

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
Jun 30, 2025
2. SEC Identification Number
CS201627300
3. BIR Tax Identification No.
009-468-103
4. Exact name of issuer as specified in its charter
SP New Energy Corporation
5. Province, country or other jurisdiction of incorporation or organization
Metro Manila, Philippines
6. Industry Classification Code(SEC Use Only)
[REDACTED]
7. Address of principal office
Rockwell Business Center, Ortigas Avenue, Barangay Ugong, Pasig City, Second
District, National Capital Region, Philippines
Postal Code
1604
8. Issuer's telephone number, including area code
+639175607351; +639228588428
9. Former name or former address, and former fiscal year, if changed since last report
Solar Philippines Nueva Ecija Corporation; 112 Legaspi Street, Legaspi Village,
Barangay San Lorenzo, Makati City 1229, Philippines
10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common	50,073,050,000

11. Are any or all of registrant's securities listed on a Stock Exchange?
☒ Yes ☐ No
 If yes, state the name of such stock exchange and the classes of securities listed therein:
 The Philippine Stock Exchange, Inc.
12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the SRC 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 that the registrant was required to file such reports)

☒ Yes ☐ No

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

☒ Yes ☐ No

The Exchange does not warrant and holds no responsibility for the veracity of the facts and representations contained in all corporate disclosures, including financial reports. All data contained herein are prepared and submitted by the disclosing party to the Exchange, and are disseminated solely for purposes of information. Any questions on the data contained herein should be addressed directly to the Corporate Information Officer of the disclosing party.



SP New Energy Corporation SPNEC

PSE Disclosure Form 17-2 - Quarterly Report References: SRC Rule 17 and Sections 17.2 and 17.8 of the Revised Disclosure Rules

For the period ended	Jun 30, 2025
Currency (indicate units, if applicable)	Php

Balance Sheet

	Period Ended	Fiscal Year Ended (Audited)
	Jun 30, 2025	Dec 31, 2024
Current Assets	21,538,790,786	6,642,423,601
Total Assets	140,229,454,882	91,367,157,781
Current Liabilities	12,938,306,042	10,042,122,255
Total Liabilities	67,377,280,830	25,346,374,815
Retained Earnings/(Deficit)	4,121,073,803	3,942,292,359
Stockholders' Equity	72,852,174,052	66,020,782,966
Stockholders' Equity - Parent	65,594,475,914	62,677,856,869
Book Value per Share	1.45	1.31

Income Statement

	Current Year (3 Months)	Previous Year (3 Months)	Current Year-To-Date	Previous Year-To-Date
Gross Revenue	377,573,036	373,065,661	713,177,719	717,454,798
Gross Expense	-192,264,089	-198,870,575	-102,190,548	199,784,246
Non-Operating Income	-180,910,452	102,930,374	-290,932,381	-134,541,707
Non-Operating Expense	-172,888,245	-66,366,848	-290,932,381	-134,541,707
Income/(Loss) Before Tax	-168,489,750	210,758,612	-116,456,049	367,436,041
Income Tax Expense	-52,896,789	28,044,953	-120,007,667	-28,044,953
Net Income/(Loss) After Tax	-221,386,540	182,713,659	-236,463,715	339,391,088
Net Income Attributable to Parent Equity Holder	-241,866,381	73,538,659	-366,118,556	121,041,088

Earnings/(Loss) Per Share (Basic)	-0	0	-0	0
Earnings/(Loss) Per Share (Diluted)	-0	0	-0	0

	Current Year (Trailing 12 months)	Previous Year (Trailing 12 months)
Earnings/(Loss) Per Share (Basic)	-0.04	0.12
Earnings/(Loss) Per Share (Diluted)	-0.04	0.12

Other Relevant Information
Please see attached SEC Form 17-Q.

Filed on behalf by:

Name	Mary Ann Ballesteros
Designation	Chief Compliance Officer and Data Privacy Officer

COVER SHEET

C S 2 0 1 6 2 7 3 0 0

S.E.C. Registration Number

S P N E W E N E R G Y C O R P O R A T I O N
(f o r m e r l y S o l a r P h i l i p p i n e s
N u e v a E c i j a C o r p o r a t i o n)

(Company's Full Name)

R o c k w e l l B u s i n e s s C e n t e r ,
O r t i g a s A v e n u e , B a r a n g a y
U g o n g , P a s i g C i t y 1 6 0 4

(Business Address of the Company)

Jo Marianni P. Ocampo-Jalbuena

Contact Person

0 9 1 7 - 5 6 0 7 3 5 1

Company Telephone Number

1 2

Month

3 1

Day

Fiscal Year

SEC Form 17-Q

Form Type

1st Monday of May each year

Regular Meeting

Certificate of Permit to Offer Securities for Sale (Pursuant to SEC MSRD Order No. 87, Series of 2021)

Secondary License type, if applicable

MSRD/CMD/ICTD

Dept. Requiring this Doc.

Amended Articles Number/Section

Total No. of Stockholders

Total amount of Borrowings

Domestic

Foreign

To be Accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

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 **30 June 2025**
2. Commission Identification No. **CS201627300**
3. BIR Tax Identification No. **009-468-103-00000**

SP NEW ENERGY CORPORATION

4. Exact name of issuer as specified in its charter
Metro Manila, Philippines
5. Province, country, or other jurisdiction of incorporation or organization
6. Industry Classification Code: (SEC Use Only)

Rockwell Business Center, Ortigas Avenue, Barangay Ugong, Pasig City 1604, Philippines

7. Address of Issuer's principal office and postal code

+63 (917) 560-7351

8. Issuer's telephone number, including area code

N.A.

9. Former name, former address, and former fiscal year, if changed since last report
10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common	50,073,050,000*

****Note:** The Company's voting stock is composed of 69,477,252,552 shares, broken down as follows: 50,073,050,000 common shares and 19,404,202,552 preferred "B" shares. Out of the 69,477,252,552 shares, 8,124,350,005 common shares are registered with the Securities and Exchange Commission ("SEC"). The rest of the shares were exempt from the registration requirement under the Securities Regulation Code at the time of their issuance.*

11. Are any or all of the securities listed on a stock exchange?

Yes [☒] No [☐]

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

The common shares of the Issuer are listed on The Philippine Stock Exchange, Inc.

12. Indicate by checkmark whether the registrant:

- a. Has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17 thereunder or Section 11 of the RSA and RSA Rule 11(a)-1 thereunder and Sections 26 and 141 of the Corporation Code of the Philippines during the preceding twelve (12) months (or for such shorter period the registrant was required to file such reports):

Yes [☒] No [☐]

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

Yes [☒] No [☐]

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

Attached hereto are the following:

- Interim Condensed Consolidated Statements of Financial Position (**Exhibit 1**)
- Interim Condensed Consolidated Statements of Comprehensive Income (**Exhibit 2**)
- Interim Condensed Consolidated Statements of Changes in Equity (**Exhibit 3**)
- Interim Condensed Consolidated Statements of Cash Flows (**Exhibit 4**)
- Notes to Interim Condensed Consolidated Financial Statements (**Exhibit 5**)

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

Please see **Exhibit 6**

Item 3. Aging of Accounts Receivable

Please see **Exhibit 7**

Item 4. Schedule of Financial Soundness Indicators

Please see **Exhibit 8**

PART II – OTHER INFORMATION

The Issuer is not in possession of any information which may, at its option, be reported under this item and which would otherwise be required to be filed in a report on SEC Form 17-C.

[Signature page follows]

SIGNATURE

Pursuant to the requirements of the SRC, the Issuer has duly caused this Report to be signed on its behalf by the undersigned thereunto duly authorized.

SP NEW ENERGY CORPORATION

By:



ROCHEL DONATO R. GLORIA
Treasurer and Chief Financial Officer

Date: **14 August 2025**

**SP NEW ENERGY CORPORATION
AND SUBSIDIARIES**

**UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF
FINANCIAL POSITION**

As at June 30, 2025

(With Comparative Audited Figures as at December 31, 2024)

	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
ASSETS		
Current Assets		
Cash and cash equivalents (Note 3)	₱19,995,585,238	₱5,539,532,868
Trade and other receivables	500,332,834	290,041,454
Subscription receivable	1,319,056	1,319,056
Due from related parties	147,166,922	147,156,423
Other current assets (Note 4)	894,386,736	664,373,800
Total Current Assets	21,538,790,786	6,642,423,601
Noncurrent Assets		
Property, plant and equipment (Note 5)		
At cost	47,961,859,636	18,392,981,434
At revalued amount	49,362,804,400	49,362,804,400
Deposits for land acquisition	4,413,777,827	2,955,531,170
Intangible asset (Note 2)	13,261,891,642	13,261,891,642
Goodwill (Note 2)	9,954,384	9,954,384
Deferred income tax assets	9,291,007	9,291,007
Other noncurrent assets (Note 6)	3,671,085,200	732,280,143
Total Noncurrent Assets	118,690,664,096	84,724,734,180
TOTAL ASSETS	₱140,229,454,882	₱91,367,157,781
LIABILITIES AND EQUITY		
Current Liabilities		
Trade and other payables (Note 7)	₱5,110,732,278	₱2,178,079,045
Short term loans (Note 8)	6,813,250,000	7,200,000,000
Due to related parties	63,700,034	386,861,905
Derivative liability (Note 9)	662,187,289	—
Current portions of:		
Long-term debt (Note 8)	217,573,520	235,889,777
Lease liabilities	8,992,192	25,399,496
Income tax payable	61,870,729	15,892,032
Total Current Liabilities	12,938,306,042	10,042,122,255

