



SECURITIES AND EXCHANGE COMMISSION

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for

ANNUAL REPORT PURSUANT TO SECTION 17 OF THE SRC AND SECTION 141 OF THE CORPORATION
CODE OF THE PHILIPPINES

SEC Registration Number

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Company Name

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								E	L	E	C	T	R	I	C				
								C	O	R	P	O	R	A	T	I	O	N	

Principal Office (No./Street/Barangay/City/Town)Province)

D	O	N		J	U	A	N		D		N	E	P	O	M	U	C	E	N	O		A	V	E		C	O	R
D	O	Ñ	A		T	E	R	E	S	A		A	V	E		N	E	P	O	M	A	R	T					
C	O	M	P	L	E	X		A	N	G	E	L	E	S		C	I	T	Y		P	A	M	P	A	N	G	A

Form Type

17-A

Department requiring the report

M	S	R	D
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Secondary License Type, If Applicable

Permit to Sell Securities

COMPANY INFORMATION

Company's Email Address

otp_ortigas@angeleselectric.com.ph
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Company's Telephone Number/s

(02)8636-6485

Mobile Number

+639088803567

No. of Stockholders

142

Annual Meeting
Month/Day

Every 3rd Tuesday of June

Fiscal Year
Month/Day

12/31

CONTACT PERSON INFORMATION

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

Name of Contact Person

Cristina L. Arboleda

Email Address

cristie.arboleda@angeleselectric.com.ph
--

Telephone Number/s

(02)8636-6491

Mobile Number

09088894463

Contact Person's Address

19F Robinsons Equitable Tower, ADB cor. Poveda Avenues, Ortigas Center, Pasig City
--

Note: 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.

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-A, *AS AMENDED*

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

1. For the fiscal year ended 31 DECEMBER 2024
2. SEC Identification Number 4620 3. BIR Tax Identification No. 000-088-802
4. Exact name of issuer as specified in its charter ANGELES ELECTRIC CORPORATION
5. ANGELES CITY, PAMPANGA, PHILIPPINES 6. (SEC Use Only)
Province, Country or Other Industry Industry Classification Code
jurisdiction of incorporation or
organization
7. NEPOMART COMPLEX, ANGELES CITY, PAMPANGA 2009
Address of principal office Postal Code
8. (632)8636-6485/ +639088803567
Issuer's telephone number, including area code
9. N/A
Former name. former address. and former fiscal year, if changed since last report.
10. Securities registered pursuant to Sections 8 and 12 of the SRC, or Sec. 4 and 8 of the RSA
- | Title of Each Class | Number of Shares of Common Stock
Outstanding and Amount of Debt Outstanding |
|----------------------|--|
| <u>COMMON SHARES</u> | <u>1,178,448,400</u> |
11. Are any or all of these securities listed on a Stock Exchange?
Yes [] No [X]
If yes, state the name of such stock exchange and the classes of securities listed therein:

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 ☐

13. State the aggregate market value of the voting stock held by non-affiliates of the registrant. The aggregate market value shall be computed by reference to the price at which the stock was sold, or the average bid and asked prices of such stock, as of a specified date within sixty (60) days prior to the date of filing. If a determination as to whether a particular person or entity is an affiliate cannot be made without involving unreasonable effort and expense, the aggregate market value of the common stock held by non-affiliates may be calculated on the basis of assumptions reasonable under the circumstances, provided the assumptions are set forth in this Form. (See definition of "affiliate" in "Annex B"). – **Php 708,008,400.00**

**APPLICABLE ONLY TO ISSUERS INVOLVED IN
INSOLVENCY/SUSPENSION OF PAYMENTS PROCEEDINGS
DURING THE PRECEDING FIVE YEARS:**

14. Check whether the issuer has filed all documents and reports required to be filed by Section 17 of the Code subsequent to the distribution of securities under a plan confirmed by a court or the Commission.

Yes ☐ No ☐ **NOT APPLICABLE**

DOCUMENTS INCORPORATED BY REFERENCE

15. AEC Prospectus dated 30 November 2023 filed with the SEC with its Registration Statement. Attached in this report as ***Exhibit A-1***.

ANGELES ELECTRIC CORPORATION

SEC FORM 17-A

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EXHIBIT "A" - Annual Report to Security Holders

EXHIBIT "B" - Reports on SEC Form 17-C

PART I. BUSINESS AND GENERAL INFORMATION

ITEM 1. BUSINESS

A. Description of Business

1. Business Development

a. Organization history

Angeles Light and Power Plant, which formally started operating on 10 July 1923, grew to become the third largest private electric company in Luzon.

Later, Angeles Light and Power Plant came to be known as **Angeles Electric Corporation (“AEC” or “the Company”)** when it was incorporated and registered with the Securities and Exchange Commission (“SEC”) in 1959. It was initially granted a franchise to construct, maintain, and operate an electric, heat, and power system in Angeles City under the Republic Act (“R.A.”) No. 2341 on June 20, 1959 which provided for a twenty-five (25)-year franchise period. On June 18 1964, R.A. No. 2341 was amended by R.A. No. 4079, extending AEC’s franchise period to fifty (50) years, until the year 2009. Then on March 09, 2007, the 13th Congress of the Philippines passed R.A. No. 9381 and granted AEC an extension to its existing franchise of another twenty-five (25) years.

Further, in compliance with the requirement of the Franchise, the Company has applied for the necessary Certificate of Public Convenience and Necessity (“CPCN”) from the Energy Regulatory Commission (“ERC”) to continue operating the electric light, heat, and power system in Angeles City, Pampanga, under ERC Case No. 2008-060 MC in its decision dated September 15, 2008, which shall be valid for a period of twenty-five (25) years from June 19, 2009.

AEC holds the distinction of being the first electric utility company to achieve 100% electrification of all areas within its franchise coverage. This was achieved in 1969 with the conversion of distribution voltage from 2,400V to 13,800V which enabled the Company to extend its power lines to the remotest barangay of Angeles City. In 1996, the company was adjudged “Outstanding Countryside Investor (Large-Scale Category) of the Year” by the Philippine Chamber of Commerce and Industry, Inc. (“PCCI”) in recognition of AEC’s contribution to hasten the economic recovery of Angeles City.

The Company recently celebrated its 100th anniversary showing its resilience amidst the challenges of running a power distribution utility while facing head-on the changes in the Philippine power industry.

Initially, the Company's market was mostly residential. Through the years, as its franchise area developed from a town to a city, its market was likewise transformed into a mix of residential, commercial, and industrial consumers.

As of December 31, 2024, AEC distributes electricity to One Hundred Thirty-Eight Thousand Four Hundred Eighty-eight (138,488) customers in Angeles City.

b. SEC registration process

AEC's authorized capital stock is at Two Billion Pesos (Php2,000,000,000.00) divided and classified into: Five Hundred Million (500,000,000) shares of voting redeemable preferred stock with a par value of One Peso (P1.00) per share, or an aggregate value of Five Hundred Million Pesos (Php500,000,000.00) and One Billion Five Hundred Million (1,500,000,000) shares of common stock with a par value of One Peso (Php1.00) per share, or an aggregate value of One Billion Five Hundred Million Pesos (Php1,500,000,000.00).

