly Report 2025

1 7 - Q

FORM TYPE

4th Monday of April

0 4 | 2 8

Month *Day*

Annual Meeting

Secondary License Type, if Applicable

S E C

Dept. Requiring this Doc

Amended Articles Number/Section

Total No. of Stockholders

x

Domestic

Foreign

- -

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

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S T A M P S

Remarks = pls. Use black ink for scanning purposes

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

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

1. For the quarterly period ended **March 31, 2025**

2. Commission identification number **C199800134** 3.BIR Tax Identification No. **200-652-460-000**

4. Exact name of issuer as specified in its charter

   ABOITIZ POWER CORPORATION

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

   Philippines

6. Industry Classification Code: ________ (SEC Use Only)

7. Address of issuer's principal office Postal Code

   32nd Street, Bonifacio Global City, Taguig City, Metro Manila, Philippines 1634

8. Issuer's telephone number, including area code

   (632) 8886-2800

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

   N/A

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

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding (as of March 31, 2025)
Common Stock ₱1 Par Value	**7,205,854,307**
Amount of Debt Outstanding	**₱287,631,805,000.00**

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

    Yes [**x**] No [ ]

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

    Philippine Stock Exchange **Common**

12. Indicate by check mark whether the registrant:

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

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

Yes [**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 the financial statements and schedules attached herewith.

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

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

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

Top Five Key Performance Indicators

Management uses the following indicators to evaluate the performance of the Company and its subsidiaries (the Company and its subsidiaries are hereinafter collectively referred to as the "Group"):

1. **Share in Net Earnings of Associates and Joint Ventures.** This represents the Group's share in the undistributed earnings or losses of its investees for each reporting period subsequent to the acquisition of said investment, net of goodwill impairment cost, if any. It also indicates the profitability of the investment and investees' contribution to the Group's net income.

   Goodwill is the difference between the purchase price of an investment and the investor's share in the value of the net identifiable assets of the investee at the date of acquisition.

   Manner of Computation:
   Investee's Net Income (Loss) x Investor's % ownership - Goodwill Impairment Cost

2. **Earnings before Interest, Taxes, Depreciation, and Amortization (EBITDA).** The Company computes EBITDA as earnings before extraordinary items, net finance expense, income tax provision, depreciation, and amortization. It provides management and investors with a tool for determining the ability of the Group to generate cash from operations to cover financial charges and income taxes. It is also a measure to evaluate the Group's ability to service its debts.

3. **Cash Flow Generated.** Using the Consolidated Statement of Cash Flows, management determines the sources and usage of funds for the period and analyzes how the Group manages its profit and uses its internal and external sources of capital. This aids management in identifying the impact on cash flow when the Group's activities are in a state of growth or decline, and in evaluating management's efforts to control the impact.

4. **Current Ratio.** Current Ratio is a measurement of liquidity, calculated by dividing total current assets by total current liabilities. It is an indicator of the Group's short-term debt-paying ability. The higher the ratio, the more liquid the Group**.**

5. **Debt–to–Equity Ratio.** Debt-to-Equity Ratio indicates how leveraged the Group is. It compares assets provided by creditors to assets provided by shareholders. It is determined by dividing total liabilities by stockholders' equity.

Three-Month Period Ended March 31, 2025 versus Three-Month Period Ended March 31, 2024

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

Key Performance Indicators	**March 31, 2025** (UNAUDITED)	March 31, 2024 (UNAUDITED)	**December 31, 2024** (AUDITED)
Amounts in thousands of ₱s, except for financial ratios			
SHARE IN NET EARNINGS OF ASSOCIATES AND JOINT VENTURES	**3,366,551**	**4,179,006**	**15,693,423**
EBITDA	**13,496,012**	**16,170,758**	**71,734,307**
CASH FLOW GENERATED:			
Net cash flows from operating activities	14,089,735	14,913,733	46,128,685
Net cash flows used in investing activities	(49,657,641)	(2,041,696)	(12,702,189)
Net cash flows used in financing activities	22,289,347	(13,821,791)	(31,380,181)
Net (Decrease)/Increase in Cash & Cash Equivalents	**(13,278,559)**	**(949,754)**	**2,046,315**
Cash & Cash Equivalents, Beginning	56,759,297	54,538,784	54,538,784
Cash & Cash Equivalents, End	43,510,343	53,629,291	56,759,297
CURRENT RATIO	**0.76**	**1.61**	**1.56**
DEBT-TO-EQUITY RATIO	**1.73**	**1.65**	**1.40**

- Share in net earnings in associates and joint ventures for the first quarter of 2025 decreased by 19% compared to 2024. The decrease was mainly due to lower contribution from GNPower Dinginin Ltd. Co.'s (GNPD) as it started recognizing depreciation and interest expense in March 2024, partly offset by the additional equity earnings from Chromite Gas Holdings, Inc. (Chromite Gas) during the first quarter of 2025.

- EBITDA for the first quarter of 2025 decreased by 17%. This was primarily due to lower availability and spot market prices.

- Cash and cash equivalents decreased by ₱13.25 billion (bn). This is mainly due to the payment of dividends during the first quarter of 2025.

- Current Ratio as of March 31, 2025 was at 0.76x as compared to 1.56x as of December 31, 2024. The decrease was primarily due to the availment of short-term loans for the acquisition of Chromite Gas during the first quarter of 2025, which resulted in higher current liabilities for the Company.

- Debt-to-Equity Ratio as of March 31, 2025 was at 1.73x, higher than the 1.40x recorded as of December 31, 2024. This is mainly due to the availment of short-term loans for the Chromite Gas acquisition during the first quarter of 2025.

Results of Operations

Net income attributable to equity holders of the parent for the first quarter of 2025 was ₱4.62 bn, which was 41% lower than the ₱7.86 bn reported in the first quarter of 2024. The decrease was primarily due lower spot market prices, lower availability due to upfront scheduled outages of the Pagbilao plants, Therma Visayas, Inc., and GNPower Mariveles Energy Center Ltd. Co.'s (GMEC) plants; and lower contribution from GNPD as it started recognizing depreciation and interest expense in March 2024, partly offset by the additional equity earnings from Chromite Gas during the first quarter of 2025. This translated to earnings per share of ₱0.64 for the period.

Power Generation and Retail Electricity Supply (RES)

AboitizPower's generation and retail supply business' beneficial EBITDA in the first quarter of 2025 was ₱13.1 bn, 10% lower than the ₱14.6 bn in the same period in 2024. Energy sold totalled 8,650 gigawatt-hours (GWh) for the first quarter of 2025, compared to 8,812 GWh in the same period in 2024.

Power Distribution

AboitizPower's distribution business reported EBITDA of ₱2.0 bn, 4% lower than the ₱2.1 bn reported in the same period in 2024. The decrease was primarily driven by a non-recurring refund of regulatory reset fees.

Material Changes in Line Items of Registrant's Statements of Income and Comprehensive Income

Consolidated Statements of Income

Net income attributable to equity holders of the Parent decreased by ₱3.25 bn, or 41% year-on-year. The various movements in line items are shown below to account for the decrease:

(Amounts in thousands of ₱s)

Net Income Attributable to Equity Holders of the Parent (January - March 2024)	**₱7,863,437**
Decrease in operating revenues	(939,712)
Decrease in operating expenses	455,064
Increase in interest income	163,873
Increase in interest expense	(681,702)
Decrease in share in net earnings of associates and joint ventures	(812,456)
Decrease in other income	(1,455,837)
Decrease in provision for taxes	144,915
Increase in income attributable to non-controlling interests	(120,968)
Total	(3,246,823)
Net Income Attributable to Equity Holders of the Parent (January - March 2025)	**₱4,616,614**

Operating Revenues
(2% decrease from ₱45.14 bn to ₱44.20 bn)

The decrease in operating revenues was primarily due to lower availability and spot prices.

Operating Expenses
(1% decrease from ₱37.72 bn to ₱37.27 bn)

The decrease in operating expenses was mainly due to lower fuel costs.

Interest Income
(43% increase from ₱384.00 mn to ₱548.00 mn)

The increase in interest income during the first quarter of 2025 as compared to 2024 was primarily due to higher money market placements for the period.

Interest Expense and other financing costs
(19% increase from ₱3.51 bn to ₱4.20 bn)

The increase in interest expense during the first quarter of 2025 as compared to the same period in 2024 was primarily due to the availment of short-term loans for the Chromite Gas acquisition and recognition of interest for the Cayanga Solar Plants loans availed in March 2024.

Share in Net Earnings of Associates and Joint Ventures
(19% decrease from ₱4.18 bn to ₱3.37 bn)

Share in net earnings in associates and joint ventures for the first quarter of 2025 decreased by 19%, as compared to 2024. The decrease was mainly due to the recognition of depreciation and interest for GNPD Units 1 and 2. This was partly offset by the additional equity earnings from Chromite Gas during the first quarter of 2025 which was reduced by GNPD lower availability due to planned outage during the first quarter of 2024.

Other Income (Expenses) – net
(99% decrease from ₱1.47 bn to ₱10.00 mn)

Other income decreased due to non-recurring gains on sale of coal to GNPD recognized in the first quarter of 2024.

Provision for Taxes
(9% decrease from ₱1.62 bn to ₱1.47 bn)

The decrease in provision for taxes during the first quarter of 2025 was due to lower taxable income driven by lower availability and spot prices.