(Forward)

	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Noncurrent Liabilities		
Noncurrent portions of:		
Long-term debt (Note 8)	₱41,587,704,432	₱2,493,789,567
Lease liabilities	382,469,326	365,048,472
Deferred tax liabilities	12,350,274,338	12,347,590,016
Other noncurrent liabilities	118,526,692	97,824,505
Total Noncurrent Liabilities	54,438,974,788	15,304,252,560
TOTAL LIABILITIES	₱67,377,280,830	₱25,346,374,815
Equity Attributable to Equity Holders of the Parent Company		
Common stock	₱5,007,305,000	₱5,007,305,000
Preferred stock	194,042,026	194,042,026
Additional paid-in capital	20,116,426,136	19,794,017,013
Equity reserve	4,558,885,562	688,902,762
Cashflow hedge reserve (Note 9)	(1,462,607,289)	—
Revaluation surplus	33,059,350,676	33,051,297,709
Retained earnings	4,121,073,803	3,942,292,359
	65,594,475,914	62,677,856,869
Non-controlling Interests	7,257,698,138	3,342,926,097
TOTAL EQUITY	72,852,174,052	66,020,782,966
TOTAL LIABILITIES AND EQUITY	₱140,229,454,882	₱91,367,157,781

See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statements.

**SP NEW ENERGY CORPORATION
AND SUBSIDIARIES**

**UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS
OF COMPREHENSIVE INCOME**

	Three-Month Periods Ended June 30		Six-Month Periods Ended June 30	
	2025	2024	2025	2024
REVENUE FROM CONTRACTS WITH CUSTOMERS	₱377,573,036	₱373,065,661	₱713,177,719	₱717,454,798
COSTS OF SALES AND SERVICES (Note 10)	(132,929,490)	(107,323,531)	(257,030,574)	(220,563,561)
GROSS PROFIT	244,643,546	265,742,130	456,147,145	496,891,237
GENERAL AND ADMINISTRATIVE EXPENSES (Note 11)	(59,334,599)	(91,547,044)	(179,480,265)	(194,697,735)
FINANCE COSTS	(172,888,245)	(66,366,848)	(290,932,381)	(134,541,707)
INTEREST INCOME (Note 3)	22,803,437	105,498,005	47,516,448	202,048,402
OTHER INCOME (LOSS) - net	(203,713,889)	(2,567,631)	(149,706,996)	(2,264,156)
INCOME (LOSS) BEFORE INCOME TAX	(168,489,750)	210,758,612	(116,456,049)	367,436,041
PROVISION FOR INCOME TAX	(52,896,789)	28,044,953	(120,007,667)	(28,044,953)
NET INCOME (LOSS)	(₱221,386,540)	₱182,713,659	(₱236,463,715)	₱339,391,088
Net income (loss) attributable to:				
Equity holders of the Parent Company	(₱241,866,381)	₱73,538,659	(₱366,118,556)	₱121,041,088
Non-controlling interest	20,479,841	109,175,000	129,654,841	218,350,000
	(₱221,386,540)	₱182,713,659	(₱236,463,715)	₱339,391,088
Basic/Diluted Income (Loss) Per Share (Note 13)	(₱0.0044)	₱0.0015	(₱0.0073)	₱0.0024

See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statements.

	Three-Month Periods Ended June 30		Six-Month Periods Ended June 30	
NET INCOME (LOSS)	(₱221,386,540)	₱182,713,659	(₱236,463,715)	₱339,391,088
OTHER COMPREHENSIVE INCOME (LOSS)				
<i>Other comprehensive loss to be reclassified to profit or loss in subsequent periods</i>				
Loss on derivative liabilities designated as cash flow hedges	(3,653,908)	–	(662,187,289)	–
Loss on settlement of contracts designated as cash flow hedges	(770,160,000)	–	(800,420,000)	–
Revaluation increment on land – net of tax	8,052,967	–	8,052,967	–
TOTAL COMPREHENSIVE INCOME (LOSS)	(₱987,147,481)	₱182,713,659	(₱1,691,018,037)	₱339,391,088
Total comprehensive income (loss) attributable to:				
Equity holders of the Parent Company	(₱1,007,627,322)	₱1,509,967,469	(₱1,820,672,878)	₱121,041,088
Non-controlling interest	20,479,841	22,500,000	129,654,841	218,350,000
	(₱987,147,481)	₱1,532,467,469	(₱1,691,018,037)	₱339,391,088

See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statements

**SP NEW ENERGY CORPORATION
AND SUBSIDIARIES**

**UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2025 AND 2024**

	Equity Attributable to Equity Holders of the Parent Company										
	Common Stock	Preferred Stock	Additional Paid-in Capital	Deposit for Future Stock Subscription	Equity Reserve	Cashflow Hedge Reserve	Revaluation Surplus	Retained Earnings (Deficit)	Total	Non-controlling Interests	Total
Balances at January 1, 2025	₱5,007,305,000	₱194,042,026	₱19,794,017,013	₱—	₱688,902,762	₱—	₱33,051,297,709	₱3,942,292,359	₱62,677,856,869	₱3,342,926,097	₱66,020,782,966
Issuance of shares to non-controlling interests	—	—	—	—	3,869,982,800	—	—	—	3,869,982,800	6,130,017,200	10,000,000,000
Change in non-controlling interests	—	—	322,409,123	—	—	—	—	544,900,000	867,309,123	(2,344,900,000)	(1,477,590,877)
Total comprehensive income (loss) for the period	—	—	—	—	—	(1,462,607,289)	8,052,967	(366,118,556)	(1,820,672,878)	129,654,841	(1,691,018,037)
Balances at June 30, 2025	₱5,007,305,000	₱194,042,026	₱20,116,426,136	₱—	₱4,558,885,562	(₱1,462,607,289)	₱33,059,350,676	₱4,121,073,803	₱65,594,475,914	₱7,257,698,138	₱72,852,174,052
Balances at January 1, 2024	₱3,437,305,000	₱—	₱5,713,764,409	₱15,894,042,026	₱525,755,142	₱—	₱8,268,091,263	₱5,546,151,067	₱39,385,108,907	₱3,034,866,096	₱42,419,975,003
Issuance of shares	1,570,000,000	194,042,026	14,130,000,000	(15,894,042,026)	—	—	—	—	—	—	—
Stock issuance cost	—	—	(49,747,397)	—	—	—	—	—	(49,747,397)	—	(49,747,397)
Total comprehensive income for the period	—	—	—	—	—	—	—	121,041,088	121,041,088	218,350,000	339,391,088
Balances at June 30, 2024	₱5,007,305,000	₱194,042,026	₱19,794,017,012	₱—	₱525,755,142	₱—	₱8,268,091,263	₱5,667,192,155	₱39,456,402,598	₱3,253,216,096	₱42,709,618,694

See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statements.

**SP NEW ENERGY CORPORATION
AND SUBSIDIARIES**

**UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF
CASH FLOWS**

FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2025 AND 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Income (loss) before income tax	(P116,456,049)	P367,436,041
Adjustments for:		
Finance costs	290,932,381	134,541,707
Depreciation and amortization (Note 5)	159,028,882	161,869,652
Unrealized foreign exchange loss	152,229,940	—
Interest income	(47,516,448)	(202,048,402)
Reversal of impairment	—	(3,000,529)
Operating income before working capital changes	438,218,706	458,798,469
Decrease (increase) in:		
Trade receivables	(210,291,380)	(50,167,338)
Inventories	—	80,400
Other current assets (Note 4)	(230,012,936)	51,977,640
Input VAT	(2,856,643,704)	4,922,357
Increase in trade and other payables (Note 7)	1,967,821,921	55,004,628
Net cash flows from (used in) operations	(890,907,393)	520,616,156
Interest received	47,516,448	202,048,402
Income tax paid	(71,801,635)	(3,209,917)
Net cash flows from operating activities	(915,192,580)	719,454,641
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to:		
Deposits for land acquisition	(1,458,246,657)	(1,071,448,695)
Property, plant and equipment (Note 5)	(28,738,454,389)	(167,061,750)
Increase in:		
Due from related parties	(10,499)	(162,768)
Other noncurrent assets (Note 4)	(82,161,353)	(1,008,388,689)
Decrease in other noncurrent liabilities	20,702,186	—
Cash flows used in investing activities	(30,258,170,712)	(2,247,061,902)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from:		
Long-term debts (Note 8)	41,250,150,000	—
Subscription of shares by non-controlling interest	10,000,000,000	—
Short-term loans (Note 8)	3,813,250,000	—
Payments of:		
Short-term loans (Note 8)	(4,200,000,000)	—
Long-term debts (Note 8)	(1,889,200,000)	(184,850,000)
Redemption of shares from a non-controlling interest	(1,500,000,000)	—
Deferred financing cost related to new loan drawdown	(312,626,016)	—
Dividends to non-controlling interest	(300,000,000)	—

(Forward)

Payments of:

	2025	2024
Interest on long term debt	(1,074,585,043)	(125,956,049)
Lease liabilities	(4,590,592)	(26,834,544)
Increase (decrease) in:		
Due to related parties	(752,747)	(131,721,714)
Other noncurrent liabilities	–	(1,451,768)
Stock issuance cost	–	(17,640,422)
Net cash flows from (used in) financing activities	45,781,645,602	(488,454,497)
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(152,229,940)	–
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	14,456,052,370	(2,016,061,758)
CASH AND CASH EQUIVALENTS AT JANUARY 1	5,539,532,868	10,040,424,627
CASH AND CASH EQUIVALENTS AT JUNE 30 (Note 3)	₱19,995,585,238	₱8,024,362,869

See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statements.

