

## ACEN CORPORATION and Subsidiaries

Unaudited Interim Condensed Consolidated  
Financial Statements

As at September 30, 2024

and for the Nine-Month Period Ended

September 30, 2024 and 2023

(With comparative figures as at

December 31, 2023)

# COVER SHEET

for

## AUDITED FINANCIAL STATEMENTS

SEC Registration Number

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**COMPANY NAME**

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

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

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

Form Type

1	7	Q
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Department requiring the report

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Secondary License Type, If Applicable

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### COMPANY INFORMATION

Company's Email Address	Company's Telephone Number	Mobile Number
	(632) 7730-6300	
No. of Stockholders	Annual Meeting (Month / Day)	Fiscal Year (Month / Day)
4,480	03/31	04/31

### CONTACT PERSON INFORMATION

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

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

### CONTACT PERSON'S ADDRESS

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

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

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

**SECURITIES AND EXCHANGE COMMISSION (SEC)**

**SEC FORM 17-Q**

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

- 1. For the fiscal period ended **September 30, 2024**
- 2. Commission identification number **069-039274**
- 3. BIR Tax Identification No. **000-506-020-000**
- 4. Exact name of issuer as specified in its charter **ACEN CORPORATION**
- 5. Province, country or other jurisdiction of incorporation or organization **Metro Manila, Philippines**
- 6. Industry Classification Code:  (SEC Use Only)
- 7. Address of issuer's principal office **35th Floor, Ayala Triangle Gardens  
Tower 2, Paseo de Roxas corner  
Makati Avenue, Makati City  
Postal Code: 1226**
- 8. Issuer's telephone number, including area code **(632) 7730-6300**
- 9. Former name, former address and former fiscal year, if changed since last report **AC Energy Corporation**
- 10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA
  - Number of shares of common stock outstanding
    - Common : 39,677,394,773 shares**
    - Series A Preferred Shares : 8,341,500 shares**
    - Series B Preferred Shares : 16,658,500 shares**
  - Amount of debt outstanding **: Php10 billion – registered in the Philippine SEC and listed in PDEX**
- 11. Are any or all of the securities listed on a Stock Exchange?
  - Yes  No
  - Stock Exchange : Philippine Stock Exchange
  - Classes of Securities Listed : Common shares
- 12. Check whether the issuer:
  - (a) has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17.1 thereunder or Section 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of The Corporation Code of the Philippines during the preceding twelve (12) months (or for such shorter period that the registrant was required to file such reports);
    - Yes  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.**

Please refer to attached ANNEX "A"

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

Please refer to attached ANNEX "B"

**PART II--OTHER INFORMATION**

Please refer to attached ANNEX "C"

**SIGNATURES**

Pursuant to the requirements of Section 17 of the Securities Regulation Code and Section 141 of the Corporation Code, this report is signed on behalf of the issuer by the undersigned, thereunto duly authorized, in the City of Makati on November 7, 2024.

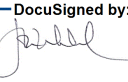
**ACEN CORPORATION**

DocuSigned by:  


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**JOHN ERIC T. FRANCIA**


President & Chief Executive Officer

DocuSigned by:  


B92717324875428

**JONATHAN P. BACK**

Group Chief Finance Officer  
and Group Chief Strategy Officer

DocuSigned by:  


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**ACEN CORPORATION AND SUBSIDIARIES****UNAUDITED INTERIM CONDENSED CONSOLIDATED****STATEMENTS OF FINANCIAL POSITION****As at September 30, 2024 (with Comparative Audited Figures as at December 31, 2023)****(Amounts in Thousands)**

	Notes	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	4, 24	<b>P25,749,912</b>	P39,696,662
Current portion of:			
Accounts and notes receivable	5, 22, 24	<b>27,653,876</b>	26,065,692
Input value added tax (VAT)		<b>2,911,868</b>	2,059,734
Creditable withholding taxes		<b>162,156</b>	102,984
Financial assets at fair value through profit or loss (FVTPL)	25	<b>3,759,958</b>	1,938,497
Fuel and spare parts - at cost		<b>947,633</b>	964,053
Other current assets	11, 24	<b>893,602</b>	750,493
		<b>62,079,005</b>	71,578,115
Noncurrent assets held for sale		<b>240,205</b>	–
<b>Total Current Assets</b>		<b>62,319,210</b>	71,578,115
<b>Noncurrent Assets</b>			
Investment in:			
Associates and joint ventures	6	<b>35,611,461</b>	30,098,617
Redeemable preferred shares and convertible loans	7	<b>18,972,265</b>	21,633,799
Financial assets at FVTPL	25	<b>775,059</b>	1,932,975
Financial assets at fair value through other comprehensive income (FVOCI)	25	<b>12,465,598</b>	5,799,323
Property, plant and equipment	8	<b>121,287,776</b>	88,928,251
Right-of-use assets	9	<b>9,238,401</b>	8,213,704
Goodwill and other intangible assets	10	<b>24,781,637</b>	23,165,368
Net of current portion:			
Accounts and notes receivable	5, 22, 24	<b>17,154,778</b>	12,689,042
Input VAT		<b>2,988,634</b>	3,120,200
Creditable withholding taxes		<b>3,513,398</b>	2,513,774
Deferred income tax assets - net	21	<b>3,359,278</b>	2,122,081
Other noncurrent assets	11, 24	<b>10,482,262</b>	13,138,251
<b>Total Noncurrent Assets</b>		<b>260,630,547</b>	213,355,385
<b>TOTAL ASSETS</b>		<b>P322,949,757</b>	P284,933,500

*(Forward)*

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	Notes	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
<b>LIABILITIES AND EQUITY</b>			
<b>Current Liabilities</b>			
Accounts payable and other current liabilities	12, 22, 24	<b>₱17,367,546</b>	₱16,145,386
Short-term loans	13, 24	<b>7,650,000</b>	1,500,000
Current portion of:			
Long-term loans	13, 24, 25	<b>1,370,115</b>	1,289,104
Lease liabilities	9, 24, 25	<b>1,540,750</b>	850,953
Income and withholding taxes payable		<b>372,983</b>	241,667
Due to stockholders	22	<b>13,147</b>	16,585
<b>Total Current Liabilities</b>		<b>28,314,541</b>	20,043,695
<b>Noncurrent Liabilities</b>			
Notes payable	13, 24, 25	<b>32,314,639</b>	32,003,794
Noncurrent portion of:			
Long-term loans	13, 24, 25	<b>81,841,716</b>	44,485,573
Lease liabilities	9, 24, 25	<b>13,460,824</b>	7,505,848
Pension and other employee benefits		<b>463,388</b>	368,827
Deferred income tax liabilities - net	21	<b>1,366,840</b>	805,902
Other noncurrent liabilities	14	<b>8,151,131</b>	6,344,004
<b>Total Noncurrent Liabilities</b>		<b>137,598,538</b>	91,513,948
<b>Total Liabilities</b>		<b>165,913,079</b>	111,557,643
<b>Equity</b>			
Common shares	1, 15	<b>39,691,895</b>	39,691,895
Redeemable preferred shares	1, 15	<b>25,000</b>	25,000
Additional paid-in capital	1, 15	<b>132,295,689</b>	132,295,689
Other equity reserves	15	<b>(59,450,345)</b>	(59,450,345)
Unrealized fair value loss on equity instruments at FVOCI		<b>(3,659,008)</b>	(268,000)
Unrealized fair value (loss) gain on derivative instruments designated as hedges – net of tax	24	<b>(558,878)</b>	588,519
Remeasurement loss on defined benefit plans - net of tax		<b>(46,460)</b>	(32,821)
Accumulated share in other comprehensive loss of associates and joint ventures	6	<b>(152,788)</b>	(85,483)
Cumulative translation adjustments	15	<b>9,206,904</b>	5,864,713
Retained earnings	15	<b>29,586,623</b>	24,871,807
Treasury shares	15	<b>(28,657)</b>	(28,657)
Total equity attributable to equity holders of the Parent Company		<b>146,909,975</b>	143,472,317
Non-controlling interests	15	<b>10,126,703</b>	29,903,540
<b>Total Equity</b>		<b>157,036,678</b>	173,375,857
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>₱322,949,757</b>	₱284,933,500

*See accompanying Notes to Interim Condensed Consolidated Financial Statements.*

**ACEN CORPORATION AND SUBSIDIARIES**  
**UNAUDITED INTERIM CONDENSED CONSOLIDATED**  
**STATEMENTS OF INCOME**  
(Amounts in Thousands, Except Per Share Figures)

	Notes	Three-Month Period Ended September 30 (Unaudited)		Nine-Month Period Ended September 30 (Unaudited)	
		2024	2023	2024	2023
<b>REVENUES</b>					
Revenue from sale of electricity	16	P8,672,344	P8,122,065	P27,623,489	P28,407,633
Rental income		17,399	17,213	52,198	51,644
Dividend income		42,347	-	126,475	-
Other revenues		53,665	42,073	282,733	190,634
		<b>8,785,755</b>	8,181,351	<b>28,084,895</b>	28,649,911
<b>COSTS AND EXPENSES</b>					
Costs of sale of electricity	17				
Cost of purchased power		5,547,726	6,961,183	16,171,818	21,764,271
Depreciation and amortization		710,694	312,531	1,324,322	896,309
Fuel		191,775	228,231	991,136	1,289,025
Others		595,955	415,441	1,588,276	1,243,813
		<b>7,046,150</b>	7,917,386	<b>20,075,552</b>	25,193,418
General and administrative expenses	18				
Personnel costs, management, and professional fees		806,157	809,172	2,288,022	2,056,854
Provision for impairment		233,777	2,225,036	807,707	2,683,451
Depreciation and amortization		30,612	108,870	416,855	331,907
Others		576,402	294,280	1,281,423	854,304
		<b>1,646,948</b>	3,437,358	<b>4,794,007</b>	5,926,516
		<b>8,693,098</b>	11,354,744	<b>24,869,559</b>	31,119,934
<b>EQUITY IN NET INCOME OF ASSOCIATES AND JOINT VENTURES</b>	6	<b>558,602</b>	(4,945)	<b>1,100,994</b>	1,559,913
<b>OTHER INCOME (CHARGES)</b>					
Interest and other financial income	20				
Cash in banks and short-term deposits		198,706	391,041	735,096	905,603
Accounts and notes receivable	5	567,199	655,510	1,692,121	1,805,259
Investments in redeemable preferred shares and convertible loans	7	704,686	828,055	2,270,452	2,356,587
		<b>1,470,591</b>	1,874,606	<b>4,697,669</b>	5,067,449
Interest and other finance changes	19	<b>(1,008,954)</b>	(458,883)	<b>(2,124,222)</b>	(1,342,409)
Other income - net	20				
Gain on disposal of assets		1,035,452	1,062,030	2,387,536	1,216,422
Remeasurement gain		-	3,433,328	-	3,433,328
Others		(378,773)	147,641	292,546	547,524
		<b>656,679</b>	4,642,999	<b>2,680,082</b>	5,197,274
		<b>1,118,316</b>	6,058,722	<b>5,253,529</b>	8,922,314
<b>INCOME BEFORE INCOME TAX</b>		<b>1,769,575</b>	2,880,384	<b>9,569,859</b>	8,012,204
<b>(BENEFIT FROM) PROVISION FOR INCOME TAX</b>	21	<b>(248,130)</b>	235,082	<b>603,410</b>	301,485
<b>NET INCOME</b>		<b>P2,017,705</b>	P2,645,302	<b>P8,966,449</b>	P7,710,719
<b>Net Income Attributable To:</b>					
Equity holders of the Parent Company		P1,850,533	P2,334,186	P8,144,445	P6,565,640
Non-controlling interests		167,172	311,116	822,004	1,145,079
		<b>P2,017,705</b>	P2,645,302	<b>P8,966,449</b>	P7,710,719
Net income attributable to equity holders of Parent Company		P1,850,533	P2,334,186	P8,144,445	P6,565,640
Less cumulative preferred share dividends		481,920	160,640	1,445,759	160,640
Net income attributable to common shareholders of Parent Company		<b>P1,368,613</b>	P2,173,546	<b>P6,698,686</b>	P6,405,000
<b>Basic/Diluted Earnings Per Share</b>	23	<b>P0.03</b>	P0.05	<b>P0.17</b>	P0.16

See accompanying Notes to Interim Condensed Consolidated Financial Statements.

**ACEN CORPORATION AND SUBSIDIARIES**  
**UNAUDITED INTERIM CONDENSED CONSOLIDATED**  
**STATEMENTS OF COMPREHENSIVE INCOME**  
(Amounts in Thousands, Except Per Share Figures)

	Notes	Three-Month Period Ended September 30 (Unaudited)		Nine-Month Period Ended September 30 (Unaudited)	
		2024	2023	2024	2023
<b>NET INCOME</b>		<b>₱2,017,705</b>	₱2,645,302	<b>₱8,966,449</b>	₱7,710,719
<b>OTHER COMPREHENSIVE INCOME (LOSS)</b>					
<i>Other comprehensive income (loss) to be reclassified to profit or loss in subsequent periods</i>					
Cumulative translation adjustments		(1,998,219)	1,788,644	3,374,907	211,532
Unrealized fair value loss on derivative instruments designated as hedges - net of tax		(108,262)	(2,543)	(1,147,397)	(260,930)
		<b>(2,106,481)</b>	1,786,101	<b>2,227,510</b>	(49,398)
<i>Other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods</i>					
Net changes in the fair value of equity instruments at FVOCI		(3,040,355)	(32,115)	(3,391,008)	(128,126)
Remeasurement gain (loss) on defined benefit plans – net of tax		–	15,809	(13,639)	34,129
		<b>(3,040,355)</b>	(16,306)	<b>(3,404,647)</b>	(93,997)
		<b>(5,146,836)</b>	1,769,795	<b>(1,177,137)</b>	(143,395)
<b>SHARE IN OTHER COMPREHENSIVE INCOME (LOSS) OF ASSOCIATES AND JOINT VENTURES</b>	6				
<i>Other comprehensive income (loss) to be reclassified to profit or loss in subsequent periods</i>					
Cumulative translation adjustment		94,592	(74,882)	(71,795)	(74,882)
Interest rate swap		(63,570)	44,115	(8,335)	44,115
Unrealized fair value gain (loss) on derivative instruments designated as hedges - net of tax		–	4,634	(2,891)	1,935
<i>Other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods</i>					
Remeasurement gain (loss) on defined benefit plans – net of tax		8,536	(2,673)	15,716	(11,692)
		<b>39,558</b>	(28,806)	<b>(67,305)</b>	(40,524)
<b>TOTAL OTHER COMPREHENSIVE INCOME (LOSS)</b>		<b>(5,107,278)</b>	1,740,989	<b>(1,244,442)</b>	(183,919)
<b>TOTAL COMPREHENSIVE INCOME (LOSS)</b>		<b>(₱3,089,573)</b>	₱4,386,291	<b>7,722,007</b>	₱7,526,800
<b>Total Comprehensive Income (Loss) Attributable To:</b>					
Equity holders of the Parent Company		(₱3,253,947)	₱4,074,025	₱6,867,287	₱6,531,972
Non-controlling interests		164,374	312,266	854,720	994,828
		<b>(₱3,089,573)</b>	₱4,386,291	<b>₱7,722,007</b>	₱7,526,800

See accompanying Notes to Interim Condensed Consolidated Financial Statements.



## ACEN CORPORATION AND SUBSIDIARIES

### UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(Amounts in Thousands)

	Attributable to Equity Holders of the Parent Company														Non-controlling Interests (Note 15)	Total Equity
	Common Shares (Note 15)	Additional Paid-in Capital - Common Shares (Note 15)	Redeemable Preferred Shares (Note 15)	Additional Paid-in Capital - Preferred Shares (Note 15)	Other Equity Reserves (Note 15)	Unrealized Fair Value (Loss) Gain on Equity Instruments at FVOCI	Unrealized Fair Value (Loss) Gain on Equity designated as hedge – net of tax	Accumulated Share in Other Comprehensive (Loss) Income of Associates and Joint Ventures (Note 6)	Remeasurement (Loss) Gain On Defined Benefit Plans – net of tax	Cumulative Translation Adjustments (Note 15)	Retained Earnings (Note 15)	Treasury Shares (Note 15)	Total			
<b>For the nine-month period ended September 30, 2024 (Unaudited)</b>																
<b>Balances at January 1, 2024</b>	<b>₱39,691,895</b>	<b>₱107,492,243</b>	<b>₱25,000</b>	<b>₱24,803,446</b>	<b>(₱59,450,345)</b>	<b>(₱268,000)</b>	<b>₱588,519</b>	<b>(₱32,821)</b>	<b>(₱85,483)</b>	<b>₱5,864,713</b>	<b>₱24,871,807</b>	<b>(₱28,657)</b>	<b>₱143,472,317</b>	<b>₱29,903,540</b>	<b>₱173,375,857</b>	
Net income	–	–	–	–	–	–	–	–	–	–	8,144,445	–	8,144,445	822,004	8,966,449	
Other comprehensive income (loss)	–	–	–	–	–	(3,391,008)	(1,147,397)	(13,639)	(67,305)	3,342,191	–	–	(1,277,158)	32,716	(1,244,442)	
Total comprehensive income (loss)	–	–	–	–	–	(3,391,008)	(1,147,397)	(13,639)	(67,305)	3,342,191	8,144,445	–	6,867,287	854,720	7,722,007	
Dividends declared	–	–	–	–	–	–	–	–	–	–	(3,429,629)	–	(3,429,629)	(524,760)	(3,954,389)	
Capital infusion of non-controlling interest in a subsidiary	–	–	–	–	–	–	–	–	–	–	–	–	–	22,444	22,444	
Capital redemption of non-controlling interest in a subsidiary	–	–	–	–	–	–	–	–	–	–	–	–	–	(20,129,241)	(20,129,241)	
	–	–	–	–	–	–	–	–	–	–	(3,429,629)	–	(3,429,629)	(20,631,557)	(24,061,186)	
<b>Balances at September 30, 2024</b>	<b>₱39,691,895</b>	<b>₱107,492,243</b>	<b>₱25,000</b>	<b>₱24,803,446</b>	<b>(₱59,450,345)</b>	<b>(₱3,659,008)</b>	<b>(₱558,878)</b>	<b>(₱46,460)</b>	<b>(₱152,788)</b>	<b>₱9,206,904</b>	<b>₱29,586,623</b>	<b>(₱28,657)</b>	<b>₱146,909,975</b>	<b>₱10,126,703</b>	<b>₱157,036,678</b>	
<b>For the nine-month period ended September 30, 2023 (Unaudited)</b>																
<b>Balances at January 1, 2023</b>	<b>₱39,691,895</b>	<b>₱107,492,243</b>	<b>₱–</b>	<b>₱–</b>	<b>(₱56,585,740)</b>	<b>(₱114,566)</b>	<b>₱326,676</b>	<b>(₱43,910)</b>	<b>(₱5,794)</b>	<b>₱7,449,690</b>	<b>₱19,551,839</b>	<b>(₱28,657)</b>	<b>₱117,733,676</b>	<b>₱31,859,767</b>	<b>₱149,593,443</b>	
Net income	–	–	–	–	–	–	–	–	–	–	6,565,640	–	6,565,640	1,145,079	7,710,719	
Other comprehensive income (loss)	–	–	–	–	–	(128,126)	(260,930)	34,129	(40,524)	361,783	–	–	(33,668)	(150,251)	(183,919)	
Total comprehensive income (loss)	–	–	–	–	–	(128,126)	(260,930)	34,129	(40,524)	361,783	6,565,640	–	6,531,972	994,828	7,526,800	
Dividends Declared	–	–	–	–	–	–	–	–	–	–	(1,587,096)	–	(1,587,096)	(1,135,237)	(2,722,333)	
Issuance of capital stock	–	–	25,000	24,975,000	–	–	–	–	–	–	–	–	25,000,000	–	25,000,000	
Share issuance costs	–	–	–	(164,821)	–	–	–	–	–	–	–	–	(164,821)	–	(164,821)	
Changes due to loss of control	–	–	–	–	–	–	–	–	–	–	–	–	(7,158)	–	(7,158)	
Acquisition of non-controlling interest in a subsidiary	–	–	–	–	(2,864,605)	–	–	–	–	–	–	–	(2,864,605)	(1,860,077)	(4,724,682)	
	–	–	25,000	24,810,179	(2,864,605)	–	–	–	–	–	(1,594,254)	–	20,376,320	(2,995,314)	17,381,006	
<b>Balances at September 30, 2023</b>	<b>₱39,691,895</b>	<b>₱107,492,243</b>	<b>₱25,000</b>	<b>₱24,810,179</b>	<b>(₱59,450,345)</b>	<b>(₱242,692)</b>	<b>₱65,746</b>	<b>(₱9,781)</b>	<b>(₱46,318)</b>	<b>₱7,811,473</b>	<b>₱24,523,225</b>	<b>(₱28,657)</b>	<b>₱144,641,968</b>	<b>₱29,859,281</b>	<b>₱174,501,249</b>	

See accompanying Notes to Interim Condensed Consolidated Financial Statements.

**ACEN CORPORATION AND SUBSIDIARIES**  
**UNAUDITED INTERIM CONDENSED CONSOLIDATED**  
**STATEMENTS OF CASH FLOWS**  
(Amounts in Thousands)

	Notes	Nine-Month Period Ended September 30 (Unaudited)	
		2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Income before income tax		<b>₱9,569,859</b>	₱8,012,204
Adjustments for:			
Interest and other finance charges	19	<b>2,124,222</b>	1,342,409
Depreciation and amortization	17, 18	<b>1,741,177</b>	1,228,216
Provision for impairment – net of reversals	5, 7, 8, 11, 18	<b>807,707</b>	2,680,094
Pension and other employee benefits		<b>80,922</b>	45,739
Interest and other financial income	20	<b>(4,697,669)</b>	(5,067,449)
Equity in net income of associates and joint ventures	6	<b>(1,100,994)</b>	(1,559,913)
Dividend income		<b>(126,475)</b>	–
Foreign exchange gains – net		<b>(21,277)</b>	(47,034)
Loss (gain) on:			
Sale and leaseback	2, 20	<b>(1,035,334)</b>	–
Disposal of investment, net	2, 6, 20	<b>(963,020)</b>	(1,062,030)
Early extinguishment of convertible loan	20	<b>(389,182)</b>	–
Realized foreign exchange forward contracts	20	<b>(108,802)</b>	16,437
Sale of financial asset at FVTPL	20	<b>(30,868)</b>	(37,385)
Sale of property, plant and equipment	20	<b>(7,485)</b>	4,080
Fair value adjustment on financial asset at FVTPL	20	<b>257,988</b>	121,195
Discount on long-term receivables		<b>5,102</b>	–
Remeasurement of investment in joint venture	20	–	(3,433,328)
Settlement of development loan	5, 20	–	(360,608)
Sale of listed equity instruments	5, 20	–	(154,392)
Operating income before working capital changes		<b>6,105,871</b>	1,728,235
Decrease (increase) in:			
Accounts receivable		<b>3,722,731</b>	(2,776)
Fuel and spare parts		<b>16,420</b>	(273,912)
Other current assets		<b>(3,170,146)</b>	(341,259)
(Decrease) increase in accounts payable and other current liabilities		<b>2,777,859</b>	348,590
Cash generated from operations		<b>9,452,735</b>	1,458,878
Interest received		<b>837,473</b>	815,159
Income and withholding taxes paid		<b>(468,872)</b>	(200,075)
Net cash flows from operating activities		<b>9,821,336</b>	2,073,962
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Additions to:			
Property, plant and equipment	8	<b>(26,616,606)</b>	(17,579,677)
Financial assets at FVTPL		<b>(14,580,166)</b>	(558,250)
Investments in associates and joint venture, net	6	<b>(5,318,055)</b>	(4,217,733)
Loans to related parties	22	<b>(4,082,085)</b>	(5,185,862)
Investments in redeemable preferred shares	7	<b>(1,665,068)</b>	(1,706,064)
Investments in subsidiaries, net of cash acquired	2, 10	<b>(569,802)</b>	(114,000)
Subscription deposits	7	<b>(228,144)</b>	(27,320)
Other intangible assets	10	<b>(115,584)</b>	(28,714)
Financial assets at FVOCI		<b>(115,288)</b>	(2,124,530)
Issuance of convertible loan		–	(1,807,639)
Short-term investments		–	(2,245)

(Forward)

- 2 -

	Notes	Nine-Month Period Ended September 30 (Unaudited)	
		2024	2023
Proceeds from:			
Sale of financial asset at FVTPL		<b>₱12,803,413</b>	₱183,661
Redemption of redeemable preferred shares	7	<b>1,248,955</b>	323,987
Redemption of financial assets at FVOCI		<b>953,887</b>	–
Redemption of financial assets at FVTPL		<b>587,989</b>	–
Collection of loans to related parties	22	<b>417,779</b>	16,718,733
Extinguishment of convertible loan		<b>389,267</b>	–
Sale of property, plant and equipment		<b>21,422</b>	7,684
Change due to loss of control, net of cash surrender (Note 2)		–	3,945,444
Redemption of convertible loan (Note 7)		–	2,341,774
Return of capital from a joint venture	6	–	228,312
Dividends received from:			
Investments in associates and joint ventures	6	<b>1,103,366</b>	1,362,464
Financial assets at FVOCI		<b>126,475</b>	–
Interest received		<b>2,169,734</b>	3,450,151
Increase in other noncurrent assets, non-current portion of input VAT and CWT	24	<b>(4,092,936)</b>	(1,879,907)
Net cash flows used in investing activities		<b>(37,561,447)</b>	(6,669,731)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from:			
Availment of long-term debts	13, 27	<b>38,788,668</b>	13,520,198
Availment of short-term debts	13, 27	<b>18,250,000</b>	14,100,000
Capital infusion of non-controlling interest in a subsidiary	2, 15	<b>22,444</b>	–
Issuance of capital stock		–	25,000,000
Payments of:			
Capital redemption of non-controlling interest in a subsidiary	15	<b>(20,129,241)</b>	–
Short-term loans	13, 27	<b>(12,100,000)</b>	(14,500,000)
Interest on short-term and long-term loans	27	<b>(5,949,239)</b>	(1,188,896)
Cash dividends	15, 27	<b>(3,957,828)</b>	(2,722,333)
Long-term loans	13, 27	<b>(1,516,642)</b>	(432,344)
Debt issue cost	13	<b>(324,053)</b>	(47,778)
Lease liabilities	9, 27	<b>(264,027)</b>	(472,761)
Interest on lease liabilities	9, 27	<b>(229,788)</b>	(185,171)
Share issuance cost		–	(164,821)
Acquisition of non-controlling interest	1, 15	–	(4,724,682)
Increase in other noncurrent liabilities		<b>1,995,429</b>	390,720
Net cash flows from financing activities		<b>14,585,723</b>	28,572,132
<b>EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS</b>		<b>(792,362)</b>	406,984
<b>NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>(13,946,750)</b>	24,383,347
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>		<b>39,696,662</b>	34,630,011
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>		<b>₱25,749,912</b>	₱59,013,358

See accompanying Notes to Interim Condensed Consolidated Financial Statements.

**ACEN CORPORATION AND SUBSIDIARIES**  
**NOTES TO UNAUDITED INTERIM CONDENSED**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
(Amounts in Thousands, Except When Otherwise Indicated)

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**1. Corporate Information**

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

On March 11, 2024, the Board of Directors (BOD) of the Group approved the amendment of the Parent Company’s Articles of Incorporation to remove “distribution” from the primary purpose. The proposed amendment was approved by the Parent Company’s stockholders on April 24, 2024 during the annual stockholders meeting. This was approved by the SEC on May 22, 2024.

The direct parent company (or intermediate parent company) of ACEN is AC Energy and Infrastructure Corporation (“ACEIC”), a wholly owned subsidiary of Ayala Corporation (“AC”). AC is a publicly listed company which is 47.57% owned by Mermac, Inc. (ultimate parent company), and the rest by the public. AC is a listed entity incorporated in the Philippines.

As at September 30, 2024, ACEIC owns 57.95% of ACEN’s total outstanding shares of stock.

The accompanying unaudited interim condensed consolidated financial statements of ACEN and its subsidiaries (“the Group”) as at September 30, 2024, and for the nine-month periods ended September 30, 2024 and 2023 were approved and authorized for issuance by the Parent Company’s Audit Committee (pursuant to the authority delegated by the Parent Company’s Board of Directors (BOD) on November 7, 2024.

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**2. Material Accounting Policy Information**

Basis of Preparation

The unaudited interim condensed consolidated financial statements as at September 30, 2024 and for the nine-month periods ended September 30, 2024 and 2023 have been prepared on a historical cost basis, except for financial assets at fair value through profit or loss (FVTPL), equity instruments at fair value through other comprehensive income (FVOCI) and derivative financial instruments that have been measured at fair value. The unaudited interim condensed consolidated financial statements are presented in Philippine peso which is the Parent Company’s functional and presentation currency. All values are rounded to the nearest thousands (‘000), except par values, per share amounts, number of shares and when otherwise indicated.

### Statement of Compliance

The accompanying 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 the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as at December 31, 2023.

### Changes in Accounting Policies

The accounting policies adopted in the preparation of the unaudited interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended December 31, 2023, except for the adoption of new standards and amendments effective as at January 1, 2024. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

#### *Effective beginning on or after January 1, 2024*

- Amendments to PAS 1, *Classification of Liabilities as Current or Non-current*  
The amendments clarify:

- That only covenants with which an entity must comply on or before reporting date will affect a liability's classification as current or non-current.
- That classification is unaffected by the likelihood that an entity will exercise its deferral right.
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

The amendments are effective for annual reporting periods beginning on or after January 1, 2024 and must be applied retrospectively. The amendments are not expected to have a material impact on the Group.

- Amendments to PFRS 16, *Lease Liability in a Sale and Leaseback*

The amendments specify how a seller-lessee measures the lease liability arising in a sale and leaseback transaction in a way that it does not recognize any amount of the gain or loss that relates to the right of use retained.

The amendments are effective for annual reporting periods beginning on or after January 1, 2024 and must be applied retrospectively. The amendments are not expected to have a material impact on the Group.

- Amendments to PAS 7 and PFRS 7, *Disclosures: Supplier Finance Arrangements*

The amendments specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The amendments are effective for annual reporting periods beginning on or after January 1, 2024. Earlier adoption is permitted and that fact must be disclosed. The amendments are not expected to have a material impact on the Group.

Basis of Consolidation

The interim condensed consolidated financial statements comprise the financial statements of the Group. For the nine-month period ended September 30, 2024, the changes in the Parent Company's ownership in its subsidiaries is:

<i>Subsidiary</i>	Principal Activity	Percentage of Ownership (%)			
		September 30, 2024		December 31, 2023	
		Direct	Indirect	Direct	Indirect
Paivatar Energy Corporation *	Power generation	–	–	100.00	–
Real Wind Energy, Inc.	Power generation	100.00	–	–	–

\*No longer a subsidiary and accounted as a joint venture (see Note 6)

The following are the significant transactions of the Group during the nine-month period ended September 30, 2024:

*Completion of investments in Unlimited Renewables Holdings, B.V. (URH)*

On January 2, 2024, the Group through its subsidiary, ACEN Renewables International Pte. Ltd. (ACRI) completed its investment in URH by infusing US\$50.00 for acquisition of 50 shares of URH from UPC India Pte. Ltd. ("UPCI") and US\$2.69 million (₱151.02 million) for subscription for 2,674 ordinary shares of URH (Note 6).

*ACEN and Barito enter new partnership in Indonesia wind projects*

On December 15, 2023, ACEN (through ACEN Investments HK Limited ("ACEN HK"), a subsidiary of ACRI) and Barito Renewables (through PT Barito Wind Energy ("Barito Wind")) signed a Sale and Purchase Agreement (SPA) with UPC Renewables Asia Pacific Holdings for the acquisition of late-stage wind development assets in Indonesia.

On January 3, 2024, with all conditions having been satisfied under the Sale and Purchase Agreements, transaction Closing was achieved by the parties and ACEN HK has completed the acquisition of shares in the three late-stage wind development assets, with a combined potential capacity of 320 MW, that are located in South Sulawesi (Sidrap 2), Sukabumi and Lombok provinces in Indonesia, at an acquisition price that is less than 10% of the book value of ACEN (see Note 6).

Following the signing of the respective Share Transfer Deeds, Barito Wind will own 51% of the three development assets, while ACEN HK will own the remaining 49%. Total investment cost amounted to US\$5.82 million (₱341.27 million) and accounted for as investment in associates and joint venture (see Note 6) and development loans amounting to US\$11.27 million (₱660.29 million) (see Note 22).

*Investment in Paivatar Energy Corporation (Paivatar)*

On March 7, 2024, ACEN, and its wholly-owned subsidiary, Paivatar, signed a Shareholders' and Investment agreement with BrightNight APAC B.V (BrightNight APAC) for the ownership and management of Paivatar as the designated renewable energy platform for the development, construction, and operation of utility-scale renewable energy projects in the Philippines.