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

Assets

Total assets as of March 31, 2025 compared to December 31, 2024 increased by ₱31.79 bn, or 6%. The major movements of the accounts leading to the increase were as follows:

i. Cash and cash equivalents decreased by ₱13.25 bn, or 23% (from ₱56.76 bn to ₱43.51 bn). This is mainly due to the dividend payments in the first quarter of 2025.

ii. Inventories decreased by ₱1.84 bn or 13% (from ₱14.25 bn to ₱12.41 bn). This was mainly due to higher fuel consumption due to Pagbilao 3 outage during the first quarter of 2025.

iii. Other current assets decreased by ₱3.07 bn, or 20% (from ₱15.11 bn to ₱12.04 bn). This was mainly driven by the utilization of prepaid taxes and a decline in debt service reserves arising from scheduled loan principal payments during the first quarter of 2025.

iv. Derivative assets decreased by ₱300.00 mn, or 96% (from ₱314.00 mn to ₱14.00 mn). This was mainly due to the realization of the cash flow hedge related to the Chromite Gas acquisition during the first quarter of 2025.

v. Investments and advances increased by ₱49.72 bn, or 52% (from ₱95.93 bn to ₱145.65 bn). This was mainly due to the investment in Chromite Gas and the take up of share in earnings from associates and joint ventures during the first quarter of 2025.

Liabilities

Compared to December 31, 2024, total liabilities as of March 31, 2025 increased by ₱46.45 bn, or 15%. The major movements of accounts leading to the increase were as follows:

i. Short-term loans increased by ₱49.13 bn, or 196% (from ₱25.04 bn to ₱74.16 bn). This was mainly due to availment of short-term loans for the acquisition of Chromite Gas during the first quarter of 2025.

ii. Income tax payable increased by ₱584.00 mn, or 44% (from ₱1.34 bn to ₱1.92 bn). This was mainly due to the accumulation of income taxes payable during the first quarter of 2025. Income tax payable as of December 31, 2024 was due in April 2025, while income taxes recognized in the first quarter of 2025 are due in May 2025.

iii. Customers' deposits increased by ₱473.00 mn, or 5% (from ₱9.52 bn to ₱9.99 bn). This was mainly due to the receipt of bill deposits from new Retail Energy Supply customers.

iv. Long-term debt (current and non-current portions) decreased by ₱4.73 bn (from ₱213.72 bn to ₱208.99 bn). This was mainly due to regular debt servicing across the Group.

v. Derivative liability (current and non-current portions) decreased by ₱168.00 mn (from ₱234.00 mn to ₱66.00 mn) due to maturity of derivative contracts.

Equity

Equity attributable to equity shareholders of the Parent decreased by 7% (from ₱203.23 bn as of December 31, 2024 to ₱189.61 bn as of March 31, 2025), which was mainly due to the dividend payments in the first quarter of 2025. Cumulative translation adjustments decreased by ₱945.00 mn, due to the downward net adjustment in the net assets translation effect of GMEC and Luzon Hydro Corporation during the first quarter.

Material Changes in Liquidity and Cash Reserves of Registrant

As of March 31, 2025, the Group's cash and cash equivalents decreased by 23% to ₱43.51 bn, from ₱56.76 bn as of December 31, 2024.

Net cash flows from operating activities decreased from ₱14.91 bn during the first quarter of 2024 to ₱14.09 bn during the first quarter of 2025, primarily due to lower EBITDA.

Net cash flows used in investing activities increased from ₱2.04 bn during the first quarter of 2024 to ₱49.66 bn during the first quarter of 2025, mainly due to the acquisition of Chromite Gas.

The net cash flows used in financing activities during the first quarter of 2025 was ₱22.29 bn versus ₱13.82 bn of same period last year due to availment of short term loan for Chromite Gas acquisition.

Financial Ratios

As of March 31, 2025, current assets decreased by 15% and current liabilities increased by 74%. The current ratio as of March 31, 2025 was at 0.76x compared to 1.56x as of December 31, 2024.

Consolidated debt-to-equity ratio as of March 31, 2025 was at 1.73x, higher than the 1.40x recorded at the end of 2024. This was due to a 15% increase in total liabilities compared to a 7% decrease in equity during the first quarter of 2025.

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

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

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

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

None.

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

None.

(iv) Any material commitments for capital expenditures.

AboitizPower believes that its balance sheet gives it the capability to create or acquire additional generating capacity over the next few years. AboitizPower, together with its partners, has allotted ₱78 bn for capital expenditures in 2025, of which, 66% is earmarked for AboitizPower's RE portfolio, while the remainder is for the maintenance of its baseload plants, as well as further investments in land, new substations, and new meters for its distribution business.

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

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

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

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

None.

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

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

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

None.

PART II--OTHER INFORMATION

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

SIGNATURES

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

Issuer	**ABOITIZ POWER CORPORATION**
Principal Accounting Officer	**Myla M. Espineda**
Signature and Title	**VP for Accounting and Financial Systems**
Date	May 15, 2025
Authorized Officer of the Issuer	**Ma. Clarisse S. Osteria**
Signature and Title	**Corporate Secretary**
Date	May 15, 2025

Aboitiz Power Corporation and Subsidiaries

Unaudited Interim Condensed Consolidated Financial Statements
As of March 31, 2025 (with Comparative Figures as of December 31, 2024)

and

For the Three-Month Periods Ended March 31, 2025 and 2024

ABOITIZ POWER CORPORATION AND SUBSIDIARIES

UNAUDITED INTERIM CONSOLIDATED BALANCE SHEET

(With Comparative Figures as of December 31, 2024)

(Amounts in Thousands)

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
ASSETS		
Current Assets		
Cash and cash equivalents (Note 5)	**₱43,510,343**	₱56,759,297
Trade and other receivables (Note 6)	**36,868,676**	36,593,245
Derivative assets (Note 21)	**13,681**	314,646
Inventories	**12,410,842**	14,251,718
Other current assets (Note 7)	**12,037,849**	15,107,447
Total Current Assets	**104,841,391**	123,026,353
Noncurrent Assets		
Investments and advances (Note 8)	**145,649,727**	95,930,192
Property, plant and equipment	**220,497,160**	220,158,293
Intangible assets (Note 10)	**51,138,550**	51,859,795
Net pension assets	**45,074**	78,304
Deferred income tax assets	**1,449,432**	1,333,484
Other noncurrent assets (Note 11)	**25,784,235**	25,229,646
Total Noncurrent Assets	**444,564,178**	394,589,714
TOTAL ASSETS	**₱549,405,569**	₱517,616,067
LIABILITIES AND EQUITY		
Current Liabilities		
Short-term loans (Note 13)	**₱74,162,100**	₱25,035,435
Current portions of:		
Long-term debts (Note 14)	**24,142,397**	16,465,260
Lease liabilities (Note 22)	**122,315**	170,877
Long-term obligation on power distribution system	**40,000**	40,000
Derivative liabilities (Note 21)	**64,627**	229,918
Trade and other payables (Note 12)	**36,659,574**	35,706,641
Income tax payable	**1,921,736**	1,337,864
Total Current Liabilities	**137,112,749**	78,985,995

(Forward)

ABOITIZ POWER CORPORATION AND SUBSIDIARIES

UNAUDITED INTERIM CONSOLIDATED BALANCE SHEET

(With Comparative Figures as of December 31, 2024)

(Amounts in Thousands)

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Noncurrent Liabilities		
Noncurrent portions of:		
Long-term debts (Note 14)	**₱184,848,616**	₱197,254,006
Lease liabilities (Note 22)	**4,356,377**	4,275,016
Long-term obligation on power distribution system	**60,069**	57,238
Derivative liabilities - net of current portion (Note 21)	**1,170**	3,698
Customers' deposits	**9,989,138**	9,515,891
Decommissioning liability	**5,323,714**	5,259,205
Deferred income tax liabilities	**5,573,152**	5,478,492
Net pension liabilities	**903,043**	889,844
Total Noncurrent Liabilities	**211,055,279**	222,733,390
Total Liabilities	**348,168,028**	301,719,385
Equity Attributable to Equity Holders of the Parent		
Paid-in capital	**19,947,498**	19,947,498
Share in other comprehensive income of associates and joint ventures (Note 8)	**1,559,839**	1,892,252
Cumulative translation adjustments	**7,976,689**	8,921,693
Cash flow hedge reserve	**(47,230)**	65,221
Actuarial losses on defined benefit plans	**(1,212,801)**	(1,212,778)
Equity reserve	**(6,124,735)**	(6,212,785)
Treasury stock - at cost	**(4,891,831)**	(4,891,831)
Retained earnings (Note 23)		
Appropriated	**11,900,000**	11,900,000
Unappropriated	**160,505,610**	172,822,755
	189,613,039	203,232,025
Non-controlling Interests	**11,624,502**	12,664,657
Total Equity	**201,237,541**	215,896,682
TOTAL LIABILITIES AND EQUITY	**₱549,405,569**	₱517,616,067

See accompanying Notes to Interim Condensed Consolidated Financial Statements.