**SP NEW ENERGY CORPORATION
AND SUBSIDIARIES**

**NOTES TO UNAUDITED INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS**

1. Corporate Information

(a) Organization

SP New Energy Corporation (the “Parent Company” or “SPNEC”) was incorporated and registered with the Philippine Securities and Exchange Commission (“SEC”) on November 23, 2016, primarily to engage in the construction, operation and maintenance of all types of renewable energy plants and related services.

The common shares of SPNEC are listed on the Philippine Stock Exchange (“PSE”) beginning December 17, 2021 and traded under the ticker, “SPNEC”.

The Parent Company and its subsidiaries are hereby collectively referred to as the “Group”. All subsidiaries are incorporated in the Philippines (see Note 2).

On November 30, 2023, MGen Renewable Energy, Inc. (“MGreen”) and SPNEC entered into a Subscription Agreement, whereby MGreen subscribed (i) 15.7 billion common shares with par value of ₱1.0 per share and (ii) 19.4 billion preferred shares with par value of ₱0.01 per share for a total subscription price of ₱15.9 billion (see Note 16). MGreen is a wholly-owned subsidiary of MERALCO PowerGen Corporation (“MGen”), which in turn is a wholly-owned subsidiary of Manila Electric Company (“Meralco”). Meralco, MGen and MGreen are registered with the Philippine SEC. The shares of Meralco are listed in the PSE under the ticker, “MER”.

On January 17, 2024, the SEC approved the Parent Company’s application for increase in authorized capital stock.

On January 26, 2024, MGreen purchased 2,173,913,000 common shares held by SPPPHI for a total consideration of ₱2.5 billion. Consequently, MGreen’s resulting ownership in SPNEC is now at 53.66%.

(b) Principal Office Address

On April 12, 2024, the Board of Directors (“BOD”) approved the change of the Company’s principal office from 112 Legaspi Street, Legaspi Village, Brgy. San Lorenzo, Makati City 1229, Philippines to Rockwell Business Center, Ortigas Avenue, Brgy. Ugong, 1604 Pasig City, Philippines. This was subsequently approved by the Parent Company’s stockholders on May 10, 2024. The change in the Parent Company’s principal office address was approved by the SEC on November 29, 2024. Amendment of new address is still pending with the Bureau of Internal Revenue (BIR).

(c) Authorization for the Issuance of the Interim Condensed Consolidated Financial Statements

The unaudited interim condensed consolidated financial statements of the Group as of June 30, 2025 and December 31, 2024 and for the six-month periods and three-month periods ended June 30, 2025 and 2024 were authorized for issue by the BOD on August 11, 2025.

2. Basis of Preparation, Statement of Compliance and Material Accounting Policy Information

Basis of Preparation

The unaudited interim consolidated financial statements of the Group as of June 30, 2025 and for the six-month periods ended June 30, 2025 and 2024 have been prepared in accordance with Philippine Accounting Standard (PAS) 34, *Interim Financial Reporting*. The unaudited interim consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual audited consolidated financial statements as at December 31, 2024.

The unaudited interim condensed consolidated financial statements of the Group have been prepared using the historical cost basis and are presented in Philippine Peso (₱), which is also the Parent Company's functional currency. All amounts are rounded to the nearest ₱, unless otherwise indicated.

Statement of Compliance

The unaudited interim condensed consolidated financial statements of the Group are prepared in compliance with Philippine Financial Reporting Standards (PFRS) Accounting Standards as issued by the Philippine Financial and Sustainability Reporting Standards Council (FSRSC) and adopted by the Philippine SEC.

Basis of Consolidation

The unaudited interim condensed consolidated financial statements comprise the financial statements of the Group as of June 30, 2025 and December 31, 2024 and for the six-month periods ended June 30, 2025 and 2024.

Subsidiaries

The unaudited interim condensed consolidated financial statements comprise the Parent Company and the following subsidiaries of the Group:

Subsidiaries	Percentage of Ownership (%)	
	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
<i>A. Existing Active Investments</i>		
Solar Philippines Calatagan Corporation (SP Calatagan) ¹	62	62
Solar Philippines Tarlac Corporation (SP Tarlac)	100	100
Terra Solar Philippines, Inc. (Terra Solar) ³	60	100
Terra Nueva, Inc. (Terra Nueva) ²	100	100
SP Holdings, Inc. (SP Holdings) ²	100	100

¹ Economic interest is 100% after dividend to preferred stock

² Investment holding entities

³ Not started operations as of June 30, 2025

SP Calatagan

SP Calatagan operates a 49.68-megawatt (MW_{ac}) solar photovoltaic (PV) facility situated in the Municipality of Calatagan, Province of Batangas, occupying a project land area of 105.26 hectares comprising over 200,000 solar panels and 828 inverters. The SP Calatagan began commercial operations on March 11, 2016.

All of the common shares of SP Calatagan are held by the Parent Company while the preferred shares by KEPCO Philippines Holdings, Inc. ("KEPCO"). Under this structure, the voting interest is shared, 62% and 38%, in favor of the Parent Company. The preferred shares are voting, non-participating and earn cumulative dividends at ₱0.8392 per share until December 31, 2035 subject to availability of

retained earnings and approval of the BOD. These are convertible to common stock at the option of KEPCO through December 31, 2022 and at the option of SP Calatagan after December 31, 2035, provided the cumulative dividends are paid. Unpaid dividends are entitled to compounded interest at 9.5% per annum until fully paid. As at June 30, 2025 and December 31, 2024, undeclared dividends on the SP Calatagan preferred shares amounted to ₱641.75 million and ₱513.4 million, and accumulated interest recorded amounted to ₱75.5 million and ₱36.7 million, respectively.

SP Tarlac

SP Tarlac operates a 90-megawatt (MW_{ac}) solar photovoltaic (“PV”) facility situated in Barangay Sta. Rosa, Concepcion, Tarlac (“Tarlac 1A”) occupying a total project land area of 126.25 hectares and comprising 323,589 units of solar panels and 90 inverters. SP Tarlac is expanding Tarlac 1A through the construction of a 37MW_{dc} solar PV facility extension.

All of the common shares of SP Tarlac are held by the Parent Company while all redeemable preferred shares totaling ₱1,500.0 million are held by Prime Metro Holdings Corporation (“Prime Metro”). Such redeemable preferred shares are non-voting and entitled to cumulative fixed dividend at a rate of 12% per annum, subject to availability of retained earnings and approval of the BOD. These shares are redeemable at the option of SP Tarlac after five (5) years from issuance date and convertible to common stock equivalent to 50% equity at the option of Prime Metro.

As at May 31, 2025 and December 31, 2024, cumulative undeclared dividends on SP Tarlac’s preferred shares amounted to ₱844.9 million and ₱769.9 million, respectively.

In June 10, 2025, SP Tarlac redeemed the preferred shares held by Prime Metro amounting to ₱1,500.0 million and settled dividends amounting to ₱300.0 million. The difference between the redemption of shares and settlement of dividends and the balance of the non-controlling interest amounting to ₱544.9 million was credited against retained earnings.

Terra Solar

Terra Solar will operate a 3,500 MW_{dc} solar power plant facility with a 4,500 MWH Battery Energy Storage System. Construction for the project is currently ongoing. First phase of the project involving 2,500 MW_{dc} is expected to start commercial operations in 2026.

The acquisition of Terra Solar in 2023 resulted to the recognition of intangible asset on customer contract and goodwill. Goodwill arose in the acquisition of Terra Solar because the cost of the combination included a control premium. In addition, the consideration paid for the combination effectively included amounts in relation to the benefits of expected synergies and future market growth. These benefits are not recognized separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

On March 17, 2025, Actis Rubyred (Singapore) Pte. Ltd. (“Actis Singapore”), through its wholly-owned subsidiary Actis Rubyred (Philippines) Holdings, Inc. (“Actis”), executed a subscription agreement with Terra Solar where Actis subscribed (i) 4,116,666 common shares with par value of one peso (₱1.00) per share and (ii) 398,200,000 redeemable preferred shares with par value of one peso (₱1.00) per share, for a total subscription price of ₱29.9 billion. The subscription of Actis resulted to 40% ownership in Terra Solar, and as a result, non-controlling interest amounting to ₱6.13 billion was recognized in the unaudited interim condensed consolidated financial statements.

Exchangeable Notes

On August 27, 2024, MGREEN executed an Exchangeable Note Facility with Security Agreement with Solar Philippines Power Project Holdings, Inc. (SPPPHI) in exchange of the latter’s shares with SPNEC. The release of notes is in tranches. The accumulated notes as of date is ₱13.0 billion.