BrightNight APAC subscribed for 0.42 million common shares with ₱1.00 par value and 0.56 million redeemable preferred shares with ₱100.00 par value. Total subscription amounted to ₱56.39 million for 40% and 50% voting and economic interest, respectively. Further to the transaction, BrightNight Philippines B.V. (BrightNight PH), an affiliate of BrightNight APAC, assigned ownership investment in Jord Energy Corp and Renewable Earth Corp. in favor of Paivatar.

The Group's 50% retained interest in Paivatar will be accounted for as a joint venture starting March 8, 2024 where both ACEN and Paivatar are equally represented in the Board and all matters shall be approved unanimously by both shareholders.

Paivatar accounts have been classified in the Group's consolidated financial statement as at September 30, 2024 as follows:

- a. Balance sheet accounts were deconsolidated
- b. Income statement accounts for the period January 1 to February 29, 2024 are included in the consolidated statement of income

The net assets of Paivatar as at March 7, 2024 and proceeds from divestment are as follow:

<b>Assets</b>	
Cash and cash equivalents	₱62,375
Accounts and notes receivable – net of current portion	32
Investment in joint ventures	77,090
Input VAT - net of current portion	4
	139,501
<b>Liabilities</b>	
Accounts payable and other current liabilities	1,013
Total identifiable net assets	138,488
Less BrightNight APAC investment	56,331
Net assets attributable to ACEN	82,157
Fair value of retained interest (see Note 7)	82,275
Gain on deconsolidation (see Note 20)	₱118

After BrightNight APAC's subscription, the Group has diluted its interest and partially divested in Paivatar. The deconsolidation resulted in a gain of ₱0.12 million which is recognized under "Other income – net" account in the consolidated statement of income (Note 20).

Net cash outflow on deconsolidation is as follows:

Cash consideration	₱-
Less cash surrendered with the subsidiary <sup>(a)</sup>	62,375
Net cash outflow	(₱62,375)

<sup>(a)</sup>Cash surrendered with the subsidiary is included in cash flows from investing activities.

*Disposition of land by Buendia Christiana Holdings Corp. ("BCHC") in exchange for shares of AREIT, Inc. ("AREIT") via property-for-share swap, and lease out to Giga Ace 8, Inc. ("GA08")*

On March 19, 2024, AREIT, Inc. (AREIT) and the Group executed a Deed of Exchange, for the subscription by the Group to 199,109,438 primary common shares of AREIT in exchange for the 2,759,135 square meters (sq.m.) located in Zambales, Philippines.

On September 25, 2024, the SEC issued the Certificate of Approval of Valuation of the Property. As a result of the Transaction, the Group acquired beneficial ownership over 6.20% of AREIT, subject to securing the Certificate of Authorizing Registration from the Bureau of Internal Revenue, compliance with the conditions of the SEC approval, including transfer of titles, and the additional listing of shares with the Philippine Stock Exchange (see Note 20).

*Investment in Real Wind Energy, Inc. (RWEI)*

On March 22, 2024, ACEN signed a Deed of Absolute Sale of Shares with Modern Energy Management Pte. Ltd. (“MEM”), as the seller, for the acquisition by ACEN of 4,000 secondary Common Shares representing 40% ownership in RWEI and Loan Assignment Agreements for the assignment of MEM’s receivables from RWEI (see Note 6).

On August 1, 2024, ACEN signed a Deed of Absolute Sale of Shares with Maraj Energy and Development Corp. (“Maraj”), as the seller, for the acquisition by ACEN of 6,000 secondary Common Shares representing the remaining 60% ownership in RWEI (see Note 10).

*Additional subscription by ACEN to shares in North Luzon Renewable Energy Corp (NLR) and Philippine Wind Holdings Corp. (PhilWind)*

On March 25, 2024, ACEN signed a subscription contract with NLR for the additional subscription by ACEN to 49,540 Redeemable Preferred Shares C at par value of ₱10,000.00 per Preferred C of NLR, for a total subscription price of ₱495.40 million, to be issued out of the increase of NLR’s authorized capital stock. As at September 30, 2024, total subscription paid amounted to ₱495.40 million (see Note 6).

On March 25, 2024, ACEN signed a subscription contract with PhilWind for the additional subscription by ACEN to 50,446 Redeemable Preferred Shares A-3 (“RPS A-3”) at par value of ₱10,000.00 per RPS A-3 of PhilWind, for a total subscription price of ₱504.46 million, to be issued out of the increase of PhilWind’s authorized capital stock. As at September 30, 2024, total subscription paid amounted to ₱504.46 million (see Note 6).

The additional subscription in NLR and PhilWind will be used by NLR as additional funding for the construction and completion of the 70MW wind farm in Pagudpud, Ilocos Norte (wind project referred to as Capa Wind 2).

*Sale of shares indirectly owned by ACRI in PT UPC Sidrap Bayu Energi*

On April 2, 2024, upon fulfillment of conditions precedent, ACRI, together with its joint venture partner, UPC Renewables Asia Pacific Holdings Pte. Ltd., completed the sale of all their shares in PT Sidrap Bayu Energi (“SBE”), held through UPC Sidrap (HK) Limited (“Sidrap (HK)”) and UPC Renewables Asia III Limited (“Asia III”), to Sunedison Sidrap B.V. (external party) (See Note 20).

*Subscription by ACEN to shares in ENEX Energy Corp.*

On April 30, 2024, ACEN signed a subscription contract with its subsidiary, ENEX Energy Corp. (ENEX), for the subscription by ACEN to 30,000,000 non-voting Preferred Shares at par value of ₱1.00 per non-voting Preferred Share of ENEX, for a total subscription price of ₱30.00 million, to be issued out of the increase of ENEX’s authorized capital stock (ACS) and creation of the non-voting Preferred Shares.

This will be used to fund the operational requirements of ENEX, and transaction costs for the creation and issuance of the Preferred Shares.

On June 26, 2024, ENEX signed a subscription agreement with ACEN for the subscription by ACEN to 177,544,011 non-voting Preferred Shares of ENEX at par value of ₱1.00, for a total subscription price of ₱177.54 million, to be paid out of the assignment of short-term loans and interest receivable from ENEX via the Deed of Assignment between ACEN and ENEX.



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### 3. Significant Accounting Judgment, Estimates and Assumptions

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

Except as otherwise stated, the significant accounting policies, judgments, estimates and assumptions used in the preparation of the unaudited interim condensed consolidated financial statements are consistent with those used in the annual consolidated financial statements as at and for the year ended December 31, 2023.

#### Judgments

In the process of applying the Group's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognized in the consolidated financial statements:

#### *Classification of Government Grants*

The Group, through ACEN Australia, entered into Long Term Energy Service Agreements (LTESA) with New South Wales (NSW) Australian Government that gives the generator the right, but not the obligation, to enter into a strip of two-year electricity swap contracts ("Swaptions").

LTESA meet the definition of a derivative instrument as their value changes with reference to changes in the Australia's National Electricity Market (NEM) spot price of energy, no upfront cost to enter into the contract and the value of the contracts will be settled in the future (see Notes 11 and 14).

The Group uses commodity options derivative financial instruments to hedge its commodity price risks. Potential sources of hedge ineffectiveness in the hedging relationship were as follows:

- a. Credit risk
- b. Fixed price CPI escalation
- c. Changes in generation forecast
- d. Annual payment cap
- e. Clawback mechanism

In the event the swaptions are not exercised, the net profit or loss impact will be a non-cash item given no exchange of cash occurred at inception and will occur over the life of the arrangement.

The Group also assessed the transaction is accounted as government grant since the LTESA was granted by the NSW Australian Government to support its initiative on promoting renewable energy and providing long-term revenue certainty for investors and developers of clean energy projects through the electricity swap contracts.

*Assessment of Joint Control over Joint Ventures*

The Group's investments in joint ventures are structured in separate incorporated entities (see Note 6). The investments in ACEHI Netherlands B.V. (ACEHI Netherlands), Philippine Wind Holdings Corp. ("PhilWind"), North Luzon Energy Corp. (NLR), UPC Power Solutions LLC (UPC Power), BIM Renewable Energy Joint Stock Company (BIMRE), Monsoon Wind B.V. (Monsoon Wind) and Real Wind Energy, Inc. (RWEI) are accounted for as investments in joint venture since the fundamental business and operational matters requires unanimous consent from all parties.

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

*Determination of Transaction Price from Sale of Electricity*

The adjustment of the FIT rate for the delivered energy is a variable consideration which shall be accounted for in the period in which the transaction price changed. In 2020, the Group recognized additional revenue and long-term receivables computed on the FIT rate increment which will be recovered for a period of five years starting January 1, 2021. For the nine-month period ended September 30, 2024 and 2023, and since 2021, while waiting for the approval of the 2021 FIT rates, management assessed that the approved 2020 FIT rates represent the best estimate of the transaction price the Group will be entitled to in exchange of the delivered energy.

Management's Use of Estimates

The key assumptions concerning the future and other sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

*Fair Value Measurement of Commodity Options*

In the estimation of fair value of the LTESA Swaptions, a commodity option hedge instrument, the Group used option pricing techniques which resulted in a Day 1 derivative asset, even if no premium was paid (see Note 11).

*Assessment of Contingencies*

The Group is currently involved in various legal proceedings and assessments for local and national taxes (see Note 28). The estimate of the probable costs for the resolution of these claims has been developed in consultation with outside counsel handling the defense in these matters and is based upon an analysis of potential results. The final settlement of these may result in material adverse impact on the Group's consolidated financial statements. The Group also invokes limited disclosures on certain matters due to their prejudicial nature.

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#### 4. Cash and Cash Equivalents

This account consists of:

	<b>September 30, 2024 (Unaudited)</b>	December 31, 2023 (Audited)
Cash on hand and in banks	<b>₱6,269,064</b>	₱13,769,005
Cash equivalents	<b>19,480,848</b>	25,927,657
	<b>₱25,749,912</b>	₱39,696,662

Pursuant to the Supplemental Listing and Disclosure Requirements for Petroleum and Renewable Energy Companies of the PSE, all funds raised by an applicant company must be held in escrow and shall not be released for any purpose other than the disclosed intended purpose and in accordance with the timetable of expenditures (the “Escrow Requirement”). As of September 30, 2024, the Group has fully disbursed the cash from the escrow account which held the proceeds from the issuance of redeemable preferred shares in 2023.

Interest income from cash in banks and cash equivalents for the nine-month period ended September 30, 2024 and 2023 amounted to ₱735.10 million and ₱905.60 million, respectively (see Note 20).

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#### 5. Accounts and Notes Receivable

This account consists of:

	<b>September 30, 2024 (Unaudited)</b>	December 31, 2023 (Audited)
Accounts and other receivable	<b>₱13,850,859</b>	₱12,406,056
Notes receivable (Note 22)		
Bridge financing	<b>13,817,397</b>	13,440,859
Development loan	<b>6,673,430</b>	5,863,298
Other loan	<b>4,756,027</b>	2,130,751
Accrued interest receivable	<b>7,899,375</b>	6,206,348
	<b>46,997,088</b>	40,047,312
Allowance for expected credit losses	<b>2,188,434</b>	1,292,578
	<b>44,808,654</b>	38,754,734
Less noncurrent portion	<b>17,154,778</b>	12,689,042
Current portion	<b>₱27,653,876</b>	₱26,065,692

Accounts and other receivable

This account consists of:

	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
Trade receivables		
Third party		
Independent Electricity Market Operator of the Philippines (“IEMOP”)	P6,574,050	P6,459,485
National Transmission Corporation (“TransCo”)	1,870,756	1,915,230
RES Buyer	1,129,012	519,629
National Grid Corporation of the Philippines (“NGCP”)	775,805	91,670
Philippine Electricity Market Corporation (“PEMC”)	30,562	10,262
Others	128,772	423,084
Other receivables		
Third party	1,479,367	1,600,430
Related party (Note 22)	1,862,535	1,386,266
	13,850,859	12,406,056
Allowance for expected credit losses	155,379	152,312
	13,695,480	12,253,744
Less noncurrent portion	1,925,537	1,971,453
Current portion	P11,769,943	P10,282,291

Notes receivable

This account consists of:

	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
Bridge financing - related party (Note 22)	P13,817,397	P13,440,859
Development loan:		
Third party	3,613,935	3,721,365
Related party (Note 22)	3,059,495	2,141,933
Other loans:		
Third party	1,838,024	1,742,382
Related party (Note 22)	2,918,003	388,369
	25,246,854	21,434,908
Allowance for expected credit losses (Note 18)	854,764	812,633
	24,392,090	20,622,275
Less noncurrent portion	12,453,292	6,745,824
Current portion	P11,938,798	P13,876,451

*Bridge financing (previously referred to as debt replacement)*

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

Bridge financings bear interest ranging from 7.00% to 15.00% per annum.

*Development Loans*

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

Development loans bear interest ranging from 4.00% to 11.61% per annum.

*Other Loans*

Other loans receivable from third parties include long term loan receivables for land acquisitions. These are interest bearing and mature 1-2 years after drawdown.

Other loans bear interest ranging from 3.00% to 15.00% per annum.

*Accrued interest receivable:*

This account consists of:

	<b>September 30, 2024 (Unaudited)</b>	December 31, 2023 (Audited)
Bridge financing:		
Related party (Note 22)	<b>₱1,159,868</b>	₱1,446,884
Development loans:		
Third party	<b>171,662</b>	107,832
Related party (Note 22)	<b>477,493</b>	198,534
Investment in redeemable preferred shares and convertible loans – Related party (Note 22)		
Redeemable preferred shares	<b>4,007,134</b>	3,473,000
Convertible loans	<b>1,817,221</b>	761,760
Other loans:		
Third party	<b>101,537</b>	26,487
Related party (Note 22)	<b>130,955</b>	33,788
Trade receivables		
Third party	<b>22,420</b>	148,995
Related party (Note 22)	<b>11,085</b>	9,068
	<b>7,899,375</b>	6,206,348
Allowance for expected credit losses	<b>1,178,291</b>	327,633
	<b>6,721,084</b>	5,878,715
Less noncurrent portion	<b>2,775,949</b>	3,971,765
Current portion	<b>₱3,945,135</b>	₱1,906,950

*Allowance for expected credit loss*

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

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For the nine-month period ended September 30, 2024, the Group recognized additional allowance for expected credit losses amounting to:

1. US\$0.80 million (P42.13 million) on principal from development loan with UPC-AC Energy Solar Limited (UPC-ACE Solar);
2. US\$1.54 million (P90.05 million) on accrued interest of development loan with UPC-ACE Solar;
3. US\$13.40 million (P760.61 million) on accrued interest receivable of investment in convertible loan to Vietnam Wind Energy Limited (Vietnam Wind) (see Note 7); and
4. Allowance provided to other receivables amounted to P3.07 million.

Total additional allowance for expected credit losses for the nine-month period ended September 30, 2024 amounted to P895.86 million.

For nine-month period ended September 30, 2023, the Group recognized allowance for expected credit losses for its principal and interest amounting to US\$13.78 million (P782.47 million) and US\$5.77 million (P327.63 million), respectively, on investment in convertible loan to Vietnam Wind (see Note 18).

As at September 30, 2024 and December 31, 2023, the aging analysis of receivables are as follows:

	September 30, 2024 (Unaudited)						Total	
	Current	Past Due but not Impaired				More than 90 Days		Past Due Individually Impaired
		<30 Days	30–60 Days	61–90 Days				
Trade receivables	<b>P4,269,392</b>	<b>P1,715,119</b>	<b>P447,861</b>	<b>P1,099,032</b>	<b>P2,909,666</b>	<b>P67,887</b>	<b>P10,508,957</b>	
Due from related parties	<b>21,376,415</b>	<b>132,046</b>	<b>1,651</b>	<b>316,002</b>	<b>5,401,717</b>	<b>2,033,354</b>	<b>29,261,185</b>	
Others	<b>4,426,616</b>	<b>11,250</b>	<b>21,319</b>	<b>114,166</b>	<b>2,566,404</b>	<b>87,191</b>	<b>7,226,946</b>	
	<b>P30,072,423</b>	<b>P1,858,415</b>	<b>P470,831</b>	<b>P1,529,200</b>	<b>P 10,877,787</b>	<b>P2,188,432</b>	<b>P 46,997,088</b>	

	December 31, 2023 (Audited)						Total	
	Current	Past Due but not Impaired				More than 90 Days		Past Due Individually Impaired
		<30 Days	30–60 Days	61–90 Days				
Trade receivables	P5,157,767	P860,863	P43,162	P325,041	P2,966,400	P66,127	P9,419,360	
Due from related parties	16,379,597	297,154	25,286	397,627	5,038,909	1,141,888	23,280,461	
Others	4,421,489	31,758	56,266	802,098	1,951,317	84,563	7,347,491	
	<b>P25,958,853</b>	<b>P1,189,775</b>	<b>P124,714</b>	<b>P1,524,766</b>	<b>P9,956,626</b>	<b>P1,292,578</b>	<b>P40,047,312</b>	

### Interest income

The Group earns interest income from its accounts and notes receivable amounting to:

	Three-Month Period Ended September 30 (Unaudited)		Nine-Month Period Ended September 30 (Unaudited)	
	2024	2023	2024	2023
<i>Bridge Financing</i>				
Related Party				
Greencore Power Solutions 3, Inc. (Greencore 3)	<b>P176,288</b>	P171,476	<b>P521,296</b>	P324,360
Wind Power Lac Hoa (Lac Hoa)	<b>40,380</b>	86,225	<b>162,120</b>	251,632
Wind Power Hoa Dong (Hoa Dong)	<b>35,346</b>	75,689	<b>142,211</b>	220,934
Asian Wind Power 1 HK (Asian Wind 1)	<b>38,109</b>	83,051	<b>113,841</b>	245,939
Asian Wind Power 2 HK (Asian Wind 2)	<b>29,296</b>	65,953	<b>88,413</b>	194,933
NEFIN Limited (NEFIN)	<b>16,265</b>	12,669	<b>51,116</b>	34,639

(Forward)

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	Three-Month Period Ended September 30 (Unaudited)		Nine-Month Period Ended September 30 (Unaudited)	
	2024	2023	2024	2023
Vietnam Wind Energy Limited (Vietnam Wind)	12,555	10,605	37,236	26,480
Ingrid Power Holdings, Inc. (Ingrid)	11,441	18,630	29,392	67,173
AMI Greenergy Investment JSC (AMI Greenergy)	5,082	–	8,309	–
PT Dewata ACEN Renewables Indonesia	1,173	–	3,284	–
BIM Wind	–	(687)	–	129,620
	<b>P365,935</b>	<b>P523,611</b>	<b>P1,157,218</b>	<b>P1,495,710</b>
<i>Development Loans</i>				
<i>Related Party</i>				
UPC Solar Asia Pacific Ltd. (UPC-ACE Solar)	<b>P27,026</b>	P21,710	<b>P78,858</b>	P78,032
Yoma Strategic Investments (Yoma)	17,832	13,231	49,170	39,678
Unlimited Renewables Holdings (URH)	9,755	–	10,326	–
PT UPC Sidrap Bayu Energi Tahap Dua (PT Sidrap)	2,835	–	7,996	–
PT UPC Sukabumi Bayu Energi (PT Sukabumi)	1,780	–	5,154	–
ACEN Silverwolf	297	–	741	–
PT UPC Lombok Timur Bayu Energi (PT Lombok)	227	–	556	–
<i>Third Party</i>				
Huntington Renewables Investment Limited (Huntington)	56,695	–	168,236	–
Provincia Investments Corporation (Provincia)	11,390	3,907	19,119	11,353
AMI Renewables (Quang Binh)	3	–	1,233	–
BEHS Joint Stock Company (BEHS)	–	7,438	–	27,750
BIM Energy Holdings (BIMEH)	–	–	–	11,265
UPC Renewables Asia Pacific Holdings Ltd. (UPCAPH)	–	–	–	3,117
	<b>P127,840</b>	<b>P46,286</b>	<b>P341,389</b>	<b>P171,195</b>
<i>Accounts and other Receivables</i>				
Third Party	<b>P14,465</b>	P18,698	<b>P52,891</b>	P58,898
<i>Other Loans</i>				
<i>Related Party</i>				
BrightNight India B.V. (BrightNight)	<b>P13,290</b>	P13,572	<b>P47,884</b>	P23,933
Infineum 4 Energy, Inc. (Infineum 4)	2,472	934	6,825	2,620
<i>Third Party</i>				
Cleantech	6,658	51,986	19,829	51,986
BIM Group	34,501	–	62,869	–
Others	2,038	423	3,216	917
	<b>P58,959</b>	<b>P66,915</b>	<b>P140,623</b>	<b>P79,456</b>
	<b>P567,199</b>	<b>P655,510</b>	<b>P1,692,121</b>	<b>P1,805,259</b>

## 6. Investments in Associates and Joint Ventures

The Group's investment in associates and joint ventures and the corresponding effective percentage of ownership are shown below:

	Percentage of ownership		Carrying amount	
	September 30, 2024	December 31, 2023	September 30, 2024	December 31, 2023
Investments in associates:				
Solar NT Holdings Pte. Ltd. (SUPER)	49.00	49.00	₹2,528,309	₹2,558,351
Maibarara Geothermal, Inc. (MGI)	25.00	25.00	963,803	909,694
PT Puri Prakarsa Batam	40.00	40.00	165,784	166,026
PT UPC Lombok Timur Bayu Energi (PT Lombok)	49.00	–	169,795	–
PT UPC Sidrap Bayu Energi Tahap Dua (PT Sidrap 2)	49.00	–	74,719	–
Others	various	various	8,056	8,056
			<b>₹3,910,466</b>	3,642,127
Interests in joint ventures:				
ACEHI Netherlands B.V. (ACEHI Netherlands)	75.76	75.76	12,933,277	12,667,764
Philippine Wind Holdings Corporation (PhilWind)	69.81	69.81	6,484,522	5,987,605
North Luzon Renewable Energy Corp. (NLR)	33.30	33.30	2,972,514	2,492,401
UPC Power Solutions LLC (UPC Power)	83.33	83.33	2,846,584	562,624
BIM Renewable Energy Joint Stock Company (BIMRE)	30.00	30.00	1,998,776	1,861,039
BrightNight India, B.V. (BrightNight)	50.00	50.00	1,661,089	160,904
Ingrid Power Holdings, Inc. (Ingrid)	50.00	50.00	1,105,496	968,535
Greencore Power Solutions 3, Inc. (Greencore 3)	50.00	50.00	424,241	434,936
NEFIN Limited (NEFIN)	50.00	50.00	342,293	419,280
Monsoon Wind B.V. (Monsoon Wind)	25.00	25.00	219,873	163,339
Unlimited Renewables Holdings, B.V. (URH)	80.00	–	129,491	–
BIM Wind Energy Joint Stock Company (BIM Wind)	30.00	30.00	158,487	209,217
BIM Energy Joint Stock Company (BIME)	30.00	30.00	128,366	120,082
PT UPC Sukabumi Bayu Energi (PT Sukabumi)	49.00	–	87,972	–
Others	various	various	208,014	408,764
			<b>31,700,995</b>	26,456,490
			<b>₹35,611,461</b>	₹30,098,617



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

	<b>September 30, 2024 (Unaudited)</b>	December 31, 2023 (Audited)
<b>Acquisition costs:</b>		
Balance at beginning of period	<b>₱28,081,331</b>	₱22,557,032
Additions	<b>5,886,774</b>	4,592,106
Cumulative translation adjustment	<b>409,158</b>	(290,764)
Conversion from subscription deposit (Note 7)	<b>338,884</b>	–
Disposal / divestment (Note 20)	<b>(77,174)</b>	(2,260,215)
Gain from remeasurement (Note 20)	–	3,433,328
Return of capital	–	(228,312)
Others*	<b>(486,444)</b>	278,156
<b>Balance at end of period</b>	<b>34,152,529</b>	28,081,331
<b>Accumulated equity in net earnings (losses):</b>		
Balance at beginning of period	<b>2,104,328</b>	2,216,754
Equity in net income of associates and joint ventures	<b>1,100,994</b>	1,765,239
Dividends received	<b>(1,103,366)</b>	(1,362,464)
Divestment	–	(515,201)
<b>Balance at end of period</b>	<b>2,101,956</b>	2,104,328
<b>Accumulated share in other comprehensive income (loss):</b>		
Balance at beginning of period	<b>(85,483)</b>	(5,794)
Cumulative translation adjustment	<b>(71,795)</b>	(71,365)
Interest rate swap	<b>(8,335)</b>	14,596
Unrealized fair value (loss) gain on derivative instruments designated as hedges – net of tax	<b>(2,891)</b>	4,111
Remeasurement gain (loss) on defined benefit plans – net of tax	<b>15,716</b>	(27,031)
<b>Balance at end of period</b>	<b>(152,788)</b>	(85,483)
<b>Accumulated impairment losses</b>	<b>(1,559)</b>	(1,559)
<b>Loss on write-down from disposal of investment in joint venture (Note 20)</b>	<b>(488,677)</b>	–
<b>Total investments</b>	<b>₱35,611,461</b>	₱30,098,617

\*Others pertain ₱82.28 million retained interest in a former subsidiary (Paivatar) (Note 6) and (₱568.72) million previously held interest in RWEI, now a subsidiary (Note 10), in 2024, while ₱276.30 million conversions from financial assets at FVTPL and ₱1.86 million Investment in redeemable preferred shares and convertible loans (see Note 7) in 2023.

*Capital call and subscription deposit conversion:*

On various dates in January to September 30, 2024, the Group made investments equivalent to its proportionate share in the following investee companies:

Investee Company	Project	Geography	Technology	Capacity	Amount in US\$ (millions)	Amount in PHP (millions)
UPC Power	Stockyard & Chestnut Flats	USA	Wind	148	45.12	₱2,539.71
BrightNight	BN Maharashtra	India	Hybrid Solar-Wind	80	–	1,457.37
RWEI *	Real Wind	Philippines	Wind	TBD	–	568.72
PhilWind	Capa Wind 2	Philippines	Wind	70	–	504.46
NLR	Capa Wind 2	Philippines	Wind	70	–	495.40
PT Lombok	Lombok	Indonesia	Wind	39	2.99	177.06
PT Sukabumi	Sukabumi	Indonesia	Wind	74	1.32	88.46
Monsoon Wind	Monsoon	Vietnam	Wind	146	1.47	82.96
PT Sidrap 2	Sidrap 2	Indonesia	Wind	34	0.98	75.75
Others						235.77
<b>Total</b>						<b>₱6,225.66</b>

\*RWEI was subsequently acquired as a subsidiary during the period (see Note 2)

Investment in Associates*PT Lombok*

On December 15, 2023, the Group, through ACRI's wholly owned subsidiary ACEN Investments HK Limited, UPC Renewables Asia Pacific Holdings Pte. Ltd and PT Barito Wind Energy, entered into share purchase agreements for the acquisition of shares in PT Lombok. On January 3, 2024, the sale transaction was completed upon payment of the subscription price.

PT Lombok operates a wind power project in East Lombok, Indonesia with a total project capacity of 80MW.

As of September 30, 2024, the Group infused US\$3.02 million (₱177.06 million) through subscription of common shares.

*PT Sidrap 2*

On December 15, 2023, the Group, through ACRI's wholly owned subsidiary ACEN Investments HK Limited, UPC Renewables Asia Pacific Holdings Pte. Ltd and PT Barito Wind Energy, entered into share purchase agreements for the acquisition of shares in PT Sidrap . On January 3, 2024, the sale transaction was completed upon payment of the subscription price.

PT Sidrap 2 operates a wind power project in Sidrap, South Sulawesi, Indonesia with a total project capacity of 70MW.

As of September 30, 2024, the Group infused US\$1.29 million (₱75.75 million) through subscription of common shares.

Interest in Joint Ventures*Real Wind Energy Inc. (RWEI)*

On March 22, 2024, the Group and Modern Energy Management Pte. Ltd. (MEM) signed an Asset and Share Sale and Purchase Agreement and Deed of Absolute Sale wherein the Group purchased from MEM the 40% of issued and outstanding shares in Real Wind Energy Inc. RWEI is currently developing its proposed wind energy projects in Real, Quezon.

On August 1, 2024, ACEN acquired additional shares representing 60% ownership, thereby acquiring control over RWEI (see Note 10).

*PT Sukabumi*

On December 15, 2023, the Group, through ACRI's wholly owned subsidiary ACEN Investments HK Limited, UPC Renewables Asia Pacific Holdings Pte. Ltd and PT Barito Wind Energy, entered into share purchase agreements for the acquisition of shares in PT Sukabumi. On January 3, 2024, the sale transaction was completed upon payment of the subscription price.

PT Sukabumi operates a wind power project in Sukabumi, West Java, Indonesia with a total project capacity of 150MW.

As of September 30, 2024, the Group infused US\$1.51 (P88.46 million) through subscription of common shares.

The Group received dividends amounting to:

	Three-Month Period Ended September 30 (Unaudited)		Nine-Month Period Ended September 30 (Unaudited)	
	2024	2023	2024	2023
ACEHI Netherlands B.V.	P-	P-	P746,433	P-
PhilWind	-	-	284,334	471,002
BIMRE	43,609	-	43,609	161,367
NLR	-	-	28,990	74,319
Salak-Darajat	-	-	-	655,776
	<b>P43,609</b>	<b>P-</b>	<b>P1,103,366</b>	<b>P1,362,464</b>

## 7. Investments in Redeemable Preferred Shares and Convertible Loans

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

	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
<i>Redeemable preferred shares</i>		
AMI AC Renewables Corporation (AAR)	<b>₱7,026,408</b>	₱6,943,641
UPC-AC Energy Solar Limited (UPC-ACE Solar)	–	4,323,868
Impact Wind Investments Limited (Impact Wind)	<b>2,648,687</b>	1,419,454
BIM Wind Joint Stock Company (BIM Wind)	<b>2,254,755</b>	2,232,294
NEFIN Limited (NEFIN)	<b>2,152,112</b>	1,713,369
BIM Renewable Energy Joint Stock Company (BIMRE)	<b>1,366,385</b>	1,350,290
BIM Energy Joint Stock Company (BIME)	<b>238,418</b>	235,610
UPC Renewables Asia III Ltd. (UPC Asia III)	<b>122,540</b>	1,210,630
	<b>15,809,305</b>	19,429,156
<i>Subscription deposits</i>		
Beacon Capital Holdings Limited	<b>1,372,735</b>	1,356,565
UPC Renewables Asia Pacific Holdings Pte. Limited (UPCAPH)	–	110,740
	<b>1,372,735</b>	1,467,305
<i>Convertible loans</i>		
Vietnam Wind Energy Limited (Vietnam Wind)	<b>2,112,850</b>	2,113,578
Asian Wind Power 1 HK Ltd (Asian Wind 1)	<b>911,283</b>	900,549
Asian Wind Power 2 HK Ltd (Asian Wind 2)	<b>878,942</b>	868,589
	<b>3,903,075</b>	3,882,716
	<b>21,085,115</b>	24,779,177
Allowance for expected credit losses	<b>2,112,850</b>	3,145,378
Balance at end of period	<b>₱18,972,265</b>	₱21,633,799

### Investments in redeemable preferred shares and subscription deposits

The rollforward analysis of this account follows:

	September 30, 2024 (Unaudited)		
	Redeemable Preferred Shares	Subscription Deposit	Total
Balances at beginning of period	<b>₱19,429,156</b>	<b>₱1,467,305</b>	<b>₱20,896,461</b>
Additions	<b>1,665,068</b>	<b>228,144</b>	<b>1,893,212</b>
Redemption (Note 20)	<b>(1,248,955)</b>	–	<b>(1,248,955)</b>
Reclassification to:			
Financial asset at FVOCI	<b>(3,861,101)</b>	–	<b>(3,861,101)</b>
Investment in joint venture (Note 6)	–	<b>(338,884)</b>	<b>(338,884)</b>
Cumulative translation adjustment	<b>(174,863)</b>	<b>16,170</b>	<b>(158,693)</b>
	<b>15,809,305</b>	<b>1,372,735</b>	<b>17,182,040</b>
Allowance for impairment	–	–	–
Balances at end of period	<b>₱15,809,305</b>	<b>₱1,372,735</b>	<b>₱17,182,040</b>

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On June 29, 2024, the Group redeemed RPS Class A from UPC Asia III, through distributable profits and capital reduction. The redemption was offset against the existing shareholder loan of UPC Asia III to ACRI, together with outstanding interest receivable from investment in redeemable preferred shares. Any interest in RPS Class A ceased as of date of the resolution. The redemption resulted to a gain of ₱1,306.94 million (US\$22.26 million) (see Note 20).

In 2024, subscription deposit to UPCAPH amounting to ₱338.88 million (US\$5.78 million) was reclassified as subscription to PT Lombok, PT Sidrap 2 and PT Sukabumi (see Note 6).