ABOITIZ POWER CORPORATION AND SUBSIDIARIES

UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF INCOME

(Amounts in Thousands, Except Earnings Per Share Amounts)

	Jan - Mar 2025	Jan - Mar 2024
OPERATING REVENUES (Note 19)	**₱44,202,557**	₱45,142,269
OPERATING EXPENSES (Note 16)	**37,266,136**	37,721,200
OPERATING PROFIT	**6,936,421**	7,421,069
FINANCIAL EXPENSES - net		
Interest income	**547,764**	383,891
Interest expense and other financing costs (Note 20)	**(4,195,593)**	(3,513,891)
	(3,647,829)	(3,130,000)
OTHER INCOME (EXPENSES)		
Share in net earnings of associates and joint ventures (Note 8)	**3,366,550**	4,179,006
Other income - net (Note 17)	**9,897**	1,465,734
	3,376,447	5,644,740
INCOME BEFORE INCOME TAX	**6,665,039**	9,935,809
PROVISION FOR INCOME TAX	**1,471,322**	1,616,237
NET INCOME	**₱5,193,717**	₱8,319,572
ATTRIBUTABLE TO:		
Equity holders of the parent	**₱4,616,614**	₱7,863,437
Non-controlling interests	**577,103**	456,135
	₱5,193,717	₱8,319,572
EARNINGS PER COMMON SHARE (Note 18)		
Basic and diluted, income for the period attributable to ordinary equity holders of the parent	**₱0.64**	₱1.09

See accompanying Notes to Interim Condensed Consolidated Financial Statements.

ABOITIZ POWER CORPORATION AND SUBSIDIARIES

UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Amounts in Thousands)

	Jan - Mar 2025	Jan - Mar 2024
NET INCOME ATTRIBUTABLE TO:		
Equity holders of the parent	**₱4,616,614**	₱7,863,437
Non-controlling interests	**577,103**	456,135
	5,193,717	8,319,572
OTHER COMPREHENSIVE INCOME (LOSS)		
Other comprehensive income (loss) that may be reclassified to profit or loss in subsequent periods:		
Movement in cumulative translation adjustments	**(963,100)**	794,809
Movement in cash flow hedges	**(112,451)**	136,277
Share in movement in cumulative translation adjustment of associates and joint ventures (Note 8)	**(332,414)**	(73,769)
	(1,407,965)	857,317
Other comprehensive income (loss) that will not be reclassified to profit or loss in subsequent periods:		
Actuarial loss on defined benefit plans, net of	**(23)**	36,421
Share in actuarial gains (loss) on defined benefit plans of associates and joint ventures, net of tax (Note 8)	**—**	21,582
	(23)	58,003
Total other comprehensive income (loss) for the	**(1,407,988)**	915,320
TOTAL COMPREHENSIVE INCOME	**₱3,785,729**	₱9,234,892
ATTRIBUTABLE TO:		
Equity holders of the parent	**₱3,226,723**	₱8,604,916
Non-controlling interests	**559,006**	629,976
	₱3,785,729	₱9,234,892

See accompanying Notes to Interim Condensed Consolidated Financial Statements.

ABOITIZ POWER CORPORATION AND SUBSIDIARIES

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE PERIODS ENDED MARCH 31, 2025 AND 2024

(Amounts in Thousands, Except Dividends Per Share Amounts)

	Attributable to Equity Holders of the Parent											
								Retained Earnings (Note 23)				
	Paid-in Capital	Share in Other Comprehensive Income (Loss) of Associates and Joint Ventures (Note 8)	Cumulative Translation Adjustments	Cash Flow Hedge Reserve	Actuarial Gains (Losses) on Defined Benefit Plans	Equity Reserve	Treasury Stock (Note 24)	Appropriated	Unappropriated	Total Attributable to Equity Holders of the Parent	Non-controlling Interests	Total
Balances at January 1, 2025	**₱19,947,498**	**₱1,892,252**	**₱8,921,693**	**₱65,221**	**(₱1,212,778)**	**(₱6,212,785)**	**(₱4,891,831)**	**₱11,900,000**	**₱172,822,755**	**₱203,232,025**	**₱12,664,657**	**₱215,896,682**
Net income for the period	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**4,616,614**	**4,616,614**	**577,103**	**5,193,717**
Other comprehensive loss	**—**	**(332,413)**	**(945,004)**	**(112,451)**	**(23)**	**—**	**—**	**—**	**—**	**(1,389,891)**	**(18,097)**	**(1,407,988)**
Total comprehensive income (loss)	**—**	**(332,413)**	**(945,004)**	**(112,451)**	**(23)**	**—**	**—**	**—**	**4,616,614**	**3,226,723**	**559,006**	**3,785,729**
Cash dividends - P2.35 per share (Note 23)	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**(16,933,759)**	**(16,933,759)**	**—**	**(16,933,759)**
Acquisition of non-controlling interest (Note 24)	**—**	**—**	**—**	**—**	**—**	**88,050**	**—**	**—**	**—**	**88,050**	**(88,050)**	**—**
Cash dividends paid to non-controlling interests	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**(1,511,111)**	**(1,511,111)**
Balances at March 31, 2025	**₱19,947,498**	**₱1,559,839**	**₱7,976,689**	**(₱47,230)**	**(₱1,212,801)**	**(₱6,124,735)**	**(₱4,891,831)**	**₱11,900,000**	**₱160,505,610**	**₱189,613,039**	**₱11,624,502**	**₱201,237,541**
Balances at January 1, 2024	₱19,947,498	₱651,102	₱5,764,141	(₱269,282)	(₱1,283,856)	(₱7,175,742)	(₱4,891,831)	₱11,900,000	₱155,496,036	₱180,138,066	₱13,836,299	₱193,974,365
Net income for the period	—	—	—	—	—	—	—	—	7,863,437	7,863,437	456,135	8,319,572
Other comprehensive income (loss)	—	(52,187)	620,990	136,277	36,399	—	—	—	—	741,479	173,841	915,320
Total comprehensive income (loss)	—	(52,187)	620,990	136,277	36,399	—	—	—	7,863,437	8,604,916	629,976	9,234,892
Cash dividends - P2.30 per share (Note 23)	—	—	—	—	—	—	—	—	(16,573,466)	(16,573,466)	—	(16,573,466)
Cash dividends paid to non-controlling interests	—	—	—	—	—	—	—	—	—	—	(1,864,997)	(1,864,997)
Balances at March 31, 2024	₱19,947,498	₱598,915	₱6,385,131	(₱133,005)	(₱1,247,457)	(₱7,175,742)	(₱4,891,831)	₱11,900,000	₱146,786,007	₱172,169,516	₱12,601,278	₱184,770,794

See accompanying Notes to Interim Condensed Consolidated Financial Statements.

ABOITIZ POWER CORPORATION AND SUBSIDIARIES

UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

(Amounts in Thousands)

	Jan - Mar 2025	Jan - Mar 2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	**₱6,665,039**	₱9,935,809
Adjustments for:		
Interest expense and other financing costs (Note 20)	**4,195,593**	3,513,891
Depreciation and amortization (Note 16)	**3,171,890**	3,034,948
Net unrealized foreign exchange gains	**(48,561)**	(40,261)
Loss (gain) on disposal of property, plant and equipment (Note 17)	**(8,469)**	76,056
Share in net earnings of associates and joint ventures (Note 8)	**(3,366,550)**	(4,179,006)
Interest income	**(547,764)**	(383,891)
Unrealized fair valuation loss (gain) on derivatives	**—**	60,708
Operating income before working capital changes	**10,061,178**	12,018,254
Decrease (increase) in:		
Trade and other receivables	**(342,561)**	(1,225,694)
Inventories	**1,840,876**	1,585,302
Concession asset	**308,187**	—
Other assets	**1,164,901**	1,203,576
Increase (decrease) in:		
Trade and other payables	**1,225,200**	1,509,903
Customers' deposits	**473,247**	458,159
Net cash generated from operations	**14,731,028**	15,549,500
Income and final taxes paid	**(556,493)**	(635,767)
Net cash flows from operating activities	**14,174,535**	14,913,733
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash dividends received (Note 8)	**31,565**	560,652
Interest received	**614,894**	442,934
Proceeds from redemption of shares (Note 8)	**—**	6,940
Decrease (increase) in other noncurrent assets	**11,412**	(775,144)
Net payment of advances	**—**	74,850
Additions to:		
Property, plant and equipment	**(3,375,077)**	(2,274,717)
Intangible assets	**(220,221)**	(77,211)
Additional investments (Note 8)	**(46,716,964)**	—
Net cash flows used in investing activities	**(49,654,391)**	(2,041,696)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments of long-term debt	**(4,446,800)**	(4,627,848)
Availments of long-term debt	**—**	8,850,000
Net availments of short-term loans (Note 13)	**49,141,270**	3,496,956
Cash dividends paid (Note 23)	**(16,933,258)**	(16,572,206)
Payments of lease liabilities, including interest accretion (Note 22)	**(87,414)**	(54,190)
Payment of dividends to non-controlling interests (Note 24)	**(1,087,384)**	(1,864,997)
Interest paid	**(4,385,117)**	(3,049,506)
Net cash flows from (used) in financing activities	**22,201,297**	(13,821,791)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**(13,278,559)**	(949,754)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND EQUIVALENTS	**29,605**	40,261
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	**56,759,297**	54,538,784
CASH AND CASH EQUIVALENTS AT END OF PERIOD (Note 5)	**₱43,510,343**	₱53,629,291

See accompanying Notes to Interim Condensed Consolidated Financial Statements.

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

1. Corporate Information

Aboitiz Power Corporation (the Company) was incorporated in the Philippines and registered with the Securities and Exchange Commission on February 13, 1998. The Company is a publicly-listed holding company of the entities engaged in power generation and power distribution in the Aboitiz Group. As of March 31, 2025, Aboitiz Equity Ventures, Inc. (AEV; also a publicly-listed entity incorporated in the Philippines) and JERA Asia Private Limited own the Company by 53.09% and 27.57%, respectively. The ultimate parent of the Company is Aboitiz & Company, Inc. (ACO).

The registered office address of the Company is 32nd Street, Bonifacio Global City, Taguig City, Metro Manila.