Material partly owned subsidiaries with material economic ownership interest

The unaudited interim condensed consolidated financial statements include additional information about subsidiaries that have NCI that are material to the Group. Management determined material partly owned subsidiaries as those with balance of NCI greater than 5% of the total NCI and those subsidiaries which type of activities that are important to the Group as at the end of the year.

NCI

The NCI in the unaudited interim condensed consolidated financial statements represents mainly the ownership of KEPCO in SP Calatagan in 2024 and 2025 and Actis in Terra Solar starting March 17, 2025.

3. Cash and Cash Equivalents

	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Cash on hand and in banks	₱9,444,386,987	₱507,451,210
Short-term deposits	10,551,198,251	5,032,081,658
	₱19,995,585,238	₱5,539,532,868

Short-term deposits are made for varying periods of up to three (3) months and earn interest at the prevailing short-term deposit interest rates.

Cash in banks earn interest at the respective bank deposit rates.

Restricted cash

Restricted cash amounting to ₱540.3 million and ₱253.7 million as of June 30, 2025 and December 31, 2024, respectively, are debt service accounts which are maintained and replenished in accordance with the provisions of the loan agreement.

4. Other Current Assets

	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Prepaid real property taxes	₱20,590,869	₱28,803,698
Deferred stock issuance cost	18,137,305	18,137,305
Debt transaction cost (Note 8)	826,013,089	—
Short-term investments	15,000,000	588,670,612
Prepaid insurance	7,112,755	1,570,213
Creditable withholding taxes	1,997,747	1,997,747
Bonds	—	15,000,000
Others	5,186,815	10,346,946
	894,038,580	664,526,521
Less allowance for impairment loss on input VAT	(152,721)	(152,721)
	₱893,885,859	₱664,373,800

Short-term investments includes restricted interest-bearing accounts opened and established by SPNEC Parent as performance security with Angeles Electric Corp. Restricted short-term investments amounted to ₱15.0 million and ₱15.0 million as of June 30, 2025 and December 31, 2024, respectively.

Others include prepaid insurance, other prepaid expenses, security deposit and advances to employees, among others.

5. Property, Plant and Equipment

At Cost

June 30, 2025 (Unaudited)

	Solar Power Plants	Land and Leasehold Improvements	Transportation Equipment	Office and Warehouse Equipment	Furniture and Fixtures	ROU Assets	Building	Construction in Progress	Total
Cost									
Balances at beginning of period	₱8,613,668,964	₱2,414,204	₱21,713,493	₱12,690,180	₱1,089,150	₱534,653,539	₱1,543,512	₱11,168,570,941	₱20,356,343,983
Additions	–	–	18,777,768	8,737,844	103,600	–	–	29,700,287,873	29,727,907,084
Balances at end of period	8,613,668,964	2,414,204	40,491,261	21,428,024	1,192,750	534,653,539	1,543,512	40,868,858,814	50,084,251,067
Accumulated Depreciation,									
Amortization and Impairment Losses									
Balances at beginning of period	1,855,823,686	1,108,548	2,025,569	2,676,405	457,739	101,188,282	82,320	–	1,963,362,549
Depreciation and amortization (Notes 14 and 15)	145,224,344	169,196	1,678,552	1,295,437	83,300	10,547,183	30,870	–	159,028,882
Balances at end of period	2,001,048,030	1,277,744	3,704,121	3,971,842	541,039	111,735,465	113,190	–	2,122,391,431
Net Book Value	₱6,612,620,934	₱1,136,460	₱36,787,140	₱17,456,182	₱651,711	₱422,918,074	₱1,430,322	₱40,868,858,814	₱47,961,859,636

December 31, 2024 (Audited)

	Solar Power Plants	Land and Leasehold Improvements	Transportation Equipment	Office and Warehouse Equipment	Furniture and Fixtures	ROU Assets	Building	Construction in Progress	Total
Cost									
Balances at beginning of period	P8,540,278,396	P2,367,764	P701,082	P4,045,867	P385,031	P534,653,539	P1,543,512	P2,652,776,839	P11,736,752,030
Additions	93,463,337	46,440	21,012,411	8,644,313	704,119	—	—	8,794,469,066	8,918,339,686
Reclassification	68,147,200	—	—	—	—	—	—	(20,141,274)	48,005,926
Effect of deconsolidation as a result of Put Option exercised	(88,219,969)	—	—	—	—	—	—	(258,533,690)	(346,753,659)
Balances at end of period	8,613,668,964	2,414,204	21,713,493	12,690,180	1,089,150	534,653,539	1,543,512	11,168,570,941	20,356,343,983
Accumulated Depreciation, Amortization and Impairment Losses									
Balances at beginning of period	1,502,652,704	777,099	422,938	1,353,425	364,427	80,481,090	20,580	14,556,547	1,600,628,810
Depreciation and amortization	360,783,721	331,449	1,602,631	1,322,980	93,312	15,036,837	61,740	—	379,232,670
Amortization capitalized to CIP	—	—	—	—	—	5,670,355	—	—	5,670,355
Effect of deconsolidation as a result of Put Option exercised	(7,612,739)	—	—	—	—	—	—	(14,556,547)	(22,169,286)
Balances at end of period	1,855,823,686	1,108,548	2,025,569	2,676,405	457,739	101,188,282	82,320	—	1,963,362,549
Net Book Value	P6,757,845,278	P1,305,656	P19,687,924	P10,013,775	P631,411	P433,465,257	P1,461,192	P11,168,570,941	P18,392,981,434

Solar Power Plants

As of June 30, 2025 and December 31, 2024, solar power plants of SP Calatagan and SP Tarlac (“Solar Power Plants”) are pledged as collateral for their respective project financing.

CIP

This pertains to capitalized costs related mainly to SPNEC Sta. Rosa project, SP Tarlac’s expansion project and Terra Solar’s project.

ROU Assets

The Group entered into various non-cancellable land lease agreements in Concepcion, Tarlac, and Sta. Rosa, Nueva Ecija with various third-party lessors for the development of various projects.

The costs of ROU assets are amortized using the straight-line method over the lease term. As of June 30, 2025 and December 31, 2024, the remaining terms of the leases range between 20 to 30 years (including extension of five years).

Land - At Revalued Amount

	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Balances at beginning of period	₱49,362,804,400	₱12,467,340,000
Additions	—	226,674,186
Reclassifications from deposits for land acquisition	—	3,624,514,954
Revaluation surplus during the period	—	33,044,275,260
Other adjustments	—	—
	₱49,362,804,400	₱49,362,804,400

The Parent Company opted to adopt the appraisal accounting consistent with the provisions of PFRS 13, *Fair Value Measurement*. Consequently, it engaged an independent firm of appraisers to conduct a revaluation of the consolidated land area of the Group. The valuations undertaken were based on market value approach wherein fair value, supported by market evidence, is the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s-length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion. Key unobservable inputs (Level 3) used to measure the fair value of the land is the price per square meter from ₱1,500–₱5,000 per square meter in 2024, depending on the property. The resulting values as of June 30, 2025 and December 31, 2024 are as follows:

Entity	Land area (in hectares)	Acquisition cost (In millions)	Appraised value as of December 31, 2024	Revaluation surplus
Terra Nueva	2,060.41	₱3,962.6	₱35,027.0	₱31,064.4
SPNEC	493.50	524.8	10,290.4	9,765.6
SP Calatagan	105.26	704.8	2,526.4	1,821.6
SP Tarlac	30.41	102.2	1,519.0	1,416.8
	2,689.58	₱5,294.4	₱49,362.8	₱44,068.4

6. Other Noncurrent Assets

	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Input VAT	₱3,142,217,319	₱213,661,724
Long-term receivables	278,470,197	318,977,637
Deferred input VAT	62,862,706	66,082,155
Plant construction materials	54,023,627	51,101,492
Advances to suppliers	89,793,082	46,042,772
Bonds	20,589,363	20,267,363
Others	23,257,074	16,275,168
	3,671,213,368	732,408,311
Less allowance for impairment of input VAT	(128,168)	(128,168)
	₱3,671,085,200	₱732,280,143

7. Trade and Other Payables

	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Accounts payable		
Third parties	₱2,352,875,020	₱507,035,623
Related parties	—	138,379,177
Withholding tax payable	154,796,987	77,114,209
Interest payable	283,006,810	111,194,508
Current portion of:		
Retention payable	701,708,236	34,878,519
Replacement energy cost payable	7,031,911	8,028,019
Accrued expenses:		
Financial advisor fee	1,219,848,000	1,219,848,000
Bonuses	113,993,920	—
Purchases	53,644,790	15,193,754
Interest on undeclared dividends	75,476,218	36,679,968
Regulatory fees	10,368,591	6,649,622
Legal and other professional fees	1,050,000	1,000,000
Taxes	—	14,425,815
Others	136,931,796	7,651,831
	₱5,110,732,278	₱2,178,079,045

Accounts payable are non-interest bearing and settled within one (1) year in the normal course of business.

Accrued regulatory fees pertain to unbilled liabilities for costs of benefits to host communities provided under Department of Energy (“DOE”) Energy Regulations No. 1-94.