	December 31, 2023 (Audited)		
	Redeemable Preferred Shares	Subscription Deposit	Total
Balances at beginning of year	₱17,357,156	₱432,867	₱17,790,023
Additions	2,433,046	1,467,305	3,900,351
Conversion	176,219	(176,222)	(3)
Redemption	(74,752)	(249,236)	(323,988)
Reclassification to:			
Financial asset at FVOCI	(353,340)	–	(353,340)
Investment in joint venture	(1,859)	–	(1,859)
Cumulative translation adjustment	(107,314)	(7,409)	(114,723)
	19,429,156	1,467,305	20,896,461
Allowance for impairment	878,429	–	878,429
<b>Balances at end of year</b>	<b>₱18,550,727</b>	<b>₱1,467,305</b>	<b>₱20,018,032</b>

### Convertible loans

The roll forward analysis of this account follows:

	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
Balance at beginning of period	<b>₱3,882,716</b>	₱4,755,293
Additions	–	1,807,639
Redemptions	–	(2,341,774)
Cumulative translation adjustment	<b>20,359</b>	(338,442)
	<b>3,903,075</b>	3,882,716
Allowance for impairment (Note 18)	<b>2,112,850</b>	2,266,949
<b>Balance at end of period</b>	<b>₱1,790,225</b>	<b>₱1,615,767</b>

During the current period 2024, investment in UPC-ACE Solar's Redeemable Preference Share Class A (classified as investment in redeemable preferred shares and convertible loans) with a net carrying amount of US\$59.46 million (₱2,922.27 million) was reclassified to investments in financial assets at fair value through other comprehensive income (FVOCI) due to change in business model. The instrument was amended with the following features: (a) no fixed coupon, (b) dividends payment upon discretion of the board and (c) no fixed redemption date. Prior to reclassification, the investment has an allowance for expected credit losses amounting to US\$16.54 million (₱938.83 million), of which US\$1.05 million (₱59.60 million) was recognized in the statement of income.

As at September 30, 2024, the fair value of the investments in UPC-ACE Solar's Redeemable Preference Share Class A and B using a discount rate of 10.9% was US\$52.65 million (₱2,949.80 million). Unrealized fair value loss on equity instruments at FVOCI for the nine-month period ended September 30, 2024 amounted to US\$50.38 million (₱2,822.66 million), of which US\$50.70 million (₱2,840.65 million), was recognized for the 3-month quarter ended September 30, 2024 in the statement of comprehensive income.

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

For the nine-month period ended September 30, 2024 and 2023, the Group recognized allowance for impairment loss on accrued interest in redeemable preferred shares to UPC-ACE Solar provision of ₱60.41 million (US\$1.06 million) and ₱863.91 million (US\$15.21 million), respectively (Note 18).

For the nine-month period ended September 30, 2024 and 2023, the Group recognized reversal of allowance for impairment loss in convertible loan to Vietnam Wind of (₱154.10) million (US\$2.77 million) and provision of ₱713.13 million (US\$12.86 million), respectively (Note 18).

Investments in redeemable preferred shares and convertible loans bear interest ranging from 8.80% to 14.00% per annum for both the nine-month period ended September 30, 2024, and 2023, respectively.

#### Interest income

The Group earns interest income from its investments in redeemable preferred shares and convertible loans amounting to (Note 20):

	Three-Month Period Ended September 30 (Unaudited)		Nine-Month Period Ended September 30 (Unaudited)	
	2024	2023	2024	2023
<i>Redeemable preferred shares</i>				
AAR	<b>₱237,445</b>	₱221,196	<b>₱686,641</b>	₱662,030
UPC Solar	<b>26,215</b>	184,963	<b>333,629</b>	451,987
BIM Wind	<b>132,897</b>	105,380	<b>292,745</b>	296,404
BIMRE	<b>45,890</b>	44,740	<b>152,801</b>	131,640
IWIL	<b>56,961</b>	21,920	<b>144,820</b>	35,970
NEFIN	<b>49,889</b>	34,815	<b>137,253</b>	88,755
UPC Asia III	<b>213</b>	60,747	<b>67,993</b>	186,057
BIME	<b>8,016</b>	7,824	<b>23,727</b>	23,021
<i>Convertible loans</i>				
VWEL	<b>88,762</b>	42,763	<b>263,349</b>	193,110
Asian Wind 1	<b>30,450</b>	52,791	<b>85,984</b>	146,608
Asian Wind 2	<b>27,948</b>	50,916	<b>81,510</b>	141,005
	<b>₱704,686</b>	₱828,055	<b>₱2,270,452</b>	₱ 2,356,587

## 8. Property, Plant and Equipment

The Group invested significant capital expenditures related to the following projects amounting to ₱29,406.22 million and ₱28,034.53 million for the nine-month period ended September 30, 2024 and for the year ended December 31, 2023, respectively.

Development cost amounting to ₱5,305.76 million (US\$90.53 million) of New England Solar Farm 1 was reclassified as property, plant and equipment upon the project's commercial date of operations on May 1, 2024.

Project	Technology	Capacity (MW)	Location	% of Completion	
				September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
San Marcelino Solar (Phase 1 and 2)	Solar	385	Zambales, Philippines	100%*	98%
San Marcelino Solar (Phase 3)	Solar	200	Zambales, Philippines	5%	<1%
Cagayan North Solar (Phase 1)*	Solar	133	Lal-lo Cagayan, Philippines	100%*	98%
Pangasinan Solar	Solar	60	Pangasinan, Philippines	95%	60%
Palauig 2 Solar	Solar	300	Zambales, Philippines	72%	31%
Pagudpud Wind*	Solar	160	Ilocos Norte, Philippines	100%*	98%
New England Solar Farm 1	Solar	521	Uralla, New South Wales, Australia	100%*	98%
New England BESS	Battery	200	Uralla, New South Wales, Australia	5%	--
Stubbo Solar	Solar	520	Central Western Tablelands, New South Wales, Australia	85%	23%

\*Projects that are currently under testing and commissioning as of September 30, 2024

On March 19, 2024, AREIT and BCHC, among other parties, executed a Deed of Exchange, for the subscription by BCHC to AREIT shares in exchange for a 276-hectare parcel of land located in Zambales property. Total cost of land disposed during the transaction amounted to ₱500.76 million (see Note 20).

As at September 30, 2024 and 2023, unpaid property, plant and equipment acquisitions amounted to ₱762.07 million and ₱330.47 million, respectively.

Borrowing cost capitalized to property, plant, and equipment amounted to ₱2,027.54 million and ₱1,464.29 million for the nine-month period ended September 30, 2024 and 2023, respectively (see Note 19). The capitalization rate used to determine the borrowing cost eligible for capitalization is 5.32% and 6.27% in 2024 and 2023, respectively.

For the nine-month period ended September 30, 2024 and 2023, depreciation charged to operations amounted to ₱1,124.11 million, and ₱694.14 million, respectively. The amount charged to general and administrative expenses account amounted to ₱255.18 million and ₱189.03 million, respectively (see Notes 17 and 18).

The Group's property, plant, and equipment with carrying value of ₱5,804.16 million, and ₱6,156.59 million as at September 30, 2024 and 2023, respectively, were mortgaged as security for the long-term loans of the Group. There are no other property, plant, and equipment that are used to secure the borrowings of the Group (see Note 13).

## 9. Right-of-Use Assets and Lease Liabilities

The roll forward of these accounts follows:

	September 30, 2024 (Unaudited)					
	Right-of-Use Assets					Lease Liabilities
	Land and Easement Rights	Land and Power plants	Office Space and Parking Slots	Land and Office Building	Total	
As at January 1, 2024	<b>₱997,494</b>	<b>₱2,768,970</b>	<b>₱1,127,076</b>	<b>₱3,320,164</b>	<b>₱8,213,704</b>	<b>₱8,356,801</b>
New lease agreements (Note 20)	483,943	–	107,141	37,279	628,363	6,502,791
Amortization expense (Notes 17 and 18)	(8,027)	(58,118)	(147,023)	(29,062)	(242,230)	–
Remeasurement	(169)	50,907	–	29,790	80,528	56,528
Remeasurement due to lease modification	–	–	572,293	–	572,293	92,479
Interest expense (Note 19)	–	–	–	–	–	229,788
Capitalized interest (amortization)	(93,595)	41,134	(128,392)	(42,541)	(223,394)	157,482
Reclassifications	–	–	29,709	(29,709)	–	–
Acquired through business combination (Note 10)	–	–	102	–	102	–
Payments	–	–	–	–	–	(493,815)
Foreign exchange adjustments	–	–	209,035	–	209,035	99,520
As at September 30, 2024	<b>₱1,379,646</b>	<b>₱2,802,893</b>	<b>₱1,769,941</b>	<b>₱3,285,921</b>	<b>₱9,238,401</b>	<b>₱15,001,574</b>
Less current portion	–	–	–	–	–	1,540,750
Noncurrent portion	<b>₱1,379,646</b>	<b>₱2,802,893</b>	<b>₱1,769,941</b>	<b>₱3,285,921</b>	<b>₱9,238,401</b>	<b>₱13,460,824</b>

	December 31, 2023 (Audited)					
	Right-of-Use Assets					Lease Liabilities
	Land and Easement Rights	Land and Power plants	Office Space and Parking Slots	Land and Office Building	Total	
As at January 1, 2023	₱159,478	₱1,966,849	₱921,258	₱679,062	₱3,726,647	₱4,465,021
New lease agreements	856,214	535,823	381,739	2,357,117	4,130,893	3,913,668
Amortization expense (Notes 17 and 18)	(11,150)	(101,735)	(143,415)	(51,684)	(307,984)	–
Remeasurement	19	376,324	(4,685)	337,924	709,582	384,807
Reclassifications	10,573	–	–	(10,573)	–	–
Interest expense (Note 19)	–	–	–	–	–	250,092
Capitalized interest (amortization)	(17,640)	(8,291)	(27,446)	(66,521)	(119,898)	208,695
Payments	–	–	–	–	–	(773,325)
Foreign exchange adjustments	–	–	(375)	74,839	74,464	(92,157)
As at December 31, 2023	<b>₱997,494</b>	<b>₱2,768,970</b>	<b>₱1,127,076</b>	<b>₱3,320,164</b>	<b>₱8,213,704</b>	<b>₱8,356,801</b>
Less current portion	–	–	–	–	–	850,953
Noncurrent portion	<b>₱997,494</b>	<b>₱2,768,970</b>	<b>₱1,127,076</b>	<b>₱3,320,164</b>	<b>₱8,213,704</b>	<b>₱7,505,848</b>

There was no indicator of impairment identified on the right-of-use asset of the Group as at September 30, 2024 and December 31, 2023.



## 10. Goodwill and Other Intangible Assets

The rollforward of this account follows:

	September 30, 2024 (Unaudited)				
	Goodwill	Deferred Exploration Costs	Leasehold and Water Rights	Other Intangible Assets	Total
Cost:					
Balance at beginning of period	<b>₱21,164,218</b>	<b>₱140,411</b>	<b>₱185,347</b>	<b>₱2,387,064</b>	<b>₱23,877,040</b>
Acquired from business combination	<b>1,375,051</b>	–	–	–	<b>1,375,051</b>
Additions/Cash calls	–	–	–	<b>115,583</b>	<b>115,583</b>
Translation adjustment	<b>245,289</b>	–	–	–	<b>245,289</b>
Balance at end of period	<b>22,784,558</b>	<b>140,411</b>	<b>185,347</b>	<b>2,502,647</b>	<b>25,612,963</b>
Accumulated amortization:					
Balance at beginning of period	₱–	₱–	<b>₱56,997</b>	<b>₱568,614</b>	<b>₱625,611</b>
Amortization (Notes 17 and 18)	–	–	<b>6,260</b>	<b>113,394</b>	<b>119,654</b>
Balance at end of period	–	–	<b>63,257</b>	<b>682,008</b>	<b>745,265</b>
Allowance for impairment:					
Balance at beginning and end of period	–	<b>86,061</b>	–	–	<b>86,061</b>
Net book value	<b>₱22,784,558</b>	<b>₱54,350</b>	<b>₱122,090</b>	<b>₱1,820,639</b>	<b>₱24,781,637</b>

	December 31, 2023 (Audited)				
	Goodwill	Deferred Exploration Costs	Leasehold and Water Rights	Other Intangible Assets	Total
Cost:					
Balance at beginning of year	₱21,190,542	₱143,212	₱185,347	₱2,301,466	₱23,820,567
Additions/Cash calls	–	55	–	85,598	85,653
Acquired from business combination	218,201	–	–	–	218,201
Recoveries from consortium partner	–	(2,856)	–	–	(2,856)
Cumulative translation adjustment	(244,525)	–	–	–	(244,525)
Balance at end of year	21,164,218	140,411	185,347	2,387,064	23,877,040
Accumulated amortization:					
Balance at beginning of year	₱–	₱–	₱48,877	₱416,886	₱465,763
Amortization (Notes 17 and 18)	–	–	8,120	151,728	159,848
Balance at end of year	–	–	56,997	568,614	625,611
Allowance for impairment:					
Balance at beginning and end of year	–	86,061	–	–	86,061
Net book value	₱21,164,218	₱54,350	₱128,350	₱1,818,450	₱23,165,368

### *Investment in Real Wind Energy, Inc. (RWEI)*

On March 22, 2024, ACEN signed a Deed of Absolute Sale of Shares with Modern Energy Management Pte. Ltd. (“MEM”), as the seller, for the acquisition by ACEN of 4,000 secondary Common Shares representing 40% ownership in RWEI and Loan Assignment Agreements for the assignment of MEM’s receivables from RWEI. The total cost of the transaction is ₱568.72 million (US\$10.00 million) which is comprised of the acquisition cost for the shares amounting to US\$8.76 million and assigned receivables of US\$1.24 million. This is classified as an investment in joint venture since the fundamental business and operational matters require unanimous consent from all parties.

On August 1, 2024, ACEN signed a Deed of Absolute Sale of Shares with Maraj Energy and Development Corp. (“Maraj”), as the seller, for the acquisition by ACEN of 6,000 secondary Common Shares representing the remaining 60% ownership in RWEI. The total transaction cost is ₱741.98 million which is comprised of the acquisition cost for the shares amounting to ₱31.98 million (of which ₱30.00 million remains unpaid as of September 30, 2024) and ₱710.00 million earnout.

As a result, the Group acquired control over RWEI.

The fair value of the identifiable assets and liabilities, net of eliminations, at August 1, 2024 acquisition date were:

<b>Assets</b>	
Cash and cash equivalents	₱901
Input value added tax (VAT)	2,362
Other current assets	1
Property, plant and equipment	10,118
Right-of-use assets (Note 9)	102
Accounts and notes receivable – net of current portion	60
Deferred income tax assets - net	3,830
Other noncurrent assets	10,686
	28,060
<b>Liabilities</b>	
Accounts payable and other current liabilities	31,314
Income and withholding taxes payable	5,447
Noncurrent portion of long-term loans (see Note 13)	55,428
Other noncurrent liabilities	219
	92,408
Total identifiable net liabilities	(64,348)
Less cost of acquisition	741,984
Fair value of previously held interest (see Note 6)	568,719
Goodwill arising on acquisition (see Note 10)	₱1,375,051

RWEI is a special purpose vehicle for the development and operation of a 500MW wind energy project located in Real, Quezon. The RWEI project is strategically located close to another ACEN wind project spanning Laguna and Quezon. This new acquisition presents opportunities for synergies through the joint use of logistical routes, transmission lines, and substation infrastructure.

The cost of the business combination is made up as follows:

Cash consideration	₱31,984
Earnout consideration	710,000
Fair value of equity interest in RWEI before business combination	568,719
Total consideration	₱1,310,703

As of September 30, 2024, ₱30.00 million of acquisition cost remains unpaid and this is payable upon release of Certificate Authorizing Registration which is expected within the next 12 months from September 30, 2024 (this is presented under “Accounts payable and other current liabilities” in the consolidated statements of financial position). The earnout remains unpaid and is payable upon achievement of certain milestones which is beyond 12 months from September 30, 2024 (this is presented under “Other noncurrent liabilities” in the consolidated statements of financial position).

Net cash outflow on acquisition is as follows:

Total cash consideration paid in cash	P570,703
Less cash acquired with the subsidiary <sup>(a)</sup>	(901)
<b>Net cash outflow</b>	<b>P569,802</b>

<sup>(a)</sup>Cash acquired with the subsidiary is included in cash flows from investing activities.

If the acquisition had taken place at the beginning of 2024, revenue reduction for the nine-month period ended September 30, 2024, would have been nil and the additional contribution to the net loss attributable to ACEN would have amounted to P35.15 million.

Initial accounting for the acquisition of RWEI has only been provisionally determined as the acquisition occurred close to the end of the reporting period. At the date of finalization of these consolidated financial statements, the necessary market valuations and other calculations have not been finalized and they have therefore only been provisionally determined based on the management's best estimate of the likely values.

## 11. Other Assets

### Other current assets

This account consists of:

	<b>September 30, 2024 (Unaudited)</b>	December 31, 2023 (Audited)
Prepaid expenses	<b>P476,968</b>	P340,170
Advances to contractors	<b>322,282</b>	262,358
Derivative asset	<b>16,425</b>	177,828
Other current assets	<b>112,482</b>	2,703
	<b>928,157</b>	783,059
Less allowance for impairment loss (Note 18)	<b>34,555</b>	32,566
	<b>P893,602</b>	<b>P750,493</b>

### Other noncurrent assets

This account consists of:

	<b>September 30, 2024 (Unaudited)</b>	December 31, 2023 (Audited)
Derivative assets (Notes 14 and 24)	<b>P5,123,379</b>	P6,269,689
Advances to suppliers	<b>2,845,341</b>	1,649,900
Advances for land acquisition	<b>1,564,184</b>	1,247,725
Development costs	<b>524,865</b>	3,649,457
Others	<b>424,493</b>	321,480
	<b>P10,482,262</b>	<b>P13,138,251</b>

Derivative assets include the 20-year Long Term Energy Supply Agreements (LTESA) secured by ACEN Australia for its solar projects at the New South Wales (NSW) Government's first renewable energy and storage auction. LTESAs for ACEN Australia's 720 MW (936 MWdc) New England Solar Project (NESF 1 and NESF 2) and 400 MW (520 MWdc) Stubbo Solar Project (Stubbo) were secured through the NSW Consumer Trustee's inaugural tender for renewable generation and long duration storage.

LTESA gives the generator the right, but not the obligation, to enter into a strip of two-year electricity swap contracts from July 1, 2026 to June 30, 2047 (referred to as "Swaptions"). If a Swaption is exercised the swap would settle based on the difference between the LTESA fixed price (subject to annual CPI escalation) and the Australia's National Electricity Market (NEM) spot rate for each MWh of energy produced. The generator receives spot from Australian Energy Market Operator (AEMO), then pays spot to the Scheme Financial Vehicle (SFV) and receives fixed from SFV.

The LTESA contract comprises of a series of ten consecutive swaptions that would deliver a two-year swap if exercised. Each swaption must be exercised in the period of 6-12 months to the swap effective date. If none of the swaptions are exercised then no cash is exchanged between the SFV and the generator over the life of the arrangement, and the claw back mechanism will come into effect. If SFV has been the net payer under the LTESA; and dispatch weighted average price is above its repayment threshold price per contract, then NESF or Stubbo must pay SFV the repayment amount. The repayment money is capped at the amount previously received by NESF or Stubbo during the swaption.

Maturity date of LTESA for NESF and Stubbo is on June 30, 2046 and June 30, 2047, respectively.

Development costs include expenditures related to the development phase of renewable power plant projects. These include direct expenses that will be reclassified as part of property, plant and equipment upon achievement of certain milestones (e.g. start of construction). These costs are not depreciated or amortized until such time as the relevant assets are completed and available for use. Development cost amounting to ₱5,305.76 million (US\$90.53 million) relating to New England Solar Farm 1 was reclassified to property, plant, and equipment upon commercial operations on May 1, 2024.

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## 12. Accounts Payable and Other Current Liabilities

This account consists of:

	<b>September 30, 2024 (Unaudited)</b>	December 31, 2023 (Audited)
Nontrade payables	<b>₱5,930,618</b>	₱4,285,756
Accrued expenses	<b>3,461,498</b>	2,782,479
Due to related parties (Note 22)	<b>2,534,789</b>	3,195,376
Trade payables	<b>2,573,964</b>	3,095,742
Output VAT – net	<b>1,024,965</b>	1,294,739
Accrued interest expenses	<b>777,416</b>	853,578
Retention payable	<b>475,979</b>	388,404
Accrued director's and annual incentives	<b>265,400</b>	191,792
Derivative liability (Note 25)	<b>229,329</b>	10,563
Others	<b>93,588</b>	46,957
	<b>₱17,367,546</b>	₱16,145,386

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

This account consists of:

	<b>September 30, 2024 (Unaudited)</b>	December 31, 2023 (Audited)
As at beginning of period	<b>₱1,500,000</b>	₱2,900,000
Availments	<b>18,250,000</b>	9,000,000
Payments	<b>(12,100,000)</b>	(10,400,000)
As at end of period	<b>₱7,650,000</b>	₱1,500,000

Interest rates of short-term loans from local banks ranges from 5.90% to 6.38% and 5.52% to 6.50% in September 30, 2024 and December 31, 2023, respectively.

Total interest expense recognized on short-term loans amounted to ₱135.23 million and ₱149.02 million for the nine-month period ended September 30, 2024 and 2023 (see Note 19).

Long-term Loans

This account consists of:

Facility	Loan Availed	Date of Availment	Maturity	Interest Rate	Payment Terms	Covenants / Collateral	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
<b>ACEN</b>								
₱1,500.00 million Loan A	₱1,175.00 million	January 11, 2017	July 11, 2029	6.50% per annum	Principal and interest payable semi-annual	Maximum net DE ratio of 3.0x*  Based on ACEN consolidated year-end balances.  Tested semi-annual  *On August 24, 2022, lender approved amendment to financial covenants. Previously, covenant included minimum DSCR 1.00x; maximum DE ratio of 1.50x; and minimum current ratio of 1.00x. These changes were formalized in the Amended and Restated Term Loan Agreement executed subsequently on January 29, 2024.	<b>₱515,827</b>	₱611,313
₱5,000.00 million Loan B	₱5,000.00 million	November 15, 2019	November 14, 2029	5.0505% per annum for the first 5 years; repricing for the succeeding five (5) years is the average of the 5-year BVAL, three (3) days prior to repricing date, plus an agreed margin, with the sum divided by 0.95	Principal and interest payable semi-annual	Maximum net DE ratio of 3.0x  Based on ACEN consolidated year-end balances.  Tested semi-annual	<b>4,763,158</b>	4,789,473

Facility	Loan Availed	Date of Availment	Maturity	Interest Rate	Payment Terms	Covenants / Collateral	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
₱7,000.00 million Loan C	₱500.00 million	July 15, 2020	July 15, 2030	5.00%-7.1720% per annum; repricing for the 3 <sup>rd</sup> , 4 <sup>th</sup> , 6 <sup>th</sup> , and 7 <sup>th</sup> anniversaries of the initial drawdown is the Final BVAL, one (1) banking day prior to repricing date, plus an agreed margin	Principal and interest payable semi-annual	Maximum net DE ratio of 3.0x  Based on ACEN consolidated year-end balances.  Tested semi-annual	<b>₱6,823,000</b>	₱6,907,000
	₱1,000.00 million	August 24, 2020	July 15, 2030					
	₱1,000.00 million	June 10, 2022	July 15, 2030					
	₱2,000.00 million	November 15, 2022	July 15, 2030					
	₱2,500.00 million	January 13, 2023	July 15, 2030					

Facility	Loan Availed	Date of Availment	Maturity	Interest Rate	Payment Terms	Covenants / Collateral	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
₱4,500.00 million Loan D	₱805.00 million  ₱2,000.00 million  ₱1,695.00 million	March 30, 2021  February 28, 2022  April 11, 2022	March 30, 2031  March 30, 2031  March 30, 2031	7.0000% per annum  Floating interest rate repriced on every succeeding semi-annual period. Can be converted to fixed up to the 2 <sup>nd</sup> anniversary of initial drawdown.	Principal and interest payable semi-annual	Maximum net DE ratio of 3.0x  Based on ACEN consolidated year-end balances.  Tested semi-annual	<b>₱4,432,500</b>	₱4,477,500
₱10,000.00 million Loan E	₱3,000.00 million  ₱3,000.00 million	December 13, 2022  January 27, 2023	December 13, 2032  December 13, 2032	6.9698% per annum  Floating interest rate repriced on every succeeding semi-annual period. Can be converted to fixed up to the 1 <sup>st</sup> anniversary of initial drawdown.	Principal and interest payable semi-annual	Maximum net DE ratio of 3.0x  Based on ACEN consolidated year-end balances.  Tested semi-annual	<b>6,000,000</b>	6,000,000
₱10,000.00 million Loan F	₱250.00 million	August 17, 2023	August 17, 2033	7.0891% per annum for the first 2 years; repricing for the 2 <sup>nd</sup> , 4 <sup>th</sup> , 6 <sup>th</sup> , and 8 <sup>th</sup> anniversaries is the Final BVAL, one (1) banking day prior to repricing date, plus an agreed margin	Principal and interest payable semi-annual	Maximum net DE ratio of 3.0x  Based on the ACEN consolidated year-end balances.  Tested semi-annual	<b>244,750</b>	250,000
₱5,000.00 million Loan G	₱500.00 million	October 24, 2023	October 24, 2033	6.50%-6.37% per annum  Floating interest rate repriced on every succeeding quarterly period. Can be converted to fixed up to 12 months from initial drawdown.	Principal and interest payable quarterly	Maximum net DE ratio of 3.0x  Based on the ACEN consolidated year-end balances.  Tested semi-annual	<b>₱3,566,093</b>	₱500,000



Facility	Loan Availed	Date of Availment	Maturity	Interest Rate	Payment Terms	Covenants / Collateral	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
	₱3,200.00 million	August 6, 2024	July 24, 2029	Floating interest rate with USDPHP Cross-currency Swap amounting to USD 54,857,456.33 (based on USDPHP 58.333 and 5.128% per annum).				
₱20,000.00 million Loan H	₱500.00 million  ₱500.00 million	December 22, 2023  September 11, 2024	December 22, 2033  December 22, 2033	6.3859% per annum  Floating interest rate can be converted to fixed up to 12 months from initial drawdown.	Principal and interest payable quarterly	Maximum net DE ratio of 3.0x  Based on the ACEN consolidated year-end balances.  Tested semi-annual	<b>1,000,000</b>	500,000
<b>NorthWind</b>								
₱2,300.00 million Loan	₱2,300.00 million	May 29, 2020	May 29, 2032	Fixed at a rate of 5.1250% for ten (10) years to be repriced after the 10 <sup>th</sup> anniversary at a rate equivalent to (a) the 2-year base fixed rate plus an agreed spread	Principal and interest payable semi-annual	Minimum historical DSCR of 1.05 times  Based on the stand-alone balances of the borrower.  Tested semi-annually.	<b>1,694,640</b>	1,777,670
<b>Guimaras Wind</b>								
₱4,300.00 million Loan	₱4,300.00 million	February 14, 2014	February 14, 2029	6.8421%-8.1665% fixed rate	Principal and interest payable semi-annual	Minimum DSCR of 1.2x, a maximum Debt to equity ratio of 70:30.  Based on the stand-alone balances of the borrower.  Tested semi-annually.	<b>820,392</b>	987,746

Facility	Loan Availed	Date of Availment	Maturity	Interest Rate	Payment Terms	Covenants / Collateral	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
<b>Monte Solar Energy, Inc. ("MONTESOL")</b>								
₱600.00 million Loan	₱600.00 million	September 20, 2023	September 20, 2035	Fixed at a rate of 7.1542% for two (2) years to be repriced one business day prior to the 2 <sup>nd</sup> and 7 <sup>th</sup> anniversary of the initial drawdown date at a rate equivalent to (a) the 5-year Base Rate-Fixed plus an agreed spread, divided by the Interest Premium Factor, or (b) five hundred seventy-five basis points (5.50%), divided by the Interest Premium Factor, whichever is higher	Principal and interest payable semi-annual	Minimum historical DSCR of 1.05 times Distribution DSCR of 1.2 times.  Based on the standalone balances of the Borrower.  Tested semi-annually.	<b>₱549,996</b>	₱600,000
<b>San Carlos Solar Energy Inc. ("SACASOL")</b>								
₱1,400.00 million Loan	₱1,400.00 million Loan	May 22, 2024	May 22, 2034	Floating at a rate of 7.0707% for three (3) months to be repriced one banking day prior to the first day of each interest period at a rate equivalent to (a) the three (3)-day average of the three (3)-month PHP BVAL Reference Rate plus Margin, or (b) the BSP Overnight Lending Facility per annum plus twenty-five basis points (0.25%) per annum, in each case divided by the Interest Premium Factor, whichever is higher	Principal and interest payable quarterly	<ul style="list-style-type: none"> <li>On each calculation date, maintain a Debt Service Coverage Ratio of at least 1.10x</li> <li>From initial borrowing date, maintain a Net Debt to Equity Ratio of a maximum of 70:30</li> <li>From initial borrowing date, maintain a Dividend DSCR of at least 1.20x, based on standalone balances of the borrower.</li> </ul> Tested semi-annually.	<b>1,365,000</b>	—

Facility	Loan Availed	Date of Availment	Maturity	Interest Rate	Payment Terms	Covenants / Collateral	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
<b>ACEN International, Inc. (ACEN International)*</b>								
₱7,000.00 million Loan	₱198.00 million	January 22, 2024	January 31, 2031	6.8502%-7.4635% per annum; repricing for the 36th month at a rate of whichever is higher of (i) moving average of the 4-year BVAL plus margin divided by 0.95; and (ii) 3.25% per annum divided by 0.95.	Principal and interest payable semi-annual	Maximum net DE ratio of 3.0x  Based on ACEN International consolidated year-end balances.  Tested semi-annual	<b>2,066,274</b>	-
	₱285.00 million	February 16, 2024	January 31, 2031					
	₱164.47 million	April 24, 2024	January 31, 2031					
	₱1,209.00 million	June 21, 2024	January 31, 2031					
	₱22.00 million	July 19, 2024	January 31, 2031					
	₱187.80 million	September 17, 2024	January 31, 2031					
<b>ACEN Renewables International Pte. Ltd (ACRI)</b>								
AU\$75.00 million	AU\$12.00 million	April 17, 2024	December 7, 2028	5.8661%-5.8961% per annum	Interest is payable quarterly from date of availment; Principal is bullet payment on maturity date	Net DE Ratio of 3.00:1.00. Based on ACRI consolidated Net debt and Total Equity expressed in Singaporean Dollars.  Quarterly, together with financial statements.	<b>2,614,423</b>	-
	AU\$34.00 million	June 18, 2024	December 7, 2028					
	AU\$21.5 million	September 16, 2024	December 7, 2028					

Facility	Loan Availed	Date of Availment	Maturity	Interest Rate	Payment Terms	Covenants / Collateral	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
\$150.00 million	\$25.00 million	September 16, 2024	April 15, 2029	Floating at rate of 6.53% per annum; with Interest Rate Swap ("IRS") fixed at 5.074% (weighted average of multiple IRS placements) until maturity	Interest is payable quarterly from date of availment;  Principal amortization is payable every 6 months after the grace period.	No more than 3x Net DE ratio  Tested semi-annual	<b>1,400,750</b>	–
\$100.00 million	\$20.00 million	September 23, 2024	December 07, 2028	Floating at rate of 6.49% per annum; with Interest Rate Swap ("IRS") fixed at 5.040% until maturity	Interest is payable quarterly from date of availment; Principal is bullet payment on maturity date	Net Debt to Total Equity does not exceed 3.00:1.00  Quarterly, together with financial statements.	<b>1,120,600</b>	–
<b>ACEN Cayman Limited</b>								
\$140.00 million Loan	\$140.00 million	January 23, 2024	January 23, 2027	5.3980% per annum	Principal payable on maturity date; interest payable quarterly	Maximum net DE ratio of 3.0x  Based on ACEN consolidated year-end balances.  Tested semi-annual	<b>7,844,200</b>	–
\$180.00 million Loan	\$180.00 million	January 19, 2024	January 19, 2029	5.3060% per annum	Principal and interest payable semi-annual	Maximum net DE ratio of 3.0x  Based on ACEN consolidated year-end balances.  Tested semi-annual	<b>9,984,546</b>	–