On October 26, 2023, AEC filed with the Securities and Exchange Commission (SEC) the Registration Statement and attached documents in compliance with Republic Act No. 9136 or the Electric Power Industry Reform Act ("EPIRA"), which states that generation companies shall offer and sell to the public a portion not less than 15% of their common shares.

On December 14, 2023, the SEC resolved to render effective AEC's Registration Statement relating to the registration of Two Hundred One Million Six Hundred Eighty Thousand Six Hundred Thirty-Two (201,680,632) issued and outstanding preferred shares with a par value of One Peso (Php1.00) per share and One Billion One Hundred Seventy-Eight Million Four Hundred Forty-Eight Thousand Four Hundred (1,178,448,400) common shares with a par value of One Peso (P1.00) per share.

A public offer was made on December 18 to 22, 2023, for Two Hundred Seven Million Twenty Thousand (207,020,000) primary common shares at an offer price of Three Pesos and Forty-Two Centavos (Php3.42) per share, representing 17.6% of AEC's issued and outstanding common shares. All of the Two Hundred Seven Million Twenty Thousand (207,020,000) primary common shares offered for sale to the general public were fully subscribed as of December 22, 2023, with 6,020,000 common shares sold to individual investors and 201,000,000 common shares sold to corporate investors.

2. Business of Issuer

a. Description of Company

i. Principal Services

The Company's primary business is the distribution and sale of electric power through its distribution network facilities in Angeles City, Pampanga.

ii. Distribution

Circumscribing AEC's Franchise Area is the 69 kV Subtransmission System that interconnects five (5) load-end substations namely Petersville Substation, Milenyo Substation, Calibu Substation, Pampang Substation, and Nepo Center Substation. The radial to each substation is 13.8 kV, three-phase primary distribution feeder lines. This primary voltage is then stepped down to utilization voltages 230/115 V on three (3)-wire, secondary distribution lines.

The Company's five (5) substations have a total capacity of two hundred thirty megavolt amperes (230 MVA), as shown in the table below:

Substation Name	Number of Feeders Connected	Power Transformer Capacity (MVA)	Total Capacity (MVA)
Petersville	10	40	40
Milenyo	9	50	50
Calibu	11	40	40
Pampang	10	50	50
Nepo Center	8	50	50
Total	48	230	230

The circuit lengths of the lines in the distribution system are shown in the table hereunder:

Circuit Description	Unit	As of Dec. 2022	As of Dec. 2023	As of Dec. 2024
Subtransmission (69 KV)	km	79.93	79.93	79.93
Primary (13.8 KV)	km	497.73	505.43	509.10
Secondary (115/230V)	km	813.36	816.25	816.81

iii. Percentage of foreign sales

The Company does not derive any income from foreign sales.

iv. Status of publicly announced service

The Company has no publicly announced product or service in any stage of development.

v. Competition

AEC has a captured market in the power distribution business in Angeles City, Pampanga being the sole franchise grantee for the covered franchise area. The Company exists by virtue of its legislative franchise, the latest of which is Republic Act No. 9381 of the 13th Congress of the Philippines which extended the Company's corporate existence for another twenty-five (25) years. The Company's franchise is both a monopoly and a limitation to operate a power distribution system in the City of Angeles, Pampanga.

The Retail Competition and Open Access (“RCOA”) allows a contestable market for electricity end-users with a demand of 1MW and above to choose a supplier of electricity. As of December 31, 2024, the Company has four (4) customers who have switched to the contestable market. Moreover, the threshold for the contestable market will gradually be lowered to the household level as mandated under Section 31 of the EPIRA and this may result in more contestable customers choosing their energy supplier aside from the Company. However, delivery or the conveyance of electricity to these contestable customers remains the function of distribution utilities such as AEC.

The Company, however, is confident that it will maintain, and even increase, its captive market due to the expected economic growth of Angeles City. In the meantime, the Company continues to source cheap and reliable energy to sustain its captive market.

Further, under Republic Act No. 9513, otherwise known as the Renewable Energy Act (“RE Act”) of 2008, the Department of Energy (“DOE”) mandated the establishment of the Green Energy Option Program (“GEOP”), which provides customers with a threshold of 100 KW and above, for the past twelve (12) months, the option to choose renewable energy resources as their supplier of electricity. As of December 31, 2024, AEC has three (3) customers who have already switched to an RE Supplier under the GEOP and has eighty-two (82) customers who were qualified to join the program.

On May 27, 2013, the ERC issued Resolution No. 9 Series of 2013 or the Net Metering Rules. Under this program, customers have the option to install renewable energy generation facilities in their premises provided that the capacity of the generation facility shall not exceed one hundred kilowatts (100kW). The Net-metering Program has a slight impact in AEC’s distribution business considering the threshold capacity limit for the net-metering installations. As of December 31, 2024, AEC has one thousand five hundred nine (1,509) active net-metering customers.

On 9 November 2022, the ERC has promulgated Resolution No. 11, Series of 2022 entitled. “A Resolution Adopting the Rules Governing Distributed Energy Resources (“DER”). DER rules shall only be applicable to DER utilizing RE for end-user consumption and export to the distribution system of the DUs with nameplate capacity of which shall be greater than 100kW and up to one megawatt (1MW) and to DER whose supply is for end-user consumption only, regardless of technology, capacity, and grid location (on or off-grid), wherein the DER owner and end-user are not one and the same entity. Energy exported by DERs may affect DU’s contracted capacity. As such, DER Rules provided remedies to address any resulting displaced contracted capacity by DUs. As of December 31, 2024, AEC has one (1) customer who installed a DER facility.

Retail services to both Captive, Contestable, and GEOP Customers likewise remain to be the function of distribution utilities.

Distribution utilities such as AEC shall also be the sole Metering Service Provider (“MSP”) for the retail market until such time that the ERC determines that the provision of metering services at the retail level is competitive.

Nonetheless, the Company strives to deliver the best customer service to its franchise area with the least cost of energy from reliable and sustainable sources and is committed to comply with all regulatory compliances and other reports or submissions as may be required by the government and regulatory agencies.

vi. Suppliers

Power Supply Contracts

AEC’s major power source comes from GNPowder Mariveles Energy Center Ltd. Co. (“GMEC”) formerly GNPOWER Limited Company. The power delivery commenced on January 26, 2014 and will expire on January 25, 2029. AEC also has Power Supply Agreements with Anda Power Corporation (“ANDA”) and with Angeles Power, Inc. (“API”). As for the DOE’s Renewable Portfolio Standards (“RPS”) compliance, AEC has entered into a Renewable Power Supply Agreement (RPSA) with Solar Philippines New Energy Corporation (SPNEC). On August 21, 2024, the ERC issued an Order granting the Interim Relief for the SPNEC RPSA. The Order stated that it was promulgated on June 6, 2023 and the effectivity shall be valid for 12 months from the issuance. Since the SPNEC power plant is still under construction, SPNEC nominated Greentech Solar Energy Inc. (GSEI) as the source of replacement power. On November 26, 2024, SPNEC commenced the supply of replacement power to AEC.