Retention payable pertains to amounts owed to subcontractors arising from the construction of power plant and are normally settled upon fulfillment of certain conditions as specified in the supplier contracts.

In 2024, the Group engaged a third party financial advisor in relation to the investment of Actis in Terra Solar. The Group partially settled its obligation to the third party financial advisor in July 2025.

8. Borrowings

Short-term Loans

Following are the details of the short-term loans obtained from local banks:

		June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
	Interest Rate		
SP Tarlac	6.26%-6.27%	₱3,513,250,000	₱—
Terra Nueva	6.74%	3,300,000,000	3,000,000,000
Terra Solar	6.85%–6.94%	—	4,200,000,000
		₱6,813,250,000	₱7,200,000,000

The loans of Terra Nueva and Terra Solar are obtained from local banks and are secured by the Parent Company's shares in these entities, while the loans of SP Tarlac are unsecured. The loans are not subject to any significant covenants and warranties.

For the six-month period ended June 30, 2025 and 2024, interest expense on short-term loan obtained by Terra Solar amounting to ₱989.5 million and nil was capitalized as part of "Construction in progress" in the consolidated statement of financial position (see Note 5). The short-term loan of Terra Solar was fully settled on March 10, 2025.

On the other hand, interest expense incurred by Terra Nueva amounting to ₱106.4 million and nil is recorded as part of "Finance costs" in the unaudited interim condensed consolidated statement of income in for the six-month period ended June 30, 2025 and 2024, respectively.

Long-term Debt

Following are the details of the long-term debt:

Entity	Original Loan Amount (In millions)	Interest rate	Repayment schedule	Outstanding balance as of	
				June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Terra Solar	₱150,000.0	5 to 8-year benchmark plus 130 basis points per annum	70% of principal payment is paid 50 quarterly installment 30% of principal payment: lump-sum at 51 st quarterly installment	₱41,250.15	₱—
SP Calatagan	3,400.0	5-year benchmark plus a pre-agreed spread	24 semi-annual installments starting October 3, 2018 until April 3, 2029	871.20	1,008.20
SP Tarlac	2,225.0	8.62%, subject to second repricing in July 2029	20 semi-annual installments starting January 3, 2021 until July 3, 2031	—	1,753.50
Total				42,121.35	2,761.70
Less unamortized debt transaction cost				(316.07)	(32.0)
				41,805.28	2,729.70
Less current portion				(217.57)	(235.90)
Long-term debt, net of current portion				₱41,587.70	₱2,493.80

Movements in the debt transaction costs are as follows:

	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Balance at beginning of period	₱31,987,627	₱38,006,328
Addition	312,626,016	—
Reclass from DFC to Loan	(1,266,972)	
Amortization during the period	(27,274,624)	(6,018,701)
Balance at end of period	₱316,072,048	₱31,987,627

SP Tarlac

Omnibus Loan and Security Agreement (₱2,225.0 million Loan)

On June 18, 2019, SP Tarlac signed an OLSA with BDO Unibank, Inc. (“BDO”) for a long-term loan facility of ₱2,225.0 million to solely finance the construction of the Concepcion Solar Project.

The proceeds of the loan amounting ₱2,002.5 million and ₱222.5 million were received on July 3, 2019 and July 25, 2019, respectively. The principal repayment period shall be semi-annual beginning on January 3, 2021 up to July 3, 2031.

In 2025, SP Tarlac settled the remaining balance of the loan.

SP Calatagan

Omnibus Loan and Security Agreement (P3,400.0 million Loan)

On February 14, 2017, SP Calatagan signed an OLSA with BDO, Philippine Business Bank (“PBB”) and United Coconut Planters Bank (“UCPB”) (collectively referred to as the “SP Calatagan Lenders”) for a long-term loan facility of P3,400.0 million to finance the repayment of short-term loan facility, including accrued interests, and project advances from SP Project Holdings and Solar Philippines Commercial Rooftop Projects, Inc. (“SPCRPI”), which were used to partially finance the construction of the Calatagan Solar Power Project. On April 3, 2017, SP Calatagan received the full proceeds of the long-term loan.

For the six-month period ended June 30, 2025 and 2024, total interest expense amounted to P38.7 million and P46.2 million was presented as part of “Finance costs” in the unaudited interim condensed consolidated statement of income.

As of June 30, 2025, the loan is secured by the following:

1. SP Calatagan’s solar power plant presented as part of “Property, plant and equipment” with net book value of P2,357.3 million as of June 30, 2025 (see Note 5);
2. SP Calatagan’s Project Lands with revalued amount of P2,526.4 million as of June 30, 2025 (see Note 5); and
3. SP Calatagan’s capital stock comprising of common stock and preferred stock amounting to P1,099.5 million and P305.9 million, respectively.

Terra Solar

Omnibus Loan and Security Agreement (P150,000.0 million Loan)

In February 2025, Terra Solar signed a 15-year term OLSA for an aggregate principal account amount up to the lower of P150.0 billion or 75% of the project costs, with six (6) local banks, namely: BDO Unibank Inc., Bank of the Philippine Islands, Philippine National Bank, Security Bank Corporation, China Banking Corporation, and Metropolitan Bank & Trust Company. The OLSA will fund the ongoing development of its integrated solar PV facility and BESS. Total drawdown amounted to P 41,250.15 million as of June 30, 2025.

The loan is secured by the following:

1. Terra Solar’s capital stock;
2. Certain personal and real properties of Terra Solar as defined in the agreement.

The Company has to maintain a debt service coverage ratio of at least 1.05x beginning six (6) months after the full project completion date and until one year prior to maturity date, and maintain a debt to equity ratio not exceeding 75:25 beginning on the first borrowing date and until loan satisfaction date. As of June 30, 2025, the Company is in compliance with the terms of its loan covenants.

9. Derivative Liability

The Group entered foreign exchange forwards contracts to hedge its exposure to fluctuations in foreign currency exchange rates arising from forecasted and firm commitments denominated in foreign currencies. These derivative instruments are accounted for as cash flow hedges in accordance with applicable accounting standards. In 2025, the Group entered into foreign exchange forwards contracts and recognized a loss of ₱1,462.6 million in the unaudited interim condensed consolidated statement of comprehensive income for the six-month period ended June 30, 2025 consisting of ₱662.2 million loss from the mark-to-market valuation of outstanding contracts and ₱800.4 million loss from the settlement of matured contracts designated as cash flow hedges.

10. Cost of Sales

	For the Six-Month Periods Ended June 30 (Unaudited)	
	2025	2024
Depreciation and amortization (Note 5)	₱153,035,318	₱153,295,948
Consumables, parts and repairs	14,712,574	23,262,923
Insurance	31,315,733	20,423,795
Contracted services	13,660,032	12,845,091
Salaries and wages	11,900,515	–
Other operations and maintenance expenses	32,406,402	10,075,454
	₱257,030,574	₱220,563,561

Other operations and maintenance expenses include Independent Electricity Market Operator of the Philippines (“IEMOP”) market fees, transmission and ancillary charges, purchased power for household/plant operation, operations and maintenance related courier services, and other outside services.

11. General and Administrative Expenses

	For the Six-Month Period Ended June 30 (Unaudited)	
	2025	2024
Taxes, licenses and fees	₱61,431,475	₱48,643,084
Contracted services	8,280,000	50,987,709
Professional services	6,242,316	10,442,235
Rental	3,696,953	–
Depreciation and amortization (Note 8)	5,993,565	8,573,704
Others	93,835,956	76,051,003
	₱179,480,265	₱194,697,735

Others include employee benefits and allowances, staff accommodation costs, employee related activity expenses, representation, rent, repair and maintenance, donations, advertising, subscriptions and membership fees, and other training costs.

12. Fair Value Measurement

The following methods and assumptions were used to estimate the fair value of each class of financial instruments for which it is practicable to estimate such value:

Cash and cash equivalents (excluding cash on hand), Trade and other receivables, Bonds and short-term investments (under other current assets), Long-term receivables (under other noncurrent assets), Trade and other payables (excluding statutory liabilities, Short-term loans, and Due to and from related parties

The carrying amounts of these financial instruments approximate their fair values due to their short-term maturities.

Long-term Receivables

The fair value of long-term receivables was computed by discounting the expected cash flows using the applicable rate.

Long-term Debt

The fair value of long-term debt was calculated based on the discounted value of future cash flows using the applicable risk-free rates for similar types of loans adjusted for credit risk (Level 3 of the fair value hierarchy).

For the six-month periods ended June 30, 2025 and 2024, there were no transfers into and out of Level 3 fair value measurements.

Derivative Liability

The fair value of derivative liability was calculated based on the spot rate of exchange prevailing at the financial reporting date.

13. Basic/Diluted Earnings (Loss) Per Share

The basic/diluted earnings (loss) per share amounts were computed as follows:

	For the Six-Month Periods Ended June 30 (Unaudited)	
	2025	2024
(a) Net income attributable to equity holders of the Parent Company	(P366,118,556)	P121,041,088
(b) Weighted average number of common shares outstanding	50,073,050,000	50,073,050,000
Basic/diluted earnings (loss) per share (a/b)	(P0.0073)	P0.0024

The Group does not have any dilutive potential common shares as at June 30, 2025 and December 31, 2024.