Facility	Loan Availed	Date of Availment	Maturity	Interest Rate	Payment Terms	Covenants / Collateral	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
ACEN Australia Pty Ltd. ("ACEN Australia")								
AU\$100 million Loan	AU\$34.54 million	August 18, 2022	August 18, 2027	5.2494%-6.2375% per annum	3 or 6 months with automatic rollover but not to exceed the maturity date	Net DE Ratio of 3.0x. Based on the ACEN CORPORATION consolidated year-end balances.  Tangible Net worth of AU\$150 million at ACEN Australia Pty Ltd level.  Semi annually, together with financial statements.	<b>2,610,225</b>	1,646,345
	AU\$0.344 million	February 21, 2023	August 18, 2027					
	AU\$9.00 million	April 12, 2023	August 18, 2027					
	AU\$0.504 million	May 22, 2023	August 18, 2027					
	AU\$23.00 million	January 22, 2024	August 18, 2027					
AU\$140 million Loan	AU\$28.36 million	September 16, 2022	September 16, 2027	4.8683%-6.0704% per annum	Principal Repayment on Termination Date. Interest payments 3 or 6 months, or any other period greater than 1 month agreed with Lender.	Net DE Ratio of 3.0x. Based on the ACEN CORPORATION consolidated year-end balances.  Tangible Net worth of AU\$150 million at ACEN Australia Pty Ltd level.  Semi annually, together with financial statements.	<b>5,422,508</b>	2,810,380
	AU\$11.00 million	January 23, 2023	September 16, 2027					
	AU\$14.42 million	March 16, 2023	September 16, 2027					
	AU\$5.00 million	May 18, 2023	September 16, 2027					
	AU\$2.00 million	June 20, 2023	September 16, 2027					
	AU\$15.00 million	September 4, 2023	September 16, 2027					
	AU\$23.00 million	February 21, 2024	September 16, 2027					

Facility	Loan Availed	Date of Availment	Maturity	Interest Rate	Payment Terms	Covenants / Collateral	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
	AU\$ 18.20 million	April 18, 2024	September 16, 2027					
	AU\$21.50 million	May 20, 2024	September 16, 2027					
	AU\$1.52 million	July 15, 2024	September 16, 2027					
AU\$75.00 million Loan	AU\$0.38 million	October 27, 2022	October 28, 2027	6.4275% per annum	Principal Repayment on Termination Date. Interest payments 6 months, or any other period greater than 1 month as agreed with Lender.	Net DE Ratio of 3.0x. Based on the ACEN CORPORATION consolidated year-end balances.  Tangible Net worth of AU\$150 million at ACEN Australia Pty Ltd level.  Semi annually, together with financial statements.	<b>2,594,089</b>	1,571,556
	AU\$5.00 million	May 18, 2023	October 28, 2027					
	AU\$7.00 million	August 18, 2023	October 28, 2027					
	AU\$15.00 million	September 19, 2023	October 28, 2027					
	AU\$15.00 million	November 20, 2023	October 28, 2027					
	AU\$24.60 million	April 18, 2024	October 28, 2027					
AU\$204.54 million Loan	AU\$157.78 million	February 11, 2021	December 22, 2025	2.903% per annum	Principal Repayment based on agreed schedule. Interest payments 3 or 6 months or any such shorter period agreed.	Default DSCR Ratio of 1.15x, 12 months backward and forward looking.  Secured by Property  Based on the ACEN consolidated year-end balances.	<b>7,160,581</b>	7,560,254
	AU\$6.125 million	January 23, 2023	December 22, 2025					
	AU\$0.699 million	February 22, 2023	December 22, 2025					

Facility	Loan Availed	Date of Availment	Maturity	Interest Rate	Payment Terms	Covenants / Collateral	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
	AU\$6.00 million	March 16, 2023	December 22, 2025			Tested quarterly after conversion to operation term facility.		
	AU\$0.610 million	March 22, 2023	December 22, 2025					
	AU\$18.00 million	April 24, 2023	December 22, 2025					
	AU\$2.50 million	May 18, 2023	December 22, 2025					
	AU\$2.406 million	June 22, 2023	December 22, 2025					
	AU\$5.00 million	September 4, 2023	December 22, 2025					
	AU\$2.844 million	September 22, 2023	December 22, 2025					
	AU\$0.953 million	October 23, 2023	December 22, 2025					
	AU\$0.931 million	November 22, 2023	December 22, 2025					
AU\$277.00 million Loan	AU\$2.64 million	January 11, 2023	January 6, 2028	5.0350%-6.3025% per annum	Principal Repayment on Termination Date. Interest periods may be selected from one, 3 or 6 months. Or any other period greater	Net DE Ratio of 3.0x. Based on the ACEN CORPORATION consolidated year-end balances.  Tangible Net worth of AU\$150 million at ACEN Australia Pty Ltd level.  Semi annually, together with financial statements.	<b>8,525,767</b>	4,950,760
	AU\$70.00 million	February 3, 2023	January 6, 2028					
	AU\$0.86 million	May 3, 2023	January 6, 2028					

Facility	Loan Availed	Date of Availment	Maturity	Interest Rate	Payment Terms	Covenants / Collateral	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
	AU\$10.00 million	June 20, 2023	January 6, 2028		than one month as agreed.			
	AU\$20.00 million	October 26, 2023	January 6, 2028					
	AU\$30.00 million	December 20, 2023	January 6, 2028					
	AU\$23.00 million	March 20, 2024	January 6, 2028					
	AU\$29.50 million	June 20, 2024	January 6, 2028					
	AU\$10 million	July 15, 2024	January 6, 2028					
	AU\$13 million	September 30, 2024	January 6, 2028					
	AU\$7.75 million	September 16, 2024	January 6, 2028					
	AU\$0.7 million	September 16, 2024	January 6, 2028					
	AU\$2.68 million	September 16, 2024	January 6, 2028					



Facility	Loan Availed	Date of Availment	Maturity	Interest Rate	Payment Terms	Covenants / Collateral	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
AU\$75.00 million	AU\$0.30 million	February 26, 2024	February 26, 2028	6.0525%-6.1849% per annum	Borrower shall repay loan in full on the termination date. Interest periods may be selected from one, 3 or 6 months. Or any other period greater than one month as agreed.	Net DE Ratio of 3.0x. Based on the ACEN CORPORATION consolidated year-end balances.  Tangible Net worth of AU\$150 million at ACEN Australia Pty Ltd level.  Semi annually, together with financial statements.	263,379	-
	AU\$5.0 million	April 03, 2024	February 26, 2028					
	AU\$1.5 million	June 20, 2024	February 26, 2028					
AU\$75.00 million	AU\$0.45 million	February 26, 2024	February 26, 2028	6.0463%-6.1849% per annum	Borrower shall repay loan in full on the termination date. Interest periods may be selected from one, 3 or 6 months. Or any other period greater than one month as agreed.	Net DE Ratio of 3.0x. Based on the ACEN CORPORATION consolidated year-end balances.  Tangible Net worth of AU\$150 million at ACEN Australia Pty Ltd level.  Semi annually, together with financial statements.	269,189	-
	AU\$5.0 million	April 03, 2024	February 26, 2028					
	AU\$1.5 million	June 20, 2024	February 26, 2028					
	AU\$6.95 million	August 29, 2024	February 26, 2028					
Totals							<b>₹83,651,887</b>	₹45,939,997
Less unamortized debt issue cost							<b>440,056</b>	165,320
							<b>83,211,831</b>	45,774,677
Less current portion							<b>1,370,115</b>	1,289,104
Long-term loans, net of current portion							<b>₹81,841,716</b>	₹44,485,573

The roll forward of this account follows:

	<b>September 30, 2024</b>	December 31, 2023
	<b>(Unaudited)</b>	(Audited)
As at beginning of period	<b>₱45,939,997</b>	₱28,905,691
Availment	<b>38,788,668</b>	17,586,442
Payment	<b>(1,516,642)</b>	(541,690)
Foreign exchange adjustment	<b>(133,908)</b>	–
Assumed through business combination (Note 10)	<b>55,428</b>	–
Cumulative translation adjustments	<b>518,344</b>	(10,446)
	<b>83,651,887</b>	45,939,997
Less unamortized debt issue cost	<b>440,056</b>	165,320
As at end of period	<b>₱83,211,831</b>	₱45,774,677

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

	<b>September 30, 2024</b>	December 31, 2023
	<b>(Unaudited)</b>	(Audited)
As at beginning of period	<b>₱165,320</b>	₱134,403
Additions	<b>324,053</b>	55,125
Amortization/accretion (Note 19)	<b>(49,317)</b>	(24,208)
As at end of period	<b>₱440,056</b>	₱165,320

#### SACASOL

On May 17, 2024, the Company entered into an Omnibus Loan and Security Agreement (“OLSA”) with a local bank for a long-term loan facility of up to ₱1,400.00 million. The proceeds of the loan shall be used for (i) general corporate funding requirements and (ii) for upstreaming to SACASOL’s shareholders through payment of dividends, advances, and/or preferred share redemption. The loan shall be repaid in 40 straight-line quarterly amortizations. The interest rate is floating at a rate of 7.3232% for three (3) months to be repriced one banking day prior to the first day of each interest period at a rate equivalent to (a) the three (3)-day average of the three (3)-month PHP BVAL Reference Rate plus Margin, or (b) the BSP Overnight Lending Facility per annum plus twenty-five basis points (0.25%) per annum, in each case divided by the Interest Premium Factor, whichever is higher.

The Omnibus Loan and Security Agreement includes a prepayment clause that allows SACASOL to make voluntary prepayments, whether in full or in part, commencing at the end of the second (2nd) year from initial advance date (May 22, 2024) and on any interest payment date thereafter, together with accrued interest thereon up to and including the date immediately preceding the date of prepayment, subject to the payment of applicable prepayment penalty, at least 30 days prior written notice to the lender, and in multiples of ₱50.00 million.

The long-term loan facility is guaranteed by ACEN.

SACASOL's compliance with the debt covenants is assessed semi-annually and will start on June 30, 2025. SACASOL shall maintain a DSCR of at least 1.10x, Net Debt to Equity Ratio of a maximum of 70:30, and Dividend DSCR of at least 1.20x.

ACEN

On October 13, 2023, ACEN signed a ₱5,000.00 million term loan agreement with a local bank. A subsequent amendment was done to allow the facility to be used for working capital. Further, a second amendment was made on August 5, 2024 to allow for the facility to be drawn in US Dollars, Sterling and Euros.

On August 6, 2024, ACEN drew an equivalent of ₱3,200.00 million with USD notional value of US\$54.86 million. Maturity date is on July 24, 2029. This was used to refinance the ₱3,200.00 million short-term loan that matured on August 6, 2024.

On August 1, 2024, ACEN entered into a forward-starting cross-currency swap which has an effective date of August 6, 2024 to hedge the USD loan exposure. Under the cross-currency swap, ACEN pays notional amount of ₱3,200.00 million at a fixed PHP interest rate.

Total interest expense and other financing charges recognized on long-term loans amounted to ₱2,338.17 million and ₱1,158.23 million for the nine-month period ended September 30, 2024 and 2023, respectively (see Note 19).

*Compliance with covenants*

Except for the long-term loans drawn during the year with the covenant to be tested using year end balances (i.e., December 31, 2024 balances), the Group has complied with the covenants required by the long-term loans payable as at September 30, 2024, and December 31, 2023.

As disclosed in Note 8, certain property, plant, and equipment are used as collateral to long-term loans.

Notes payable

The roll forward of this account follows:

	<b>September 30, 2024 (Unaudited)</b>	December 31, 2023 (Audited)
Principal		
Balance at beginning and end of period	<b>₱30,383,600</b>	₱30,383,600
Debt issue cost		
Balance at beginning of period	<b>134,704</b>	198,773
Amortization (Note 19)	<b>(18,342)</b>	(64,069)
Balance at end of period	<b>116,362</b>	134,704
Cumulative translation adjustment	<b>2,047,401</b>	1,754,898
	<b>₱32,314,639</b>	₱32,003,794

For the nine-months period ended September 30, 2024 and 2023, total interest expense and other financing charges recognized on the US dollar Green Bonds amounted to US\$12.48 million (₱711.77 million) and US\$12.66 million (₱702.51 million), respectively.

For the nine-months ended September 30, 2024 and 2023, total interest expense and other financing charges recognized on the Peso Green Bonds amounted to ₱452.28 million and ₱452.12 million, respectively (see Note 19).

The prepayment option on all long-term loans were assessed to be embedded that is clearly and closely related to the host contract, therefore, not required to be bifurcated.

*Compliance with covenants*

The Group has complied with the covenants required by the notes payable as at September 30, 2024, and December 31, 2023.

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**14. Other Noncurrent Liabilities**

This account consists of:

	<b>September 30, 2024 (Unaudited)</b>	December 31, 2023 (Audited)
Unearned revenues (Note 11)	<b>₱5,515,379</b>	₱5,184,182
Asset retirement obligations	<b>1,302,088</b>	757,245
Nontrade payable	<b>712,121</b>	133,351
Derivative liability	<b>286,082</b>	12,437
Provision for Employee Benefits / long service leave	<b>177,690</b>	39,694
Contract liabilities	<b>59,031</b>	60,609
Deposit payable	<b>44,442</b>	65,016
Retention payable	<b>21,302</b>	6,932
Others	<b>32,996</b>	84,538
	<b>₱8,151,131</b>	₱6,344,004

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**15. Equity**

Capital Stock

This account consists of:

Class of share	Common	Redeemable Preferred	Total
Authorized shares	48,300,000,000	100,000,000	48,400,000,000
Par value	₱1	₱1	₱1
<b>Balances at December 31, 2022</b>	<b>39,691,894,773</b>	-	<b>39,691,894,773</b>
Issuance of new shares	-	25,000,000	25,000,000
<b>Balances at December 31, 2023 and September 30, 2024</b>	<b>39,691,894,773</b>	<b>25,000,000</b>	<b>39,716,894,773</b>

The issued and outstanding shares are held by a number of equity holders below:

	<b>September 30, 2024</b>
Common shares	<b>4,470</b>
Redeemable preferred shares	<b>10</b>

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

Year Approval	No. of shares Registered	No. of shares Issued	Par Value
Prior to 2005*	1,000,000,000	**840,601,987	₱0.01/1.00
2005	1,000,000,000	264,454,741	1.00
2007	–	552,528,364	1.00
2008	–	4,713,558	1.00
2009	–	304,419	1.00
2010	–	2,022,535	1.00
2011	2,200,000,000	1,165,237,923	1.00
2012	4,200,000,000	2,027,395,343	₱1.00
2013	–	6,603,887	1.00
2014	–	1,283,332	1.00
2016	–	20,751,819	1.00
2017	–	3,877,014	1.00
2019	–	2,632,000,000	1.00
2020	16,000,000,000	6,185,182,288	1.00
2021	24,000,000,000	24,623,380,967	1.00
2022	–	1,361,556,596	1.00
<b>Total</b>	<b>48,400,000,000</b>	<b>39,691,894,773</b>	

\*On April 7, 1997, par value was increased from ₱0.01 to ₱1.00.

\*\*Equivalent number of shares at ₱1.00 par.

#### Additional Paid-in Capital

The roll forward of this account follows:

Class of share	Additional Paid-In Capital (Amount)		
	Common	Redeemable Preferred	Total
<b>Balances at December 31, 2022</b>	₱107,492,243,548	₱–	₱107,492,243,548
Issuance of capital stock	–	24,975,000,000	24,975,000,000
Share issuance cost	–	(171,554,704)	(171,554,704)
<b>Balances at December 31, 2023 and September 30, 2024</b>	<b>₱107,492,243,548</b>	<b>₱24,803,445,296</b>	<b>₱132,295,688,844</b>

#### Cumulative Translation Adjustments

This account pertains to cumulative translation adjustments of subsidiaries with functional currency other than the Group's presentation currency (see Note 2). Exchange differences arising from translation of foreign operations for the period ended September 30, 2024 and December 31, 2023 follows:

	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
ACRI	(\$141,471)	(\$153,098)
ACEN Cayman	(60,179)	(52,907)
Others	(22)	(23)
Consolidations and eliminations	7,648	25,955
	<b>(\$194,024)</b>	<b>(\$180,073)</b>
Attributable to:		
Equity holders of the Parent	(\$194,608)	(\$181,448)
Non-controlling interest	\$584	1,375
	<b>(\$194,024)</b>	<b>(\$180,073)</b>

Retained Earnings

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

Retained earnings not available for dividend declaration are included in the Group's retained earnings to the extent of (a) accumulated equity in undistributed net earnings of consolidated subsidiaries, and associates and joint ventures accounted for under equity method amounting to ₱49,435.92 million and ₱41,459.53 million as at September 30, 2024 and December 31, 2023, respectively and (b) the cost of treasury shares amounting to ₱28.66 million as at September 30, 2024 and December 31, 2023.

As at September 30, 2024 and December 31, 2023, deferred tax liabilities have not been recognized on undistributed earnings of, and cumulative translation adjustment of, foreign subsidiaries since the timing of the reversal of the temporary difference can be controlled by the Group. Management does not expect the reversal of the temporary differences in the foreseeable future. The undistributed earnings and cumulative translation adjustment amounted to US\$859.81 million (₱45,487.70 million) and US\$669.84 million (₱25,246.02 million) as at September 30, 2024 and December 31, 2023, respectively.

Dividends*Declaration of Cash Dividends on Outstanding Series A Preferred Shares (ACENA) Series B Preferred Shares (ACENB)*

Pursuant to the November 16, 2023 approval of the BOD of the schedule of 2024 dividends and payments date for the ACEN's Preferred Shares, and authority delegated by the Board to Management:

On February 8, 2024, the BOD of ACEN approved the declaration of the first quarter of 2024 cash dividends on the ACEN's outstanding Series A Preferred Shares (ACENA) and Series B Preferred Shares (ACENB):

	ACENA	ACENB
Dividend Rate	¼ of 7.1330% per annum	¼ of 8.0000% per annum
Dividend Per Share	₱17.8325 per share	₱20.0000 per share
Dividends	₱148,750	₱333,170

Total dividends amounting to ₱481.92 million were paid on February 29, 2024.

On May 6, 2024 the Management of ACEN approved the declaration of the second quarter cash dividends on the ACEN's outstanding Series A Preferred Shares (ACENA) and Series B Preferred Shares (ACENB):

	ACENA	ACENB
Dividend Rate	¼ of 7.1330% per annum	¼ of 8.0000% per annum
Dividend Per Share	₱17.8325 per share	₱20.0000 per share

Total dividends amounting to ₱481.92 million were paid on June 3, 2024.

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On August 5, 2024 the Management of ACEN approved the declaration of the third quarter cash dividends on the ACEN's outstanding Series A Preferred Shares (ACENA) and Series B Preferred Shares (ACENB):

	ACENA	ACENB
Dividend Rate	¼ of 7.1330% per annum	¼ of 8.0000% per annum
Dividend Per Share	₱17.8325 per share	₱20.0000 per share

Total dividends amounting to ₱481.92 million were paid on September 2, 2024.

*Declaration of cash dividends on common shares*

On June 26, 2024, the BOD of ACEN approved the declaration of cash dividends of five centavos (₱0.05) per share on the 39,677,394,773 outstanding common shares of ACEN, or a total dividend amounting to ₱1,983.87 million, paid on July 25, 2024, to the shareholders on record as at July 11, 2024.

Non-controlling Interest (NCI)

The roll forward of this account is as follows:

	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
Balance at beginning of year	₱29,903,540	₱31,859,767
Net income attributable to NCI	822,004	1,710,534
Cumulative translation adjustments	32,716	76,149
Capital infusion of NCI in a subsidiary (Note 2)	22,444	-
Capital redemption of NCI in a subsidiary	(20,129,241)	-
Dividends	(524,760)	(1,882,833)
Acquisition of NCI	-	(1,860,077)
Balance at end of year	<b>₱10,126,703</b>	<b>₱29,903,540</b>

On January 23, 2024, ACEN Cayman through unanimous approval of its BOD redeemed US\$352.00 million (₱19,808.80 million) worth of redeemable preferred shares held by AC Energy Finance International Limited (ACEFIL). The redeemable preferred shares were subscribed by ACEFIL at par value of US\$1.00 each. Redemptions were made to the following shares:

- a. 280,000,000 Class A1 redeemable preferred shares with par value of US\$1.00 each;
- b. 12,000,000 Class A1-2 redeemable preferred shares with par value of US\$1.00 each; and
- c. 60,000,000 Class A3 redeemable preferred shares with par value of US\$1.00 each.

*Dividends*

For the nine-month periods ended September 30, 2024 and 2023, ACEN Cayman declared dividends to its shareholder, AC Energy Finance International Limited, of US\$9.22 million (₱524.76 million) and US\$20.61 million (₱1,135.24 million), respectively.

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Other Equity Reserves

This account consists of:

	<b>September 30, 2024</b>	December 31, 2023
	<b>(Unaudited)</b>	(Audited)
Effect of:		
Common control business combinations	<b>(P53,269,303)</b>	(P53,269,303)
Purchase of:		
20% in UPC-ACE Australia shares	<b>(2,864,605)</b>	(2,864,605)
20% in SLTEC	<b>(2,229,587)</b>	(2,229,587)
32% in NorthWind	<b>(723,974)</b>	(723,974)
34% in MSPDC	<b>(261,728)</b>	(261,728)
Various interest in other subsidiaries	<b>(119,486)</b>	(119,486)
Others	<b>18,338</b>	18,338
	<b>(P59,450,345)</b>	(P59,450,345)

Capital Management

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

The Group manages its capital structure and adjusts it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders, issue new shares or acquire long-term debts. No changes were made in the objectives, policies, or processes for the nine-month period ended September 30, 2024 and year ended December 31, 2023. The Group considers its total equity as capital.

The loan agreements on long-term debt of the Parent Company and some subsidiaries provide for certain restrictions and requirements with respect to, among others, payment of dividends, incurrence of additional liabilities, investment and guarantees, mergers or consolidations or other material changes in their ownership, corporate set-up or management, acquisition of treasury stock, disposition and mortgage of assets and maintenance of financial ratios at certain levels. These restrictions and requirements were complied with by the Group as at September 30, 2024 and December 31, 2023.

16. Revenue from Sale of Electricity

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

	<b>Three-Month Period Ended September 30(Unaudited)</b>		Nine-Month Period Ended September 30 (Unaudited)	
	<b>2024</b>	2023	<b>2024</b>	2023
Revenue from power supply contracts	<b>P6,170,977</b>	P4,110,817	<b>P17,392,614</b>	P12,362,889
Revenue from power generation	<b>2,501,367</b>	4,011,248	<b>10,230,875</b>	16,044,744
	<b>P8,672,344</b>	P8,122,065	<b>P27,623,489</b>	P28,407,633



## 17. Costs of Sale of Electricity

This account consists of:

	Three-Month Period Ended September 30 (Unaudited)		Nine-Month Period Ended September 30 (Unaudited)	
	2024	2023	2024	2023
Costs of purchased power	<b>₱5,547,726</b>	₱6,961,183	<b>₱16,171,818</b>	₱21,764,271
Depreciation and amortization (Notes 8, 9 and 10)	<b>710,694</b>	312,531	<b>1,324,322</b>	896,309
Fuel	<b>191,775</b>	228,231	<b>991,136</b>	1,289,025
Others	<b>595,955</b>	415,441	<b>1,588,276</b>	1,243,813
Repairs and maintenance	<b>184,469</b>	120,533	<b>432,078</b>	350,038
Taxes and licenses	<b>154,359</b>	109,791	<b>429,517</b>	341,520
Salaries and directors' fees	<b>49,619</b>	50,395	<b>173,941</b>	162,633
Transmission costs	<b>51,501</b>	22,667	<b>139,878</b>	72,376
Insurance	<b>43,694</b>	38,739	<b>115,736</b>	99,843
Rent	<b>39,452</b>	11,151	<b>90,880</b>	42,091
Contractor's fee	<b>31,348</b>	23,751	<b>84,264</b>	72,015
Filing fees	<b>4,671</b>	1,167	<b>11,971</b>	3,684
Transportation and travel	<b>5,471</b>	5,444	<b>11,557</b>	12,832
Communication	<b>2,908</b>	5,812	<b>9,427</b>	13,210
Pension and other employee benefits	<b>2,062</b>	2,340	<b>6,026</b>	5,911
Others	<b>26,401</b>	23,651	<b>83,001</b>	67,660
	<b>₱7,046,150</b>	₱7,917,386	<b>₱20,075,552</b>	₱25,193,418

## 18. General and Administrative Expenses

This account consists of:

	Three-Month Period Ended September 30 (Unaudited)		Nine-Month Period Ended September 30 (Unaudited)	
	2024	2023	2024	2023
Personnel costs, management, and professional fees	<b>₱806,157</b>	₱809,172	<b>₱2,288,022</b>	₱2,056,854
Salaries and directors' fees	<b>706,655</b>	652,791	<b>1,690,750</b>	1,309,287
Management and professional fees	<b>99,502</b>	156,381	<b>597,272</b>	747,567
Provision for impairment – net of reversals (Notes 5, 7, 8 and 11)	<b>233,777</b>	2,225,036	<b>807,707</b>	2,683,451
Depreciation and amortization (Notes 8,9 and 10)	<b>30,612</b>	108,870	<b>416,855</b>	331,907
Others	<b>576,402</b>	294,280	<b>1,281,423</b>	854,304
Taxes and licenses	<b>145,751</b>	20,492	<b>401,783</b>	220,662
Insurance, dues and subscriptions	<b>88,563</b>	59,272	<b>191,220</b>	114,729
Contractor's fee	<b>73,673</b>	28,246	<b>100,624</b>	44,425
Pension and other employee benefits	<b>51,436</b>	5,193	<b>93,350</b>	17,213
Corporate social responsibilities	<b>65,984</b>	26,916	<b>81,733</b>	63,573
Transportation and travel	<b>3,655</b>	30,025	<b>61,237</b>	81,499

(Forward)

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	Three-Month Period Ended September 30 (Unaudited)		Nine-Month Period Ended September 30 (Unaudited)	
	2024	2023	2024	2023
Training and commitment fees	<b>₱16,470</b>	₱10,333	<b>₱42,101</b>	₱28,542
Rent	<b>18,697</b>	18,451	<b>41,110</b>	38,610
Building maintenance and repairs	<b>16,891</b>	29,717	<b>36,589</b>	49,923
Meeting and conferences	<b>10,924</b>	11,952	<b>28,756</b>	25,334
Advertisements	<b>9,760</b>	1,631	<b>17,753</b>	14,669
Communication	<b>4,948</b>	2,915	<b>14,187</b>	8,267
Office supplies	<b>5,097</b>	4,363	<b>12,852</b>	12,340
Utilities	<b>(9,677)</b>	13,391	<b>12,692</b>	45,811
Others	<b>74,230</b>	31,383	<b>145,436</b>	88,707
	<b>₱1,646,948</b>	₱3,437,358	<b>₱4,794,007</b>	₱5,926,516

## 19. Interest and Other Finance Charges

This account consists of:

	Three-Month Period Ended September 30 (Unaudited)		Nine-Month Period Ended September 30 (Unaudited)	
	2024	2023	2024	2023
Interest expense on:				
Long-term loans (Note 13)	<b>₱942,620</b>	₱411,725	<b>₱2,338,173</b>	₱1,158,233
Notes payable (Note 13)	<b>390,425</b>	385,216	<b>1,164,054</b>	1,154,626
Lease obligations (Note 9)	<b>89,723</b>	90,300	<b>229,788</b>	185,171
Short-term loans (Note 13)	<b>98,265</b>	63,929	<b>135,226</b>	149,023
Amortization of debt issue cost (Note 13)	<b>28,764</b>	(2,018)	<b>67,659</b>	48,542
Bank charges and interest expense on asset retirement obligation	<b>77,407</b>	63,504	<b>216,858</b>	111,102
	<b>1,627,204</b>	1,012,656	<b>4,151,758</b>	2,806,697
Capitalized interest (Note 8)	<b>618,250</b>	553,773	<b>2,027,536</b>	1,464,288
	<b>₱1,008,954</b>	₱458,883	<b>₱2,124,222</b>	₱ 1,342,409

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

### Interest and Other Financial Income

Interest and other financial income arises from cash in banks and short-term deposits, investments in redeemable preferred shares of associates and joint ventures, and from bridge financing (debt replacement) and development loans and advances extended to associates and joint ventures.

The details of interest and other financial income are as follows:

	Three-Month Period Ended September 30 (Unaudited)		Nine-Month Period Ended September 30 (Unaudited)	
	2024	2023	2024	2023
Interest income on:				
Cash in banks and short-term deposits (Note 4)	<b>₱198,706</b>	₱391,041	<b>₱735,096</b>	₱905,603
Accounts and notes receivables (Notes 5 and 22)	<b>567,199</b>	655,510	<b>1,692,121</b>	1,805,259
Bridge financing (debt replacement)	<b>365,935</b>	523,611	<b>1,157,218</b>	1,495,710
Development loans	<b>127,840</b>	46,286	<b>341,389</b>	171,195
Accounts and other receivable	<b>14,465</b>	18,698	<b>52,891</b>	58,898
Other loans	<b>58,959</b>	66,915	<b>140,623</b>	79,456
Investments in redeemable preferred shares and convertible loans (Note 7)	<b>704,686</b>	828,055	<b>2,270,452</b>	2,356,587
Redeemable preferred shares	<b>557,526</b>	681,584	<b>1,839,609</b>	1,875,864
Convertible loans	<b>147,160</b>	146,471	<b>430,843</b>	480,723
	<b>₱1,470,591</b>	₱1,874,606	<b>₱4,697,669</b>	₱5,067,449

Other income account consists of:

	Three-Month Period Ended September 30 (Unaudited)		Nine-Month Period Ended September 30 (Unaudited)	
	2024	2023	2024	2023
Gain on disposal of assets	<b>₱1,035,452</b>	₱1,062,030	<b>₱2,387,536</b>	₱1,216,422
Sale and leaseback (Note 2)	<b>1,035,334</b>	–	<b>1,035,334</b>	–
Disposal of investment - net (Notes 2 and 6)	<b>118</b>	1,062,030	<b>963,020</b>	1,062,030
Early extinguishment of convertible loan	–	–	<b>389,182</b>	–
Sale of listed equity instruments	–	–	–	154,392
Remeasurement gain of investment in joint venture (Note 6)	–	3,433,328	–	3,433,328
Others	<b>(378,773)</b>	147,641	<b>292,546</b>	547,524
Foreign exchange (loss) gain - net	<b>(326,109)</b>	137,315	<b>154,488</b>	84,729
Realized (loss) gain on foreign exchange forward contracts	<b>(115,934)</b>	1,214	<b>108,802</b>	(16,437)
Guarantee fee income	<b>32,532</b>	1,987	<b>116,234</b>	49,126
Gain on sale of financial asset at FVTPL	<b>18,558</b>	–	<b>30,868</b>	37,385
Gain (loss) on sale of property, plant and equipment	<b>237</b>	(38)	<b>7,485</b>	(4,080)
Fair value adjustment on financial asset at FVTPL	<b>(235,109)</b>	(90,618)	<b>(257,988)</b>	(121,195)
Settlement of development loans	–	–	–	360,608
Claims on insurance	–	19,425	–	25,411
Others	<b>247,052</b>	78,356	<b>132,657</b>	131,977
	<b>₱656,679</b>	₱4,642,999	<b>₱2,680,082</b>	₱5,197,274

Gain on early extinguishment of convertible loan

On September 27, 2023, the Group entered into a Framework Agreement with The Blue Circle Pte. Ltd (TBC) to effectively reduce the Group’s capital deployed in Dai Phong and Hong Phong 1 Wind projects in Vietnam. This is to effectively make the projects effectively a true 50-50 joint venture in terms of funding. Salient points of the agreement are as follows:

- 50% of outstanding principal and accrued interest of bridge loan facility will be repaid at carrying value.
- 50% of outstanding principal and accrued interest long-term convertible facility will be repaid at a premium of US\$7.00 million (₱398.18 million).
- Premium will be paid via redemption of common shares of ACEN Vietnam Investments 2 Pte. Ltd. (ACEV2), which is subject to regulatory approval coming from Vietnam Competition Commission. ACEV2 is the subsidiary of the Group that entered into a joint venture agreement with TBC to construct the Vietnam wind projects.

Principal and accrued interest of bridge loan and long-term convertible loan facility was repaid September 2023. The cost of common shares redeemed amounted to US\$0.002 million.

On March 6, 2024, the Vietnam Competition Commission issued its approval of shares redemption and transfer of common share ownership, consequently, gain on early extinguishment of convertible loan was recognized amounting to US\$6.97 million (₱389.18 million). The transfer of common share ownership occurred on March 22, 2024.

<i>In thousands</i>	In US\$	In PHP
Total consideration	\$38,921	₱2,173,391
Carrying value of convertible loan and accrued interest	31,952	1,784,209
Gain on sale	\$6,969	₱389,182

Gain on disposal of investment - net

On March 29, 2024, ACRI, together with its joint venture partners, signed a Share Purchase Agreement with PT Barito Wind Energy (“BWE”), for the sale of PT Sidrap Bayu Energi (“SBE”), through sale of ownership of UPC Renewables Asia III Limited (“UPC Asia III”), UPC Sidrap (HK) Limited (“Sidrap (HK)”) and Sunedison Sidrap B.V. (external party) in SBE.

On April 2, 2024, the sale transaction was completed upon receipt of total consideration of US\$101.90 million, of which US\$58.68 million (₱3,439.50 million) is allocated to ACRI.