Below are the details of AEC’s power supply contracts:

Supplier	Contracted Capacity	Duration of Contract
GNPower Mariveles Energy Center Ltd. Co. (GMEC)	75MW	January 26, 2014 to January 25, 2029
Anda Power Corporation (ANDA)	15MW	September 26, 2016 to October 25, 2026
Angeles Power Inc. (API)	22MW	December 26, 2016, to December 25, 2026 (with ERC-issued Interim Relief Order)
Solar Philippines New Energy Corp. (SPNEC)	13 MW	November 26, 2024 to November 25, 2034

For the net metering exports, as of December 31, 2024, the net-metering qualified end-users (QEU) exported a total of 8,748,602 kWh of energy to AEC representing 1% of AEC’s total energy input.

For the energy imbalances, these are sourced through the Wholesale Electricity Spot Market (“WESM”) and AEC has been a direct member of WESM since August 2013.

AEC is dependent on the above-named suppliers for its supply of electric power because it can only procure from other suppliers once approved by the ERC.

Transmission and Metering Service Agreements

AEC has renewed agreements with the National Grid Corporation of the Philippines (“NGCP”) for Transmission and Metering Services. Currently, the five (5)-year renewal has been approved and will be effective until December 25, 2028. AEC is dependent on NGCP for its transmission and metering services because it is the sole provider of the country’s transmission services.

Materials for Distribution and Metering

Below are the Company’s top regular suppliers for materials for distribution and metering:

	Supplier	Materials Supplied	Terms of Payment
1.	First Philec Inc.	Distribution Transformers	30 days
2.	AC Harris Cable Corp.	Wires	30 days
3.	Hom-Cor Mktg. and Constr. Services Inc.	Substation Equipment	30 days
4.	Phelps Dodge Phils. Energy	Wires	30 days
5.	Jocelyn Forge Inc.	Line and Metering Materials	30 days
6.	Cepalco Energy Services Corporation	Meters	30 days
7.	Celeasco	Line and Metering Materials	30 days
8.	FTB Power Industries Services Corp.	Line and Metering Materials	30 days
9.	NTA Energy Solutions Corp.	Substation Equipment	30 days
10.	Dura-Poles Inc.	Poles	30 days

AEC is not dependent on the foregoing suppliers for the supply of the above-listed distribution and metering materials.

In 2024, the Company made significant purchases from the following suppliers for supplies needed in its ongoing projects:

	Supplier	Project	Items Purchased
1.	Teh Hsin Enterprises Phils. Corp.	Construction of 69KV Porac Connection	Poles
2.	Jocelyn Forge Inc.	Construction of 69KV Porac Connection	Line Materials
3.	AC Harris Cable Corp.	Construction of 69KV Porac Connection	Wires
4.	Brich Industry Phils. Corp	Proposed 50MVA Pulung Cacutud Substation	Substation Equipment
5.	Siemens Energy Inc.	Proposed 50MVA Pulung Cacutud Substation	Substation Equipment

The choice of suppliers is based on the suppliers' track record and market history, compatibility with the Company's existing facilities, system design and country of origin (to determine the related importation costs and taxes, warranty and after-sales service).

The Company is not limited or dependent only upon the foregoing suppliers for any of its supply needs and may contract with other suppliers provided they meet the criteria set forth above.

vii. Customers

AEC's franchise area is in Angeles City in the Province of Pampanga. It has a total land area of 62.17 sq. km. and is composed of 33 barangays.

The Company currently services five (5) customer classes, consisting of Residential, Commercial (General Services 1 to 5), Industrial (Small and Large), Flat (Streetlights), and certain large commercial/industrial customers under the RCOA/GEOP customer choice programs.

As of December 31, 2024, Residential customers comprise 89% of AEC's consumer base and contribute 52% of its energy sales. This customer class covers all residential customers for domestic purposes in single-family dwelling units, individual apartments, condominiums, and boarding houses.

Commercial customers comprise 11% of AEC's consumer base and contribute 40% of its energy sales. This customer class covers all commercial and other non-residential customers.

Industrial customers comprise 0.40% of AEC's consumer base and contribute 1% of its energy sales.

The Flat/Streetlights customers comprise 0.25% of AEC's consumer base and 1% of its energy sales.

RCOA/GEOP customers comprise 0.01% of AEC's consumer base and contribute 6% of its energy sales. They have the option to choose their supplier of electricity, however, the delivery or the conveyance of electricity remains the function of AEC. RCOA pertains to customers with an average monthly peak demand of 750KW and up while GEOP pertains to customers with a threshold of 100 kW and above and can choose renewable energy sources as their electricity supplier.

AEC's energy sales for the period ending December 31, 2024 reached 815,654 MWh. The Company has a total of One Hundred Thirty-Eight Thousand Four Hundred Eighty-Eight (138,488) customers. The table below shows the total number of customers and energy sales per class:

Customer Class	Number of Customers	%	Energy Sales in MWh	%
Residential	122,593	89%	425,971	52%
Commercial	14,988	11%	321,759	40%
Industrial	552	0.40%	9,417	1%
Flat/Streetlights	348	0.25%	6,129	1%
RCOA/GEOP	7	0.01%	52,378	6%
Total	138,488	100.00%	815,654	100.00%

The Company generates its revenues primarily from (1) Generation, Transmission, and System Loss, which are pass-through charges; (2) Distribution Charges consisting of Distribution, Supply, and Metering Charges; and (3) Other charges related to its services such as reconnection fees and pole rentals.

Pass-through charges are revenue-neutral to the Company. The ERC evaluates these charges every three (3) years for any over or under-recoveries. Upon ERC's approval, the over or under-recoveries are either refunded to or collected from AEC's customers.

Distribution charges are based on the last approved rates of the Company for the regulatory year 2015 under the Performance-Based Rate-Making ("PBR") Methodology. This is the Company's main line of business and source of revenue. No changes to distribution charges can be made by the Company without ERC's approval.

viii. Dependence on a single or a few customers

The Company is not dependent on any one or group of customers for at least 20% of its distribution revenues. The loss of a single customer or a few customers will not have a material adverse effect on AEC.

ix. Related Party Transactions

In the last 2 years, the Company has entered into the following transactions with its Director:

Date	Names of Related Party	Position or Interest in the Company	Type of Transaction	Amount of Transaction Value
2024	Geromin T. Nepomuceno	Chairman of the Board, Stockholder	Technical Consultancy Agreement	₱2,666,667
2023	Geromin T. Nepomuceno	Chairman of the Board, Stockholder	Technical Consultancy Agreement	₱2,666,667

A summary of the Company's transactions with its related parties as of and for the years ended December 31, 2024 and, as disclosed in Note 20 of the December 31, 2024 audited financial statements, is presented below.