14. Operating Segment Information

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment revenue and segment expenses are measured in accordance with PFRS Accounting Standards. The classification of segment revenue is consistent with the unaudited interim condensed consolidated statement of income. Segment expenses pertain to the costs and expenses presented in the unaudited interim condensed consolidated statement of income excluding interest expense and financing charges, depreciation and amortization expense and income taxes which are managed on a per company basis.

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

Financial information on the business segments are summarized as follows:

June 30, 2025 (Six Months) (Unaudited)						
	SPNEC	SP Calatagan	SP Tarlac	Others	Eliminating entries*	Total
Segment revenue	P–	P463,264,356	P249,913,363	P–	P–	P713,177,719
Segment expenses	(27,575,989)	(101,994,047)	(74,431,639)	(73,480,281)	–	(277,481,956)
Segment results	(27,575,989)	361,270,309	175,481,724	(73,480,281)	–	435,695,763
Interest income	27,934,103	12,454,943	5,266,774	1,860,628	–	47,516,448
Interest expense	(1,828,839)	(39,464,617)	(143,201,209)	(106,437,716)	–	(290,932,381)
Depreciation and amortization	(2,604,953)	(61,239,759)	(90,013,977)	(5,170,193)	–	(159,028,882)
Other income (expense)	(329,844)	45,226	1,854,656	547,134,981	(698,412,015)	(149,706,996)
Provision for income tax	–	(15,245,864)	–	(104,761,802)	–	(120,007,667)
Net income (loss)	(P4,405,522)	P257,820,238	(P50,612,032)	P259,145,617	(P698,412,015)	(P236,463,715)

*Pertains to intercompany transactions that were eliminated upon consolidation and other consolidation adjustments.

June 30, 2025						
	SPNEC	SP Calatagan	SP Tarlac	Others	Adjustments*	Total
Current assets	P2,709,119,355	P1,157,919,045	P814,294,801	P17,580,886,346	(P723,428,761)	P21,538,790,786
Noncurrent assets	22,939,689,065	5,593,215,891	7,129,844,469	74,633,998,398	8,393,916,273	118,690,664,096
Total	P25,648,808,420	P6,751,134,936	P7,944,139,270	P92,214,884,744	P7,670,487,512	P140,229,454,882
Current liabilities	P1,265,583,815	P353,086,436	P3,983,905,160	P10,752,663,201	(P3,416,932,570)	P12,938,306,042
Noncurrent liabilities	319,815,171	1,108,948,101	536,311,001	64,049,411,167	(11,575,510,652)	54,438,974,788
Total	P1,585,398,986	P1,462,034,537	P4,520,216,161	P74,802,074,368	(P14,992,443,222)	P67,377,280,830

*Pertains to intercompany transactions that were eliminated upon consolidation and other consolidation adjustments.

December 31, 2024						
	SPNEC	SP Calatagan	SP Tarlac	Others	Adjustments*	Total
Current assets	P7,742,038,032	P854,152,911	P525,701,423	P2,342,350,266	(P4,821,819,031)	P6,642,423,601
Noncurrent assets	17,614,220,769	5,690,597,484	6,671,328,194	31,912,362,607	22,836,225,126	84,724,734,180
Total	P25,356,258,801	P6,544,750,395	P7,197,029,617	P34,254,712,873	P18,014,406,095	P91,367,157,781

(Forward)

	December 31, 2024					
	SPNEC	SP Calatagan	SP Tarlac	Others	Adjustments*	Total
Current liabilities	₱1,535,583,775	₱191,130,160	₱647,200,795	₱13,913,644,723	(₱6,245,437,198)	₱10,042,122,255
Noncurrent liabilities	275,269,195	1,322,340,073	2,169,293,680	15,915,206,704	(4,377,857,092)	15,304,252,560
Total	₱1,810,852,970	₱1,513,470,233	₱2,816,494,475	₱29,828,851,427	(₱10,623,294,290)	₱25,346,374,815

**Pertains to intercompany transactions that were eliminated upon consolidation and other consolidation adjustments.*

15. Other Matters

Seasonality of Operations

Operations of solar power plants are generally affected by seasonality. Solar power plants are expected to generate their highest output during summer months.

Changes in Estimates and Amounts Reported in Prior Financial Years

The key assumptions concerning the future and other key sources of estimation uncertainty used in preparation of the unaudited interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's unaudited interim condensed consolidated financial statements as of June 30, 2025.

Changes in Contingent Liabilities or Contingent Assets Since the Last Annual Reporting Date

There are no material changes in the contingent liabilities or contingent assets since the last annual reporting date.

Changes in the Composition of the Group During the Interim Period

There were no material changes in the composition of the Group during the period.

16. Event After the Financial Reporting Date

In July 2025, Terra Solar received ₱643.0 million from Actis as additional payment for its subscription in Terra Solar.

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The summary of financial information is based on the Unaudited Interim Condensed Consolidated Financial Statement as of 30 June 2025 (with Comparative Audited Figures as of 31 December 2024) and for the Six-Month Periods Ended 30 June 2025 and 2024, which were prepared in accordance with the Philippine Financial Reporting Standards (“PFRS”) and should be read in conjunction with the financial statements and notes contained in this report.

Material Changes to the Consolidated Statements of Financial Position as of June 30, 2025, compared to the Consolidated Statements of Financial Position as of December 31, 2024

Horizontal and Vertical Analysis of Financial Position June 30, 2025 vs. December 31, 2024						
Amounts in P0.00	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)	Horizontal Analysis		Vertical Analysis	
			Increase/(Decrease)		June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
			Amount	Percentage		
Assets						
Cash and cash equivalents	19,995,585,238	5,539,532,869	14,456,052,369	260.96%	14.26%	4.55%
Trade receivables	500,332,834	290,041,453	210,291,381	72.50%	0.36%	0.24%
Subscription receivable	1,319,056	1,319,056	-	0.00%	0.00%	0.00%
Due from related parties	147,166,922	147,156,422	10,500	0.01%	0.10%	0.12%
Other current assets	894,386,736	664,373,802	230,012,934	34.62%	0.64%	0.55%
TOTAL CURRENT ASSETS	21,538,790,786	6,642,423,602	14,896,367,184	224.26%	15.36%	5.46%
Property, plant and equipment						
At cost	47,961,859,636	18,392,981,434	29,568,878,202	160.76%	34.20%	15.12%
At Revalued Amount	49,362,804,400	49,362,804,400	0	0.00%	35.20%	40.58%
Deposits for land acquisition	4,413,777,827	2,955,531,170	1,458,246,656	49.34%	3.15%	2.43%
Intangible Asset	13,261,891,642	13,261,891,642	-	0.00%	9.46%	10.90%
Goodwill	9,954,384	9,954,384	-	0.00%	0.01%	0.01%
Deferred Tax Asset	9,291,007	9,291,007	0	0.00%	0.01%	0.01%
Other Noncurrent Assets	3,671,085,199	732,280,143	2,938,805,056	401.32%	2.62%	0.60%
TOTAL NONCURRENT ASSETS	118,690,664,095	84,724,734,180	33,965,929,915	40.09%	84.64%	69.65%
TOTAL ASSETS	140,229,454,881	91,367,157,782	48,862,297,099	53.48%	100.00%	75.11%
Liabilities and Equity						
Trade and other payables	5,110,732,278	2,178,079,046	2,932,653,233	134.64%	3.64%	1.79%
Short Term Loans	6,813,250,000	7,200,000,000	(386,750,000)	-5.37%	4.86%	5.92%
Derivative Liability	662,187,290	-	662,187,290	100.00%	0.47%	0.00%
Due to related parties	63,700,034	386,861,905	(323,161,871)	-83.53%	0.05%	0.32%
Current portion of notes payable	217,573,520	235,889,777	(18,316,257)	-7.76%	0.16%	0.19%
Current portion of lease liabilities	8,992,192	25,399,496	(16,407,304)	-64.60%	0.01%	0.02%
Income Tax Payable	61,870,729	15,892,031	45,978,698	289.32%	0.04%	0.01%
TOTAL CURRENT LIABILITIES	12,938,306,043	10,042,122,255	2,896,183,789	28.84%	9.23%	8.25%
Notes payable - net of current portion	41,587,704,432	2,493,789,567	39,093,914,865	1567.65%	29.66%	2.05%
Lease liabilities - net of current portion	382,469,326	365,048,472	17,420,855	4.77%	0.27%	0.30%
Deferred Tax Liabilities	12,350,274,338	12,347,590,016	2,684,322	0.02%	8.81%	10.15%
Other noncurrent liabilities	118,526,691	97,824,505	20,702,186	21.16%	0.08%	0.08%
TOTAL NONCURRENT LIABILITIES	54,438,974,788	15,304,252,560	39,134,722,228	255.71%	38.82%	12.58%
TOTAL LIABILITIES	67,377,280,831	25,346,374,815	42,030,906,016	165.83%	48.05%	20.84%
Common stock	5,007,305,000	5,007,305,000	-	0.00%	3.57%	4.12%
Preferred stock	194,042,026	194,042,026	-	0.00%	0.14%	0.16%
Additional Paid-in Capital	20,116,426,138	19,794,017,013	322,409,125	100.00%	14.35%	0.00%
Equity reserve	4,558,885,560	688,902,760	3,869,982,800	100.00%	3.25%	0.00%
Cashflow hedge reserve	(1,462,607,290)	-	(1,462,607,290)	-4.43%	-1.04%	27.17%
Revaluation Surplus	33,059,350,676	33,051,297,709	8,052,967	0.20%	23.58%	3.24%
Retained Earnings	4,121,073,802	3,942,292,362	178,781,440	100.00%	2.94%	51.52%
TOTAL EQUITY	65,594,475,912	62,677,856,870	2,916,619,043	4.65%	46.78%	51.52%
Non Controlling Interest	7,257,698,138	3,342,926,097	3,914,772,041	117.11%	5.18%	2.75%
TOTAL LIABILITIES AND EQUITY	140,229,454,881	91,367,157,782	48,862,297,100	53.48%	100.00%	75.11%