2. Group Information

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

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

		March 31, 2025		December 31, 2024	
	Nature of Business	**Direct**	**Indirect**	Direct	Indirect
Aboitiz Renewables, Inc. (ARI) and Subsidiaries	Power generation	**100.00**	**–**	100.00	–
AP Renewables, Inc. (APRI)	Power generation	**–**	**100.00**	–	100.00
Aboitiz Power Distributed Energy, Inc.	Power generation	**–**	**100.00**	–	100.00
Aboitiz Power Distributed Renewables, Inc.	Power generation	**–**	**100.00**	–	100.00
Hedcor, Inc. (HI)	Power generation	**–**	**100.00**	–	100.00
Hedcor Sibulan, Inc. (HSI)	Power generation	**–**	**100.00**	–	100.00
Hedcor Tudaya, Inc. (HTI)	Power generation	**–**	**100.00**	–	100.00
Luzon Hydro Corporation (LHC)	Power generation	**–**	**100.00**	–	100.00
Sinag Solar Power Corporation (formerly AP Solar Tiwi, Inc.)*	Power generation	**–**	**100.00**	–	100.00
Retensol, Inc.*	Power generation	**–**	**100.00**	–	100.00
AP Renewable Energy Corporation*	Power generation	**–**	**100.00**	–	100.00
Aseagas Corporation (Aseagas)*	Power generation	**–**	**100.00**	–	100.00
Bakun Power Line Corporation*	Power generation	**–**	**100.00**	–	100.00
Cleanergy, Inc.*	Power generation	**–**	**100.00**	–	100.00
Cordillera Hydro Corporation*	Power generation	**–**	**100.00**	–	100.00
Hedcor Benguet, Inc.*	Power generation	**–**	**100.00**	–	100.00
Hedcor Bukidnon, Inc. (Hedcor Bukidnon)	Power generation	**–**	**100.00**	–	100.00
Hedcor Kabayan, Inc. *	Power generation	**–**	**100.00**	–	100.00
PV Sinag Power, Inc. (formerly Hedcor Ifugao, Inc.)*	Power generation	**–**	**100.00**	–	100.00
Amihan Power, Inc. (formerly Hedcor Kalinga, Inc.)*	Power generation	**–**	**100.00**	–	100.00
Aboitiz Solar Power, Inc. (formerly Hedcor Itogon Inc.)*	Power generation	**–**	**100.00**	–	100.00
Hedcor Manolo Fortich, Inc.*	Power generation	**–**	**100.00**	–	100.00

	Nature of Business	March 31, 2025 Direct	March 31, 2025 Indirect	December 31, 2024 Direct	December 31, 2024 Indirect
Amihan Frontier Energy, Inc. (formerly Hedcor Mt. Province, Inc.)*	Power generation	–	**100.00**	–	100.00
Hedcor Sabangan, Inc. (Hedcor Sabangan)	Power generation	–	**100.00**	–	100.00
Hedcor Tamugan, Inc.*	Power generation	–	**100.00**	–	100.00
RE Resources, Inc. (formerly Mt. Apo Geopower, Inc.)*	Power generation	–	**100.00**	–	100.00
Visayas Cleanergy, Inc. (formerly Negron Cuadrado Geopower, Inc. (NCGI))*	Power generation	–	**100.00**	–	100.00
Tagoloan Hydro Corporation*	Power generation	–	**100.00**	–	100.00
Luzon Hydro Company Limited*	Power generation	–	**100.00**	–	100.00
Electricidad, Inc. (formerly La Filipina Electrika, Inc.)*	Power generation	–	**100.00**	–	100.00
Wind Renewable Energy Corporation*	Power generation	–	**100.00**	–	100.00
Maaraw Renewable Energy Corporation*	Power generation	–	**100.00**	–	100.00
Maaraw Holdings San Carlos, Inc. (MHSCI, see Note 9)	Holding company	–	**100.00**	–	100.00
San Carlos Sun Power, Inc. (Sacasun, see Note 9)	Power generation	–	**100.00**	–	100.00
Luzon Alternative Energy Sources, Inc.*	Power generation	–	**100.00**	–	100.00
Luzon Cleanergy Generation, Inc.*	Power generation	–	**100.00**	–	100.00
Luzon Cleanergy, Inc.*	Power generation	–	**100.00**	–	100.00
Maaraw Holdings Bais, Inc.*	Power generation	–	**100.00**	–	100.00
Mindanao Cleanergy, Inc.*	Power generation	–	**100.00**	–	100.00
North Luzon Green and Sustainable Energy, Inc.*	Power generation	–	**100.00**	–	100.00
North Luzon Green Power, Inc.*	Power generation	–	**100.00**	–	100.00
North Luzon Natural Energy, Inc.*	Power generation	–	**100.00**	–	100.00
Northern Sun Power, Inc.*	Power generation	–	**100.00**	–	100.00
Northern Sun Radiance, Inc.*	Power generation	–	**100.00**	–	100.00
South Cleanergy, Inc.*	Power generation	–	**100.00**	–	100.00
South Luzon Energy Solutions, Inc.*	Power generation	–	**100.00**	–	100.00
South Luzon Power Development, Inc.*	Power generation	–	**100.00**	–	100.00
South Luzon Sustainable Energy, Inc.*	Power generation	–	**100.00**	–	100.00
Cleanergy 1, Inc.*	Power generation	–	**100.00**	–	100.00
Cleanergy 2, Inc.*	Power generation	–	**100.00**	–	100.00
Cleanergy 1 Power, Inc.*	Power generation	–	**100.00**	–	100.00
Cleanergy 2 Power, Inc.*	Power generation	–	**100.00**	–	100.00
Cleanergy 3 Power, Inc.*	Power generation	–	**100.00**	–	100.00
Cleanergy 4 Power, Inc.*	Power generation	–	**100.00**	–	100.00
Cleanergy 5 Power, Inc.*	Power generation	–	**100.00**	–	100.00
Cleanergy 6 Power, Inc.*	Power generation	–	**100.00**	–	100.00
Cleanergy 7 Power, Inc.*	Power generation	–	**100.00**	–	100.00
Cleanergy 8 Power, Inc.*	Power generation	–	**100.00**	–	100.00
Cleanergy 9 Power, Inc.*	Power generation	–	**100.00**	–	100.00
Cleanergy 10 Power, Inc.*	Power generation	–	**100.00**	–	100.00
Inner Channel Wind Power Corporation.*	Power generation	–	**100.00**	–	100.00
Hydro Electric Development Corporation*	Power generation	–	**99.97**	–	99.97
Cornerstone Energy Development, Inc.*	Power generation	–	**100.00**	–	60.00
El Faro 1 Inc.*	Power generation	–	**100.00**	–	–
El Faro 2 Inc.*	Power generation	–	**100.00**	–	–

	Nature of Business	March 31, 2025		December 31, 2024	
		Direct	**Indirect**	Direct	Indirect
El Faro 3 Inc.*	Power generation	**–**	**100.00**	–	–
El Faro 4 Inc.*	Power generation	**–**	**100.00**	–	–
El Faro 5 Inc.*	Power generation	**–**	**100.00**	–	–
Haraya 1, Inc.*	Power generation	**–**	**100.00**	–	–
Haraya 2, Inc.*	Power generation	**–**	**100.00**	–	–
Haraya 3, Inc.*	Power generation	**–**	**100.00**	–	–
Haraya 4, Inc.*	Power generation	**–**	**100.00**	–	–
Haraya 5, Inc.*	Power generation	**–**	**100.00**	–	–
Hiraya Verde 1 Inc.*	Power generation	**–**	**100.00**	–	–
Hiraya Verde 2 Inc.*	Power generation	**–**	**100.00**	–	–
Hiraya Verde 3, Inc.*	Power generation	**–**	**100.00**	–	–
Hiraya Verde 4, Inc.*	Power generation	**–**	**100.00**	–	–
Hiraya Verde 5, Inc.*	Power generation	**–**	**100.00**	–	–
Verdetek 1, Inc.*	Power generation	**–**	**100.00**	–	–
Verdetek 2, Inc.*	Power generation	**–**	**100.00**	–	–
Verdetek 3, Inc.*	Power generation	**–**	**100.00**	–	–
Verdetek 4, Inc.*	Power generation	**–**	**100.00**	–	–
Therma Power, Inc. (TPI) and Subsidiaries	Power generation	**100.00**	**–**	100.00	–
Mindanao Sustainable Solutions, Inc.*	Services	**–**	**100.00**	–	100.00
Therma Luzon, Inc. (TLI)	Power generation	**–**	**100.00**	–	100.00
Therma Marine, Inc. (Therma Marine)	Power generation	**–**	**100.00**	–	100.00
Therma Mobile, Inc. (Therma Mobile)	Power generation	**–**	**100.00**	–	100.00
Therma South, Inc. (TSI)	Power generation	**–**	**100.00**	–	100.00
Therma Power-Visayas, Inc. (TPVI)	Power generation	**–**	**100.00**	–	100.00
Therma Central Visayas, Inc.*	Power generation	**–**	**100.00**	–	100.00
Therma Subic, Inc.*	Power generation	**–**	**100.00**	–	100.00
Therma Mariveles Holdings, Inc.	Holding company	**–**	**100.00**	–	100.00
Therma NatGas Power Inc.*	Power generation	**–**	**99.95**	–	99.95
Therma Pagbilao Power Inc.*	Power generation	**–**	**100.00**	–	100.00
Therma Quezon Energy Inc.*	Power generation	**–**	**100.00**	–	100.00
GNPower Mariveles Energy Center Ltd. Co. (formerly GNPower Mariveles Coal Plant) (GMEC)	Power generation	**–**	**78.33**	–	78.33
Therma Dinginin Holdings, Inc.	Holding company	**–**	**100.00**	–	100.00
Therma Visayas, Inc. (TVI)	Power generation	**–**	**80.00**	–	80.00
Abovant Holdings, Inc.	Holding company	**–**	**60.00**	–	60.00
AboitizPower International Pte. Ltd. (API)	Holding company	**100.00**	**–**	100.00	–
Cleanergy Asia Power Holdings Pte Ltd.	Holding company	**–**	**100.00**	–	100.00
AP Lariang Pte Ltd.	Holding company	**–**	**100.00**	–	100.00
Adventpower, Inc. (API) (formerly Aboitiz Energy Solutions, Inc.)	Retail electricity supplier	**100.00**	**–**	100.00	–
Adventenergy, Inc. (AI)	Retail electricity supplier	**100.00**	**–**	100.00	–
Balamban Enerzone Corporation (BEZ)	Power distribution	**100.00**	**–**	100.00	–
Lima Enerzone Corporation (LEZ)	Power distribution	**100.00**	**–**	100.00	–
Mactan Enerzone Corporation (MEZ)	Power distribution	**100.00**	**–**	100.00	–
Malvar Enerzone Corporation (MVEZ)	Power distribution	**100.00**	**–**	100.00	–
Tarlac Enerzone Corporation (TEZ)	Power distribution	**100.00**	**–**	–	–