Related Party Category	Amount of Transaction			Outstanding Receivable	
	2024	2023	2022	2024	2023
Related parties under common ownership:					
Purchase of electricity	P 134,751,171	P 225,050,936	P 249,400,254	P -	P 17,381,844
Purchase of goods and other services	60,813,067	17,304,391	16,218,608	-	46,461
Sales of electricity	191,891,784	141,128,261	151,917,860	16,100,273	14,082,043
Retirement plan asset	12,000,000	12,000,000	12,000,000	16,100,147	139,231,147
Key Management Personnel –					
Compensation	27,955,022	25,177,513	21,149,910	-	-
Stockholders –					
Purchase of goods and other services	2,666,667	3,777,778	5,056,560	-	-

x. Patents, Trademarks, Copyrights, Licenses, Franchises, Concessions and Royalty Agreements

AEC received its franchise to operate as a private electric distribution utility to serve the electric power requirements of Angeles City for a period of twenty-five (25) years under Republic Act No. 2341 on June 20, 1959. It was later amended by Republic Act No. 4079 on June 18, 1964, extending the franchise period to fifty (50) years until 2009. Currently, AEC is operating under Republic Act No. 9381 which extended AEC's franchise period for another twenty-five (25) years.

On June 28, 2022, the Company applied for registration with the Intellectual Property Office ('IPO') of the Philippines, the trademark of the company name Angeles Electric Corporation. The IPO issued a certificate of registration dated December 10, 2022 for a period of ten (10) years.

The Company does not own any patent, copyright, franchise (other than the legislative franchise mentioned above), concession or royalty agreement.

xi. Regulatory Approvals

The Company has several pending applications with the ERC for the approval of its various applications.

Applications for capital expenditures, cases involving rates, power supply agreements and other matters that the ERC may require must be filed in compliance with the Rules of Practice promulgated by the ERC. Prior to its formal filing, the applicant must provide all relevant documentations, go through a pre-filing process, adhere to publishing rules, and meet other requirements. After its filing, the application will be scheduled for an expository and judicial public hearing.

During the COVID-19 pandemic, ERC Resolution No. 8 Series of 2020, entitled “Guidelines Governing Electronic Application, Filings, and Virtual Hearing Before the Energy Regulatory Commission” was issued and established the standard operating procedures for the submission and approval of ERC applications.

In line with the distribution rate filing of private distribution utilities, last December 2021, the ERC issued Resolution No. 10 Series of 2021 or the Revised Rules for Setting Distribution Wheeling Rates (“RDWR”) for the 5th Regulatory Period Reset of Group A DU entrant. AEC belongs to Group D entrants and will enter the PBR reset process six (6) months before the start of the Group D 5th Regulatory Period.

Below is the list of ERC applications with pending approvals:

	ERC Case No.	Case Title	Date Submitted for Resolution
1	2016-006 RC	For Approval of RY 2016 CAPEX Projects	26 June 2016
2	2017-053 RC	For Approval of RY 2017 CAPEX Projects	02 November 2017
3	2017-106 RC	For Approval of the Contingency & Regular CAPEX Projects for RY 2018	17 May 2018
4	2019-013 RC	For Approval of the CAPEX Projects for RY 2019	07 June 2019
5	2019-091 RC	For Approval of the CAPEX Projects for RY 2020	16 October 2020
6	2022-011 RC	For Approval of the CAPEX Projects for RY 2021-2022	27 July 2022
7	2020-034 CF	For Confirmation of True-up Calculations of Over/Under Recovery of Pass-Thru Charges Implemented from Jan. 2017 to Dec. 2019	03 February 2021
8	2023-031 CF	For Confirmation of True-up Calculations of Over/Under Recovery of Pass-Thru Charges Implemented from Jan. 2020 to Dec. 2022	02 August 2023
9	2017-015 MC	Application for Approval of Increase in Capital Stock	20 December 2017
10	2010-051 MC	Dispute Resolution on DWSA Charges (AEC vs PSALM)	27 August 2010
11	2011-097 RC	Application for Approval of ESC (AEC and San Miguel Energy Corporation)	12 July 2011
12	2022-087 RC	For Confirmation of True Up Calculations of Actual Weighted Average Tariff (“AWAT”)	06 March 2023

		vs. Maximum Average Price (“MAP”) for the Lapsed Regulatory Periods	
13	2024-004 RC	For Approval of the CAPEX Projects for RY 2023	08 March 2024

On the other hand, the ERC issued Provisional Authorizations/Interim Relief to implement the following applications, subject to ERC’s final evaluation:

ERC Case No.		Case Title	Date Submitted for Resolution
1	2014-038 CF	For Confirmation of True-up Calculations of Over/Under Recovery of Pass-Thru Charges Implemented from Jan. 2011 to Dec. 2013	23 Jul 2014
2	2017-044 CF	For Confirmation of True-up Calculations of Over/Under Recovery of Pass-Thru Charges Implemented from Jan. 2014 to Dec. 2016	27 September 2017
3	2015-091 RC	Joint Application for Approval of PSA (AEC and Angeles Power Inc.)	07 August 2015
4	2023-004 RC	Joint Application for Approval of Power Supply Agreement between SP New Energy Corporation (AEC and SPNEC).	30 March 2023

The Company has not undergone any bankruptcy, receivership, or other similar proceeding in the past three (3) years from the date of this report.

xii. Effect of existing or probable government regulations on the business

The Company belongs to a highly regulated industry, bound by the following laws and rules set in place to ensure uninterrupted enjoyment of reliable and reasonably priced electricity by the public.

The passage of the Electric Power Industry Reform Act of 2001 (“EPIRA”) has paved the way for new reforms aimed at privatizing and deregulating certain aspects of the power industry.

Under the said law, the distribution of electricity to end-users shall be a regulated business requiring a national franchise. The distribution of electric power to all end-users may be undertaken by private distribution utilities, cooperatives, local government units presently undertaking this function, and other duly authorized entities, subject to regulation by the ERC. Section 23 of the EPIRA likewise provides that “A distribution utility shall have the obligation to supply electricity in the least cost manner to its captive market, subject to the collection of retail rate duly approved by the ERC.”

On February 26, 2021, ERC Resolution No. 12, Series of 2020 took effect, which further expanded the coverage of the Retail Competition and Open Access (“RCOA”) to include electricity end-users with an average monthly demand of five hundred kilowatts (500kW) effective February 26, 2021

per ERC Resolution No. 12. Series of 2020. The coverage of RCOA will gradually be expanded to the household level as mandated under Section 31 of the EPIRA. The initial implementation of RCOA covered electricity end-users with a demand of one megawatt (1MW) and above, making them eligible to migrate to other Retail Electricity Suppliers (RES).

As of December 31, 2024, AEC is servicing four (4) Contestable Customers who have switched to retail competition and with the RCOA's 3rd phase of implementation on February 26, 2021, an additional nine (9) customers became qualified to switch to retail competition.