Cash

As of June 30, 2025, the SPNEC Group held cash and cash equivalents totaling ₱19,995.6 million. During the six months, net loss from operations amounted to ₱915.19 million. This was funded by proceeds from long term loans net of deferred financing cost of ₱40,937.5 million, short term loan of ₱3,813.2 million and capital infusion from TSPI's new partner of ₱10,000.0 million. These proceeds were used to fund ₱28,738.4 million plant construction expenses mainly for Terra Solar, purchase of TNI land for ₱1,458.2 million, settle short term loans of ₱4,200.0 million and long-term loans of ₱2,963.8, redemption of SPTC preferred shares of ₱1,500.0 and dividends of ₱300.0 to non-controlling interest.

Trade Receivables

Trade receivable arises from revenue from the sale of electricity, and sale of goods and services of the subsidiaries. These are either interest or non-interest bearing depending on the clause indicated in the contract and generally collectible within 40 to 60 days.

Outstanding receivable as of June 30, 2025, pertains primarily to receivables in SPCC and SPTC. SPCC has outstanding receivable from National Transmission Corporation ("Transco") amounting to ₱364.9 million, and SPTC has outstanding receivable from Manila Electric Company ("MERALCO") and WESM amounting to ₱48.2 million. The increase in receivables is mainly from Transco.

Subscription Receivable

The subscription receivable represents shares of stock subscribed to and issued by the Parent Company but payment from the shareholders has not yet been received.

As of June 30, 2025, no collections for subscription receivable were made.

Due from Related Parties

As of June 30, 2025, the balance of the Parent Company's advances to related parties is ₱52.1 million, while the subsidiaries' balance of advances to related parties amounted to ₱95.1 million.

Other Current Assets

This account consists mainly of prepayments in insurance, taxes, rent, and trust fees. As of June 30, 2025, the SPNEC group has ₱51.1 million prepayments in SPCC, SPTC and TSPI. In addition, there is a performance security in SPNEC amounting to ₱15.0 million and TSPI financing costs for loans not yet drawn amounted to ₱826.0 million. The significant increase is from the financing costs of ₱826.0 million net of matured placements of ₱573.7 million and cancellation of bond deposit ₱15.0 million as of June 30, 2025.

Property, Plant, and Equipment

At Cost

During the period, the SPNEC group incurred a total amount of ₱29,727.9 million of capitalizable costs related mainly to the Terra Solar project.

As of June 30, 2025, the total land area leased by the Group is 448.26 hectares. The leasing entities are the Parent and SPTC. The Parent's Right of Use Assets ("ROU Assets") has a total land area of 352.42 hectares

while SPTC's ROU assets have a total of 95.84 hectares. Total net book value of ROU Assets as of June 30, 2025 is ₱422.5 million.

At Revalued amount

This pertains to the parcels of land currently owned by the Group, including SPNEC, TNI, SPCC and SPTC, which were reported at their fair market value as of June 30, 2025.

As of June 30, 2025, the Group has a total of 2,689.58 hectares of land.

Deposits for Land Acquisition ("DFLA")

As of June 30, 2025, the Group made deposits for various landowners including payments for various land acquisition costs amounting to ₱4,413.8 million.

Intangible Assets

The intangible assets recorded as of June 30, 2025, pertain to the Power Supply Agreement of TSPI that was existing at the time of the acquisition amounting to ₱13,261.9 million.

Goodwill

Goodwill arose in the acquisition of TSPI because the cost of the combination included a control premium. In addition, the consideration paid for the combination effectively included amounts in relation to the benefits of expected synergies and future market growth. The total goodwill recognized as of June 30, 2025, amounted to ₱9.9 million which is the difference between the fair value of the identifiable net assets and the total consideration.

Other Noncurrent Assets

This account mainly consists of Input VAT amounting to ₱3,205.0 million from SPNEC, TNI, SPTC and TSPI, long-term receivable by SPCC from Transco related to FIT adjustments amounting to ₱278.5 million, parts and spares inventory of ₱54.1 million, supplier advances of ₱89.8 million and other deposits ₱43.8 million.

The increase is mainly due to Terra Solar's Input VAT of ₱2,928.6 million from importation.

Trade and Other Payables

Trade and other payables include (i) Accounts payable that are non-interest bearing and are normally settled within one year (ii) withholding tax payable pertains to withholding taxes on professional fees and various payments to contractors for services rendered (iii) accrued expenses consist mainly of accrual for benefits to host communities, utility costs, professional fees, and (iv) interest expense.

As of June 30, 2025, outstanding payables for the purchase of goods and services by the Group amounted to ₱2,352.9 million. Other items are accrued expenses of ₱2,320.1 million, accrued interests for the loan facilities of ₱283.0 million, and withholding taxes and other statutory remittances of ₱155.0 million.

The increase is mainly due to payables related to Terra Solar's plant construction.

Short-Term Loans

During the six months ended June 30, 2025, SPTC and TNI availed bridge loans amounted to ₱3,813.3 million. On the same period, the group settled a total ₱4,200.0 million of its short-term loans in TSPI leaving a net balance of ₱6,813.2 million.

Derivative Liability

The Group entered foreign exchange forwards contracts to hedge its exposure to fluctuations in foreign currency exchange rates arising from forecasted and firm commitments denominated in foreign currencies. These derivative instruments are accounted for as cash flow hedges in accordance with applicable accounting standards. As of June 30, 2025, the Group recognized a loss of ₱662.19 million relating to the mark-to-market valuation of forwards contracts.

Due to Related Parties

As of June 30, 2025, SPNEC's balance from SPPPHI and Countryside are ₱22.4 million and ₱40.9 million, respectively.

During the period, SPPPHI assigned its receivable from SPTC to SPNEC amounting to ₱322.4 million.

Income Tax Payable

Income tax payable primarily consists of ₱50.6 million in TNI because of its land rental income and ₱11.3 million in SPCC because of its operations. The increase is mainly due to TNI.

Lease Liabilities

As of June 30, 2025, the total land area under lease of the Group is 448.26 hectares. The outstanding lease liabilities are ₱295.5 million in the Parent and ₱95.9 million in SPTC.

Notes Payable

This account pertains to the loans payable of SPCC and TSPI, which were recorded in the Group's financial statements as of June 30, 2025 totaling ₱41,805.3 million.

Deferred Tax Liabilities

This account arises from the recognition of ROU Assets, lease liabilities, and fair value measurement of the Group's land.

Other Noncurrent Liabilities

This account consists primarily of the noncurrent portion of replacement energy costs payable by SPTC to MERALCO of ₱83.0 million and retention payable of SPNEC ₱24.3 million.

Capital Stock

On 15 May 2023, SPPPHI and the Parent Company entered into a Subscription Agreement, whereby SPPPHI agreed to subscribe to 24,373,050,000 common shares at par value of ₱0.10 per share from the Parent

Company's increase in authorized capital stock upon its approval by the SEC.

On 31 May 2023, the Parent Company filed with the SEC its application for an increase of the authorized capital stock and the corresponding Amended Articles of Incorporation of SPNEC increasing the authorized capital stock from One Billion Pesos (₱1,000,000,000.00) divided into 10 billion common shares at par value of ₱0.10 per share to Five Billion Pesos (₱5,000,000,000.00) divided into 50 billion common shares at par value of ₱0.10 per share.

On 1 June 2023, the SEC approved the Parent Company's application for an increase in its authorized capital stock.

On January 17, 2024, the SEC approved the Parent Company's application for increase in authorized capital stock from 50 billion common shares with par value of ₱0.10 per share to 75 billion common shares with par value of ₱0.10 per share and 25 billion preferred shares with par value of ₱0.01 per share, divided into Class A preferred shares and Class B preferred shares.

As of June 30, 2025, with the abovementioned transactions, the outstanding capital stock of SPNEC is ₱5,201.3 million.

Additional Paid-in Capital

On January 17, 2024, upon the SEC's approval of the application for an increase in authorized capital stock, the subscribed shares were issued to MGreen. Upon approval of the SEC of the Parent Company's application for increase in authorized capital stock, the Parent Company reclassified the "Deposits for future stock subscription" and issued 15.7 billion common shares with par value of ₱1.0 per share and 19.4 billion preferred shares with par value of ₱0.01 per share. The amount in excess of par value totaling to ₱14.1 billion is presented as additional paid-in capital, net of stock issuance costs amounting to ₱50.0 million.

During the period, APIC was increased by the assignment of SPPPHI receivable from SPTC to SPNEC amounted to ₱322.4 million.