On April 8, 2024, UPC Asia III and Sidrap (HK) upstreamed the proceeds of sales allocated to ACRI through shareholder loan amounting to \$56.14 million and \$2.55 million, respectively.

UPC Asia III and Sidrap (HK) recognized gain on sale of SBE shares amounting to US\$62.50 million and US\$18.33 million, respectively.

On June 29, 2024, the Board of Directors of UPC Asia III approved the redemption of Redeemable Class A Preferred Shares (“RPS Class A”), accounted as investment in redeemable preferred shares, through distributable profits and capital reduction. The redemption was offset against the existing shareholder loan of UPC Asia III to ACRI, together with outstanding interest receivable from investment in redeemable preferred shares. Any interest in RPS Class A ceased as of date of the resolution.

Management determined that the sale of the SBE shares resulted in a write-down of the investment in joint venture (UPC Asia III) and investment in Sidrap (HK), accounted at financial assets at fair value through other comprehensive income, due to the absence of the underlying asset.

The series of transaction resulted in net gain of US\$22.65 million (₱1,329.95 million), through various forms as follows:

Transactions	In US\$	In PHP
<i>UPC Asia III's gain on sale of Sidrap shares</i>		
ACRI's share in divestment gain, accounted as part of equity in net income of joint venture	\$6,250	₱366,950
<i>Gain (loss) related to redemption of UPC Asia III's shares</i>		
Gain on redemption of investment in redeemable preferred shares (Note 7)	\$22,263	₱1,306,937
Loss on write-down from disposal of investment in joint venture (Note 6)	(8,324)	(488,677)
Gain on offsetting intercompany balances	2,464	144,642
<b>Gain on disposal of investment - net</b>	<b>\$16,403</b>	<b>₱962,902</b>
	<b>\$22,653</b>	<b>₱1,329,852</b>

As at September 30, 2024, ACRI's outstanding investments amounted to US\$2.19 million (₱122.54 million) in Redeemable preferred shares (UPC Asia III) (see Note 7), while nil for both interest in joint venture (UPC Asia III) and financial asset at FVOCI (Sidrap HK). The remaining shareholder loan amounted to US\$5.84 million (₱327.46 million) from UPC Asia III and US\$3.02 million (₱169.29 million) from Sidrap HK.

#### Gain on disposal of assets – Sale and leaseback

On March 19, 2024, AREIT, Inc. (AREIT) and the Group executed a Deed of Exchange, for the subscription by the Group to 199,109,438 primary common shares of AREIT in exchange for the 2,759,135 square meters (sq.m.) located in Zambales, Philippines (referred to as the “Property”) valued at ₱6,769.72 million (referred to as “Transaction”) at ₱34.00 per share (referred to as the “Transaction Price”). The valuation of the Property subject of the Transaction requires the approval of the Philippine SEC. Under the Deed of Exchange, all rights and obligations over the Property and the AREIT shares shall accrue to each of AREIT and the Group, respectively, from the first day of the quarter of the SEC approval. AREIT is a subsidiary of Ayala Land, Inc., an affiliate of the Group.

On September 25, 2024, the SEC issued the Certificate of Approval of Valuation of the Property. As a result of the Transaction, the Group acquired beneficial ownership over 6.20% of AREIT, subject to securing the Certificate of Authorizing Registration from the Bureau of Internal Revenue, compliance with the conditions of the SEC approval, including transfer of titles, and the additional listing of shares with the Philippine Stock Exchange. Beginning July 1, 2024, dividends declared by AREIT shall accrue to the Group. Following AREIT's declaration of ₱0.56 regular cash dividends per common share on July 12, 2024, the Group recognized other income amounting to ₱111.50 million presented under "Other Income – Net" in the consolidated statements of income.

The investment in AREIT are equity shares that are not held for trading by the Group. This is classified as fair value through other comprehensive income and presented under "Financial assets at fair value through other comprehensive income" in the consolidated statements of financial position.

The closing price of AREIT shares was ₱37.50 on September 25, 2024. The cost of the Property amounted to ₱500.76 million resulting in a gain from the Transaction of ₱6,965.84 million.

On September 26, 2024, Giga Ace 8, Inc. (a wholly owned subsidiary of ACEN) and AREIT executed a contract of lease over the Property for the Group's 300MW solar power plant project in Palauig, Zambales. The lease term shall be from the rent commencement date on July 1, 2024 (referred to as "Rent Commencement Date") to June 30, 2049, renewable for another twenty-five years at the option of the lessee, upon the written agreement of the lessor and the lessee under such terms and conditions as may be acceptable to them. The initial rent shall be ₱173.54 per sq.m per annum, exclusive of VAT, with annual escalation of 1.50% commencing on July 1, 2025. Lease payments commencing from July 1, 2025 shall be done in advance on a quarterly basis.

The rent payment for the period beginning on the Rent Commencement Date to June 30, 2025 shall be ₱478.82 million, exclusive of VAT.

The right-of-use asset and lease liability amounted to ₱6,356.84 million, which is equivalent to 85% of the total fair value of the AREIT shares received from the Transaction.

The Transaction is classified as a sale and leaseback transaction; consequently, 85% of the gain from the Transaction will be recognized over the lease term and 15% of the gain from the Transaction recognized upon closing of the Transaction. For the nine-month period ended September 30, 2024, the Group recognized ₱1,035.33 million as "Gain on disposal of assets" in the consolidated statements of income.

#### Fair value adjustment on financial asset at FVTPL

Fair value loss on financial assets at FVTPL is comprised of loss of unlisted shares Masaya Solar Energy Private Limited. The fair value is determined using a discount rate of 10.9% for the nine-month period ended September 30, 2024.

#### ACRI Guarantee Agreement and guarantee fee income

ACRI serves as a guarantor for the following borrowings entered into by its related parties which ACRI unconditionally and irrevocably guaranteed. Fees are charged for these guarantee agreements. ACRI assessed that the expected credit loss from its guaranteed obligation of the related parties is nil.

For the nine-month period ended September 30, 2024 and 2023, the Group recognized corresponding guarantee fee income amounting to US\$ 2.03 million (₱116.23 million) and to US\$0.89 million (₱49.13 million), respectively.

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## 21. Income Taxes

Current and deferred income taxes consist of:

	Three-Month Period Ended September 30 (Unaudited)		Nine-Month Period Ended September 30 (Unaudited)	
	2024	2023	2024	2023
Current tax expense				
Regular corporate income tax (RCIT)	<b>(P732,685)</b>	(P122,250)	<b>P211,146</b>	P–
Minimum corporate income tax (MCIT)	<b>36,087</b>	(1,495)	<b>90,566</b>	18,330
Final income tax	<b>29,178</b>	21,732	<b>100,897</b>	40,227
Deferred tax expense	<b>419,290</b>	337,095	<b>200,801</b>	242,928
	<b>(P248,130)</b>	P235,082	<b>P603,410</b>	P301,485

Net deferred tax liabilities amounted to P1,366.84 million and P805.90 million as at September 30, 2024 and December 31, 2023, respectively.

Net deferred tax assets amounted to P3,359.28 million and P2,122.08 million as at September 30, 2024 and December 31, 2023, respectively.

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## 22. Related Party Transactions

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

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

ACEN served as the guarantor for the US\$400.00 million senior undated fixed-for-life (non-deferrable) Notes with a fixed coupon of 4.00% for life, with no step-up and no reset, priced at par, issued by ACEN Finance on September 8, 2021, under its medium-term note (MTN) Programme. Proceeds will be used to finance or refinance, in whole or in part, new or existing Eligible Green Projects in accordance with ACEN's Green Bond Framework (see Note 13).

The balances as at September 30, 2024 and December 31, 2023 and transactions for the nine-month period ended September 30, 2024 and 2023 are as follows:

a. Transactions with ACEIC, the intermediate parent company

Nature	Amount / Volume		Outstanding Balance Receivable (Payable)		Terms / Conditions
	September 30, 2024 (Unaudited)	September 30, 2023 (Unaudited)	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)	
Management fee income	<b>₱6,475</b>	₱9,618	<b>₱7,575</b>	₱1,580	Unsecured; no impairment
Management fee (expense)	<b>16,457</b>	279,382	<b>(246,562)</b>	(280,247)	Non-interest bearing; due and demandable
Transfer of Employee	–	–	<b>176,633</b>	176,633	Non-interest bearing; due and demandable
Due from related parties	<b>1,056,635</b>	–	<b>1,228,665</b>	172,030	Non-interest bearing; due and demandable
Due to related parties	<b>(292,124)</b>	–	<b>(369,930)</b>	(77,806)	Non-interest bearing; due and demandable

b. Notes Receivables

Nature and Related Party	Amount / Volume		Outstanding Balance Receivable (Payable)		Terms / Conditions
	September 30, 2024 (Unaudited)	September 30, 2023 (Unaudited)	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)	
<b>Development loans</b>					
<i>Associates</i>					
PT Sidrap	<b>₱372,685</b>	₱–	<b>₱372,685</b>	₱–	Payable at the option of the lender; interest bearing; unsecured; no impairment
PT Lombok	<b>55,028</b>	–	<b>55,028</b>	–	Payable at the option of the lender; interest bearing; unsecured; no impairment
<i>Joint Ventures</i>					
UPC-ACE Solar	<b>60,975</b>	793,789	<b>854,764</b>	806,694	Due in 2024; interest bearing; unsecured; with impairment
PT Sukabumi	<b>244,028</b>	–	<b>244,028</b>	–	Payable at the option of the lender; interest bearing; unsecured; no impairment
ACEN-Silverwolf	<b>8,595</b>	3,551	<b>12,146</b>	5,415	Due in 2026; interest bearing; unsecured; no impairment
<i>Affiliate</i>					
Yoma Strategic Investments Ltd (“Yoma”)	<b>162,079</b>	1,358,765	<b>1,520,844</b>	1,329,824	Due in 2033; interest bearing; unsecured; no impairment
	<b>₱903,390</b>	₱2,156,105	<b>₱3,059,495</b>	₱2,141,933	

(Forward)



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Nature and Related Party	Amount / Volume		Outstanding Balance Receivable (Payable)		Terms / Conditions
	September 30, 2024 (Unaudited)	September 30, 2023 (Unaudited)	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)	
<b>Bridge financing</b>					
<i>Joint Ventures</i>					
Greencore 3	<b>₱124,279</b>	₱4,474,536	<b>₱4,598,815</b>	₱4,474,536	Due in 2024; interest bearing; unsecured; no impairment
Lac Hoa	–	2,682,280	<b>2,656,441</b>	2,625,150	Due in 2024; interest bearing; unsecured; no impairment
Hoa Dong	–	2,352,895	<b>2,330,229</b>	2,302,780	Due in 2024; interest bearing; unsecured; no impairment
Asian Wind 1	–	1,506,338	<b>1,489,838</b>	1,472,288	Due in 2035; interest bearing; unsecured; no impairment
Asian Wind 2	–	1,196,184	<b>1,145,253</b>	1,157,895	Due 2045 interest bearing; unsecured; no impairment
NEFIN Solar	<b>142,805</b>	583,288	<b>726,093</b>	791,514	Due in 2024; interest bearing; unsecured; no impairment
Ingrid	–	500,000	<b>300,000</b>	300,000	Due in 2024; interest bearing; unsecured; no impairment
Vietnam Wind	–	289,651	<b>286,860</b>	283,482	Due in 20 years from date of drawdown; interest bearing; unsecured; no impairment
AMI Greenergy Investment JSC	<b>240,481</b>	–	<b>240,481</b>	–	Due in 2028; interest bearing; unsecured; no impairment
PT Dewata ACEN Renewables Indonesia	<b>43,387</b>	–	<b>43,387</b>	33,214	Due in 2024; interest bearing; unsecured; no impairment
	<b>₱550,952</b>	₱13,585,172	<b>₱13,817,397</b>	₱13,440,859	
<b>Other Loans</b>					
<i>Joint Venture</i>					
Bim Group Joint Stock Company	<b>₱1,961,050</b>	₱–	<b>₱1,961,050</b>	₱–	Due in 2029; interest bearing; unsecured; no impairment
BrightNight	<b>196,942</b>	310,543	<b>507,485</b>	310,542	Due in 20 years; interest bearing; unsecured; no impairment
URH	<b>361,342</b>	–	<b>361,342</b>	–	Due in 2025; interest bearing; unsecured; no impairment
Infineum 4 Energy, Inc.	<b>39,800</b>	48,326	<b>88,126</b>	77,826	Due in 2024; interest bearing; unsecured; no impairment
	<b>₱2,559,134</b>	₱358,869	<b>₱2,918,003</b>	₱388,368	

Except for the discussion above, the movement in the notes receivable from related parties are revaluation of US\$ denominated notes receivable to Philippine peso from December 31, 2023, to September 30, 2024.

## c. Interest Income and Receivable

This account consists of:

Nature and Related Party	Amount / Volume		Outstanding Balance Receivable (Payable)		Terms / Conditions
	September 30, 2024 (Unaudited)	September 30, 2023 (Unaudited)	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)	
<b>Investments in redeemable preferred shares and convertible loans (Note 7)</b>					
Redeemable preferred shares	<b>P1,839,609</b>	P1,875,864	<b>P4,007,134</b>	P3,473,000	various dates
Convertible loans	<b>430,844</b>	480,723	<b>1,817,221</b>	761,760	various dates
	<b>P2,270,453</b>	P2,356,587	<b>P5,824,355</b>	P4,234,760	
<b>Development Loans</b>					
<i>Joint Ventures</i>					
UPC-ACE Solar	<b>P78,858</b>	P78,032	<b>P417,683</b>	P-	various dates
PT UPC Sukabumi Bayu Energi	<b>5,154</b>	-	<b>5,003</b>	-	Payable at the option of the lender; interest bearing; unsecured; no impairment
Unlimited	<b>10,326</b>	-	-	-	various dates
<i>Associates</i>					
PT UPC Sidrap Bayu Energi Tahap Dua	<b>7,996</b>	-	<b>7,832</b>	-	various dates
PT UPC Lombok Timur Bayu Energi	<b>556</b>	-	<b>536</b>	-	Payable at the option of the lender; interest bearing; unsecured; no impairment
ACEN-Silverwolf	<b>741</b>	-	-	206	various dates
<i>Affiliate</i>					
Yoma	<b>49,170</b>	39,678	<b>46,439</b>	198,328	various dates
	<b>P152,801</b>	P117,710	<b>P477,493</b>	P198,534	
<b>Bridge financing</b>					
<i>Joint Ventures</i>					
Hoa Dong	<b>P142,211</b>	P220,934	<b>P531,614</b>	P439,074	various dates
Lac Hoa	<b>162,120</b>	251,632	<b>603,871</b>	387,030	various dates
Ingrid	<b>29,392</b>	67,173	<b>11,342</b>	33,337	30-day, non-interest bearing
Ami Greenergy Investment JSC	<b>8,309</b>	-	<b>8,157</b>	-	various dates
PT Dewata ACEN Renewables Indonesia	<b>3,284</b>	-	<b>3,702</b>	472	various dates
Vietnam Wind	<b>37,236</b>	26,480	<b>936</b>	465,726	various dates
Grencore 3	<b>521,296</b>	324,360	<b>246</b>	57,797	30-day, non-interest bearing
Asian Wind 1	<b>113,841</b>	245,939	-	-	various dates
Asian Wind 2	<b>88,413</b>	194,933	-	-	various dates
NEFIN	<b>51,116</b>	-	-	63,448	various dates
BIM Wind	-	129,620	-	-	various dates
BIMRE	-	34,639	-	-	various dates
	<b>P1,157,218</b>	P1,495,710	<b>P1,159,868</b>	P1,446,884	
<b>Other Loans</b>					
BrightNight	<b>P47,884</b>	P23,933	<b>P75,728</b>	P29,693	30-day, non-interest bearing
Others	<b>6,825</b>	2,620	<b>55,227</b>	4,095	30-day, non-interest bearing
	<b>P54,709</b>	P26,553	<b>P130,955</b>	P33,788	
<b>Trade Receivables</b>					
Affiliates	<b>P52,891</b>	P58,898	<b>P11,085</b>	P9,068	30-day, non-interest bearing

*Allowance for expected credit loss*

For the nine-month period ended September 30, 2024 and 2023, the Group recognized net allowance for expected credit losses in development loan to UPC-AC Energy Solar Limited (UPC-ACE Solar) for its principal and interest amounting to US\$1.92 million (₱107.57 million) and US\$0.46 million (₱26.89 million), while US\$13.78 million (₱782.47 million) and US\$5.77 million (₱327.63 million), respectively.

The Group also recognized allowance for expected credit losses in interest receivable of convertible loan to Vietnam Wind Energy Limited (Vietnam Wind) amounting to US\$10.60 million (₱605.25 million) (nil in 2023) (see Notes 5 and 18).

*Allowance for impairment loss*

For the nine-month period ended September 30, 2024 and 2023, the Group recognized reversal allowance for impairment loss \$2.77 million (₱154.10 million) and additional allowance for impairment loss of \$8.51 million (₱469.87 million) respectively, in convertible loan to Vietnam Wind (see Notes 7 and 18).

For the nine-month period ended September 30, 2024 and 2023, the Group recognized allowance for impairment loss \$0.66 million (₱37.40 million) and nil respectively, in redeemable preferred shares in UPC-ACE Solar (see Notes 7 and 18).

## d. Loans Payable

Nature and Related party	Amount / Volume		Outstanding Balance Receivable (Payable)		Terms / Conditions
	September 30, 2024 (Unaudited)	September 30, 2023 (Unaudited)	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)	
<b>BPI</b>					
Interest expense / Interest payable	<b>₱152,027</b>	₱138,274	<b>(₱50,850)</b>	(16,521)	30 days, unsecured
Long-term loans	–	–	<b>(2,236,429)</b>	(2,367,909)	12 years, interest bearing
Short-term loans	–	–	<b>(1,950,000)</b>	(1,500,000)	63 days, interest bearing

## e. Right of Use Assets / Lease Liabilities

The Group entered into lease agreements with Ayala Land, Inc. (ALI) and Fort Bonifacio Development Corporation (FBDC), affiliates, for the use of its office units and parking spaces. Lease with FBDC ended on September 30, 2024.

Related Party	Amortization / Interest expense		Right-of-use assets / (Lease Liabilities)		Terms / Conditions
	September 30, 2024 (Unaudited)	September 30, 2023 (Unaudited)	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)	
<b>ALI</b>					
Right of use Assets Note 9)	<b>₱111,051</b>	₱107,964	<b>₱7,137,552</b>	₱1,448,350	10 years, unsecured
Lease Liabilities (Note 9)	<b>43,772</b>	49,522	<b>(7,595,416)</b>	(1,639,935)	10 years, unsecured

## f. Other Related Party Transactions

Nature	Amount / Volume		Outstanding Balance Receivable (Payable)		Terms / Conditions
	September 30, 2024 (Unaudited)	September 30, 2023 (Unaudited)	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)	
Management fee income	<b>₱551,903</b>	₱137,966	<b>₱58,027</b>	₱112,513	30-days, unsecured
Rental income	<b>13,003</b>	13,009	<b>2,684</b>	4,214	30-days, unsecured
Revenue from power supply contracts	<b>429,803</b>	387,372	–	–	30-days, unsecured
Dividend Receivable	–	1,386,464	–	–	On demand, Unsecured
Cost of sale of electricity	<b>(819,572)</b>	(778,300)	<b>(84,414)</b>	(103,650)	30-days, unsecured
Due from related parties	–	–	<b>282,539</b>	738,206	On demand, Unsecured
Due to related parties	–	–	<b>1,833,884</b>	2,733,673	On demand, Unsecured

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

Rental income pertains to revenue from sublease agreement with Ingrid.

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

The amount due from a related company pertains mostly from advances including those for project development or reimbursement of expenses. These are non-trade, interest-free, repayable on demand and to be settled in cash.

The amount due to a related parties pertains to advances, including those for development cost, utilities expense, professional services and other miscellaneous expenses. These are non-trade, interest-free, repayable on demand and to be settled in cash.

## g. Receivables from Employees and Officers

As at September 30, 2024 and December 31, 2023, receivables from officers and employees amounting to ₱301.64 million and ₱301.17 million pertain to housing, car, salary and other loans granted to Group's officers and employees.

## h. Payable to Directors and Stockholders

	Amount / Volume		Outstanding Balance Receivable (Payable)		Terms / Conditions
	September 30, 2024 (Unaudited)	September 30, 2023 (Unaudited)	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)	
<b>Accrued director's and annual incentives</b>					
Directors' fee and annual incentives	<b>₱26,996</b>	₱1,047	<b>₱–</b>	(₱2,000)	On demand, Unsecured
<b>Due to stockholders</b>					
Cash dividends	<b>2,947,709</b>	1,587,096	<b>(13,147)</b>	(16,585)	On demand, Unsecured

*Key Management Compensation*

Compensation of key management personnel of the Group are as follows:

	<b>September 30, 2024 (Unaudited)</b>	December 31, 2023 (Audited)
Short-term employee benefits	<b>₱67,608</b>	₱59,802
Post-employment benefits	<b>6,659</b>	27,750
	<b>₱74,267</b>	₱87,552

Identification, Review and Approval of Related Party Transactions

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

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

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**23. Earnings Per Share**

Basic and diluted EPS are computed as follows:

	<b>Three-Month Period Ended September 30 (Unaudited)</b>		Nine-Month Period Ended September 30 (Unaudited)	
	<b>2024</b>	2023	<b>2024</b>	2023
	(In Thousands, Except for Number of Shares and Per Share Amounts)			
(a) Net income attributable to common shareholders of Parent Company	<b>₱1,368,613</b>	₱2,173,546	<b>₱6,698,686</b>	₱6,405,000
Common shares outstanding at beginning of period (Note 15)	<b>39,677,394,773</b>	39,677,394,773	<b>39,677,394,773</b>	39,677,394,773
Weighted average number of: Shares issued during the period	-	-	-	-
(b) Weighted average common shares outstanding	<b>39,677,394,773</b>	39,677,394,773	<b>39,677,394,773</b>	39,677,394,773
Basic/Diluted earnings per share (a/b)	<b>₱0.03</b>	₱0.05	<b>₱0.17</b>	₱0.16

For the nine-month period ended September 30, 2024 and 2023, except for ESOWN, the Parent Company does not have any material potential common shares or other instruments that may entitle the holder to common shares. Consequently, diluted earnings per share is the same as basic earnings per share for the nine-month period ended September 30, 2024 and 2023.

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## 24. Financial Risk Management Objectives and Policies

### Objectives and Investment Policies

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

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

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

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

The Chief Financial Officer (CFO), together with the CFT focuses on the following major risks that may affect its transactions:

- Foreign exchange risk
- Credit or counterparty risk
- Liquidity risk
- Interest rate risk

Corporate Planning and Investor Relations (“CPIR”) focuses on the following major risks that may affect its transactions:

- Market risk
- Equity price risk
- Commercial Operations (“CO”) focuses on commodity price risk

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

### Risk Management Process

#### *Foreign Exchange Risk*

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

Foreign exchange risk is generally managed in accordance with the Natural Hedge principle and further evaluated through:

- Continual monitoring of global and domestic political and economic environments that have impact on foreign exchange;
- Regular discussions with banks to get multiple perspectives on currency trends/forecasts; and
- Constant updating of the foreign currency holdings gains and losses to ensure prompt decisions if the need arises.

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In the event that a Natural Hedge is not apparent, the Group endeavors to actively manage its open foreign currency exposures through:

- Trading by spot conversions; or
- Entering into derivative forward transactions on a deliverable or non-deliverable basis to protect values.

The Group's significant foreign currency-denominated financial assets and financial liabilities as at December 31 are as follows:

	<b>September 30, 2024</b>	December 31, 2023
	<b>U.S. Dollar (US\$)</b>	U.S. Dollar (US\$)
<b>Financial Assets</b>		
Cash and cash equivalents	<b>\$213,887</b>	\$288,622
Other receivables	<b>434,247</b>	370,703
	<b>648,134</b>	659,325
<b>Financial Liabilities</b>		
Accounts payable and other current liabilities	<b>(170,626)</b>	(173,920)
Notes payable and loans-term loans	<b>(1,273,459)</b>	(722,412)
	<b>(1,444,085)</b>	(896,332)
<b>Net foreign currency-denominated assets (liabilities)</b>	<b>(\$795,951)</b>	(\$237,007)
Peso equivalent	<b>(₱44,487,316)</b>	(₱13,168,109)

In translating foreign currency-denominated financial assets and financial liabilities into Philippine Peso amounts, the exchange rates used were ₱55.89 to US\$1.00 as at September 30, 2024 and ₱55.57 to US\$1.00 as at December 31, 2023.

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

Pertinent Period	Increase (Decrease) in Foreign Exchange Rate US\$	
<b>September 30, 2024</b> <b>(Unaudited)</b>	(₱0.50)	<b>397,976</b>
	(1.00)	<b>795,951</b>
	0.50	<b>(397,976)</b>
	1.00	<b>(795,951)</b>
December 31, 2023 (Audited)	(₱0.50)	118,504
	(1.00)	237,007
	0.50	(118,504)
	1.00	(237,007)

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

The exchange difference arising on the translation are recognized in OCI under "Cumulative Translation Adjustments". See below for the carrying amounts.

	September 30, 2024 (Unaudited)	
	Peso	US\$
Cash and cash equivalents	<b>₱6,283,039</b>	<b>\$112,137</b>
Receivables	<b>23,912,833</b>	<b>426,786</b>
Investments in:		
Associates and joint ventures	<b>21,852,895</b>	<b>390,021</b>
Redeemable preferred shares and convertible loans	<b>18,972,265</b>	<b>338,609</b>
Financial asset at FVTPL	<b>6,981,477</b>	<b>124,602</b>
	<b>78,002,509</b>	<b>1,392,155</b>
Accounts payable and other current liabilities	<b>9,562,739</b>	<b>170,672</b>
Notes payable	<b>71,351,931</b>	<b>1,273,459</b>
Net foreign currency position	<b>(₱2,912,161)</b>	<b>(\$51,976)</b>

	December 31, 2023 (Audited)	
	Peso	US\$
Cash and cash equivalents	₱13,762,449	\$248,554
Receivables	20,149,499	363,906
Investments in:		
Associates and joint ventures	19,083,118	344,647
Redeemable preferred shares and convertible loans	21,633,799	390,713
Financial asset at FVTPL	7,731,998	139,642
	82,360,863	1,487,462
Accounts payable and other current liabilities	9,629,365	173,909
Notes payable	39,999,949	722,412
Net foreign currency position	₱32,731,549	\$591,141



The following are the sensitivity rates used in reporting foreign currency risk internally to key management personnel. The sensitivity rates represent management’s assessment of the reasonably possible change in foreign exchange rates.

		Increase (decrease) in Peso per foreign currency	Effect on income before income tax
<b>September 30, 2024</b>	<b>US\$</b>	<b>(\$0.50)</b>	<b>₱51,976</b>
<b>(Unaudited)</b>		<b>(1.00)</b>	<b>51,976</b>
		<b>0.50</b>	<b>(25,988)</b>
		<b>1.00</b>	<b>(51,976)</b>
<b>December 31, 2023</b>	<b>US\$</b>	<b>(\$0.50)</b>	<b>(₱295,571)</b>
<b>(Audited)</b>		<b>(1.00)</b>	<b>(591,141)</b>
		<b>0.50</b>	<b>295,571</b>
		<b>1.00</b>	<b>591,141</b>

*Credit or Counterparty Risk*

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

Credit or counterparty risk is managed through the following:

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

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

	September 30, 2024 (Unaudited)					Total
	Neither Past Due nor Impaired			Past Due but not Impaired	Past Due Individually Impaired	
	Class A	Class B	Class C			
Trade and other receivables						
<i>Current:</i>						
Trade receivables	₱2,530,021	₱498,971	₱2,302,787	₱3,860,502	₱60,231	₱9,252,512
Due from related parties	6,774,275	41,665	18,745	6,072,567	–	12,907,252
Others	3,835,391	115,299	47,920	1,555,733	838,063	6,392,406
<i>Noncurrent</i>						
Trade receivables	–	–	–	532,877	691,831	1,224,708
Due from related parties	15,453,232	178,929	91,478	662,031	–	16,385,670
Receivables from third parties	–	–	–	236,231	598,309	834,540
	<b>₱28,592,919</b>	<b>₱834,864</b>	<b>₱2,460,930</b>	<b>₱12,919,941</b>	<b>₱2,188,434</b>	<b>₱46,997,088</b>

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December 31, 2023 (Audited)						
	Neither Past Due nor Impaired			Past Due but not Impaired	Past Due Individually Impaired	Total
	Class A	Class B	Class C			
Trade and other receivables						
<i>Current:</i>						
Trade receivables	₱4,399,914	₱819,759	₱281,793	₱2,521,277	₱50,196	₱8,072,939
Due from related parties	6,028,005	234	5,032	5,685,385	–	11,718,656
Others	5,175,257	1,397	8,302	1,139,336	84,864	6,409,156
<i>Noncurrent</i>						
Trade receivables	–	–	–	132,295	1,157,518	1,289,813
Due from related parties	10,626,653	102,868	89,307	799,583	–	11,618,411
Receivables from third parties	696,763	–	–	241,574	–	938,337
	₱26,926,592	₱924,258	₱384,434	₱10,519,450	₱1,292,578	₱40,047,312

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

Class	Description
Class A	Customers with excellent paying habits
Class B	Customers with good paying habits
Class C	Unsecured accounts

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

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

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

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

*Maximum exposure to credit risk of financial assets not subject to impairment*

The gross carrying amount of financial assets not subject to impairment also represents the Group's maximum exposure to credit risk which mainly pertains to financial assets at FVOCI amounting to ₱12,465.60 million and ₱5,799.32 million as at September 30, 2024 and December 31, 2023, respectively.

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*Maximum exposure to credit risk of financial assets subject to impairment*

The gross carrying amount of financial assets subject to impairment are as follows:

	<b>September 30, 2024 (Unaudited)</b>	December 31, 2023 (Audited)
<i>Financial Assets at Amortized Cost (Portfolio 1)</i>		
Cash and cash equivalents	<b>₱25,749,912</b>	₱39,696,662
Under "Receivables" account		
Current:		
Trade receivables	<b>9,192,281</b>	8,022,743
Due from related parties	<b>12,907,252</b>	11,718,656
Others	<b>5,554,343</b>	6,324,293
Noncurrent:		
Trade receivables	<b>532,877</b>	164,971
Due from related parties	<b>16,385,670</b>	11,585,735
Receivables from third parties	<b>236,231</b>	938,336
Investments in redeemable preferred shares and convertible loans	<b>18,972,265</b>	21,633,799
Under "Other Noncurrent Assets" account		
Deposits	<b>189,229</b>	161,373
	<b>₱89,720,060</b>	₱100,246,568

The Group's maximum exposure to credit risk is as follows:

Grade	September 30, 2024 (Unaudited)					
	12-month Stage 1	Lifetime ECL			Simplified Approach	Total
		Stage 2	Stage 3	Total		
High	₱25,216,322	₱-	₱-	₱-	₱25,216,322	
Standard	-	-	-	1,120,843	1,120,843	
Substandard	-	-	-	-	-	
Default	-	-	-	-	-	
Gross carrying amount	25,216,322	-	-	1,120,843	26,337,165	
Less loss allowance	-	-	-	-	-	
Carrying amount	₱25,216,322	₱-	₱-	₱1,120,843	₱26,337,165	

Grade	December 31, 2023 (Audited)					
	12-month Stage 1	Lifetime ECL			Simplified Approach	Total
		Stage 2	Stage 3	Total		
High	₱20,536,109	₱-	₱-	₱459,036	₱20,995,145	
Standard	42,282	-	-	1,536,887	1,579,169	
Substandard	-	-	-	-	-	
Default	-	113,857	-	-	113,857	
Gross carrying amount	20,578,391	113,857	-	1,995,923	22,688,171	
Less loss allowance	-	-	-	-	-	
Carrying amount	₱20,578,391	₱113,857	₱-	₱1,995,923	₱22,688,171	

*Simplified Approach*

Set out below is the information about the credit risk exposure on the Group's trade receivables using simplified approach (provision matrix):

September 30, 2024 (Unaudited)						
	Current	Days Due				Total
		<30 days	30-60 days	61-90 days	>91 days	
Expected credit loss rate	0.64%	1.72%	2.12%	4.67%	6.04%	
Estimated total gross carrying amount at default	₱3,472,406	₱735,036	₱268,369	₱284,065	₱1,680,132	₱6,440,008
Expected credit loss	₱22,272	₱12,671	₱5,678	₱13,278	₱101,480	₱155,379

December 31, 2023 (Audited)						
	Current	Days Due				Total
		<30 days	30-60 days	61-90 days	>91 days	
Expected credit loss rate	0.64%	1.72%	2.12%	4.67%	6.04%	
Estimated total gross Carrying amount at default	₱3,472,406	₱735,036	₱268,369	₱284,065	₱1,629,354	₱6,389,230
Expected credit loss	₱22,272	₱12,671	₱5,678	₱13,278	₱98,413	₱152,312

*Liquidity Risk*

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

Liquidity risk is managed through:

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

September 30, 2024 (Unaudited)						
	On Demand	Less than 3 Months	3 to 12 Months	More than 1		Total
				Year to 5 Years	More than 5 Years	
Accounts payable and other current liabilities:						
Trade and nontrade accounts payable	₱5,763,353	₱2,713,245	₱27,984	₱–	₱2,121	₱8,506,703
Retention payable	441,042	23,565	11,372	21,302	–	497,281
Accrued expenses <sup>a</sup>	1,762,341	1,550,511	148,646	–	–	3,461,498
Accrued interest	372,365	405,051	–	–	–	777,416
Due to related parties	2,059,302	475,457	30	–	–	2,534,789
Others	70,305	1,095	22,187	711,602	–	805,189
Derivative Liability	6,806	222,523	–	286,082	–	515,411
Short-term loans	–	7,650,000	–	–	–	7,650,000
Due to stockholders	13,147	–	–	–	–	13,147
Lease liabilities <sup>b</sup>	–	187,550	1,297,586	2,509,292	13,778,179	17,772,607
Long-term loans <sup>c</sup>	–	707,187	3,145,741	62,106,618	28,585,965	94,545,511
Notes payable	–	–	–	32,883,066	–	32,883,066
Other noncurrent liabilities <sup>d</sup>	–	–	–	5,606,812	12,040	5,618,852
	₱10,488,661	₱13,936,184	₱4,653,546	₱104,124,774	₱42,378,305	₱175,581,470

<sup>a</sup> Excluding current portion of vacation and sick leave accruals.