On August 19, 2021, ERC promulgated ERC Resolution No. 8. Series of 2021 entitled "Rules for the Green Energy Option Program (GEOP)". The program encourages end users to choose renewable energy resources. Said program may be availed by: (1) end-users with an average peak demand of one hundred kilowatts (100kW) and above for the past twelve months; (2) those newly connected end-users whose estimated average monthly peak demand of three hundred kilowatts (300kW) and above for the next twelve (12) months based on load profiling; and (3) those newly connected end-users with an average peak demand of one hundred kilowatts (100kW) and above for three (3) consecutive months.

As of December 31, 2024, AEC has three (3) customers who have already switched to an RE Supplier under the GEOP and has eighty-two (82) customers who were eligible to join the program.

The continuous migration of eligible consumers to RCOA and GEOP will likely result in additional stranded contracted capacity. However, with the consistent growth in the Company's energy sales, any displaced capacity resulting from the migration of qualified customers to RCOA and GEOP may be absorbed by the growth in the energy sales of its remaining captive market.

To further expand the base of end-users having the ability to choose their suppliers of electricity, ERC has promulgated ERC Resolution No. 4. Series of 2020, entitled "Rules for the Electric Retail Aggregation Program" on June 24, 2022. The rules for the aggregation of the electricity requirements of end-users, whose monthly average peak demand is at least 500kW and are located within a contiguous area is effective beginning December 26, 2022.

On August 14, 2024, the ERC issued Resolution 13 Series of 2024 or the Omnibus Rules for Customer Choice Programs in the Retail Market. This aims to consolidate and amend all the rules governing the various Customer Choice Programs such as the RCOA, GEOP and RAP. The ERC's conducting information campaign series for the Omnibus Rules.

As of December 31, 2024, no customer has signified their interest to join the Electric Retail Aggregation Program.

The Company intends to manage this risk by renegotiating its contracted capacity with its power suppliers, and consulting with the ERC to prevent any dispute that may result from the

renegotiation. Offer the excess capacity to RES, or sell the excess capacity to the WESM in accordance with the pertinent rules and regulations.

Below are other relevant resolutions promulgated by ERC in 2024 which may impact the Company:

ERC Resolution No.	Title	Brief Overview
1. ERC Resolution No. 1, Series of 2024	A Resolution adopting the lifting of the suspension of the collection of Feed-In Tariff Allowance (FIT-ALL).	A resolution adopting the lifting of the suspension of the collection of Feed-In Tariff Allowance (FIT-ALL) typically indicates that the regulatory body or relevant authority has decided to resume the collection of the FIT-ALL charge.
2. Resolution No. 2 Series of 2024	A Resolution Setting the Installed Generating Capacity and Market Share Limitation Per Grid and National Grid for 2024.	A resolution setting the installed generating capacity and market share limitation per grid and the national grid for 2024 is a formal decision or directive issued by the relevant regulatory body or authority overseeing the energy sector. This resolution typically outlines the maximum allowed installed generating capacity and market share that each grid or the national grid can have within a specified timeframe, in this case, for the year 2024.
3. ERC Resolution No. 8, Series of 2024	A Resolution adopting the Renewable Energy Certificate (REC) Price Cap.	A resolution adopting the rules on the determination of the Renewable Energy Certificate (REC) Price Cap.
4. ERC Resolution No. 9, Series of 2024	A Resolution reiterating the Provisions on Administrative Offenses and Penalties under Republic Act No. 1123 and its Implementing Rules and Regulations for Implementation by the	A resolution that reiterates the provisions on Administrative Offenses and Penalties under Republic Act No. 11234 and its Implementing rules and regulations, for implementation by the

	Energy Commission.	Regulatory	Energy Commission.	Regulatory
5. ERC Resolution No. 12, Series of 2024	A Resolution Governing the Cost Recovery Mechanism of the On-Grid Distribution Utilities in Compliance with the Renewable Portfolio Standards		A resolution that approves and adopts the Rules Governing the Cost Recovery Mechanism of the On-Grid Distribution Utilities in compliance with the Renewable Portfolio Standards (RPS).	
6. ERC Resolution No. 13, Series of 2024	A Resolution Adopting the Omnibus Rules for Customer Choice Programs in the Retail Market.		These rules shall be known as the Omnibus Rules for Customer Choice Programs in the Retail Market. It shall be hereinafter referred to as the Omnibus Rules.	
7. ERC Resolution 16, Series of 2024	A Resolution Setting the Interim Offer Price Cap and Floor Price as Mitigating Measures for the Trading of Reserves in the Wholesale Electricity Spot Market.		A resolution that approves and adopts an Interim Offer Price Cap and Floor Price.	
8. ERC Resolution 18, Series of 2024	A Resolution directing distribution utilities to refund all collected and unutilized regulatory reset costs and cease any future collection thereof.		A resolution that mandates Du's to refund all collected and unutilized regulatory reset costs and cease any future collection thereof.	
9. ERC Resolution No. 19, Series of 2024	A Resolution Adopting the Price Determination Methodology (PDM) for Non-Fit-Eligible Renewable Energy Technologies in the Green Energy Auction Program (GEAP).		A resolution that approves and adopts the Price Determination Methodology (PDM) for Non-Fit Eligible Renewable Energy Technologies in the Green Energy Auction Program (GEAP).	

The Company is likewise covered by the following issuances from the Department of Energy (DOE) in 2024:

Department Circular No.	Title	Brief Overview
1. DC2024-01-0002	Adopting Further Amendments to the Wholesale Electricity Spot Market (WESM) Manual on Dispute Resolution Regarding Disputes Under the Retail Rules.	Section 30 and 37(f) of Republic Act (RA) No. 9136 or the Electric Power Industry Reform Act (EPIRA) provide that the Department of Energy (DOE), jointly with the electric power industry participants, shall establish the WESM and formulate the detailed rules governing the operations.
2. DC2024-01-0003	Adopting Further Amendments to the Wholesale Electricity Spot Market (WESM) Rules and Various WESM Manuals.	Section 30 and 37(f) of Republic Act (RA) No. 9136 or the Electric Power Industry Reform Act (EPIRA) provide that the Department of Energy (DOE), jointly with the electric power industry participants, shall establish the WESM and formulate the detailed rules governing the operations.
3. DC2024-01-0004	Adopting Further Amendments to the Wholesale Electricity Spot Market (WESM) Rules and the WESM Manual on Registration, Suspension and De-Registration Criteria and Procedures (Provisions on Preferential Dispatch of Renewable Energy Generating Units)	Section 30 and 37(f) of Republic Act (RA) No. 9136 or the "Electric Power Industry Reform Act of 2001" (EPIRA), provide that the Department of Energy (DOE), jointly with the electric power industry participants, shall establish the WESM and formulate the detailed rules governing the operations
4. DC2024-03-0010	Amendment to Department Circular No. DC2023-10-0029 Providing Specific Auction Policy and Guidelines for Non-Fit-Eligible Renewable Energy Technologies in the Green Energy Auction Program	WHEREAS, on 12 December 2023, the Department of Energy (DOE) issued Department Circular (DC) No. DC2023-10-0029 titled, "Providing Specific Auction Policy and Guidelines for Non-Fit-Eligible Renewable Energy Technologies in the Green Energy Auction Program"
5. DC2024-05-0011	Rules on the Administration and Enforcement of the Obligations of Designated Establishments under the Energy Efficiency and Conservation Act.	This DC shall govern all matters relating to the inspection and enforcement power of the DOE under the EEC Act, EEC-IRR, and other relevant issuances.