Equity Reserve

This represents the impact of the common control business combination as a result of the Parent Company's modified acquisition of 100% of the outstanding shares of SPPPHI in various entities (i.e., Solar Philippines Assets).

During the period, Equity Reserve was increased by the gain on the first tranche of Actis investment amounted to ₱3,870.0 million.

Cashflow Hedge Reserve

The group entered into foreign exchange forwards contracts to hedge its foreign currency exposure and recognized a loss of ₱1,462.6 million in Other Comprehensive Income ("OCI") during the period consisting of ₱662.2 million loss from the mark-to-market valuation of outstanding contracts and ₱800.4 million loss from the settlement of matured contracts designated as cash flow hedges.

Revaluation Surplus

The Group's land is comprised of parcels of land with a total land area of 2,689.58 hectares as of June 30,

2025, which was recorded at fair value.

Retained Earnings

The Group's Retained Earnings increased by ₱178.8 million mainly driven by gain on SPTC redemption of shares amounted to ₱544.9 million, a net loss of ₱236.5 million from operations, guaranteed dividends of ₱203.4 million, and decreased by the NCI share of the new investor amounting to ₱73.7 million for the six-month period ended June 30, 2025.

Material Changes to the Consolidated Statements of Comprehensive Income for the Six (6)-Months ended June 30, 2025, compared to the Statements of Comprehensive Income for the Six (6)-Months ended June 30, 2024

Horizontal and Vertical Analysis of Comprehensive Income June 30, 2025 vs. June 30, 2024						
Amounts in ₱0.00	June 30, 2025 (6 months) (Unaudited)	June 30, 2024 (6 months) (Unaudited)	Horizontal Analysis		Vertical Analysis	
			Increase/(Decrease)		June 30, 2025 (6 months) (Unaudited)	June 30, 2024 (6 months) (Unaudited)
			Amount	Percentage		
Revenue	713,177,719	717,454,798	(4,277,079)	-0.60%	-42.17%	211.39%
Cost of Sales	(257,030,574)	(220,563,561)	(36,467,013)	16.53%	15.20%	-64.99%
GROSS PROFIT	456,147,145	496,891,237	(40,744,092)	-8.20%	-26.97%	146.41%
General and Administrative Expenses	(179,480,265)	(194,697,735)	15,217,470	-7.82%	10.61%	-57.37%
Other Income (Expense)	(149,706,996)	(2,264,156)	(147,442,840)	6512.04%	8.85%	-0.67%
Finance Costs	(290,932,381)	(134,541,707)	(156,390,674)	116.24%	17.20%	-39.64%
Interest Income	47,516,448	202,048,402	(154,531,954)	-76.48%	-2.81%	59.53%
INCOME (LOSS) BEFORE TAX	(116,456,049)	367,436,041	(483,892,090)	-131.69%	6.89%	108.26%
Provisions for Income Tax	(120,007,667)	(28,044,953)	(91,962,714)	327.91%	7.10%	-8.26%
NET INCOME (LOSS) AFTER TAX	(236,463,715)	339,391,088	(575,854,803)	-169.67%	13.98%	100.00%
Other Comprehensive Income	(1,454,554,322)	-	(1,454,554,322)	100.00%	86.02%	0.00%
TOTAL COMPREHENSIVE INCOME (LOSS)	(1,691,018,037)	339,391,088	(2,030,409,125)	-598.25%	100.00%	100.00%

Revenue

For the six-month period June 30, 2025, the Group recorded a total of ₱713.2 million revenue, mainly contributed by SPCC and SPTC from the sale of electricity.

Cost of Sales

Horizontal and Vertical Analysis of Comprehensive Income June 30, 2025 vs. June 30, 2024						
Amounts in ₱0.00	June 30, 2025 (6 months) (Unaudited)	June 30, 2024 (6 months) (Unaudited)	Horizontal Analysis		Vertical Analysis	
			Increase/(Decrease)		June 30, 2025 (6 months) (Unaudited)	June 30, 2024 (6 months) (Unaudited)
			Amount	Percentage		
Depreciation and amortization.	153,035,318	153,295,948	(260,630)	-0.17%	-6.13%	45.17%
Consumables, parts and repairs	14,712,574	23,262,923	(8,550,349)	-36.76%	-0.59%	6.85%
Insurance.	31,315,733	20,423,795	10,891,938	53.33%	-1.25%	6.02%
Contracted Services.	13,660,032	12,845,091	814,941	6.34%	-0.55%	3.78%
Salaries and wages.	11,900,515	-	11,900,515	100.00%	-0.48%	0.00%
Rentals	-	660,350	(660,350)	-100.00%	0.00%	0.19%
Others	32,406,402	10,075,454	22,330,948	221.64%	-1.30%	2.97%
Cost of Sales	257,030,574	220,563,561	36,467,013	16.53%	-10.29%	64.99%

Cost of Sales of electricity includes expenses incurred by those directly attributable to the generation of revenues from solar energy. For the six-month ending June 30, 2025, the Group recorded a total cost of sales

of ₱257.0 million. This account is mainly comprised of depreciation of the solar power plant and amortization of ROU Assets which accounted for 60% of the total Cost of Sales. Other components are plant insurance, plant maintenance, power plant preventive maintenance schedule, salaries and wages, utilities, and others.

General and Administrative Expenses

Horizontal and Vertical Analysis of Comprehensive Income June 30, 2025 vs. June 30, 2024						
Amounts in ₱0.00	June 30, 2025 (6 months) (Unaudited)	June 30, 2024 (6 months) (Unaudited)	Horizontal Analysis		Vertical Analysis	
			Increase/(Decrease)		June 30, 2025 (6 months) (Unaudited)	June 30, 2024 (6 months) (Unaudited)
			Amount	Percentage		
Contracted Services	8,280,000	50,987,709	(42,707,709)	-83.76%	-0.33%	15.02%
Taxes and licenses	61,431,475	48,643,084	12,788,391	26.29%	-2.46%	14.33%
Professional fees	6,242,316	10,442,235	(4,199,919)	-40.22%	-0.25%	3.08%
Depreciation and amortization	5,993,565	8,573,704	(2,580,139)	-30.09%	-0.24%	2.53%
Rental	3,696,953		3,696,953	100.00%	-0.15%	0.00%
Others	93,835,956	76,051,003	17,784,953	23.39%	-3.76%	22.41%
General and Administrative Expenses	179,480,265	194,697,735	(15,217,470)	-7.82%	-7.19%	57.37%

General and Administrative Expenses include expenses that are not related to power generation activities. During the period, the Group recorded a total of cost of ₱179.5 million, a decrease of ₱15.2 million versus the previous year. This decrease is driven by the Solar Phils. Power management fees to SPNEC and MGreen payroll services to TSPI last year under Contracted Services. This was offset by Taxes and Licenses mainly higher documentary stamp tax of TSPI on its short-term loans and catch-up accrual of SPCC's interest expense on unpaid dividends. Other components include permits and licensing fees, bank charges, rent, and insurance costs not related to power generation activities.

Other Income

During the period, the group recognized foreign currency gains of ₱149.7 million which comprised majority of Other Income.

Finance Costs

This account includes interest accretion on lease liabilities, accruals of interest on loan facilities of the Group, and interest expense on short term loans, among others. The ₱156.4 million increase in interest expense during the first six months of 2025 was primarily due to short-term borrowings by TNI and pretermination of SPTC loan.

Interest Income

The Group recognized interest income of ₱47.5 million during the period. This is a decrease versus last year due to lower available cash for placements.

Net Income (Loss)

For the six-months period ending June 30, 2025, the Group's total Net Income is a net loss of ₱236.46 million.

AGING OF RECEIVABLES AS OF JUNE 30, 2025 (IN PHP)

Aging Category	Trade	Non-Trade	Total
Current (not yet due)	234,083,109	2,575,093	236,658,202
1–30 days overdue	58,895,835	483,640	59,379,474
31–60 days overdue	48,605,244	1,048,632	49,653,876
Over 60 days overdue	67,314,257	88,646,082	155,960,339
Total	408,898,445	92,753,446	501,651,891

KEY PERFORMANCE INDICATORS

The key performance indicators generally improved versus last year. The ratios are expected to further improve upon commencement of TSPI's commercial operations.

Financial Ratios	Formula	Jun-25	Dec-24
Current Ratio	Dividing total current assets over total current liabilities	1.66	0.66
Quick Ratio	Dividing total current assets less inventory over current liabilities	1.66	0.66
Solvency Ratio	Dividing net income, excluding depreciation and non-cash provisions, over debt obligations	-0.01	-0.06
Debt-to-Equity Ratio	Dividing total liabilities over stockholders' equity	0.92	0.38
Asset-to-Equity Ratio	Dividing total assets over total stockholders' equity	1.92	1.38
Interest Rate Coverage Ratio	Dividing earnings before interest and taxes of one period over interest of the same period	1.92	-2.87
Net Debt-to-Equity Ratio	Dividing total interest-bearing debts, less cash and cash equivalents over total stockholders' equity	0.39	0.07
Return on Equity	Dividing the net income (YTD) by total stockholder's equity (average)	-0.32%	-2.15%
Return on Assets	Dividing the net income (YTD) by the total assets (average)	-0.20%	-1.64%