	Nature of Business	**March 31, 2025** Direct	**March 31, 2025** Indirect	December 31, 2024 Direct	December 31, 2024 Indirect
East Asia Utilities Corporation (EAUC)	Power generation	**50.00**	**50.00**	50.00	50.00
Cotabato Light and Power Company (CLP)	Power distribution	**99.94**	**–**	99.94	–
Cotabato Ice Plant, Inc.	Manufacturing	**–**	**100.00**	–	100.00
Davao Light & Power Company, Inc. (DLP)	Power distribution	**99.93**	**–**	99.93	–
SPI Power Incorporated (SPI) (formerly STEAG State Power, Inc.)	Power generation	**85.00**	**–**	85.00	–
Subic Enerzone Corporation (SEZ)	Power distribution	**65.00**	**34.98**	65.00	34.98
Cebu Private Power Corporation (CPPC)	Power generation	**60.00**	**–**	60.00	–
Prism Energy, Inc. (PEI)	Retail electricity supplier	**60.00**	**–**	60.00	–
Visayan Electric Company (VECO)	Power distribution	**55.26**	**–**	55.26	–
Cell Power Energy Corporation (formerly Olongapo Energy Corporation)*	Power generation	**100.00**	**–**	100.00	–
1882 Energy Ventures Incorporated	Holding company	**100.00**	**–**	100.00	–
AP Electric Mobility Inc.*	Electric vehicle operation	**100.00**	**–**	100.00	–
Heritage Light and Power Corporation*	Power distribution	**100.00**	**–**	100.00	–
Peninsula Electric Corporation*	Power distribution	**100.00**	**–**	–	–
Potentia Insurance Pte Ltd	Insurance company	**100.00**	**–**	100.00	–
PowerPlus Innovation, Inc.*	Management services	**99.90**	**–**	–	–

* No commercial operations as of March 31, 2025

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

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

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

On April 25, 2025, the Board of Directors (BOD) of the Company approved and authorized the release of the unaudited interim condensed consolidated financial statements of the Group.

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

Effective beginning on or after January 1, 2025

- Amendments to PAS 21, *Lack of exchangeability*

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

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

Effective beginning on or after January 1, 2026

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

  The amendments clarify that a financial liability is derecognized on the 'settlement date', i.e., when the related obligation is discharged, cancelled, expires or the liability otherwise qualifies for derecognition. They also introduce an accounting policy option to derecognize financial liabilities that are settled through an electronic payment system before settlement date if certain conditions are met.

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

- Annual Improvements to PFRS Accounting Standards—Volume 11

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

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

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

  - Amendments to PFRS 7, *Gain or Loss on Derecognition*
    The amendments updated the language of paragraph B38 of PFRS 7 on unobservable inputs and included a cross reference to paragraphs 72 and 73 of PFRS 13.

  - Amendments to PFRS 9

    - Lessee Derecognition of Lease Liabilities
      The amendments to paragraph 2.1 of PFRS 9 clarified that when a lessee has determined that a lease liability has been extinguished in accordance with PFRS 9, the lessee is

required to apply paragraph 3.3.3 and recognize any resulting gain or loss in profit or loss.

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

◦ Amendments to PFRS 10, *Determination of a 'De Facto Agent'*

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

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

Effective beginning on or after January 1, 2027

- PFRS 17, *Insurance Contracts*

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

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

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

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

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

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

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

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

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

- PFRS 19, *Subsidiaries without Public Accountability*

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

Deferred effectivity

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

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

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

4. Significant Accounting Judgments, Estimates and Assumptions

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

Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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

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

5. Cash and Cash Equivalents

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Cash on hand and in banks	**₱8,472,472**	₱7,812,135
Short-term deposits	**35,037,871**	48,947,162
	₱43,510,343	₱56,759,297

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

6. Trade and Other Receivables

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Trade receivables - net of allowance for expected credit losses	**₱26,243,776**	₱27,062,648
Others:		
Non-trade receivable	**7,771,195**	7,799,983
Advances to contractors	**1,681,361**	491,140
Interest receivable	**158,244**	225,374
Dividends receivable	**1,014,100**	1,014,100
	₱36,868,676	₱36,593,245

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

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

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

7. Other Current Assets

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Restricted cash	**₱4,048,918**	₱6,098,865
Input VAT	**697,472**	758,353
Prepaid tax	**3,126,855**	2,886,357
Concession contract asset	**1,339,562**	1,352,797
Prepaid expenses	**2,142,483**	3,244,973
Advances to National Grid Corporation of the Philippines (NGCP)	**551,506**	551,506
Others	**131,053**	214,596
	₱12,037,849	₱15,107,447

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

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

Prepaid expenses mainly includes prepayments for insurance.

8. Investments and Advances

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Acquisition cost:		
Balance at beginning of period	**₱57,432,661**	₱56,997,389
Additions during the period	**46,716,964**	442,212
Redemptions during the period	**—**	(6,940)
Balance at end of period	**104,149,625**	57,432,661
Accumulated equity in net earnings:		
Balance at beginning of period	**37,171,953**	34,478,491
Share in net earnings	**3,366,550**	15,693,423
Dividends	**(31,565)**	(12,999,961)
Balance at end of period	**40,506,938**	37,171,953
Share in net unrealized valuation gain on FVOCI investment of an associate	**98,602**	98,602
Share in actuarial gains on defined benefit plans of associates and joint ventures	**30,835**	30,835
Share in cumulative translation adjustments of associates and joint ventures	**1,430,402**	1,762,816
	1,559,839	1,892,253
	146,216,402	96,496,867
Less allowance for impairment losses	**568,125**	568,125
Investments at equity	**145,648,277**	95,928,742
Advances	**1,450**	1,450
	₱145,649,727	₱95,930,192

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

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

[1] *Joint venture.*

[2] *Economic interest*

[3] *Includes 30% indirect ownership through AA*

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

** No commercial operations as of March 31, 2025*

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

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

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
CGHI	**₱47,425,136**	₱—
GNPD[2]	**41,713,838**	41,240,477
ATI[1]	**40,010,010**	39,405,678
MORE	**10,432,182**	9,577,390
CEDC	**3,532,995**	3,184,468
PEVI	**754,063**	750,203
SFELAPCO	**587,914**	576,221
Hijos	**333,243**	333,243
AEHI	**166,143**	166,765
4BEC	**163,610**	167,395
WMPC	**135,587**	130,104
RPEI	**89,264**	89,482
SPPC	**75,210**	76,626
LWEC	**64,665**	66,850
Others	**164,417**	163,840
	₱145,648,277	₱95,928,742

[1] Includes indirect interest from GNPD.

[2] Direct interest only.

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

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

On January 28, 2025, the parties have completed the transaction for a total acquisition price of ₱46.7 billion (USD 796.4 million).

As of March 31, 2025, the Group is still in the process of completing the determination of fair values of the underlying net assets of CGHI. As allowed by PFRS Accounting Standards, the Group has provisionally assessed the fair values of the assets acquired and liabilities assumed. The provisional fair values will be finalized within one year from the acquisition date once relevant information has been obtained.