6. DC 2024-05-0015	Rules of Procedure in Administration Cases for Violations under Republic Act No.11285 (Energy Efficiency and Conservation Act)	These rules shall apply to all pleadings, practices, and procedures before the DOE in all matters concerning the inquiry, investigation, hearing, or any other proceedings for cases involving violations of EEC Act, the EEC-Implementing Rules and Regulations (IRR), DOE Circulars, and Implementing Guidelines (IG) issued pursuant to the forgoing.
7. DC2024-06-0018	Revised Omnibus Guidelines Governing the award and Administration of Renewable Energy Contracts and the Registration of Renewable Energy Developers.	This Circular shall prescribe the guidelines and procedures on: The pre-application, application, and award of RE Contracts; The conversion of existing service contracts to RE contracts for the exploration, development or utilization of RE resources with the DOE, subject to Section 39, Rule 13 of the IRR of the RE Act; The issuance by the DOE of Certificates of Registration (COR) for RE Developers of projects with or without RE Contracts; and The administration of RE Contracts.
8. DC2024-06-0019	Adopting further Amendments to the Wholesale Electricity Spot Market (WESM) Rules and WESM Manual on Dispatch Protocol, and Creation of WESM Manual on Ancillary Services Monitoring Regarding Reserve Market Compliance and Related Enforcement and Actions.	This Manual and the enforcement proceeding and actions set herein apply to the conformance of the Ancillary Services Providers with the rules pertaining to submission of the reserve offers and to compliance with reserve schedules and dispatch implementation.
9. DC2024-08-0025	Prescribing further Policies to Enhance the Net-Metering Program for Renewable Energy, Amending, for the Purpose, Department Circular (DC) No. DC2022-10-0022	This Circular Prescribes the following policies and guidelines to provide enhancement to the Net-Metering Program in support of ERC Resolution No. 06, Series of 2029.

xiii. Research and Development

The Company has no research and development department, nor has it been involved in any research and development activity. This is due to the fact that changes in the electric distribution industry have been relatively slow compared to other industries. The current infrastructures and systems have generally been sufficient to meet the growing market's demand for safe and efficient distribution of power. Hence, there has been no need for research and development up to the present.

This is still true even with the emergence of technology and the government's implementation of a national smart grid policy framework for the Philippine electric power industry and roadmap for distribution utilities due to the sufficiency of the available products and technologies in the market.

xiv. Costs and effects of compliance with environmental laws

The Company's substations require compliance with the Department of Environment and Natural Resources ("DENR") Administrative Order No. 30, Series of 2003 of Presidential Decree No. 1586 and Rule XIX of the Rules and Regulations of RA. 8749. These substations are required to secure Permits to Operate ("PTO") and violations of the conditions of the Act shall be subject to penalties ranging from Ten Thousand Pesos (₱10,000.00) to One Hundred Thousand Pesos (₱100,000.00).

The table below shows the issued PTOs for the substations:

Substations	Permit to Operate	Issue Date	Expiry Date
1. Petersville	PTO-OL-R03-2022-04201	16 June 2022	16 June 2027
2. Calibu	CNC-OL-R-03-2022-04-01965	06 April 2022	-
3. Milenyo	PTO-OL-R03-2022-03854	10 June 2022	10 June 2027
4. Pampang	PTO-OL-R03-2022-03862	10 June 2022	10 June 2027
5. Cutcut (Nepo Center)	PTO-OL-R03-2022-04486	27 June 2022	26 June 2027

The Company is required to hire an accredited treater and transporter of hazardous materials. The accredited treater and transporter will then issue the Company a Hazardous Waste Generator Registration Certificate indicating that the hazardous waste was properly treated and disposed of.

xv. Employees and labor relations

As of December 31, 2024, the Company has one hundred eighty (180) employees. One hundred eighteen (118) of them are office employees and sixty-two (62) are field employees.

The Company expects to hire an additional ten (10) to twelve (12) employees in 2025 due to the opening of the Balibago Office and retirements this year.

One hundred (100) of AEC's employees are members of the Angeles Electric Workers' Union (the "Union") affiliated with the National Federation of Labor Union and eighty (80) employees are non-union.

In recent years, the Company has not had any issues when it comes to bargaining with the Union since the Collective Bargaining Agreement ("CBA") negotiations are always amicably concluded. The employees of the Company have good labor relations with the management and owners of the Company.

In the past three (3) years, the Union has neither conducted any strikes nor has it picketed against the Company. The Company's existing CBA will expire on October 25, 2025.

In addition to the benefits as mandated by law, the Company provides its employees with additional benefits as disclosed in its Prospectus dated November 30, 2023, *pages 93 to 94*, attached in this report as **Exhibit "A-1"**

xvi. Risks related to the Company and its Industry

The Company identified the following risks discussed in detail in its Prospectus dated November 30, 2023, *pages 17 to 26*, attached in this report as **Exhibit "A-1"**.

- Franchise Risk, Operational Risk and Limitations of a Distribution Utility
- Regulatory Risk
- Risk of Exposure to Volatile Price of Electricity
- Risk to Power Purchase Contracting
- Risk on Subtransmission Lines
- Leases Risk
- Risk on Information Technology Systems
- Risk of Human Resources and Skills Stagnation
- Collection Risk
- Customer Choice Program (RCOA, GEOP & RAP)

ITEM 2. PROPERTIES

The following real properties are duly registered under the Company's name, as evidenced by the Transfer Certificates of Title ("TCT") and Condominium Certificate of Title ("CCT") listed below:

	TCT/CCT No. /Evidence of Ownership	Location	Description	Lien / Mortgage / Encumbrance, if any	Use of property
1.	TCT 11046	Bgy. Pulung Maragul	28,496 sqm	N/A	Petersville Power Plant and Substation