<sup>b</sup> Gross contractual payments.

<sup>c</sup> Including contractual interest payments.

<sup>d</sup> Excluding contract liabilities.

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	December 31, 2023 (Audited)					Total
	On Demand	Less than 3 Months	3 to 12 Months	More than 1 Year to 5 Years	More than 5 Years	
Accounts payable and other current liabilities:						
Trade and nontrade accounts payable	₱4,786,861	₱2,545,347	₱49,290	₱133,351	₱–	₱7,514,849
Retention payable	80,542	1,446	306,416	6,932	–	395,336
Accrued expenses <sup>a</sup>	3,522,924	1,521	303,245	159	–	3,827,849
Accrued interest	–	–	–	–	–	–
Due to related parties	2,245,231	725,675	224,470	15	–	3,195,391
Others	41,219	814	4,924	84,523	–	131,480
Derivative Liability	–	10,563	–	12,437	–	23,000
Short-term loans	–	1,500,000	–	–	–	1,500,000
Due to stockholders	16,585	–	–	–	–	16,585
Lease liabilities <sup>b</sup>	–	159,857	1,183,734	3,467,918	12,590,733	17,402,242
Long-term loans <sup>c</sup>	–	593,851	1,535,146	20,934,687	34,828,021	57,891,705
Notes payable	–	–	–	33,949,492	–	33,949,492
Other noncurrent liabilities <sup>d</sup>	–	–	–	5,249,198	–	5,249,198
	<b>₱10,693,362</b>	<b>₱5,539,074</b>	<b>₱3,607,225</b>	<b>₱63,838,712</b>	<b>₱47,418,754</b>	<b>₱131,097,127</b>

<sup>a</sup> Excluding current portion of vacation and sick leave accruals.

<sup>b</sup> Gross contractual payments.

<sup>c</sup> Including contractual interest payments.

<sup>d</sup> Excluding contract liabilities.

As at September 30, 2024 and December 31, 2023, the profile of financial assets used to manage the Group's liquidity risk is as follows:

	September 30, 2024 (Unaudited)				Total
	On Demand	Less than 3 Months	3 to 12 Months	Over 12 Months	
Loans and receivables:					
<i>Current:</i>					
Cash and cash equivalents	<b>₱25,749,912</b>	<b>₱–</b>	<b>₱–</b>	<b>₱–</b>	<b>₱25,749,912</b>
Accounts and Notes					
Receivables:					
Accounts and other receivable	<b>7,541,863</b>	<b>2,663,781</b>	<b>1,701,986</b>	–	<b>11,907,630</b>
Notes receivable	<b>11,330,343</b>	<b>37,949</b>	<b>570,505</b>	–	<b>11,938,797</b>
Interest receivable	<b>4,649,270</b>	<b>12,684</b>	<b>43,789</b>	–	<b>4,705,743</b>
<i>Noncurrent:</i>					
Receivables:					
Accounts and other receivable	–	–	–	<b>1,943,229</b>	<b>1,943,229</b>
Notes receivable	–	–	–	<b>13,308,056</b>	<b>13,308,056</b>
Interest receivable	–	–	–	<b>3,193,633</b>	<b>3,193,633</b>
Derivative assets	–	–	<b>439,560</b>	<b>4,700,244</b>	<b>5,139,804</b>
Investments in redeemable preferred shares and convertible loans	–	–	–	<b>18,972,265</b>	<b>18,972,265</b>
Financial assets at FVOCI:					
Quoted	–	–	–	<b>4,740</b>	<b>4,740</b>
Unquoted	–	–	–	<b>300</b>	<b>300</b>
	<b>₱49,271,388</b>	<b>₱2,714,414</b>	<b>₱2,755,840</b>	<b>₱42,122,467</b>	<b>₱96,864,109</b>

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	December 31, 2023 (Audited)				Total
	On Demand	Less than 3 Months	3 to 12 Months	Over 12 Months	
Loans and receivables:					
<i>Current:</i>					
Cash and cash equivalents	₱39,696,662	₱–	₱–	₱–	₱39,696,662
Short-term investments	–	–	–	–	–
Accounts and Notes Receivables:					
Accounts and other receivable	7,451,131	1,204,573	1,761,647	–	10,417,351
Notes receivable	8,872,038	26,249	4,978,164	–	13,876,451
Interest receivable	1,806,672	15,519	84,759	–	1,906,950
<i>Noncurrent:</i>					
Receivables:					
Accounts and other receivable	–	–	–	1,988,705	1,988,705
Notes receivable	–	–	–	7,558,457	7,558,457
Interest receivable	–	–	–	4,299,398	4,299,398
Derivative assets	–	–	177,828	6,269,689	6,447,517
Investments in redeemable preferred shares and convertible loans	–	–	–	21,633,799	21,633,799
Financial assets at FVOCI:					
Quoted	–	–	–	–	–
Unquoted	–	–	–	300	300
	₱57,826,503	₱1,246,341	₱7,002,398	₱41,750,348	₱107,825,590

*Interest Rate Risk*

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at September 30, 2024 and December 31, 2023, the Group has fixed rate financial instruments measured at fair value.

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

*Market Risk*

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

*Equity Price Risk*

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

*Commodity Price Risk*Cash flow hedges

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

To manage Commodity Price Risk, the Group develops a Coal and Fuel Hedging Strategy aimed to:

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

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

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

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

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

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

The hedge ineffectiveness can arise from:

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

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

	Maturity						Total
	< 1 month	1-3 months	4-6 months	7-9 months	10-12 months	>12 months	
<b>As at September 30, 2024</b>							
<i>Foreign exchange forward contracts</i>							
Notional amount (\$000)	\$1,668,079	\$1,158,395	\$	\$-	\$-	\$-	\$2,826,474
Average forward rate (\$/₱)	56.64	56.07	-	-	-	-	
<i>Coal</i>							
Notional amount (in Metric Tons)	-	1,200	-	-	-	-	1,200
Notional amount (in \$000)	\$	(\$54)	\$	\$-	\$-	\$-	(\$54)
Average hedged rate (\$ per Metric ton)	-	104.76	-	-	-	-	
<b>As at December 31, 2023</b>							
<i>Foreign exchange forward contracts</i>							
Notional amount (\$000)	\$17,161	15,159	\$6,560	\$-	\$-	\$-	\$38,880
Average forward rate (\$/₱)	55.47	55.42	55.43	-	-	-	
<i>Coal</i>							
Notional amount (in Metric Tons)	1,200	-	-	-	-	-	1,200
Notional amount (in \$000)	(\$95)	\$-	\$-	\$-	\$-	\$-	(\$95)
Average hedged rate (\$ per Metric ton)	\$168.22	\$-	\$-	\$-	\$-	\$-	

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

	Notional amount	Carrying amount	Line item in the statement of financial position	Change in fair value used for measuring ineffectiveness for the period
<b>As at September 30, 2024</b>				
Foreign exchange forward contracts	\$2,826,474	(₱68,887)	Accounts payable and other current liabilities	(₱68,887)
Commodity swap contracts – Coal	\$1,200	(3,040)	Other noncurrent liabilities	(3,040)
<b>As at December 31, 2023</b>				
Foreign exchange forward contracts	\$17,161	(10,563)	Accounts payable and other current liabilities	(10,563)
Commodity swap contracts – Coal	\$1,200	(5,277)	Other noncurrent liabilities	(3,958)

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

	Change in fair value used for measuring ineffectiveness	Cash flow hedge reserve	Cost of hedging reserve
<b>As at September 30, 2024</b>			
Highly probable forecast purchases	(₱68,887)	₱-	₱-
Coal purchase	(3,040)	-	-
<b>As at December 31, 2023</b>			
Highly probable forecast purchases	(₱10,563)	₱-	₱-
Coal purchase	(3,958)	-	-



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

	Total hedging gain/(loss) recognized in OCI	Ineffectiveness recognized in profit or loss	Line item in consolidated statements of comprehensive income	Cost of hedging recognized in OCI	Amount reclassified from OCI to profit or loss	Line item in the statement of profit or loss
<b>As at September 30, 2024</b>						
Foreign exchange forward contracts	<b>(P40,830)</b>	<b>P-</b>	<b>Unrealized fair value gain on derivative instruments designated as hedges – net of tax</b>	<b>P-</b>	<b>P-</b>	<b>P-</b>
Commodity swap contracts - Coal	<b>(2,280)</b>	<b>-</b>	<b>Unrealized fair value gain on derivative instruments designated as hedges – net of tax</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>As at December 31, 2023</b>						
Foreign exchange forward contracts	<b>P-</b>	<b>(P10,563)</b>	<b>Other income</b>	<b>P-</b>	<b>P-</b>	<b>P-</b>
Commodity swap contracts - Coal	<b>(3,958)</b>	<b>-</b>	<b>Unrealized fair value gain on derivative instruments designated as hedges – net of tax</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### Monitoring of Risk Management Process

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

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

#### *Capital Management*

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

The Group manages its capital structure and adjusts it, in light of changes in economic conditions.

To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders, issue new shares or acquire long-term debts.

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

	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
Short-term debt (Note 13)	P7,650,000	P1,500,000
Long-term debt (Note 13)	115,526,470	77,778,471
Total statutory debt	123,176,470	79,278,471
Less:		
Cash and cash equivalent (Note 4)	25,749,912	30,868,829
Restricted cash (Note 4)	-	8,827,833
Net statutory debt	97,426,558	39,581,809
Total equity	158,069,943	173,375,857
Debt to equity	77.93%	45.73%
Net debt to equity	61.64%	22.83%

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

## 25. Fair Values

The table below presents the carrying values and fair values of the Group's financial assets and financial liabilities, by category and by class, as at September 30, 2024 and 2023:

	Carrying Value	September 30, 2024 (Unaudited)		
		Fair Value		
		Quoted Prices in Active Markets (Level 1)	Significant Observable Input (Level 2)	Significant Unobservable Inputs (Level 3)
<b>Assets</b>				
Investment in financial assets at FVTPL	P4,535,017	P50,965	P4,484,052	P-
Investment in financial assets at FVOCI	12,982,673	7,287,405	5,965,268	-
Investments in redeemable preferred shares and convertible loans	18,972,265	-	-	21,545,202
Derivative asset*	5,139,804	-	16,425	5,123,379
Refundable deposits**	196,163	-	-	189,229
Trade receivables***	519,469	-	-	532,407
Receivables from third parties****	10,262	-	-	10,262
	<b>P42,355,653</b>	<b>P7,338,370</b>	<b>P10,465,745</b>	<b>P27,400,479</b>
<b>Liabilities</b>				
Notes payable	P32,314,639	P-	P-	P30,158,301
Long-term debt	83,211,831	-	-	76,115,841
Deposit payables and other liabilities*****	44,442	-	-	44,442
Derivative liability*****	515,411	-	239,529	275,882
Lease liabilities	15,001,574	-	-	8,820,035
	<b>P131,087,897</b>	<b>P-</b>	<b>P239,529</b>	<b>P115,414,501</b>

\* Included under "Other current assets" account.

\*\* Included under "Other noncurrent assets" account.

\*\*\* Included under "Receivables" and "Other noncurrent assets" accounts and pertain to FIT adjustments and multilateral agreement with PEMC

\*\*\*\* Included under "Receivables"

\*\*\*\*\* Included under "Accounts payable and other current liabilities" and "Other noncurrent liabilities" accounts.

\*\*\*\*\* Included under "Other noncurrent Liabilities"

	December 31, 2023 (Audited)			
	Carrying Value	Fair Value		
		Quoted Prices in Active Markets (Level 1)	Significant Observable Input (Level 2)	Significant Unobservable Inputs (Level 3)
<b>Assets</b>				
Investment in financial assets at FVTPL	P3,871,472	P501,822	P3,369,650	P-
Investment in financial assets at FVOCI	5,799,323	-	5,799,323	-
Investments in redeemable preferred shares and convertible loans	21,633,799	-	-	21,633,799
Derivative asset*	6,447,517	-	1,284,709	5,162,808
Refundable deposits**	167,101	-	-	161,373
Trade receivables***	738,798	-	-	779,816
Receivables from third parties****	10,262	-	-	10,262
	<b>P38,668,272</b>	<b>P501,822</b>	<b>P10,453,682</b>	<b>P27,748,058</b>
<b>Liabilities</b>				
Notes payable	P32,003,794	P-	P-	P29,589,780
Long-term debt	44,485,573	-	-	44,224,717
Deposit payables and other liabilities*****	65,016	-	-	65,016
Derivative liability	23,000	-	23,000	-
Lease liabilities	7,505,848	-	-	8,820,127
	<b>P84,083,231</b>	<b>P-</b>	<b>P23,000</b>	<b>P82,699,640</b>

\* Included under "Other current assets" account.

\*\* Included under "Other noncurrent assets" account.

\*\*\* Included under "Receivables" and "Other noncurrent assets" accounts and pertain to FIT adjustments and multilateral agreement with PEMC

\*\*\*\* Included under "Receivables"

\*\*\*\*\* Included under "Accounts payable and other current liabilities" and "Other noncurrent liabilities" accounts.

\*\*\*\*\* Included under "Other noncurrent Liabilities"

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

- Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

*Cash and Cash Equivalents, Short-term Investment, Receivables, Accounts Payable and Other Current Liabilities and Due to Stockholders*

The carrying amounts of cash and cash equivalents, short-term investment, receivables, accounts payable and other current liabilities and due to stockholders approximate their fair values due to the relatively short-term maturities of these financial instruments.

*Financial Asset at FVTPL and FVOCI*

Quoted financial assets at FVOCI and FVTPL, specifically for publicly traded shares held by the Group, were measured using market prices and classified as Level 1. This includes AREIT shares held by the Group amounting to P7,287.41 million

Quoted financial assets at FVTPL, specifically investments in unit investment trust funds (UITFs) held by the Group were measured using the funds' net asset value (NAV) and classified as Level 2.

The Group holds UITF amounting to ₱3,708.99 million and ₱1,436.68 million as at September 30, 2024 and December 31, 2023, respectively.

Unquoted financial assets at FVTPL and FVOCI, specifically debt and equity instruments held by the Group, were measured using the discounted cash flow technique in estimating the fair value of the financial instruments. Based on the financial performance and financial position of the investee entity which is a related party investment company, management estimates the amount and timing of the future cash inflow arising from redemption of preferred shares. Financial assets at FVTPL classified as Level 2 includes Compulsorily Convertible Debentures of Masaya Solar Energy Private Limited amounting to ₱775.06 million and ₱1,932.98 million as at September 30, 2024 and December 31, 2023, respectively.

In 2024 and 2023, financial assets at FVOCI consists of new investments in Redeemable Preference Share in UPC-ACE Solar, BrightNight , PT Puri Prakarsa Batam, and IBV ACEN Renewables Asia Pt. amounting to US\$52.65 million (₱2,949.80 million), US\$33.71 million (₱1,888.85 million), US\$5.86 million (₱328.44 million), and US\$0.11 million (₱6.07 million) respectively. The Group recognized financial assets at FVOCI classified as Level 2 amounting to ₱12,465.60 million and ₱5,799.32 million for the nine-month period ended September 30, 2024 and year ended December 31, 2023, respectively.

*Investments in redeemable preferred shares and convertible loans*

This includes investments in redeemable preferred shares and convertible loans. The estimated fair value is based on the discounted value of future cash flows using the prevailing credit adjusted risk-free rates that are adjusted for credit spread.

*Noncurrent trade receivables, Receivables from third parties, Refundable Deposits, Deposits Payable and Other Liabilities*

Estimated fair value is based on present value of future cash flows discounted using the prevailing BVAL rates that are specific to the tenor of the instruments' cash flows at the end of the reporting period.

*Long-Term Loans*

The estimated fair value is based on the discounted value of future cash flows using the prevailing credit adjusted risk-free rates that are adjusted for credit spread. Interest rates used in discounting cash flows ranged from 2.49% to 8.09% and 1.03% to 8.88% as at September 30, 2024 and December 31, 2023, respectively.

*Notes Payable*

The estimated fair value is based on the discounted value of future cash flows using the prevailing credit adjusted risk-free rates that are adjusted for credit spread. Interest rates used in discounting cash flows is 5.68% and 6.07% as at as at September 30, 2024 and December 31, 2023, respectively.

*Derivative asset and liability*

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

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

There were no significant unobservable inputs used in the valuation of the derivative assets on Long-term Energy Supply Agreement and interest rate swaps.

There were no transfers between levels in the fair value hierarchy in 2024 and 2023.

## 26. Supplemental Cash Flows Information

The non-cash investing activities of the Group for the nine-month period ended September 30, 2024 and 2023 are as follow:

	<b>For the nine-month period Ended September 30 (Unaudited)</b>	
	<b>2024</b>	<b>2023</b>
Non-cash additions to property, plant and equipment	<b>₱762,075</b>	₱1,115,723
Set-up of ROU assets from new lease agreements	<b>628,363</b>	2,659,778
Reclassifications to (from):		
Property, plant and equipment	<b>6,857,632</b>	3,456,273
Investments in associates and joint ventures	<b>338,884</b>	305,476
Other noncurrent assets	<b>(5,662,214)</b>	(3,525,696)
Investments in redeemable preferred shares and convertible loans	<b>(3,261,152)</b>	(382,519)
Creditable withholding taxes	<b>(59,172)</b>	(667,682)
Financial assets at FVTPL	–	(276,297)
Changes due to business combination:		
Right-of-use assets	<b>102</b>	–

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Movements in the Group's liabilities from financing activities for the nine-month period ended September 30, 2024 and 2023 are as follows:

	December 31, 2023 (Audited)	Availments/ Proceeds	Payments	Others	September 30, 2024 (Unaudited)
Current portion of:					
Short-term loans	<b>₱1,500,000</b>	<b>₱18,250,000</b>	<b>(₱12,100,000)</b>	<b>₱-</b>	<b>₱7,650,000</b>
Long-term loans	<b>1,289,104</b>	-	<b>(1,516,642)</b>	<b>1,597,653</b>	<b>1,370,115</b>
Lease liabilities	<b>850,953</b>	-	<b>(493,815)</b>	<b>1,183,612</b>	<b>1,540,750</b>
Interest payable	<b>862,164</b>	-	<b>(5,949,239)</b>	<b>5,881,847</b>	<b>794,772</b>
Due to stockholders	<b>16,585</b>	-	<b>(3,957,828)</b>	<b>3,954,390</b>	<b>13,147</b>
Noncurrent portion of:					
Notes payable	<b>32,003,794</b>	-	-	<b>310,845</b>	<b>32,314,639</b>
Long-term loans	<b>44,485,573</b>	<b>38,788,668</b>	-	<b>(1,432,525)</b>	<b>81,841,716</b>
Lease liabilities	<b>7,505,848</b>	-	-	<b>5,954,976</b>	<b>13,460,824</b>
Other noncurrent liabilities	<b>6,344,004</b>	<b>1,995,429</b>	-	<b>(188,302)</b>	<b>8,151,131</b>
Total liabilities from financing activities	<b>₱94,858,025</b>	<b>₱59,034,097</b>	<b>(₱24,017,524)</b>	<b>₱17,262,496</b>	<b>₱147,137,094</b>

	January 1, 2023 (Audited)	Availments/ Proceeds	Payments	Others	September 30, 2023 (Unaudited)
Current portion of:					
Short-term loans	₱2,900,000	₱14,100,000	(₱14,500,000)	₱-	₱2,500,000
Long-term loans	719,385	-	(432,344)	986,301	1,273,342
Lease liabilities	258,562	-	(657,932)	1,190,337	790,967
Interest payable	483,090	-	(1,188,896)	1,093,623	387,817
Due to stockholders	16,585	-	(2,722,333)	2,722,333	16,585
Noncurrent portion of:					
Notes payable	32,093,314	-	-	375,674	32,468,988
Long-term loans	28,051,903	13,520,198	-	(734,488)	40,837,613
Lease liabilities	4,206,459	-	-	2,179,497	6,385,956
Other noncurrent liabilities	827,643	390,720	-	(128,871)	1,089,492
Total liabilities from financing activities	₱69,556,941	₱28,010,918	(₱19,501,505)	₱7,684,406	₱85,750,760

## 27. Provisions and Contingencies

### Tax assessments:

On August 20, 2014, ACEN distributed cash and property dividends in the form of shares in ENEX after securing SEC's approval of the registration and receipt of CAR from the BIR.

On October 22, 2014, ACEN received from the BIR a Formal Letter of Demand ("FLD"), assessing ACEN for a total donor's tax due of ₱157.75 million inclusive of penalty and interest up to September 30, 2014.

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

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

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

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

In its decision dated September 28, 2018, the CTA Third Division granted ACEN’s petition and ordered the cancellation and withdrawal of the FLD (the “CTA Third Division Decision”). On January 18, 2019, the CTA denied the Commissioner of Internal Revenue’s (“CIR”) motion for reconsideration (“CTA Resolution”). On February 22, 2019, the CIR filed a petition for review with the CTA *en banc* seeking the reversal of the CTA Third Division’s Decision and CTA Resolution. On July 21, 2020, the CTA *en banc* upheld the CTA Third Division Decision and denied the CIR’s petition. The CIR filed a motion for reconsideration dated August 26, 2020. In response, ACEN filed its Comment/ Opposition. As at May 8, 2024, the CIR’s motion for reconsideration has not been resolved by the CTA *en banc*.

#### Claims for tax refund

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

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

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

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

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

On January 24, 2024, the SC’s Third Division issued a Resolution requiring Guimaras Wind to file a Comment to the Petition for Review filed by the Commissioner of Internal Revenue within ten (10) days from receipt of the notice. Guimaras Wind filed the Comment on February 12, 2024.

On April 16, 2024, Guimaras Wind received the CIR’s MOTEX to file their Comment dated April 3, 2024.

There is no decision or resolution as of date from the SC’s Third Division.

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

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

On February 2, 2023, SACASOL filed a Petition for Review before the CTA En Banc. On April 27, 2023 CTA En Banc denied SACASOL Petition for Review on the basis of jurisdictional grounds. The CTA En Banc denied the Petition on the ground that the CTA Third Division purportedly has no jurisdiction to entertain the judicial claim for refund for being filed beyond the 120+30 day mandatory and jurisdictional period. The CTA En Banc counted the 120-day period from November 3, 2016 - the date when SACASOL filed its administrative claim for refund, and noted that the BIR only had until March 3, 2017 to decide the said claim. The CTA En Banc then held that since SACASOL did not receive an adverse decision from the BIR by March 3, 2017, the law considers the administrative claim as denied. According to the Decision, SACASOL had 30 days from March 3, 2017 or until April 3, 2017 to seek judicial redress. Since the Petition was only filed on April 12, 2017, the CTA is deprived of jurisdiction to hear the case.

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



On January 12, 2024, SACASOL received CTA EN Banc Resolution denying the and reiterated its earlier ruling that CTA has no jurisdiction for failure of SACASOL to file its judicial claim for refund within the 120+30 days period from the filing of its administrative claim. The CTA En Banc ruled that the issues in the MR were already addressed, discussed and found wanting in its earlier Decision. On 25 January 2024, SACASOL filed Petition for Extension to File Petition for Review with the Supreme Court. SACASOL filed its Petition for Review on 26 February 2024. As at November 7, 2024, SACASOL has not received any orders from the Supreme Court relating to the case.

#### Provisions and Contingencies

NorthWind Power Development Corporation (“NorthWind”) is a party to several cases involving the assessment and collection by the Provincial Treasurer of Ilocos Norte of real property tax (“RPT”) on the wind turbine generators, civil works, equipment, machinery, and transmission lines of NorthWind located in the Municipality of Bangui. NorthWind was assessed RPT at a rate of two percent (2%) or an aggregate amount of ₱147.23 million for years 2017 to 2021. NorthWind paid under protest the RPT thereon and filed a protest questioning the imposition of 2% tax rate on its Renewable Energy (“RE”) facilities. Under Republic Act 9513 or the RE Law, realty and other taxes on civil works, equipment, machinery, and other improvements of a Registered RE Developer actually and exclusively used for RE facilities shall not exceed 1.5% of their original cost less accumulated normal depreciation or net book value. All protests filed by NorthWind to the Provincial Treasurer from 2017 to 2024 were denied.

As at November 7, 2024, the 2017 to 2023 RPT protest, regarding an aggregate amount of ₱212.49 million, is still pending decision with the Local Board of Assessment Appeals of Ilocos Norte.

#### Compliance with Must Offer Rule

On October 4, 2018, CIPP, One Subic Power, Bulacan Power and the Parent Company received a letter from PEMC for pending investigation of trading intervals covering periods from 2014 to 2018. The scope of the investigation covers possible non-compliance with the Must Offer Rule (MOR) and with the Real-Time Dispatch (RTD) or System Operator Instructions.

On October 28, 2020 and August 17, 2021, the PEMC Board cleared CIP and found no breaches from August 2014 to December 2015. On June 3, 2022, the PEMC Board cleared One Subic Power and found no breaches for the period May- December 2014 period. In the May 2022 meeting, PEMC met with trading participants with pending investigations and discussed a shortened process in the investigation while at the same time ensuring due process for all participants. The shortened process will adopt the current PEMC process of frequently flagging the trading participant of the intervals under investigation and requesting for immediate replies and dispensing with lengthy discussions in its investigation reports.

On July 7, 2023, the PEMC Board issued a Notice on Investigation Report which approves the imposition of penalty amounting to ₱700,000 against One Subic Power for breach of MOR. The said breaches were broken down as follows: four breaches in 2014, one breach in 2015, one breach in 2016, and one breach in 2019.

In the May 5, 2023 PEM Board Action letter, the PEM Board cleared Bulacan Power of 10,821 trading intervals, and released its findings and found NO breaches for Bulacan Power for said trading intervals during the January 2015-December 2015 and January 2016-December 2016 investigation periods.

As for CIP II, no breach was found for all the trading intervals from 2014-2021. The PEMC Board issued a Certification dated 24 July 2023 certifying that the investigation cases have been closed and finally disposed of by PEMC.

#### Refund of Market Transaction Fee from PEMC

On July 9, 2020, the ERC issued its Decision on ERC Case 2015-160 RC ordering PEMC to refund the over collection in the Market Transaction Fee (MTF) in 2016 and 2017. The ERC determined the over collection by getting the variance between the MTF collected in 2016 and 2017, and the ERC-Approved Budget of PEMC for the same period. The total refund was determined at ₱433.20 million which shall be apportioned among all the Luzon and Visayas participants. The ERC has directed PEMC to implement the refund over twelve (12) months beginning the next billing month upon receipt of the relevant Decision.

The PEMC filed a motion for reconsideration with the ERC. In an Order promulgated on June 11, 2021, the ERC resolved to deny the motion for reconsideration filed by the. The market level fee approved by the ERC in its Decision of July 2020 was implemented by the Independent Electricity Market Operator of the Philippines for the WESM market fee collection for the calendar year 2021.

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## 28. 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 performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the consolidated financial statements.

For management purposes, the Group is organized into the following business units:

- Philippines, which includes:
  1. Retail Electricity Supply (RES) and Commercial Operations (CO)
  2. Renewables – generation, transmission, distribution, and supply of electricity using renewable sources such as solar, wind, and geothermal resources
  3. Thermal – generation, transmission, distribution, and supply of electricity using conventional methods of energy generation
  4. Project development
  5. Leasing
  6. Bulk water supply - arising from previously owned biomass project (ACEN legacy projects)
  7. Petroleum and exploration – pursued via 75.92% owned subsidiary, ENEX Energy Corp.
- International represents the operations of ACRI, which is the holding company for all offshore investments, which includes businesses from Australia, Vietnam, Indonesia, India and rest of the world. This includes earnings from the operations of ACEN Australia, international renewable investments, as well as project development expenses, financing activities, and overhead expenses for the various renewable power projects in the pipeline.
- Parent and Others represents operations of the Parent Company (excluding Commercial Operations) including its financing entities such as ACEN Finance Limited and ACEN Cayman Ltd.

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

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

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

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

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

Statutory net debt is the sum of consolidated (1) short-term loans, (2) long-term loans, and (3) notes payable less consolidated cash and cash equivalents.

Attributable net debt is the sum of (1) statutory net debt and (2) nonconsolidated operating projects’ net debt which is debt less cash multiplied by ACEN economic interest.

Statutory and attributable net debt includes recourse and non-recourse debt. Nonconsolidated operating projects’ net debt excludes intercompany loans wherein the Group is the lender. These are Bridge financing, development loans and investment in redeemable preferred shares and convertible loans in the consolidated statements of financial position of the Group.

Revenue earned from a single external customer amounted to ₱8,068.65 million and ₱9,048.97 million for the nine-month period ended September 30, 2024 and 2023, respectively, which accounted for more than 10% of the consolidated revenues from external customers, arising from sales in the Philippine Segment.