9. **Joint Operation**

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

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

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

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

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

10. **Intangible Assets**

March 31, 2025

	Goodwill	Franchise	Service concession rights	Project development costs	Customer contracts	Software and licenses	Total
Cost:							
Balances at beginning of period	**₱46,589,413**	**₱3,078,433**	**₱5,806,449**	**₱1,511,562**	**₱60,068**	**₱1,576,476**	**₱58,622,401**
Additions	**—**	**—**	**22,765**	**184,977**	**—**	**12,479**	**220,221**
Transfers/Reclass	**(18,256)**	**—**	**18,256**	**(324,935)**	**—**	**—**	**(324,935)**
Exchange differences	**(497,863)**	**—**	**(3,365)**	**—**	**—**	**—**	**(501,228)**
Balances at end of period	**46,073,294**	**3,078,433**	**5,844,105**	**1,371,604**	**60,068**	**1,588,955**	**58,016,459**
Accumulated amortization:							
Balances at beginning of period	**—**	**891,465**	**4,995,439**	**—**	**60,068**	**815,634**	**6,762,606**
Transfer/Reclass	**—**	**—**	**—**	**—**	**—**	**(689)**	**(689)**
Amortization	**—**	**19,240**	**46,793**	**—**	**—**	**49,959**	**115,992**
Balances at end of period	**—**	**910,705**	**5,042,232**	**—**	**60,068**	**864,904**	**6,877,909**
Net book values	**₱46,073,294**	**₱2,167,728**	**₱801,873**	**₱1,371,604**	**₱—**	**₱724,051**	**₱51,138,550**

11. Other Non-Current Assets

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Input VAT	**₱4,540,845**	₱4,579,915
Concession contract asset, net of current portion	**7,238,915**	7,533,867
Prepaid taxes	**4,619,852**	4,655,192
Advances to contractors and projects	**1,964,147**	1,544,247
Refundable deposits	**1,393,801**	1,405,212
Advances to NGCP - net of current portion	**565,752**	565,752
Investment properties	**394,902**	394,902
Prepaid expenses	**3,337,756**	3,333,053
Others	**1,728,265**	1,217,506
	₱25,784,235	₱25,229,646

Concession contract asset pertains to SPI's PPA with NPC which has been accounted for under the provisions of Philippine Interpretation IFRIC 12. Under the terms of the PPA, SPI will receive capital recovery fees from NPC representing recovery of SPI's capital cost incurred in relation to the construction of the Power Station. These capital recovery fees are recognized at their discounted value in the consolidated financial statements using a prevailing market rate when SPI was acquired by the Company in June 2023.

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

12. Trade and Other Payables

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Trade payables	**₱20,933,805**	₱20,834,329
Output VAT	**3,489,939**	3,277,272
Amounts due to contractors and other third parties	**1,788,111**	2,088,808
Accrued expenses:		
Interest	**2,768,011**	3,166,997
Taxes and fees	**2,487,153**	1,987,803
Claims conversion costs	**240,469**	257,184
Insurance	**66,687**	44,253
Dividends payable (see Note 23)	**615,164**	190,938
Unearned revenues	**292,632**	282,230
Customers' deposit	**213,908**	453,107
Nontrade	**3,222,051**	2,293,208
Others	**541,644**	830,512
	₱36,659,574	₱35,706,641

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

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

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

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

13. Short-term Loans

		March 31, 2025 (Unaudited)	December 31, (Audited)
Peso loans - financial institutions - unsecured	5.20% - 6.87% in 2025 5.50% - 6.87% in 2024	**₱73,590,000**	₱23,705,000
Dollar loans - financial institutions - unsecured	5.50% in 2025 5.50% in 2024	**572,100**	1,330,435
		₱74,162,100	₱25,035,435

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

14. Long-term Debts

	2025 Interest Rate (Unaudited)	2024 Interest Rate (Audited)	**March 31, 2025 (Unaudited)**	December 31, 2024 (Audited)
Company:				
Bonds (see Note 15)	3.82% - 8.51%	3.82% - 8.51%	**₱43,300,000**	₱43,300,000
Financial institutions - unsecured	4.00% - 4.33%	4.00% - 4.33%	**10,750,000**	10,750,000
Subsidiaries:				
GMEC				
Financial institutions - unsecured	LIBOR + 1.7% - 4.85%	LIBOR + 1.7% - 4.85%	**26,530,321**	28,289,923
TMI				
Financial institutions - secured	4.54% - 7.68%	4.54% - 7.68%	**1,950,000**	2,112,500
HSAB				
Financial institutions - secured	4.92%	4.92%	**862,985**	862,985
TVI				
Financial institutions - secured	5.56% - 9.00%	5.56% - 9.00%	**19,379,251**	20,399,210
AESI				
Financial institutions - unsecured	4.87%	4.87%	**576,000**	576,000
TSI				
Financial institutions - secured	4.27%	4.27%	**14,990,367**	15,621,873
APRI				
Financial institutions - secured	4.91% - 6.67%	4.91% - 6.67%	**9,319,783**	9,319,784
Hedcor Bukidnon				
Financial institutions - secured	4.29% - 5.59%	4.29% - 5.59%	**6,550,725**	6,866,618
Hedcor Sibulan				
Fixed rate corporate notes - unsecured	5.21% - 5.42%	5.21% - 5.42%	**2,100,000**	2,100,000
HI				
Financial institution - secured	5.00%	5.00%	**1,126,609**	1,151,299
PVSinag				
Financial institution - secured	7.06% - 8.02%	7.06% - 8.02%	**9,393,862**	9,393,862
ARI				
Financial institution - unsecured	6.65%-6.91%	6.65%-6.91%	**19,858,824**	19,929,412
HTI				
Financial institution - secured	4.92%	4.92%	**576,533**	576,533

	2025 Interest Rate (Unaudited)	2024 Interest Rate (Audited)	**March 31, 2025 (Unaudited)**	December 31, 2024 (Audited)
TLI				
Financial institution - unsecured	7.40%	7.40%	**34,000,000**	34,000,000
CEDI				
Financial institution - unsecured	—%	8.00%	**—**	107,195
STEAG				
Financial institution - secured	LIBOR + 1.50% - 5.00%	LIBOR + 1.50% - 5.00%	**1,693,416**	1,943,591
Joint operation (see Note 10)				
Financial institutions - secured	5.77% - 6.27%	5.77% - 6.27%	**7,282,876**	7,719,459
			210,241,552	215,020,244
Less deferred financing costs			**1,250,539**	1,300,978
			208,991,013	213,719,266
Less current portion - net of deferred			**24,142,397**	16,465,260
			₱184,848,616	₱197,254,006

In March 2024, ARI availed a new loan for a total of ₱8.00 billion.

In March 2024, PV Sinag availed a new loan for a total of ₱850.0 million.

Loan covenants

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

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

15. Debt Securities

As of March 31, 2025, the Company registered and issued peso-denominated fixed-rate retail bonds totaling ₱43.3 billion under the following terms:

Maturity	Interest Rate (p.a.)	Amount
7-year bonds to mature on March 17, 2029	5.74%	₱7,000,000
7-year bonds to mature on December 2, 2028	5.03%	7,200,000
10-year bonds to mature on October 25, 2028	8.51%	2,500,000
10-year bonds to mature on July 3, 2027	5.34%	3,000,000
5-year bonds to mature on March 17, 2027	5.31%	3,000,000
7-year bonds to mature on October 14, 2026	5.28%	7,250,000
5-year bonds to mature on March 16, 2026	3.82%	8,000,000
4-year bonds to mature on December 2, 2025	4.00%	4,800,000
5-year bonds to mature on July 6, 2025	3.94%	550,000
		₱43,300,000

16. **Operating Expenses**

	For the periods ended March 31	
	2025	2024
Cost of generated power	**₱9,232,530**	₱11,021,460
Cost of purchased power	**17,970,154**	17,346,474
Depreciation and amortization	**3,171,890**	3,034,948
Operations and maintenance	**4,058,975**	4,084,843
General and administrative	**2,832,587**	2,233,475
	₱37,266,136	₱37,721,200

17. Other Income (Expenses)

	For the periods ended March 31	
	2025	2024
Surcharges	**₱136,714**	₱141,659
Rental income	**7,587**	30,692
Gains (losses) on disposal of property, plant and equipment	**8,469**	(76,056)
Non-utility operating income	**19,598**	20,033
Net foreign exchange gains (losses)	**(14,654)**	6,059
Others - net	**(147,817)**	1,343,347
	₱9,897	₱1,465,734

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

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

18. **Earnings Per Common Share**

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

	For the periods ended March 31	
	2025	2024
a. Net income attributable to equity holders of the parent	**₱4,616,614**	₱7,863,437
b. Weighted average number of outstanding shares	**7,205,854,307**	7,205,854,307
Basic and diluted earnings per share (a/b)	**₱0.64**	₱1.09

There are no dilutive potential common shares for the three-month periods ended March 31, 2025 and 2024.

19. Operating Segment Information

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

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

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

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

January - March 2025

	Power Generation	**Power Distribution**	**Parent and Others**	**Total**
Revenue from power supply contracts	**₱12,412,292**	**₱—**	**₱—**	**₱12,412,292**
Revenue from distribution services	**—**	**13,840,948**	**—**	**13,840,948**
Revenue from retail electricity sales	**—**	**—**	**10,443,813**	**10,443,813**
Revenue from non-power supply contracts	**7,155,059**	**—**	**—**	**7,155,059**
Revenue from technical and management services	**—**	**—**	**350,445**	**350,445**
	₱19,567,351	**₱13,840,948**	**₱10,794,258**	**₱44,202,557**

January - March 2024

	Power Generation	Power Distribution	Parent and Others	Total
Revenue from power supply contracts	₱15,189,212	₱—	₱—	₱15,189,212
Revenue from distribution services	—	12,317,647	—	12,317,647
Revenue from retail electricity sales	—	—	11,044,939	11,044,939
Revenue from non-power supply contracts	6,380,202	—	—	6,380,202
Revenue from technical and management services	—	—	210,269	210,269
	₱21,569,414	₱12,317,647	₱11,255,208	₱45,142,269

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

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

Management monitors the operating results of its segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment revenue and segment expenses are measured in accordance with PFRS. The presentation and classification of segment revenue and segment expenses are consistent with the unaudited interim condensed consolidated statements of income. Interest expense and other financing costs, depreciation and amortization expense and income taxes are managed on a per segment basis.

The Group has inter-segment revenues in the form of management fees as well as inter-segment sales of electricity which are eliminated in consolidation. The transfers are accounted for at competitive market prices on an arm's-length transaction basis.