2.	TCT 74538	Bgy. Pulung Maragul	3,648 sqm	N/A	Petersville Power Plant and Substation
3.	TCT 111623	Bgy. Pulung Maragul	3,419 sqm	N/A	Petersville Power Plant and Substation
4.	TCT 121001	Bgy. Pulung Maragul	5,417 sqm	N/A	Petersville Power Plant and Substation
5.	TCT 045-2014001959	Bgy. Pulung Maragul	8,998 sqm	N/A	Petersville Power Plant and Substation
6.	TCT 155378	Bgy. Pampang	600 sqm	N/A	Pampang Substation
7.	TCT 155379	Bgy. Pampang	600 sqm	N/A	Pampang Substation
8.	TCT 155380	Bgy. Pampang	600 sqm	N/A	Pampang Substation
9.	TCT 155381	Bgy. Pampang	600 sqm	N/A	Pampang Substation
10.	TCT 045-2018003332	Clarkview Subdivision	1,548 sqm	N/A	New Milenyo Substation
11.	TCT 045-2018003036	Bgy. Pulung Cacutud	10,000 sqm	N/A	Future Pulung Cacutud Substation
12.	TCT 045-2022001374	Bgy. Balibago	800 sqm	N/A	Future Balibago Substation
13.	TCT 045-2022001375	Bgy. Balibago	800 sqm	N/A	Future Balibago Substation
14.	TCT 045-2022001376	Bgy. Balibago	800 sqm	N/A	Future Balibago Substation
15.	CCT PT-30200	Pasig City	121 sqm	N/A	Ortigas Office
16.	CCT PT-30201	Pasig City	119 sqm	N/A	Ortigas Office
17.	CCT PT-30202	Pasig City	118 sqm	N/A	Ortigas Office
18.	CCT PT-30203	Pasig City	112 sqm	N/A	Ortigas Office
19.	Deed of Assignment	Pasig City	Slot #6	N/A	Parking Slot for Unit 1901 (CCT PT-30200)
20.	Deed of Assignment	Pasig City	Slot #7	N/A	Parking Slot for Unit 1901 (CCT PT-30200)
21.	Deed of Assignment	Pasig City	Slot #8	N/A	Parking Slot for Unit 1902 (CCT PT-30201)
22.	Deed of Assignment	Pasig City	Slot #9	N/A	Parking Slot for Unit 1902 (CCT PT-30201)
23.	Deed of Assignment	Pasig City	Slot #10	N/A	Parking Slot for Unit 1903 (CCT PT-30202)
24.	Deed of Assignment	Pasig City	Slot #11	N/A	Parking Slot for Unit 1903 (CCT PT-30202)
25.	Deed of Assignment	Pasig City	Slot #12	N/A	Parking Slot for Unit 1904 (CCT PT-30203)
26.	Deed of Assignment	Pasig City	Slot #13	N/A	Parking Slot for Unit 1904 (CCT PT-30203)

The Company also owns the following vehicles:

	Description	Quantity	Unit of Measure	Liens, Mortgages, Encumbrances, if any	Use of Property
1.	Crane Truck	1	Unit	N/A	Used as a service vehicle
2.	Boom Truck	4	Units	N/A	Used as a service vehicle
3.	Boom Truck with Borer	1	Unit	N/A	Used as a service vehicle
4.	Man lift Truck	9	Units	N/A	Used as a service vehicle
5.	Pick-up with Ladder Carrier	13	Units	N/A	Used as a service vehicle
6.	Utility Van	4	Units	N/A	Used as a service vehicle
7.	Utility Van with Ladder Carrier	3	Units	N/A	Used as a service vehicle
8.	Pick-up with Camper Shell	4	Units	N/A	Used as a service vehicle
9.	Passenger Van	2	Units	N/A	Used as a service vehicle
10.	Pick-up Van	2	Units	N/A	Used as a service vehicle
11.	Multi-Purpose Vehicle	1	Units	N/A	Used as a service vehicle
12.	SUV	4	Unit	N/A	Used as a service vehicle
13.	Pick-up 1	1	Unit	N/A	Used as a service vehicle
14.	Light Duty Truck	2	Units	N/A	Used as a service vehicle
15.	Motorcycle	1	Unit	N/A	Used as a service vehicle
16.	Forklift	1	Unit	N/A	Used as a service vehicle

The Company also owns equipment and other properties such as power transformers and other substation equipment, sub-transmission and distribution lines including poles and attachments, distribution transformers, meters and other metering equipment which are installed within the

Company's franchise area, as described in its Prospectus dated November 30, 2023, *pages 105 to 110*, attached in these reports as ***Exhibit "A-1"***.

ITEM 3. LEGAL PROCEEDINGS

Aside from the following, the Company has no ongoing legal proceedings involving it and any of its properties, whether material or non-material.

Case No., Title, and Parties	Pending Before/Venue	Brief Description
i. Case No. R-QZN-14-01829-CV, In the Matter of Declaratory Relief Against Revenue Memorandum Circular No. 16-2013, Angeles Electric Corp. Et. Al.	Quezon City Regional Trial Court, Branch 104	A Petition for Declaratory Relief with prayer for the issuance of a TRO and writ of injunction, praying that RMC No. 16-2013 be declared null and void and unconstitutional. A Decision was issued on 20 June 2017 and a Motion for Reconsideration ("MR") was filed by the BIR on 12 July 2017. To date, no resolution from the Court regarding the filed MR.

The Company has not undergone any bankruptcy, receivership, or other similar proceeding in the past three (3) years from the date of this report.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

There is no matter submitted to the vote of security holders, through solicitation of proxies or otherwise, from the time the Registration Statement was approved until the fourth quarter of the fiscal year.

PART II. OPERATIONAL AND FINANCIAL INFORMATION

ITEM 5. MARKET FOR ISSUER'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

A. Market Price and Dividends on Registrant's Common Equity and Related Stockholder Matters

1. Market Information

a. Principal Market

The shares of the Company are not traded in any stock exchange.

2. Holders

As of December 31, 2024, the Company has a total of 1,178,448,400 issued and outstanding common shares, along with 201,680,632 issued and outstanding preferred shares distributed among its stockholders.

Below is a list of the top twenty (20) stockholders of the Company as of December 31, 2024.

	Name of Shareholder	Type of Share Held	Number of Common / Preferred Shares Held	Percent of Total Issued and Outstanding Shares
1	Nicholas Carmelo P. Nepomuceno	Preferred	14,829,458	4.42%
		Common	46,173,600	
2	Taylor Amanda P. Nepomuceno	Preferred	14,829,458	4.29%
		Common	44,377,100	
3	Patrick P. Nepomuceno	Common	52,306,400	3.79%
4	Cristina Research Foundation, Inc.	Common	50,000,000	3.62%
5	Me-Ka Corporation	Common	49,000,000	3.55%
6	ETM Incorporated	Common	47,000,000	3.41%
7	GibbousTech, Inc.	Common	40,000,000	2.90%
8	Salud Isabel M. Nepomuceno	Common	28,571,500	2.64%
		Preferred	7,909,045	
9	Emmanuel Joseph M. Nepomuceno	Common	23,614,300	2.18%
		Preferred	6,536,836	
10	Justine Shayne Ashley A. Nepomuceno	Common	23,809,600	2.08%
		Preferred	4,943,153	

11	Bernadette M. Nepomuceno	Common	28,571,400	2.07%
12	Angela Regina M. Nepomuceno	Common	18,657,100	1.73%
		Preferred	5,164,600	
13	Peter Walter S. Nepomuceno	Common	16,256,000	1.61%
		Preferred	5,931,783	
14	Paul Wilhelm S. Nepomuceno	Common	16,256,000	1.61%
		Preferred	5,931,783	
15	Bianca M. Benitez	Common	17,092,000	1.61%
		Preferred	5,084,385	
16	Paul Augustine N. Wilkerson	Common	17,857,100	1.56%
		Preferred	3,707,364	
17	Jeffrey Neil S. Nepomuceno	Common	15,872,966	1.39%
		Preferred	3,295,435	
18	Cristina Carisse S. Nepomuceno	Common	15,872,965	1.39%
		Preferred	3,295,436	
19	Geromin S. Nepomuceno III	Common	15,872,966	1.39%
		Preferred	3,295,435	
20	Patrick N. Valdes	Common	15,872,900	1.39%
		Preferred	3,295,435	

3. Dividends

a. Dividends declared

The table below shows the Company's dividend history for the years 2023, and 2024.