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

The following tables regarding operating segments present revenue and income information for the nine-month period ended September 30, 2024 and 2023 and assets and liabilities as at September 30, 2024 and December 31, 2023:

	For the Nine-Month Period Ended September 30, 2024 (Unaudited)			
	Philippines	International	Parent and Others	Consolidated
<b>Revenues</b>				
Revenue from sale of electricity	<b>₱25,980,131</b>	<b>₱1,643,358</b>	<b>₱-</b>	<b>₱27,623,489</b>
Rental income	52,198	-	-	52,198
Dividend income	-	126,475	-	126,475
Other revenues	5,757	42,355	234,621	282,733
	<b>26,038,086</b>	<b>1,812,188</b>	<b>234,621</b>	<b>28,084,895</b>
<b>Costs and expenses</b>				
Costs of sale of electricity				
Cost of purchased power	16,119,442	52,376	-	16,171,818
Depreciation and amortization	982,487	341,835	-	1,324,322
Fuel	991,136	-	-	991,136
Others	1,588,276	-	-	1,588,276
	<b>19,681,341</b>	<b>394,211</b>	<b>-</b>	<b>20,075,552</b>
General and administrative expenses				
Personnel costs, management and professional fees	204,162	1,038,710	1,045,150	2,288,022
Depreciation and amortization	64,168	60,337	292,350	416,855
Provision for impairment	8,614	799,093	-	807,707
Others	478,260	603,793	199,370	1,281,423
	<b>755,204</b>	<b>2,501,933</b>	<b>1,536,870</b>	<b>4,794,007</b>
	<b>20,436,545</b>	<b>2,896,144</b>	<b>1,536,870</b>	<b>24,869,559</b>
<b>Equity in net income of associates and joint ventures</b>	<b>447,750</b>	<b>653,244</b>	<b>-</b>	<b>1,100,994</b>
<b>Other income (charges)</b>				
Interest and other financial income				
Cash in banks and short-term deposits	300,731	189,884	244,481	735,096
Accounts and notes receivable	644,433	1,044,349	3,339	1,692,121
Investment in redeemable preferred shares and convertible loans	-	2,270,452	-	2,270,452
	<b>945,164</b>	<b>3,504,685</b>	<b>247,820</b>	<b>4,697,669</b>
Interest and other finance charges	(379,025)	(753,134)	(992,063)	(2,124,222)
Other income - net				
Gain on disposal of assets	1,035,333	1,352,203	-	2,387,536
Others	292,546	-	-	292,546
	<b>1,327,879</b>	<b>1,352,203</b>	<b>-</b>	<b>2,680,082</b>
	<b>1,894,018</b>	<b>4,103,754</b>	<b>(744,244)</b>	<b>5,253,529</b>
<b>Net income (loss) before income tax</b>	<b>7,943,309</b>	<b>3,673,042</b>	<b>(2,046,492)</b>	<b>9,569,859</b>
<b>Provision for (benefit from) income tax</b>	<b>609,018</b>	<b>(360,157)</b>	<b>354,549</b>	<b>603,410</b>
<b>Segment net income (loss)</b>	<b>₱7,334,291</b>	<b>₱ 4,033,199</b>	<b>(₱2,401,041)</b>	<b>₱8,966,449</b>
Other disclosures:				
Depreciation and amortization	₱1,046,655	₱402,172	₱292,350	₱ 1,741,177
Capital expenditures	13,243,269	12,012,614	-	25,255,883
Provision for impairment of property, plant and equipment, advances to contractors	5,547	-	-	5,547
Statutory EBITDA	8,895,828	5,437,557	(1,006,559)	13,326,826
Attributable EBITDA	9,508,682	9,986,838	(1,006,559)	18,488,961
Statutory Cash	15,217,217	24,605	10,508,090	25,749,912
Statutory Debt	4,409,451	7,160,824	111,606,196	123,176,471
Statutory Net Debt (Cash)	(10,807,766)	7,136,219	101,098,106	97,426,559
Attributable Cash	17,084,498	5,455,145	10,508,090	33,047,733
Attributable Debt	12,185,867	58,177,860	111,606,196	181,969,923
Attributable Net Debt (Cash)	(4,898,631)	52,722,714	101,098,106	148,922,189
				As at September 30, 2024 (Unaudited)
Operating assets	<b>₱79,837,901</b>	<b>₱ 81,431,939</b>	<b>₱161,679,917</b>	<b>₱ 322,949,757</b>
Operating liabilities	<b>₱26,777,761</b>	<b>₱66,543,295</b>	<b>₱72,592,023</b>	<b>₱165,913,079</b>
Investments in associates and joint ventures	<b>₱12,089,271</b>	<b>₱23,522,190</b>	<b>₱-</b>	<b>₱35,611,461</b>

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

	For the Nine-Month Period Ended September 30, 2024 (Unaudited)			
	Philippines	International	Parent and Others	Consolidated
Revenues	₱26,038,086	₱1,812,188	₱234,621	₱28,084,895
Cost and expenses (exc. Depreciation and amortization and provision for impairment)	(19,381,276)	(1,694,879)	(1,244,520)	(22,320,674)
Equity in net income of associates and joint ventures	447,750	653,244	–	1,100,994
Interest and other financial income				
Accounts and notes receivable	644,433	1,044,349	3,339	1,692,121
Investments in redeemable preferred shares and convertible loans	–	2,270,452	–	2,270,452
Other income - net	1,146,835	1,352,203	–	2,499,038
<b>Statutory EBITDA</b>	<b>₱8,895,828</b>	<b>₱5,437,557</b>	<b>(₱1,006,559)</b>	<b>₱13,326,826</b>
	Philippines	International	Parent and Others	Consolidated
Statutory EBITDA	₱8,895,828	₱5,437,557	(₱1,006,559)	₱13,326,826
Nonconsolidated operating projects' EBITDA	1,060,604	7,472,977	–	8,533,581
Equity in net income of associates and joint ventures	(447,750)	(653,244)	–	(1,100,994)
Interest and other financial income from				
Investments in redeemable preferred shares and convertible loans	–	(2,270,452)	–	(2,270,452)
<b>Attributable EBITDA</b>	<b>₱9,508,682</b>	<b>₱9,986,838</b>	<b>(₱1,006,559)</b>	<b>₱18,488,961</b>
	As at September 30, 2024 (Unaudited)			
	Philippines	International	Parent and Others	Consolidated
Short-term loans	₱–	₱–	₱7,650,000	₱7,650,000
Long-term loans	4,409,451	7,160,824	71,641,556	83,211,831
Notes payable	–	–	32,314,639	32,314,639
Statutory debt	4,409,451	7,160,824	111,606,195	123,176,470
Statutory cash and cash equivalent	15,217,217	24,605	10,508,090	25,749,912
<b>Statutory net debt (cash)</b>	<b>(₱10,807,766)</b>	<b>₱7,136,219</b>	<b>₱101,098,105</b>	<b>₱97,426,558</b>
	As at September 30, 2024 (Unaudited)			
	Philippines	International	Parent and Others	Consolidated
Statutory net debt (cash)	(₱10,807,766)	₱7,136,219	₱101,098,105	₱97,426,558
Statutory debt	4,409,451	7,160,824	111,606,195	123,176,470
Statutory cash and cash equivalents	15,217,217	24,605	10,508,090	25,749,912
Nonconsolidated operating projects'				
Attributable debt	7,776,416	51,017,036	–	58,793,452
Attributable cash	1,867,281	5,430,540	–	(7,297,821)
Gross attributable debt	12,185,867	58,177,860	111,606,195	181,969,922
<b>Attributable net debt (cash)</b>	<b>(₱4,898,630)</b>	<b>₱52,722,715</b>	<b>₱101,098,106</b>	<b>₱148,922,191</b>

As of September 30, 2024 limited recourse and non-recourse for statutory debt amounts to ₱69,809 million and ₱53,367 million, respectively. Some of the international attributable debt is covered by guarantees (see Note 20).

	For the Nine-Month Period Ended September 30, 2023 (Unaudited)			
	Philippines	International	Parent and Others	Consolidated
<b>Revenues</b>				
Revenue from sale of electricity	₱27,962,340	₱445,293	₱–	₱28,407,633
Rental income	51,644	–	–	51,644
Other revenues	8,125	22,238	160,271	190,634
	28,022,109	467,531	160,271	28,649,911
<b>Costs and expenses</b>				
Costs of sale of electricity				
Costs of power purchased	21,764,271	–	–	21,764,271
Depreciation and amortization	896,309	–	–	896,309
Fuel	1,289,025	–	–	1,289,025
Others	1,243,813	–	–	1,243,813
	25,193,418	–	–	25,193,418
General and administrative expenses				
Personnel costs, management and professional fees	39,876	779,841	1,237,137	2,056,854
Provision for impairment	1,573,344	1,110,107	–	2,683,451
Depreciation and amortization	126,194	32,779	172,934	331,907
Others	315,266	222,136	316,902	854,304
	2,054,680	2,144,863	1,726,973	5,926,516
	27,248,098	2,144,863	1,726,973	31,119,934
<b>Equity in net income of associates and joint ventures</b>	793,408	766,505	–	1,559,913
<b>Other income (charges)</b>				
Interest and other financial income				
Cash in banks and short-term deposits	117,088	681,420	107,095	905,603
Accounts and notes receivable	489,242	1,316,017	–	1,805,259
Investments in redeemable preferred shares and convertible loans	–	2,356,587	–	2,356,587
	606,330	4,354,024	107,095	5,067,449
Interest and other finance charges	(300,090)	(702,672)	(339,647)	(1,342,409)
Other income (expense) – net				
Gain on disposal of assets	–	1,062,030	154,392	1,216,422
Remeasurement gain	–	3,433,328	–	3,433,328
Others	547,524	–	–	547,524
	547,524	4,495,357	154,392	5,197,274
<b>Net income (loss) before income tax</b>	2,421,183	7,235,882	(1,644,862)	8,012,204
<b>Provision for (benefit from) income tax</b>	514,224	(266,335)	53,596	301,485
<b>Segment net income (loss)</b>	₱1,906,959	₱7,502,217	(₱1,698,458)	₱7,710,719

Other disclosures:

	As at September 30, 2023 (Unaudited)			
Depreciation and amortization	₱1,022,503	₱32,779	₱172,934	₱1,228,216
Capital expenditures	–	–	–	–
Provision for impairment of property, plant and equipment, advances to contractors	10,818	–	–	10,818
Statutory EBITDA	4,652,501	4,966,692	(1,239,367)	8,379,826
Attributable EBITDA	5,189,047	10,043,996	(1,239,367)	13,993,676

	As at December 31, 2023 (Audited)			
Statutory Cash	₱14,743,597	₱1,507,428	₱23,445,637	₱39,696,662
Statutory Debt	3,350,857	18,539,295	57,388,319	79,278,471
Statutory Net Debt (Cash)	(11,392,740)	17,031,867	33,942,682	39,581,809
Attributable Cash	15,524,271	6,593,490	23,445,637	45,563,398
Attributable Debt	10,960,857	72,023,312	57,388,319	140,372,488
Attributable Net Debt	(4,563,414)	65,429,822	33,942,682	94,809,090
Operating assets	41,772,249	85,942,407	157,218,844	284,933,500
Operating liabilities	18,550,582	32,530,461	60,476,600	111,557,643
Investments in associates and joint ventures	10,882,646	19,215,971	–	30,098,617

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

	For the Nine-Month Period Ended September 30, 2023 (Unaudited)			
	Philippines	International	Parent and Others	Consolidated
Revenues	₱28,022,109	₱467,531	₱160,271	₱28,649,911
Cost and expenses (exc. Depreciation and amortization and provision for impairment)	(24,652,251)	(1,001,977)	(1,554,039)	(27,208,267)
Equity in net income of associates and joint ventures	793,408	766,505	–	1,559,913
Interest and other financial income				
Accounts and notes receivable	489,242	1,316,017	–	1,805,259
Investment in redeemable preferred shares and convertible loans	–	2,356,587	–	2,356,587
Other income - net	–	1,062,030	154,392	1,216,422
Statutory EBITDA	₱4,652,509	₱4,966,692	(₱1,239,375)	₱8,379,826

	Philippines	International	Parent and Others	Consolidated
Statutory EBITDA	₱4,652,509	₱4,966,692	(₱1,239,375)	₱8,379,826
Nonconsolidated operating projects' EBITDA	1,329,954	8,200,396	–	9,530,350
Equity in net income of associates and joint ventures	(793,408)	(766,505)	–	(1,559,913)
Interest and other financial income from investment in redeemable preferred shares and convertible loans	–	(2,356,587)	–	(2,356,587)
Attributable EBITDA	₱5,189,055	₱10,043,996	(₱1,239,375)	₱13,993,676

	As at December 31, 2023 (Audited)			
	Philippines	International	Parent and Others	Consolidated
Short-term loans	₱–	₱–	₱1,500,000	₱1,500,000
Long-term loans	3,350,857	18,539,295	23,884,525	45,774,677
Notes payable	–	–	32,003,794	32,003,794
Statutory debt	3,350,857	18,539,295	57,388,319	79,278,471
Statutory cash and cash equivalent	14,743,597	1,507,428	23,445,637	39,696,662
Statutory net debt (cash)	(₱11,392,740)	₱17,031,867	₱33,942,682	₱39,581,809

	Philippines	International	Parent and Others	Consolidated
Statutory net debt (cash)	(₱11,392,740)	₱17,031,867	₱33,942,682	₱39,581,809
Statutory debt	3,350,857	18,539,295	57,388,319	79,278,471
Statutory cash and cash equivalent	14,743,597	1,507,428	23,445,637	39,696,662
Nonconsolidated operating projects'				
Attributable debt	7,610,000	53,484,017	–	61,094,017
Attributable cash	780,674	5,086,062	–	5,866,736
Gross attributable debt	10,960,857	72,023,312	57,388,319	140,372,488
Attributable net debt (cash)	(₱4,563,414)	₱65,429,822	₱33,942,682	₱94,809,090

As of December 31, 2023 limited recourse and non-recourse for statutory debt amounts to ₱12,815.90 million and ₱66,462.71 million, respectively. Some of the international attributable debt is covered by guarantees (see Note 20).

#### Adjustments and Eliminations

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

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

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

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

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## 29. Reclassification

The consolidated statements of income for the nine-month period ended September 30, 2023 have been reclassified to conform to the nine-month period ended September 30, 2024.

The following consolidated statements of income accounts were expanded to present additional components and/or reclassified as follows:

1. Cost of sale of electricity – expanded to present its components:
  - a. Cost of purchased power;
  - b. Depreciation and amortization;
  - c. Fuel; and
  - d. Others
2. General and administrative expenses – expanded to present its components:
  - a. Personnel cost, management and professional fees;
  - b. Provision for impairment;
  - c. Depreciation and amortization; and
  - d. Others
3. Other income (charges) – previously referred to as Other Income - Net
  - a. Interest and other financial income – previously presented under Other Income – net was expanded to present its components:
    - i. Cash in bank and short-term deposits
    - ii. Accounts and other receivables
    - iii. Investments in redeemable preferred shares and convertible loans



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- b. Interest and other finance charge – previously presented as a separate line item in the consolidated statement of income
- c. Other Income – net – was expanded to present its components:
  - i. Gain on disposal of assets; and
  - ii. Others

The changes did not result to any change in the consolidated net income after tax of the Group for the nine-month period ended September 30, 2023.

#### **COSTS AND EXPENSES**

Costs of sale of electricity (Note 17)	
Cost of purchased power	P21,764,271
Depreciation and amortization	896,309
Fuel	1,289,025
Others	1,243,813
	<hr/> 25,193,418
General and administrative expenses (Note 18)	
Personnel costs, management and professional fees	2,056,854
Provision for impairment	2,683,451
Depreciation and amortization	331,907
Others	854,304
	<hr/> 5,926,516
	<hr/> <b>P31,119,934</b>

#### **OTHER INCOME (CHARGES)**

Interest and other financial income (Note 20)	
Cash in banks and short-term deposits	P905,603
Accounts and notes receivable (Note 5)	1,805,259
Investment in redeemable preferred shares and convertible loans (Note 7)	2,356,587
	<hr/> 5,067,449
Interest and other finance changes (Note 19)	(1,342,409)
Other income - net	
Gain on disposal of assets	1,216,422
Remeasurement gain	3,433,328
Others	547,524
	<hr/> 5,197,274
	<hr/> <b>P8,922,314</b>

Previously, these accounts were presented in the consolidated statement of income for the nine-month period ended September 30, 2023 as follow:

#### **COSTS AND EXPENSES**

Costs of sale of electricity (Note 17)	P25,193,418
General and administrative expenses (Note 18)	5,926,516
	<hr/> 31,119,934

<b>INTEREST AND OTHER FINANCE CHANGES</b> (Note 19)	(1,342,409)
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<b>OTHER INCOME – NET*</b>	10,264,723
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\* Other income – net is the sum of interest and other financial income of P5,067.45 million and other income – net of P5,197.27 million.

The consolidated statement of income for the nine-month period ended September 30, 2023 has been updated to include an additional disclosure on net income attributable to common shareholders of the Parent Company to align with the consolidated statement of income for the nine-month period ended September 30, 2024. Since the redeemable preferred shares amounting to ₱25,000.00 million were issued on September 1, 2023, net income attributable to equity holders of the Parent Company amounting to ₱6,565.48 million is equal to the net income attributable to common shareholders of the Parent Company for the nine-month period ended September 30, 2023. The redeemable preferred shares are the issuance of the Group of Series A Preferred Shares amounting to ₱8,341.50 million and Series B Preferred Shares amounting to ₱16,658.50 million with dividend rate of 7.1330% and 8.000% per annum, respectively.

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### 30. Events After the Reporting Period

*Declaration of Cash Dividends on Outstanding Series A Preferred Shares (ACENA) and Series B Preferred Shares (ACENB)*

On November 4, 2024, the BOD of ACEN approved the declaration of the fourth quarter of 2024 cash dividends on the ACEN's outstanding Series A Preferred Shares (ACENA) and Series B Preferred Shares (ACENB):

	ACENA	ACENB
Dividend Rate	¼ of 7.1330% per annum	¼ of 8.0000% per annum
Dividend Per Share	₱17.8325 per share	₱20.0000 per share
Dividends	₱148,750	₱333,170

Total dividends amounting to ₱481.92 million will be paid on December 2, 2024.

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## ANNEX B

### MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of financial position and results of operations of ACEN and its subsidiaries should be read in conjunction with the unaudited interim consolidated financial statements as at September 30, 2024, for the nine-month period ended September 30, 2024 and 2023 and the audited consolidated financial statements as at September 30, 2024. The unaudited interim consolidated financial statements have been prepared in accordance with Philippine Accounting Standards (“PAS”) 34, *Interim Financial Reporting*.

#### 2024

##### Corporate Highlights:

- On January 3, 2024, transaction closing was achieved by ACEN Investments HK Limited, a subsidiary of ACRI, and Barito Renewables for the acquisition of three late-stage wind development assets with a combined potential capacity of 320 MW. The assets are located in South Sulawesi, Sukabumi, and Lombok provinces. The transaction was originally disclosed on December 15, 2023.
- On January 23, 2024, ACEN, together with its joint venture partners PivotGen and UPC Solar & Wind Investments, completed a purchase agreement with EDF Renewables North America for the lessee interests in the 38 MW Chestnut Flats operating wind project near Altoona, Pennsylvania. The purchase was made via the joint venture entity UPC Power Solutions. EDF Renewables will continue to provide asset management, operations, and maintenance services. This represents ACEN’s second project in North America, following the Stockyard Wind portfolio in 2023.
- In February 2024, ACEN’s subsidiary ACEN Australia announced that it secured a total of AUD 150 million in green term loans from Australia and New Zealand Banking Group (ANZ) and Westpac Banking Corporation, with each bank providing AUD 75 million. The green term loans represent ACEN’s commitment to the Australian market, where 1 GW is already in operations and under construction, with an additional development pipeline of more than 8 GW in renewables.
- In March 2024, ACEN Australia signed a cooperation agreement with Marubeni Corporation for the joint development of a 200 MW/400 MWh (2-hour) Battery Energy Storage System (BESS) in New South Wales, Australia. The signing ceremony for the Agreement took place at the Philippine Business Forum held in Melbourne, and was presented to the President of the Philippines, Ferdinand R. Marcos Jr. The agreement commits the parties to work together on the delivery of the New England 400 MWh BESS. The 50-50 partnership has a projected investment amount of AU\$ 250 million with a target completion by the end of 2025.
- Also in March 2024, ACEN announced its second partnership with BrightNight, to advance the development, construction, and operation of the latter's renewable power portfolio in the Philippines. The partnership plans to develop and construct 1 GWac of renewable energy projects in the Philippines with an estimated capital deployment of USD1.2 billion over the next five years. This is BrightNight and ACEN’s second partnership and builds on the success of the one established in India in March 2023, which has already produced the 100 MW Maharashtra Hybrid Solar-Wind project.

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- ACEN in March 2024 secured a “B” rating for its climate change disclosure through CDP, a global non-profit that runs the world’s leading environmental disclosure platform. This rating puts ACEN two levels higher than last year’s, underscoring ACEN’s dedication to decarbonization and adherence to the highest environmental standards. Since beginning its disclosures with CDP in 2022, ACEN has actively participated in the Climate Change questionnaire, contributing to the world’s most comprehensive inventory of self-reported environmental data. The company’s ongoing efforts align with the increasing demand for environmental transparency from financial institutions, customers and policymakers.
- On April 3, 2024, ACEN’s wholly owned subsidiary, ACEN Renewables International Pte. Ltd. (ACRI), together with its joint venture partner, UPC Renewables Asia Pacific Holdings Pte. Ltd., completed the sale of all their shares in PT UPC Sidrap Bayu Energi, held through UPC Sidrap HK Limited and UPC Renewables Asia III Limited, to PT Barito Wind Energy. PT UPC Sidrap Bayu Energi is the legal entity that owns the 75 MW Sidrap Wind farm in South Sulawesi, Indonesia. The transaction was first disclosed on December 7, 2023. ACEN’s parent company AC Energy and Infrastructure Corporation, through ACRI, originally invested in the Sidrap Wind farm, Indonesia’s first, in 2017.
- On April 15, 2024, ACRI signed a US\$150 million green term loan facility with Sumitomo Mitsui Banking Corporation Singapore Branch (SMBC), for financing investments in renewable energy projects across the region. The green term loan has a tenure of five years and SMBC acts as both lender and green loan coordinator. This facility represents the first partnership between ACEN and SMBC.
- On April 17, 2024, ACEN and the Rockefeller Foundation announced that the first Coal to Clean Credit Initiative (CCCI) pilot project under consideration in the Philippines, could avoid up to 19 million tons of carbon dioxide (CO<sub>2</sub>) emissions. An assessment by the Rocky Mountain Institute (RMI), a technical partner of the Rockefeller Foundation, explored the climate impact of leveraging carbon finance to close the South Luzon Thermal Energy Corporation (SLTEC) coal plant in 2030 – ten years ahead of its scheduled retirement – and replacing it with clean power and battery storage, while supporting the livelihoods of workers affected by the plant’s early transition. ACEN executed the world’s first market-based Energy Transition Mechanism (ETM) on SLTEC in 2022. Announced during Financing Asia’s Transition Conference, RMI’s analysis applied CCCI’s draft methodology, currently under review by Verra, to assess SLTEC’s eligibility for carbon financing. It found that the project meets the eligibility criteria of the draft methodology and that decommissioning by 2030 would not be possible without carbon finance. It found that a carbon credit-backed retirement as early as 2030 could yield positive financial, social, and climate outcomes when compared to a 2040 retirement.
- On July 17, 2024, ACEN wholly owned subsidiaries participated in Meralco’s Competitive Selection Process (CSP) for 500 MW of renewable energy supply, winning two 10-year contracts, inclusive of renewable energy certificates (RECs). Gigasol 3 secured 10 MW starting February 2025 with a further 129 MW starting in February 2026, all at tariffs on P8.1819/KWh. Santa Cruz Solar Energy (SCSEI) won a further 21 MW starting February 2026 at P8.1998/kWh.

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- On August 16, 2024, ACEN, GenZero and Keppel Ltd. (Keppel) signed a Memorandum of Understanding (MOU) to jointly explore the origination and utilization of Transition Credits (TCs) to accelerate the retirement of the South Luzon Thermal Energy Corporation (SLTEC) coal-fired power plant (CFPP) in Batangas, the Philippines, and replace it with a clean energy despatch facility. When completed, this project is expected to be one of the first converted CFPPs in the world to generate TCs. This pioneering initiative reflects the shared commitment of the partners to accelerate the orderly and just transition to clean energy in Southeast Asia. Under the MOU, the parties will jointly undertake a development study to explore utilising TCs to facilitate the project's implementation and achievement of the early retirement goal. The origination and sale of TCs will help to accelerate the decommissioning of the 246 MW SLTEC CFPP located in Calaca, Batangas by 10 years (i.e. 2030), and also support just transition initiatives.
- On August 22, 2024, ACEN and PT Barito Renewables Energy Tbk ("Barito Renewables") announced a partnership designed to accelerate the development of wind renewable energy projects across Indonesia. This strategic partnership will be executed through ACEN's subsidiary, ACEN Indonesia Investment Holdings Pte. Ltd., and Barito Renewables' subsidiary, PT Barito Wind Energy. It builds on the 2024 acquisition of three strategically located late-stage wind development assets in South Sulawesi, Sukabumi, and Lombok, which collectively offer a potential capacity of 320 MW of wind energy, supplemented by cutting-edge battery energy storage solutions.

#### **Operating Highlights:**

- ACEN as of September 30, 2024 has 4,868 MW (megawatts) of attributable capacity from projects both operational and under construction in the Philippines and internationally. This puts the Group in a strong position to reach its 20-GW RE (gigawatt renewable) target by 2030.
  - Philippine assets net attributable capacity is 1,912 MW; and International assets net attributable capacity is at 2,966 MW
- Operating status of 4,868 MW is:
  - 64% or 3,119MW is operating;
  - 4% or 217MW is partially operating; and
  - 32%, 1532MW is under construction.

Partially operating plants are plants under construction which are already transmitting power to the grid, under energization, testing and commissioning, and/or awaiting key requirements.

- Geographical split of the 4,868 MW net attributable capacity is:
  - 39% or 1,912 MW - Philippines;
  - 23% or 1,092 MW - Australia;
  - 19% or 902 MW - Vietnam – Lao PDR;
  - 13% or 626 MW - India;
  - 2% or 100 MW - Indonesia;
  - 5% or 236MW – Others, primarily rooftop solar from the NEFIN partnership across several countries in East Asia and United States

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- Technology split of the 4,868 MW net attributable capacity is:
  - 73% or 3,553 MW - Solar;
  - 22% or 1,049 MW - Wind;
  - 2% or 108 MW - Geothermal;
  - 2% or 90 MW - Battery
  - 1% or 68 MW - Diesel
- Attributable generation output reached 4,278 GWh which is +29% year-over-year driven by production from newly operational plants.
  - Philippines attributable generation output at 1,541 GWh which is +66% year-over-year from the commissioning of San Marcelino Solar Phases 1 and 2, Pagudpud Wind, Cagayan North Solar and Arayat Mexico Solar.
  - International attributable generation output at 2,737 GWh which is +15% year-over-year from the ramp ups of New England Solar Farm 1 in Australia and Masaya Solar in India, in addition to new capacity from Solar NT in Vietnam.
- Attributable generation output is 1,256 GWh for the third quarter (three-month period ended September 30, 2024). This is 12% lower than the second quarter (three-month period ended June 30, 2024) with generation output of 1,426GWh and +11% higher than third quarter last year (three-month period ended September 30, 2023) with generation output 1,136GWh.
  - Philippines attributable generation output at 366GWh which is -18% lower than the second quarter mainly due to lower wind regime and seasonality. This is higher by 82% than third quarter last year due to contribution of San Marcelino solar project that started testing and commissioning in December 2023 and Pagudpud Wind project that started testing and commissioning in March 2023.

International attributable generation output at 890 GWh which is -9% lower than second quarter mainly due to seasonality in Australia, lower wind regime in Vietnam and impact of divestment of Indonesia wind plant in April 2024. This is lower 5% than third quarter last year due to normalized wind resource in Vietnam year-on-year and impact of divestment of Indonesia geothermal plant in July 2024, tempered by contribution of NESF1 that reached commercial operations in April 2024.

### **Financial Highlights:**

- The Group posted consolidated net income attributable to equity holders of the Parent Company amounting to ₱8,144.45 million for the nine-month period ended September 30, 2024 compared to ₱6,565.64 million net income in the same period last year. Consolidated net income attributable to common shareholders of the Parent Company amounted to ₱6,698.69 million and ₱6,405.00 million for the nine-month period ended September 30, 2024 and 2023, respectively.

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- The significant uplift of +28% year-over-year in net income attributable to equity holders of the Parent Company is due to:
  - Attributable generation output year-over-year growth of +29% with a full or near-full operationalization of San Marcelino Solar 1 & 2, Pagudpud Wind, Cagayan North Solar, Arayat-Mexico Solar, and New England Solar Farm 1. All are subsidiaries except for Arayat-Mexico Solar which is through an investment in a joint venture by the Group.
  - Gain recognized in the second quarter of 2024 amounting to US\$22.65 million (₱1,329.85 million) from the divestment from PT Sidrap Bayu Energi. This was an investment of the Group in Sidrap Wind, an Indonesia wind plant with attributable capacity of 56MW.
  - Gain recognized in the third quarter of 2024 amounting to ₱1,035.33 million from the disposal of 2,759,135sqm land located in Zambales, Philippines in exchange for 199,109,438 primary common shares of AREIT.
- Philippines business continues to strengthen its net seller merchant position at 662 GWh following the contribution of new merchant renewable capacity. The increase in merchant volume was tempered by the lower Wholesale Electricity Spot Market (WESM) price environment compared to last year.
- In addition to the gain on divestment from Sidrap Wind and asset exchange with AREIT, the Group recognized non-recurring gains of US\$6.97 million (₱389.18 million) due to the early extinguishment of a convertible loan with The Blue Circle Pte. Ltd (TBC). This effectively reduced the Group's capital deployed in Dai Phong and Hong Phong 1 Wind projects in Vietnam.
- Overhead expenses (general and administrative expenses in the consolidated statement of income) grew year-over-year due to development ramp up as execution continues on long term goals.

The tables below summarize the consolidated results of operations of the Group's revenues, costs and expenses for the first quarter ended September 30, 2024 and 2023.

## Revenues

<i>In thousand Pesos</i>	Jul - Sep		Jan - Sep		Jul - Sep		Jan - Sep	
	2024	2023	2024	2023	Inc (Dec)	%	Inc (Dec)	%
Revenue from sale of electricity	<b>8,672,344</b>	8,122,065	<b>27,623,489</b>	28,407,633	<b>550,279</b>	7	<b>(784,144)</b>	(3)
Rental income	<b>17,399</b>	17,213	<b>52,198</b>	51,644	<b>186</b>	1	<b>554</b>	1
Dividend income	<b>42,347</b>	–	<b>126,475</b>	–	<b>42,347</b>	–	<b>126,475</b>	–
Other revenues	<b>53,665</b>	42,073	<b>282,733</b>	190,634	<b>11,592</b>	28	<b>92,099</b>	48
	<b>8,785,755</b>	8,181,351	<b>28,084,895</b>	28,649,911	<b>604,404</b>	7	<b>(565,016)</b>	(2)

- **Revenue from sale of electricity** increased as a result of higher retail electricity supply (RES) portfolio, higher net generation driven by new capacity, mainly in the Philippines and Australia. Revenue includes sale of large-scale general certificates (LGCs) in Australia.
  - RES portfolio grew to 346 MW, up 44% year-on-year, with more commercial and industrial customers, and more contracts linked to DU rates
  - New volumes in the Philippines at 484GWh; new volumes in Australia at 575GWh
  - Low WESM price environment tempered the growth of revenue in the Philippines

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- LGC sale of AU\$10.49 million (₱390.20 million)
- **Rental income** mainly from land lease with third party.
- **Other revenue** consists of management fees earned by ACEN from its joint venture and associates and bulk water sales.

### Costs and Expenses

<i>In thousand Pesos</i>	Jul - Sep		Jan - Sep		Jul - Sep		Jan - Sep	
	2024	2023	2024	2023	Inc (Dec)	%	Inc (Dec)	%
Cost of sale of electricity								
Cost of purchased power	<b>5,547,726</b>	6,961,183	<b>16,171,818</b>	21,764,271	<b>(1,413,457)</b>	(20)	<b>(5,592,453)</b>	(26)
Depreciation and amortization	<b>710,694</b>	312,531	<b>1,324,322</b>	896,309	<b>398,163</b>	127	<b>428,013</b>	48
Fuel	<b>191,775</b>	228,231	<b>991,136</b>	1,289,025	<b>(36,456)</b>	(16)	<b>(297,889)</b>	(23)
Others	<b>595,955</b>	415,441	<b>1,588,276</b>	1,243,813	<b>180,514</b>	43	<b>344,463</b>	28
	<b>7,046,150</b>	7,917,386	<b>20,075,552</b>	25,193,418	<b>(871,236)</b>	(11)	<b>(5,117,866)</b>	(20)
Personnel costs, management and professional fees	<b>806,157</b>	809,172	<b>2,288,022</b>	2,056,854	<b>(3,015)</b>	(1)	<b>231,168</b>	11
Provision for impairment	<b>233,777</b>	2,225,036	<b>807,707</b>	2,683,451	<b>(1,991,259)</b>	(89)	<b>(1,875,744)</b>	(70)
Depreciation and amortization	<b>30,612</b>	108,870	<b>416,855</b>	331,907	<b>(78,258)</b>	(72)	<b>84,948</b>	26
Others	<b>576,402</b>	294,280	<b>1,281,423</b>	854,304	<b>282,122</b>	96	<b>427,119</b>	50
	<b>1,646,948</b>	3,437,358	<b>4,794,007</b>	5,926,516	<b>(1,790,410)</b>	(52)	<b>(1,132,509)</b>	(19)
	<b>8,693,098</b>	11,354,744	<b>24,869,559</b>	31,119,934	<b>(2,661,646)</b>	(23)	<b>(6,250,375)</b>	(20)

- **Cost of sale of electricity** decreased mainly due to lower WESM purchases attributed to lower average WESM price due to lower commodity prices, and security limits and new power plants that went online. New plants, specifically Pagudpud Wind and Cagayan North Solar, are still under testing and commissioning and have not yet started to be depreciated as of September 30, 2024. San Marcelino Solar Phase 1 and 2 reached commercial operations and started depreciation on September 2024. New England Solar 1 reached commercial operations in April 2024 and started depreciation in May 2024.
- **General and administrative expenses** include provision for expected credit losses on Investments in redeemable preferred shares and convertible loans and accrued receivables which are investments made by the Group in Vietnam Wind Energy Limited (Vietnam Wind) and UPC-AC Energy Solar Limited (UPC-ACE Solar). Vietnam Wind is a wind plant in Vietnam with attributable capacity of 48MW which is operating but has not received a final tariff, and UPC-ACE Solar is a platform of three operating solar projects in India. The overall increase in G&A expenses is mainly attributed to the ramp up of development and operations.