Adjustments as shown below include items not presented as part of segment assets and liabilities.

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

January - March 2025

	Power Generation	Power Distribution	Parent Company/ Others	Eliminations and Adjustments	Consolidated
REVENUE					
External	**₱19,567,351**	**₱13,840,948**	**₱10,794,258**	**₱—**	**₱44,202,557**
Inter-segment	**5,520,091**	**403,911**	**365,864**	**(6,289,866)**	**—**
Total Revenue	**₱25,087,442**	**₱14,244,859**	**₱11,160,122**	**(₱6,289,866)**	**₱44,202,557**
Segment Results	**₱4,409,962**	**₱1,840,342**	**₱686,117**	**₱—**	**₱6,936,421**
Unallocated corporate income (loss) - net	**272,282**	**195,738**	**(458,123)**	**—**	**9,897**
INCOME FROM OPERATIONS	**4,682,244**	**2,036,080**	**227,994**	**—**	**6,946,318**
Interest expense	**(2,412,587)**	**(315,444)**	**(1,467,562)**	**—**	**(4,195,593)**
Interest income	**162,418**	**12,501**	**372,845**	**—**	**547,764**
Share in net earnings of associates and joint ventures	**3,318,856**	**47,118**	**6,122,061**	**(6,121,485)**	**3,366,550**
Provision for income tax	**(904,371)**	**(409,647)**	**(157,304)**	**—**	**(1,471,322)**
NET INCOME	**₱4,846,560**	**₱1,370,608**	**₱5,098,034**	**(₱6,121,485)**	**₱5,193,717**
Depreciation and Amortization	**₱2,662,804**	**₱416,637**	**₱56,194**	**₱36,255**	**₱3,171,890**
OTHER INFORMATION					
Investments	**₱143,414,220**	**₱1,373,445**	**₱298,368,990**	**(₱297,508,378**	**₱145,648,277**
Segment Assets	**₱381,397,098**	**₱47,479,908**	**₱350,618,362**	**(₱230,089,799**	**₱549,405,569**
Segment Liabilities	**₱165,209,131**	**₱41,406,101**	**₱143,884,246**	**(₱2,331,450)**	**₱348,168,028**

January - March 2024

	Power Generation	Power Distribution	Parent Company/ Others	Eliminations and Adjustments	Consolidated
REVENUE					
External	₱21,569,414	₱12,317,647	₱11,255,208	₱—	₱45,142,269
Inter-segment	6,025,905	339,743	384,707	(6,750,355)	—
Total Revenue	₱27,595,319	₱12,657,390	₱11,639,915	(₱6,750,355)	₱45,142,269
Segment Results	₱4,828,450	₱1,900,229	₱692,388	₱2	₱7,421,069
Unallocated corporate income (loss) - net	1,344,861	229,005	(108,132)	—	1,465,734
INCOME FROM OPERATIONS	6,173,311	2,129,234	584,256	2	8,886,803
Interest expense	(2,310,496)	(280,403)	(922,992)	—	(3,513,891)
Interest income	264,426	8,190	111,275	—	383,891
Share in net earnings of associates and joint ventures	4,115,099	62,786	8,794,527	(8,793,406)	4,179,006
Provision for income tax	(976,571)	(441,710)	(197,956)	—	(1,616,237)
NET INCOME	₱7,265,769	₱1,478,097	₱8,369,110	(₱8,793,404)	₱8,319,572
Depreciation and Amortization	₱2,593,053	₱374,626	₱31,014	₱36,255	₱3,034,948
OTHER INFORMATION (December 31, 2023)					
Investments	₱93,432,406	₱1,285,947	₱235,258,111	(₱234,425,483)	₱95,550,981
Segment Assets	₱351,816,084	₱44,741,030	₱267,957,418	(₱174,915,341)	₱489,599,191
Segment Liabilities	₱176,953,637	₱38,268,366	₱94,564,730	(₱4,958,336)	₱304,828,397

20. **Financial Risk Management Objectives and Policies**

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

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

Risk Management Structure

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

Financial risk committee

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

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

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

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

Liquidity risk
Liquidity risk is the risk that an entity in the Group will be unable to meet its obligations as they become due. The Group manages liquidity risk by effectively managing its working capital, capital expenditure and cash flows, making use of a centralized treasury function to manage pooled business unit cash investments and borrowing requirements.

In managing its long-term financial requirements, the Group's policy is that not more than 25% of long-term borrowings should mature in any twelve-month period. 10.86% of the Group's debt will mature in less than one year as of March 31, 2025 (December 31, 2024: 7.31%). For its short-term funding, the Group's policy is to ensure that there are sufficient working capital inflows to match repayments of short-term debt.

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

The following table summarizes the maturity profile of the Group's financial liabilities as of March 31, 2025 based on contractual undiscounted principal payments:

	Total carrying value	Contractual undiscounted principal payments				
		Total	On demand	<1 year	1 to 5 years	> 5 years
Short-term loans	₱74,162,100	₱74,162,100	₱—	₱74,162,100	₱—	₱—
Trade and other payables	30,679,243	26,352,179	2,063,975	24,288,204	—	—
Long-term debts	208,991,013	224,101,748	—	11,844,415	150,618,861	61,638,472
Customers' deposits	10,203,046	10,203,046	—	213,908	478,737	9,510,401
Lease liabilities	4,478,692	9,062,158	—	271,450	1,593,995	7,196,713
Long-term obligation on PDS	100,069	80,000	—	40,000	40,000	—
Derivative liabilities	65,797	65,797	—	64,627	1,170	—
	₱328,679,960	₱344,027,028	₱2,063,975	₱110,884,704	₱152,732,763	₱78,345,586

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

forward and commodity swap contracts match the terms of the expected highly probable forecasted transactions.

Interest rate risk

The Group's exposure to market risk for changes in interest rates relates primarily to its long-term debt obligations. To manage this risk, the Group determines the mix of its debt portfolio as a function of the level of current interest rates, the required tenor of the loan, and the general use of the proceeds of its various fund raising activities. As of March 31, 2025, 6% of the Group's long-term debt had annual floating interest rates ranging from 1.5% to 7.68%, and 94% have annual fixed interest rates ranging from 4.27% to 9.00%. As of December 31, 2024, 7% of the Group's long-term debt had annual floating interest rates ranging from 1.5% to 7.68%, and 93% have annual fixed interest rates ranging from 4.27% to 9.00%.

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

As of March 31, 2025

	<1 year	**1-5 years**	**>5 years**	**Total**
Floating rate - long-term debt	**₱1,721,165**	**₱11,761,584**	**₱—**	**₱13,482,749**

As of December 31, 2024

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

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

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

	For the periods ended March 31	
	2025	2024
Short-term loans and long-term debt	**₱4,035,466**	₱3,305,510
Lease liabilities (see Note 22)	**73,213**	57,302
Customers' deposits	**1,099**	45
Other long-term obligations	**85,815**	151,034
	₱4,195,593	₱3,513,891

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

	Increase (decrease) in basis points	Effect on income before tax
March 2025	**200**	**(₱269,655)**
	(100)	**134,827**
March 2024	200	(₱304,046)
	(100)	152,023

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

Foreign exchange risk
The foreign exchange risk of the Group pertains significantly to its foreign currency denominated obligations. To manage its foreign exchange risk, stabilize cash flows and improve investment and cash flow planning, the Group enters into foreign currency forward contracts aimed at reducing and/or managing the adverse impact of changes in foreign exchange rates on financial performance and cash flows. Foreign currency denominated borrowings account for 9.95% and 14.11% of total consolidated borrowings as of March 31, 2025 and December 31, 2024, respectively.

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

	March 31, 2025 (Unaudited)		December 31, 2024 (Audited)	
	US Dollar	**Philippine Peso equivalent[1]**	US Dollar	Philippine Peso
Financial assets:				
Cash and cash equivalents	**\$101,925**	**₱5,831,129**	\$214,008	₱12,379,293
Trade and other receivables	**13,100**	**749,447**	2,443	141,315
Advances to associates	**3,414**	**195,315**	21	1,215
Total financial assets	**118,439**	**6,775,891**	216,472	12,521,823
Financial liabilities:				
Trade and other payables	**30,119**	**1,723,108**	3,753	217,092
Total net financial assets (liabilities)	**\$88,320**	**₱5,052,783**	\$212,719	₱12,304,731

[1]\$1 = 57.21
[2]\$1 = 57.85

The following table demonstrates the sensitivity to a reasonably possible change in the US dollar exchange rates, with all other variables held constant, of the Group's income before tax for the periods ended March 31:

	Increase (decrease) in US Dollar	Effect on income before tax
2025		
US Dollar denominated accounts	**US Dollar weakens by 5%**	**₱252,639**
US Dollar denominated accounts	**US Dollar strengthens by 5%**	**(252,639)**
2024		
US Dollar denominated accounts	US Dollar weakens by 5%	₱615,237
US Dollar denominated accounts	US Dollar strengthens by 5%	(615,237)

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

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

Credit risk

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

Concentration Risk

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

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Power distribution:		
Industrial	**₱10,340,890**	₱11,415,839
Residential	**2,965,744**	3,363,528
Commercial	**1,063,788**	1,135,639
City street lighting	**35,578**	36,456
Power generation:		
Power supply contracts	**4,786,477**	9,990,081
Non-power supply contracts	**10,578,089**	4,633,995
	₱29,770,566	₱30,575,538

Capital Management

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

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

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

Gearing ratios of the Group are as follows:

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Short-term loans	**₱74,162,100**	₱25,035,435
Long-term debt	**208,991,013**	213,719,266
Lease liabilities	**4,478,692**	4,445,893
Cash and cash equivalents	**(43,510,343)**	(56,759,297)
Restricted cash	**(4,048,918)**	(6,098,865)
Net debt (a)	**240,072,544**	180,342,432
Equity	**201,237,541**	215,896,682
Equity and net debt (b)	**441,310,085**	396,239,114
Gearing ratio (a/b)	**54.40%**	45.51%

No changes were made in the objectives, policies or processes during the period ended March 31, 2025.

21. Financial Instruments

Fair Value of Financial Instruments

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

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

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

	March 31, 2025 (Unaudited)		December 31, 2024 (Audited)	
	Carrying Amounts	**Fair Values**	Carrying Amounts	Fair Values
Financial Asset				
Concession contract asset	**₱8,578,477**	**₱9,810,414**	₱8,886,664	₱10,167,633
Financial Liabilities				
Lease liabilities	**₱4,478,692**	**₱6,081,592**	₱4,445,893	₱6,048,230
Long-term debt - fixed rate	**195,508,264**	**192,699,764**	199,192,972	197,985,928
Long-term obligation on power distribution system	**100,069**	**119,261**	97,238	119,261
	₱200,087,025	**₱198,900,617**	₱203,736,103	₱204,153,419

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

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

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

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

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

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

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

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

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

Derivative financial instruments. The fair value of forward contracts is calculated by reference to prevailing interest rate differential and spot exchange rate as of valuation date, taking into account its remaining term to maturity. The fair value of the embedded prepayment options is determined using Binomial Option Pricing Model which allows for the specification of points in time until option expiry date. This valuation incorporates inputs such as interest rates and volatility. The fair value of the interest rate swap and interest rate cap are determined by generally accepted valuation techniques with reference to observable market data such as interest rates.

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

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

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

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

	2025 (Unaudited)	2024 (Audited)
At beginning of period	**₱81,030**	(₱126,287)
Net changes in fair value of derivatives designated as cash flow hedges	**(149,692)**	207,317
Fair value of settled instruments	**16,546**	—
At end of period	**(₱52,116)**	₱81,030

Fair Value Hierarchy

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

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;
Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and
Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

As of March 31, 2025, the Group held the following financial instruments that are measured and carried or disclosed at fair value:

	Total	Level 1	Level 2	Level 3
Carried at fair value:				
Derivative assets	₱13,681	₱—	₱13,681	₱—
Concession contract asset	9,810,414	—	—	9,810,414
Derivative liabilities	65,797	—	65,797	—
Disclosed at fair value:				
Lease liabilities	6,081,592	—	—	6,081,592
Long-term debt - fixed rate	192,699,764	—	—	192,699,764
Long-term obligation on PDS	119,261	—	—	119,261

During the three-month period ended March 31, 2025, there were no transfers between level 1 and level 2 fair value measurements and transfers into and out of level 3 fair value measurement.

22. Leases

Set out below, are the carrying amounts of the Group's right-of-use assets and lease liabilities and the movements during the three-month period ended March 31, 2025:

	Land	Building	Power Plant	Equipment and Others	Total	Lease liabilities
At beginning of the period	₱3,232,385	₱918,123	₱24,720,181	₱127,419	₱28,998,108	₱4,445,893
Additions	37,737	—	—	—	37,737	37,737
Amortization expense	(36,817)	(23,461)	(234,542)	(581)	(295,401)	—
Capitalized amortization	(6,595)	—	—	—	(6,595)	—
Interest expense	—	—	—	—	—	73,213
Capitalized interest	—	—	—	—	—	11,346
Payments	—	—	—	—	—	(87,414)
Others	(22,535)	(10,146)	—	(877)	(33,558)	(2,083)
At end of the period	₱3,204,175	₱884,516	₱24,485,639	₱125,961	₱28,700,291	₱4,478,692

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

	For periods ended March 31	
	2025	2024
Amortization expense of right-of-use assets	**₱295,401**	₱285,791
Interest expense on lease liabilities	**73,213**	57,302
Rent expense - short-term leases	**22,925**	22,925
	₱391,539	₱366,018

23. Retained Earnings

a. On March 6, 2025, the BOD approved the declaration of regular cash dividends of ₱2.35 a share (₱16.93 billion) to all stockholders of record as of March 21, 2025. These dividends were paid on March 28, 2025.

b. The balance of retained earnings includes the accumulated equity in net earnings of subsidiaries, associates and joint arrangements amounting to ₱139.03 billion and ₱138.10 billion as at March 31, 2025 and December 31, 2024, respectively. Such amounts are not available for distribution until such time that the Company receives the dividends from the respective subsidiaries, associates and joint arrangements.

24. Disclosures

1. Seasonality of Interim Operations

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

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

2. Pagbilao IPP Administration Agreement

TLI and PSALM executed the IPP Administration Agreement wherein PSALM appointed TLI to manage the 700MW contracted capacity (the “Capacity”) of NPC in the coal-fired power plant in Pagbilao, Quezon.

The IPP Administration Agreement includes the following obligations TLI would have to perform until the transfer date of the power plant (or the earlier termination of the IPP Administration Agreement):

a. Supply and deliver all fuel for the power plant in accordance with the specifications of the original Energy Conservation Agreement (ECA); and
b. Pay to PSALM the monthly payments (based on the bid) and energy fees (equivalent to the amount paid by NPC to the IPP).

TLI has the following rights, among others, under the IPP Administration Agreement:

a. The right to receive, manage and control the Capacity of the power plant for its own account and at its own cost and risk;
b. The right to trade, sell or otherwise deal with the Capacity (whether pursuant to the spot market, bilateral contracts with third parties or otherwise) and contract for or offer related ancillary services, in all cases for its own account and its own risk and cost. Such rights shall carry the rights to receive revenues arising from such activities without obligation to account therefore to PSALM or any third party;
c. The right to receive the transfer of the power plant at the end of the IPP Administration Agreement (which is technically the end of the ECA) for no consideration; and
d. The right to receive an assignment of NPC’s interest to existing short-term bilateral Power Supply Contract from the effective date of the IPP Administration Agreement the last of which were scheduled to end in November 2011.

3. Authority to Offer and Issue Peso-Denominated Fixed-Rate Retail Bonds

On February 25, 2025, the BOD approved, among others, the filing of a registration statement under the shelf registration program of the SEC for peso-denominated fixed-rate retail bonds in the aggregate principal amount of ₱100 billion (the “Retail Bonds”), which will, from time to time and subject to market conditions, be issued in tranches. The BOD also approved the issuance of the first tranche of the Retail Bonds, consisting of up to ₱20,000,000,000, with oversubscription option of up to ₱10,000,000,000.

On April 29, 2025, the Company filed with the SEC a registration statement under the SEC’s shelf registration program for its fixed-rate retail bonds.

4. Acquisition of Additional CEDI Interest

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

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

5. Property, Plant and Equipment

During the three-month period ended March 31, 2025, the Group's additions to property, plant and equipment amounted to ₱3.38 billion mainly coming from Power Plant Equipment and Steam Field Assets and Construction-in-Progress subcategory of property, plant and equipment.

6. Dividends to Non-controlling Interests

The Group's material partly-owned subsidiaries, VECO & SPI, paid cash dividends amounting to ₱1.45 billion and ₱1.86 billion to non-controlling interests during the three-month periods ended March 31, 2025 and 2024, respectively.

7. Contingencies

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

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

SCHEDULE A – RELEVANT FINANCIAL RATIOS

	Formula	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
LIQUIDITY RATIOS			
Current ratio	Current assets / Current liabilities	**0.76**	1.56
Acid test ratio	(Cash + Marketable securities + Accounts receivable + Other liquid assets) / Current liabilities	**0.59**	1.19
SOLVENCY RATIOS			
Debt to equity ratio	Total liabilities / Total equity	**1.73**	1.40
Asset to equity ratio	Total assets / Total equity	**2.73**	2.40
Net debt to equity ratio	(Debt - Cash & cash equivalents) / Total equity	**1.19**	0.84
Gearing ratio	(Debt - Cash & cash equivalents) / (Total equity + (Debt - Cash & cash equivalents))	**54.40%**	45.51%
Interest coverage ratio	EBIT / Interest expense	**n.a**	4.64
PROFITABILITY RATIOS			
Operating margin	Operating profit / Total revenues	**n.a**	21.00%
Return on equity	Net income after tax / Total equity	**n.a**	20.00%

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

ABOITIZ POWER CORPORATION AND SUBSIDIARIES

1.) AGING OF RECEIVABLES
As of March 31, 2025

	30 Days	60 Days	90 Days	Over 90 Days	Total
Trade receivables:					
Power Distribution Customers	4,778,771	971,127	135,897	1,071,550	6,957,345
Power Generation Customers	9,658,191	691,326	332,335	6,104,890	16,786,742
Management & Other Services Customers	4,589,473	285,270	167,494	984,242	6,026,479
	19,026,435	1,947,723	635,726	8,160,682	29,770,566
Less : Allowance for impairment losses				3,526,792	3,526,792
Net trade Receivables	19,026,435	1,947,723	635,726	4,633,890	26,243,773
Non-trade receivables	10,589,948	524	291	34,139	10,624,902
Grand Total	**29,616,383**	**1,948,247**	**636,017**	**4,668,029**	**36,868,676**

2.) ACCOUNTS RECEIVABLE DESCRIPTION

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

3.) NORMAL OPERATING CYCLE

Power Subsidiaries

Distribution	- 60 days
Generation	- 65 days