### Equity in Net Income of Associates and Joint Venture

<i>In thousand Pesos</i>	Jul - Sep		Jan - Sep		Jul - Sep		Jan - Sep	
	2024	2023	2024	2023	Inc (Dec)	%	Inc (Dec)	%
Netherlands	<b>252,682</b>	308,503	<b>810,565</b>	1,033,379	<b>(55,821)</b>	(18)	<b>(222,814)</b>	(22)
Philippines	<b>160,091</b>	120,960	<b>447,750</b>	793,407	<b>39,131</b>	32	<b>(345,657)</b>	(44)
USA	<b>(160,319)</b>	(72,188)	<b>(379,014)</b>	(159,141)	<b>(88,131)</b>	122	<b>(219,873)</b>	138
Vietnam	<b>225,782</b>	180,496	<b>191,937</b>	180,496	<b>45,286</b>	25	<b>11,441</b>	6
Indonesia	<b>137,145</b>	-	<b>7,146</b>	-	<b>137,145</b>	-	<b>7,146</b>	-
Others	<b>(56,779)</b>	(542,716)	<b>22,610</b>	(288,228)	<b>485,937</b>	(90)	<b>310,838</b>	(108)
	<b>558,602</b>	(4,945)	<b>1,100,994</b>	1,559,913	<b>563,547</b>	(11,396)	<b>(458,919)</b>	(29)



**Equity in net income of associates and joint ventures** decreased mainly driven by:

- Philippines – normalized wind regime compared to last year and impact of seasonality in North Luzon Renewables Energy Corp., a wind farm in Ilocos Norte
- Vietnam – normalized wind regime compared to last year and appreciation of USD vs VND that resulted to higher foreign exchange losses (project finance of selected Vietnam projects are in USD while functional currency of these projects are in VND, such that forex losses associated with the whole value of the project finance are booked through the income statements of the relevant projects but will be serviced over time since the tariffs of these projects are USD linked).
- India – growth in generation and completion of Masaya Solar is offset by higher share in pre-operating losses as activities ramp up for projects under construction and pre-development.
- USA and Others - higher share in pre-operating losses as activities ramp up for projects under construction or refurbishment.
- Indonesia – reflects the impact of Salak-Darajat partial divestment in September 2023 and impact of full divestment in Sidrap Wind in April 2024.

**Other Income (Charges)**

<i>In thousand Pesos</i>	Jul - Sep		Jan - Sep		Jul - Sep		Jan - Sep	
	2024	2023	2024	2023	Inc (Dec)	%	Inc (Dec)	%
	Interest and other financial income							
Cash in banks and short-term deposits	198,706	391,041	735,096	905,603	(192,335)	(49)	(170,507)	(19)
Accounts and notes receivable	567,199	655,510	1,692,121	1,805,259	(88,311)	(13)	(113,138)	(6)
Investments in redeemable preferred shares and convertible loans	704,686	828,055	2,270,452	2,356,587	(123,369)	(15)	(86,135)	(4)
	<b>1,470,591</b>	1,874,606	<b>4,697,669</b>	5,067,449	<b>(404,015)</b>	(22)	<b>(369,780)</b>	(7)
Interest and other finance charges	<b>(1,008,954)</b>	(458,883)	<b>(2,124,222)</b>	(1,342,409)	<b>(550,071)</b>	120	<b>(781,813)</b>	58
Other income - net								
Gain on disposal of assets	1,035,452	1,062,030	2,387,536	1,216,422	(26,578)	(3)	1,171,114	96
Remeasurement gain	-	3,433,328	-	3,433,328	(3,433,328)	(100)	(3,433,328)	(100)
Others	(378,773)	147,641	292,546	547,524	(526,414)	(357)	(254,978)	(47)
	<b>656,679</b>	4,642,999	<b>2,680,082</b>	5,197,274	<b>(3,986,320)</b>	(85)	<b>(2,517,192)</b>	(48)
	<b>1,118,316</b>	6,058,722	<b>5,253,529</b>	8,922,314	<b>(4,940,406)</b>	(82)	<b>(3,668,785)</b>	(41)

- **Interest and other finance income** increased from:
  - **Cash in banks and short-term deposits** decreased following deployment of funds raised during financing activities in 2023. Funds were deployed to projects under construction.
  - **Accounts and notes receivables** increased mainly from the additional loan extended to BIM Projects in Q2 2024.
  - **Investment in redeemable preferred shares and convertible loans** at par with last year mainly from compounding features of the redeemable preferred shares.
- **Interest and other finance charges** increased following avilment of long-term loans from local banks by ACEN Cayman of US\$180.00 million (₱10,123.20 million) and US\$140.00 million (₱7,873.60 million) at 5.3980% and 5.3060%, respectively in January 2024. The proceeds of the long-term loans were used to redeem US\$352.00 million redeemable preferred shares in ACEN Cayman held by AC Energy Finance International Limited.

- **Other income** increased mainly from the gain recognized amounting to ₱1,035.33 million from the gain on sale and leaseback transaction with AREIT, US\$16.40 million (₱962.90 million) from the divestment from Sidrap Wind and non-recurring gains of US\$6.97 million (₱389.18 million) from the early extinguishment of a convertible loan with TBC.

### Provision for (Benefit from) Income Tax

<i>In thousand Pesos</i>	Jul - Sep		Jan - Sep		Jul - Sep		Jan - Sep	
	2024	2023	2024	2023	Inc (Dec)	%	Inc (Dec)	%
Current	(₱667,420)	(₱102,013)	₱402,609	₱58,557	(₱565,407)	554	₱344,052	588
Deferred Income tax	419,290	337,095	200,801	242,928	82,195	24	(42,127)	(17)
	(₱248,130)	₱235,082	₱603,410	₱301,485	(₱483,212)	(206)	₱301,925	100

- The increase in **provision for income tax - current** due to higher taxable income for the period from increase in business of the Group, specifically testing and commissioning income of Philippine renewable plants which are not yet under income tax holiday.
- **Deferred income tax benefit** mainly driven by the Group's deferred tax asset of net operating loss carry over offset by deferred tax liability recognized from capitalized costs.

The table below bridges consolidated statutory earnings before interest, taxes, depreciation, and amortization (EBITDA) to (i) attributable EBITDA and then (ii) core attributable EBITDA.

<i>In thousand Pesos</i>	Apr-Jun		Jul-Sep		Increase (Decrease)		Jan - Sep		Increase (Decrease)	
	2024	2024	Amount	%	2024	2023	Amount	%		
Revenue	₱9,445,905	₱8,785,754	(₱660,151)	-7%	₱28,084,895	₱28,649,911	(₱565,167)	-2%		
Cost and expenses	(7,554,278)	(8,693,098)	1,138,820	15%	(24,869,559)	(31,119,934)	6,250,375	-20%		
Depreciation expense	564,730	741,307	176,577	31%	1,741,177	1,228,216	512,961	42%		
Provision for impairment	258,260	233,777	(24,483)	-9%	807,707	2,683,451	(1,875,743)	70%		
Equity in net income of associates and joint ventures	187,090	558,602	371,512	199%	1,100,994	1,559,913	(458,919)	-29%		
Interest income - investment in redeemable preferred shares and convertible loans	772,437	704,686	(67,751)	-9%	2,270,452	2,356,587	(86,135)	-4%		
Value realization	962,902	1,146,954	184,052	19%	2,499,038	1,216,422	1,282,616	105%		
Interest income - accounts and other receivables	573,149	567,199	(5,950)	-1%	1,692,121	1,805,259	(113,138)	-6%		
<b>Statutory EBITDA</b>	<b>5,210,195</b>	<b>4,045,181</b>	<b>(1,165,014)</b>	<b>-22%</b>	<b>13,326,826</b>	<b>8,379,826</b>	<b>4,947,000</b>	<b>59%</b>		
Equity in net income of associates and joint ventures	(187,090)	(558,602)	(371,512)	199%	(1,100,994)	(1,559,913)	458,919	-29%		
Interest income - investment in redeemable preferred shares and convertible loans	(772,437)	(704,686)	67,751	-9%	(2,270,452)	(2,356,587)	86,135	-4%		
Attributable EBITDA from joint ventures and associates	2,612,205	2,654,624	42,419	2%	8,533,581	9,530,350	(996,769)	-10%		
<b>Attributable EBITDA</b>	<b>6,862,873</b>	<b>5,436,517</b>	<b>(1,426,356)</b>	<b>-21%</b>	<b>18,488,961</b>	<b>13,993,676</b>	<b>4,495,285</b>	<b>32%</b>		
Value realization	(962,902)	(1,146,954)	(184,052)	19%	(2,498,038)	(1,216,422)	(1,282,616)	105%		
Interest income - accounts and other receivables	(573,149)	(567,199)	5,950	-1%	(1,692,121)	(1,805,259)	113,138	-6%		
<b>Core Attributable EBITDA</b>	<b>₱5,326,822</b>	<b>₱3,722,364</b>	<b>(₱1,604,458)</b>	<b>-30%</b>	<b>₱14,297,802</b>	<b>₱10,971,995</b>	<b>₱3,325,807</b>	<b>30%</b>		

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## Material changes in Consolidated Statements of Financial Position accounts

<i>In thousand pesos</i>	September 30,	December 31,	Increase (Decrease)	
	2024 (Unaudited)	2023 (Audited)	Amount	%
<b>Current Assets</b>				
Cash and cash equivalents	<b>₱25,749,912</b>	₱39,696,662	(₱13,946,750)	(35)
Current portion of:				
Accounts and notes receivable	<b>27,653,876</b>	26,065,692	1,588,184	6
Input value added tax (VAT)	<b>2,911,868</b>	2,059,734	852,134	41
Creditable withholding taxes	<b>162,156</b>	102,984	59,172	57
Financial assets at fair value through profit or loss (FVTPL)	<b>3,759,958</b>	1,938,497	1,821,461	94
Fuel and spare parts	<b>947,633</b>	964,053	(16,420)	(2)
Other current assets	<b>893,602</b>	750,493	143,109	19
Noncurrent assets held for sale	<b>240,205</b>	–	240,205	–
<b>Noncurrent Assets</b>				
Investment in:				
Associates and joint ventures	<b>35,611,461</b>	30,098,617	5,512,844	18
Redeemable preferred shares and convertible loans	<b>18,972,265</b>	21,633,799	(2,661,534)	(12)
Financial assets at FVTPL	<b>775,059</b>	1,932,975	(1,157,916)	(60)
Financial assets at fair value through other comprehensive income (FVOCI)	<b>12,465,598</b>	5,799,323	6,666,275	115
Plant, property and equipment	<b>121,287,776</b>	88,928,251	32,359,525	36
Right-of-use assets	<b>9,238,401</b>	8,213,704	1,024,697	12
Goodwill and other intangible assets	<b>24,781,637</b>	23,165,368	1,616,269	7
Net of current portion:				
Accounts and notes receivable	<b>17,154,778</b>	12,689,042	4,465,736	35
Input VAT	<b>2,988,634</b>	3,120,200	(131,566)	(4)
Creditable withholding tax	<b>3,513,398</b>	2,513,774	999,624	40
Deferred income tax assets – net	<b>3,359,278</b>	2,122,081	1,237,197	58
Other noncurrent assets	<b>10,482,262</b>	13,138,251	(2,655,989)	(20)

- Decrease in **Cash and cash equivalents** is due to continued deployment of funds raised from financing activities and internally generated cash to projects under construction.
- Increase in **Accounts and notes receivable** is due to:
  - Higher attributable generation output driven by new plants in Philippines and Australia;
  - Bridge financing provided to related parties to fund their capital utilization plans; and
  - Development loans provided to fund the development of renewable power plant projects in India
- Increase in **current portion of input VAT** due to purchase for ongoing renewable projects.
- **Creditable withholding tax** went up with increase in revenues from January to September 2024.
- **Financial Assets at FVTPL** went up following increase of placements for UITF investments through local banks. Funds available on hand from financing activities while not deployed are invested in UITFs.
- **Fuel and spare parts** went down due to lower bunker operations.
- **Other current assets** increased primarily due to increase in prepayments for operating expenses in the Philippines and Australia.

- **Assets Held for Sale** consist of pre-development costs of a solar farm in Australia which is to be sold.
- **Investments in associates and joint ventures** increased mainly from additional investments in the following:

Investee Company	Project	Geography	Technology	Capacity	Amount in US\$ (millions)	Amount in PHP (millions)
UPC Power	Stockyard & Chestnut Flats	USA	Wind	148	45.12	₱2,539.71
BrightNight	BN Maharashtra	India	Hybrid Solar-Wind	80	–	1,457.37
RWEI *	Real Wind	Philippines	Wind	TBD	–	568.72
PhilWind	Capa Wind 2	Philippines	Wind	70	–	504.46
NLR	Capa Wind 2	Philippines	Wind	70	–	495.40
PT Lombok	Lombok	Indonesia	Wind	39	2.99	177.06
PT Sukabumi	Sukabumi	Indonesia	Wind	74	1.32	88.46
Monsoon Wind	Monsoon	Vietnam	Wind	146	1.47	82.96
PT Sidrap 2	Sidrap 2	Indonesia	Wind	34	0.98	75.75
Others						235.77
<b>Total</b>						<b>₱6,225.66</b>

\*RWEI was subsequently acquired as a subsidiary during the period

- **Investments in redeemable preferred shares and convertible loans** are investments made in International projects (excluding Australia) in the form of redeemable preferred shares and convertible loans. The overall decrease is from redemption made in the first half of 2024 following the divestment from Sidrap Wind and reclassification of investments in India. Previously, investments in India had a fixed coupon and redemption date (ie, maturity date). The revision to features of the instrument was driven by the change in the business model, shifting focus from development / operating projects to managing purely operational projects. Post revision to its features, there is no more fixed coupon, dividends needs to be declared by the BOD and no fixed redemption date. Consequently, investment in India was reclassified as financial assets at fair value through other comprehensive income (FVOCI).
- **Noncurrent financial assets at FVTPL** pertains to Compulsorily Convertible Debentures (CCDs) from Masaya Solar. Masaya Solar has constructed the 420MW solar farm in the Central Indian state of Madhya Pradesh. The decrease is mainly from fair valuation of the instrument using a discount rate of 10.9%. For the nine-month period ended September 30, 2024, fair value adjustment on financial asset at FVTPL amounted to US\$ 4.84 million (₱257.99 million).
- **Noncurrent financial assets at FVOCI** are largely the investment in UPC Sidrap, UPC-AC Energy, PT Puri, BrightNight and also include golf club shares and listed equity instruments. This also includes the AREIT shares common obtained from the sale and leaseback transaction with AREIT and reclassified redeemable preferred shares from investments in India (previously classified as investments in redeemable preferred shares and convertible loans). AREIT shares are listed equity instruments and fair value is based on the average closing price as of September 30, 2024 resulting to an unrealized fair value loss on equity instruments at FVOCI of ₱179.20 million. Investments in UPC-ACE Solar's Redeemable Preference Share Class A and B are valued using a discount rate of 10.9%. For the nine-month period ended September 30, 2024, unrealized fair value loss on equity instruments at FVOCI recognized in the statements of comprehensive income amounted to US\$50.38 million (₱2,822.66 million), of which \$50.70 million (₱2,840.65 million), was

recognized for the 3-month quarter ended September 30, 2024 in the statement of comprehensive income.

- **Plant, property and equipment's** increase is related to capital expenditures on the following projects:

Project	Technology	Capacity (MW)	Location	% of Completion	
				September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
San Marcelino Solar (Phase 1 and 2)	Solar	385	Zambales, Philippines	100%*	98%
San Marcelino Solar (Phase 3)	Solar	200	Zambales, Philippines	5%	<1%
Cagayan North Solar (Phase 1)*	Solar	133	Lal-lo Cagayan, Philippines	100%*	98%
Pangasinan Solar	Solar	60	Pangasinan, Philippines	95%	60%
Palauig 2 Solar	Solar	300	Zambales, Philippines	72%	31%
Pagudpud Wind*	Solar	160	Ilocos Norte, Philippines	100%*	98%
New England Solar Farm 1	Solar	521	Uralla, New South Wales, Australia	100%*	98%
New England BESS	Battery	200	Uralla, New South Wales, Australia	5%	--
Stubbo Solar	Solar	520	Central Western Tablelands, New South Wales, Australia	85%	23%

\*Projects that are currently under testing and commissioning as of September 30, 2024

The Group also had ₱2,027.54 million capitalized borrowing costs from project companies during the period.

- **Right-of-use assets** increased due to new lease contracts with AREIT for the Palaguig, Zambales land where a 300MW solar project is currently being constructed.
- **Receivables - net of current portion** increased primarily due to accretion of long term interest receivables from international joint ventures and associates.
- **Goodwill & other intangible assets** increased due to acquisition of controlling interest in Real Wind Energy, Inc. that is a special purpose vehicle for a future wind power project in Quezon Province in the Philippines and cumulative translation adjustment gains on ACEN Australia.
- Majority of the balance of **Deferred tax asset** came from recognition of accrued expenses, net operating losses carry over (NOLCO), minimum corporate income tax (MCIT) and lease liabilities.
- **Input VAT non-current** decreased following reclassification to current driven by assessment on utilization of input VAT in the next 12 months.
- **Other non-current assets** increase mainly from development costs incurred for a wind power project in Real, Quezon in the Philippines.

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<i>In thousand pesos</i>	<b>September 30, 2024 (Unaudited)</b>	December 31, 2023 (Audited)	<u>Increase (Decrease)</u>	
			Amount	%
<b>Current Liabilities</b>				
Accounts payable and other current liabilities	<b>₱17,367,546</b>	₱16,145,386	₱1,222,160	8
Short-term loans	<b>7,650,000</b>	1,500,000	6,150,000	410
Current portion of:				
Long-term loans	<b>1,370,115</b>	1,289,104	81,011	6
Lease liabilities	<b>1,540,750</b>	850,953	689,797	81
Income and withholding taxes payable	<b>372,983</b>	241,667	131,316	54
Due to stockholders	<b>13,147</b>	16,585	(3,438)	(21)
<b>Noncurrent Liabilities</b>				
Notes payable	<b>32,314,639</b>	32,003,794	310,845	1
Noncurrent portion of:				
Long-term loans	<b>81,841,716</b>	44,485,573	37,356,143	84
Lease liabilities	<b>13,460,824</b>	7,505,848	5,954,976	79
Pension and other employee benefits	<b>463,388</b>	368,827	94,561	26
Deferred tax income liabilities - net	<b>1,366,840</b>	805,902	560,938	70
Other noncurrent liabilities	<b>8,151,131</b>	6,344,004	1,807,127	28
<b>Equity</b>				
Common shares	<b>39,691,895</b>	39,691,895	-	-
Redeemable preferred shares	<b>25,000</b>	25,000	-	-
Additional paid-in capital	<b>132,295,689</b>	132,295,689	-	-
Other equity reserves	<b>(59,450,345)</b>	(59,450,345)	-	-
Unrealized fair value loss on equity instruments at FVOCI	<b>(3,659,008)</b>	(268,000)	(3,391,008)	1,265
Unrealized fair value (loss) gain on derivative instruments designated as hedges – net of tax	<b>(558,878)</b>	588,519	(1,147,397)	(195)
Remeasurement loss on defined benefit plans – net of tax	<b>(46,460)</b>	(32,821)	(13,639)	42
Accumulated share in other comprehensive loss of associates and joint ventures	<b>(152,788)</b>	(85,483)	(67,305)	79
Cumulative translation adjustments	<b>9,206,904</b>	5,864,713	3,342,191	57
Retained earnings	<b>29,586,623</b>	24,871,807	4,714,816	19
Treasury shares	<b>(28,657)</b>	(28,657)	-	-
Non-controlling interests	<b>10,126,703</b>	29,903,540	(19,776,837)	(66)

- **Accounts payable and other current liabilities** decreased from settlement of payables related to projects under construction from January to September 2024.
- **Short-term loans** are outstanding loans from local banks.
- **Current portion of long-term loans** movement mainly due to payment timing schedule.
- **Current portion of lease liability** movement mainly due to payment timing schedule of leased assets.
- Increase in **income and withholding taxes payable** was mainly due to withholding taxes payable from various purchases in the Philippines.
- **Notes payable** pertains to the ₱10 billion 5-year Green Bonds by ACEN and the US\$400.0 million U.S. dollar-denominated senior guaranteed undated fixed-for-life (non-deferrable) Green Bonds (the Bonds) issued and listed in SGX-ST.
- **Long-term loans - net of current portion** increased due to the new loan availed by ACE Cayman of \$320 million and borrowings made by ACEN International to fund India projects.

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The US\$320.00 million loan was used to pay the US\$352.00 million green bonds that were infused by the Group through subscription to redeemable preferred shares issued by ACEN Cayman to AC Energy Finance Limited (ACEFIL). The difference between the redeemable preferred shares and loan proceeds was funded by cash on hand of the Group.

- **Lease Liabilities-net of current portion** increase mainly due to sale and leaseback transaction with AREIT last September 26, 2024.
- Majority of the balance of **deferred income tax liabilities** came from recognition of unrealized foreign exchange gains and right-of-use assets of the Group as at period ended.
- **Other non-current liabilities** include contract liabilities and asset retirement obligations related to operating renewable power plant projects.
- The increase in **unrealized FV loss on equity instruments at FVOCI** came from mark-to-market loss for AREIT and UPC-ACE Solar's Redeemable Preference Share Class A and B for the current period (see Noncurrent financial assets at FVOCI for value for valuation discussion).
- **Unrealized fair value gain (loss) on derivative instruments** designated as hedges increased due to movement in the derivative related to Long Term Energy Service Agreements in Australia.
- **Remeasurement loss on defined benefit plan** increased mainly from current service costs.
- The increase in **accumulated share in other comprehensive income of associates and joint ventures** significantly came from other comprehensive income share in cumulative transaction adjustments of associates and joint ventures.
- **Retained earnings** increased from resulting net income earned for the period amounting to ₱8,144.44 million, net of any dividends declared from common and redeemable preferred share holders amounting to ₱3,429.63 million attributable to the Parent Company.
- **Treasury shares** had no movement during the period.
- **Non-controlling interests** decreased following redemption of ACEN Cayman of US\$352.00 million worth of redeemable preferred shares held by ACEFIL on January 23, 2024.

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## Key Performance Indicators

The key performance indicators of ACEN and its majority owned subsidiaries, as consolidated, are the following:

Key Performance Indicator	Formula	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)	Increase (Decrease)	
				Amount	%
<i>Liquidity Ratios</i>					
<b>Current Ratio</b>	$\frac{\text{Current assets}}{\text{Current liabilities}}$	<b>2.20</b>	3.57	(1.37)	(38)
<b>Acid test ratio</b>	$\frac{\text{Cash + Short-term investments + Accounts receivables + Other liquid assets}}{\text{Current liabilities}}$	<b>2.02</b>	3.38	(1.36)	(40)
<i>Solvency Ratios</i>					
<b>Debt/Equity ratio</b>	$\frac{\text{Total liabilities}}{\text{Total equity}}$	<b>1.06</b>	0.64	0.42	66
<b>Asset-to-equity ratio</b>	$\frac{\text{Total assets}}{\text{Total equity}}$	<b>2.06</b>	1.64	0.42	26
<b>Interest Coverage Ratio</b>	$\frac{\text{Statutory Earnings before interest \& tax (EBIT)}^{(1)}}{\text{Interest expense}^{(2)}}$	<b>2.79</b>	2.37	0.42	18
<b>Net bank Debt to Equity ratio</b>	$\frac{\text{Short \& long-term loans} - \text{Cash \& Cash Equivalents}}{\text{Total Equity}}$	<b>0.62</b>	0.23	0.39	170
<i>Profitability Ratios</i>					
<b>Return on Equity *</b>	$\frac{\text{Net income after tax attributable to equity holders of the Parent Company}}{\text{Average total stockholders' equity attributable to equity holders of the Parent Company}}$	<b>6.56%</b>	6.05%	0.51%	8
<b>Return on Common Equity *</b>	$\frac{\text{Net income after tax attributable to equity holders of the Parent Company (Common)}}{\text{Average Common equity attributable to equity holders of the Parent Company (Common)}}$	<b>5.59%</b>	5.71%	(0.12%)	2
<b>Return on assets *</b>	$\frac{\text{Net income after taxes}}{\text{Average total assets}}$	<b>3.41%</b>	3.52%	(0.11%)	(3)
<b>Asset Turnover</b>	$\frac{\text{Revenues}}{\text{Average total assets}}$	<b>9.24%</b>	14.10%	(4.86%)	(34)

\*computed on trailing 12-months net income after tax attributable to equity holders of the parent company and net income after tax attributable to equity holders of the parent company (common) for September 30, 2024 profitability ratios

(1) Statutory EBIT is Statutory EBITDA less depreciation and amortization expense.

(2) Cash interest expense is gross of capitalized borrowing cost of ₱2,027.54 million and of ₱1,852.97 million for the nine-month period ended September 30, 2024 and year ended December 31, 2023, respectively.



**Current ratio & Acid test ratio**

Current ratio & acid test ratio increased due to higher liquid assets such as cash and cash equivalents at period end alongside the decrease in current liabilities primarily from short-term loans repayment.

**Debt/Equity ratio & Asset-to-equity ratio**

D/E ratio slightly increased with additional short-term and long-term loan availments, which were cushioned by the increase net income for the period. Asset-to-equity ratio also went up as the increase in total assets slightly outpaced the increase in equity.

**Interest coverage ratio**

Lower net income before interest and taxes coupled with higher interest expense following additional loan availments yield to lower interest coverage ratio for the current period.

**Net bank debt to equity ratio**

Increased from year-end 2023 due to additional availments of short-term and long-term loans.

**Asset turnover**

In spite of increase in revenues during the period, asset turnover decreased due higher average total assets of the Group during the period.

**Material events and uncertainties**

- There were no events that triggered direct or contingent financial obligation that was material to the Group. There were no contingent assets or contingent liabilities since the last annual financial reporting.
- There were no material off-balance sheet transactions, arrangements, obligations and other relationships of the Parent Company with unconsolidated entities or other persons created during the financial reporting period.
- There were no material events that had occurred subsequent to the financial reporting close except for the events after the reporting period disclosed in Note 30 of the unaudited Interim Condensed Consolidated Financial Statements.
- ACEN has material commitments to invest in capital expenditure projects mainly in the following:
  - 288MW solar project in Buguey and Lal-lo, Cagayan and the proposed 275MW expansion of Gigasol Palauig solar project in Zambales.
  - 120MWdc solar power project in Alaminos, Laguna through Solarace1;
  - 150MW diesel plant in Pililla, Rizal through Ingrid, a joint venture of ACEN, ACEN Global Development Group, Inc. (Formerly: ACE Endeavor, Inc.) and APHPC
  - 60MWdc solar power project in Palauig, Zambales through Gigasol3;
  - 50MWac (72MWdc) solar power project in Arayat and Mexico, Pampanga through Greencore 3, a joint venture of ACEN, ACEN Global Development Group, Inc. (Formerly: ACE Endeavor, Inc.) and Citicore;
  - 500MW solar power project in San Marcelino, Zambales through Santa Cruz Solar;
  - 2x20 MW Alaminos Battery Energy Storage System (BESS) Project through Giga Ace 4;
  - 160MW wind farm in Balaoi, Pagudpud, Ilocos Norte through BWPC, in partnership with UPC Renewables;
  - Investment into 4MW renewable energy laboratory in Bataan through BSEI;

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- 521MWdc New England Solar Farm (NESF) and adjacent 50MW battery energy storage system located near Uralla in New South Wales through UPC-ACE Australia, a joint venture of ACEN and UPC Renewables Australia.
- Various Vietnam wind farms:
  - 252MW wind farm in Quang Binh through AMI Renewables Energy Joint Stock Company
  - 88MW wind farm in Ninh Thuan through BIM Energy Joint Stock Co. (“BIME”)
  - 40MW second phase of the Mui Ne Wind Farm in Binh Thuan through the partnership with the Blue Circle.
  - 60MW Lac Hoa & Hoa Dong wind farm in Soc Trang through a joint venture with UPC
- Funding of up to U.S.\$100 million for new technology investments in the Philippines. Refer to Notes to Consolidated Financial Statements for the details.
- Any known trends, events or uncertainties that have had or that were reasonably expected to have material favorable or unfavorable impact on net revenues/income from continuing operations
  - The results of operations of ACEN and its subsidiaries depend to a significant extent, on the performance of the Philippine economy.
  - The current highly competitive environment, operation of priority-dispatch variable renewable energy, and community quarantines resulted in lower demand for electricity and have driven market prices of electricity downward.
  - Movements in the WESM prices could have a significant favorable or unfavorable impact on the Group’s financial results.
- Any known trends or any known demands, commitments, events or uncertainties that will result in or that are reasonably likely to result in the registrant’s liquidity increasing or decreasing in any material way - The Group is developing a line-up of renewable energy projects as part of its growth aspiration. The capital expenditures shall be funded by a combination of equity and debt.
- Several capital raising activities are also set for 2022.
- There were no significant elements of income or loss that did not arise from continuing operations that had material effect on the financial condition or results of operations.
- There were no operations subject to seasonality and cyclicalities except for the operation of wind farms. The wind regime is high during the northeast monsoon (“amihan”) season in the first and fourth quarter when wind turbines generate more power to be supplied to the grid. The generation drops in the second and third quarter due to
- low wind regime brought about by the southwest monsoon (“habagat”).

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**ANNEX C****ACEN CORPORATION** (the "Company")**3<sup>rd</sup> QUARTER**

1. 2 July 2024 – Assignment of advances from subsidiary to ACEN, conversion of ACEN group advances to ENEX into equity, and subscription by ACEN to additional equity in ENEX
2. 2 July 2024 – Subscription by ACEN to 177,544,011 non-voting Preferred Shares at par value of Php1.00 per non-voting Preferred Share of ENEX shares in ENEX Energy Corp.
3. 5 July 2024 – Press Release: ACEN secures USD150M five-year syndicated green term loan from international banks
4. 11 July 2024 – List of Top 100 Stockholders (Common Shares) for period ended 30 June 2024
5. 11 July 2024 – List of Top 100 Stockholders (Preferred Shares ACEN A) for period ended 30 June 2024
6. 11 July 2024 – List of Top 100 Stockholders (Preferred Shares ACEN B) for period ended 30 June 2024
7. 12 July 2024 – Subscription by the Company to additional Four Hundred Sixty-Seven Million Seven Hundred Fifty Thousand (467,750,000) Redeemable Preferred Shares in Belenos Energy Corporation
8. 12 July 2024 – Public Ownership Report for period ended 30 June 2024
9. 15 July 2024 – Disbursements of the proceeds generated from the Company's Preferred Shares Offering
10. 17 July 2024 – Notice of Analysts' and Investors' Briefing on 8 August 2024
11. 25 July 2024 – Loan Agreement with Santa Cruz Solar Energy Inc. for PhP1,920,000,000.00
12. 1 August 2024 – Loan Agreement with Real Wind Energy, Inc. for PhP70,000,000.00
13. 1 August 2024 – Subscription by ACEN to 2,137,834 Redeemable Preferred Shares B shares in Gigasol1, Inc.
14. 1 August 2024 – The Company's acquisition of shares in Real Wind Energy, Inc.
15. 5 August 2024 – Declaration of Cash Dividends on Outstanding Series A Preferred Shares (ACENA)
16. 5 August 2024 – Declaration of Cash Dividends on Outstanding Series B Preferred Shares (ACENB)
17. 6 August 2024 – Amended Declaration of Cash Dividends on Outstanding Series A Preferred Shares (ACENA)
18. 6 August 2024 – Amended Declaration of Cash Dividends on Outstanding Series B Preferred Shares (ACENB)
19. 8 August 2024 – Press Release: ACEN net income grows 49 percent to PhP6.3 billion in the first half of 2024
20. 8 August 2024 – Quarterly report for period ended 30 June 2024
21. 9 August 2024 – Subscription by the Company to additional shares in Belenos Energy Corporation
22. 12 August 2024 – Amended Press Release: ACEN net income grows 49 percent to PhP6.3 billion in the first half of 2024
23. 16 August 2024 – Disbursements of the proceeds generated from the Company's Preferred Shares Offering
24. 19 August 2024 – Press Release: ACEN, GenZero and Keppel join hands to catalyse retirement of coal-fired plants in Southeast Asia
25. 27 August 2024 – Press Release: ACEN and Barito Renewables Announce Strategic Partnership to Transform Indonesia's Wind Energy Landscape
26. 18 September 2024 – Press Release: AC Health and ACEN RES partner to transition medical facilities to renewable energy
27. 23 September 2024 – Change in the number of shares owned by AC Energy and Infrastructure Corporation in the Company as of 31 May 2024

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28. 26 September 2024 – Press Release: ACEN joins Climate Week NYC to highlight crucial role of transition credits in early coal retirement
29. 27 September 2024 – Amended Acquisition or Disposition of Assets: Disposition of land by Buendia Christiana Holdings Corp., a wholly owned subsidiary of ACEN, in exchange for shares of AREIT, Inc. via property-for-share swap
30. 30 September 2024 – Press Release: ACEN earns another 4 Golden Arrows for exemplary corporate governance