YEAR	DIVIDEND	DIVIDEND RATE	TYPE OF SHARE	RECORD DATE	PAYMENT DATE	TOTAL AMOUNT PAID (in PhP)
2023	Cash	₱0.2488 per share	Common	28 February 2023	19 March 2023	241,691,386.00
	Cash	₱0.1790 per share	Common	30 April 2023	21 June 2023	173,931,459.00
	Cash	₱2.0131 per share	Preferred	30 April 2023	21 June 2023	405,998,560.00
	Cash	P0.0204 per share	Common	30 June 2023	29 November 2023	19,817,139.00
	Cash	P0.0204 per share	Preferred	30 June 2023	29 November 2023	4,114,285.00
2024	Cash	₱0.0234 per share	Common	31 December 2024	4 March 2024	27,585,648.00
	Cash	₱0.0055 per share	Preferred	31 December 2024	4 March 2024	1,109,243.00

	Cash	₱0.0234 per share	Common	31 December 2024	9 August 2024	27,585,648.00
	Cash	₱0.0055 per share	Preferred	31 December 2024	9 August 2024	1,109,243.00
	Cash	₱0.0234 per share	Common	31 December 2024	15 November 2024	27,585,648.00
	Cash	₱0.0055 per share	Preferred	31 December 2024	15 November 2024	1,109,243.00

b. Appropriated Retained Earnings

The Company, through the approval of the Board of Directors, periodically appropriates a portion of its retained earnings for planned capital asset acquisitions. These restrictions limit the Company from declaring dividends and ensure that sufficient net assets are available to finance the planned acquisitions.

The planned capital asset acquisitions are classified into (a) Network; (b) Other network; and, (c) Non-network. Acquisitions for the Network classification mostly include substation equipment. Acquisitions for the Other network classification pertain to primary and secondary line equipment. Acquisitions for the Non-network classification include office and administrative assets.

In 2024, the Company did not appropriate a portion of its retained earnings as management believes that the current appropriation is sufficient for its existing projects. Furthermore, there were no reversals of appropriations during that same year.

On October 4, 2023, the Board of Directors approved the appropriation of P174,564,841 for future capital asset acquisitions identified during the year. On the other hand, a reversal of appropriation totaling P24,200,280, in relation to certain projects that have been completed, was made during the same year. The appropriations and reversals in prior years are presented in the Company's audited statements of changes in equity and the accompanying notes to the financial statements.

4. Recent sale of unregistered securities

In March 2023, the Company issued Two Hundred One Million Six Hundred Eighty Thousand Six Hundred Thirty-Two (201,680,632) preferred shares from its unissued authorized preferred shares at par value to the following shareholders:

Date	Type of Share	Name of Shareholder	Number of Shares Sold	Amount and Consideration (in Php)
16 March 2023	Preferred Shares	NEPOMUCENO, PETER WALTER S.	5,931,783	5,931,783.00

16 March 2023	Preferred Shares	NEPOMUCENO, PAUL WILHELM S.	5,931,783	5,931,783.00
16 March 2023	Preferred Shares	NEPOMUCENO, KRISTEN MARIE	5,931,783	5,931,783.00
16 March 2023	Preferred Shares	NEPOMUCENO, CELINA MARIE	5,931,783	5,931,783.00
16 March 2023	Preferred Shares	NEPOMUCENO, RAVEN JENKI G.	5,931,783	5,931,783.00
16 March 2023	Preferred Shares	NEPOMUCENO, NICHOLAS CARMELO P.	14,829,458	14,829,458.00
16 March 2023	Preferred Shares	NEPOMUCENO, TAYLOR AMANDA P.	14,829,458	14,829,458.00
22 March 2023	Preferred Shares	JUSTIN SHANE ASHLEY A. NEPOMUCENO	4,943,153	4,943,153.00
22 March 2023	Preferred Shares	NEPOMUCENO, JEAN POLO E.	4,943,152	4,943,152.00
22 March 2023	Preferred Shares	NEPOMUCENO, JEFFREY NEIL S.	3,295,435	3,295,435.00
22 March 2023	Preferred Shares	NEPOMUCENO, CRISTINA CARISSE S.	3,295,436	3,295,436.00
22 March 2023	Preferred Shares	NEPOMUCENO, GEROMIN S. III	3,295,435	3,295,435.00
22 March 2023	Preferred Shares	NEPOMUCENO, RICHARD ADRIAN FIRMO T.	1,977,262	1,977,262.00
22 March 2023	Preferred Shares	NEPOMUCENO, ALDRIN ERWIN JAMES T.	1,977,261	1,977,261.00
22 March 2023	Preferred Shares	NEPOMUCENO, NICHOLAS EVAN	1,977,261	1,977,261.00
22 March 2023	Preferred Shares	NEPOMUCENO, SHERRIE ANTONETTE	1,977,261	1,977,261.00
22 March 2023	Preferred Shares	NEPOMUCENO, JOSEPHINE CRISTINE	1,977,261	1,977,261.00
22 March 2023	Preferred Shares	NEPOMUCENO, EMMANUEL JOSEPH	6,536,836	6,536,836.00
22 March 2023	Preferred Shares	NEPOMUCENO, ANGELA REGINA	5,164,600	5,164,600.00
22 March 2023	Preferred Shares	NEPOMUCENO, SALUD ISABEL M.	7,909,045	7,909,045.00
22 March 2023	Preferred Shares	NEPOMUCENO, MA. ELIGIA G.	1,372,209	1,372,209.00
22 March 2023	Preferred Shares	CONCEPCION, KEVIN ALPHONSUS L.	2,744,445	2,744,445.00
22 March 2023	Preferred Shares	BENITEZ, BIANCA M.	5,084,385	5,084,385.00
22 March 2023	Preferred Shares	OSMEÑA, RAMON LUIS M.	5,931,783	5,931,783.00
22 March 2023	Preferred Shares	MAPUA, MONICA ISABEL	5,084,385	5,084,385.00
22 March 2023	Preferred Shares	MAPUA, FRANCO LUIS C.	1,906,645	1,906,645.00

24 March 2023	Preferred Shares	MAPUA, MIA ANGELINA C.	1,906,645	1,906,645.00
24 March 2023	Preferred Shares	MAPUA, ANNICA THERESE C.	1,906,645	1,906,645.00
24 March 2023	Preferred Shares	MAPUA, DIEGO MIGUEL C.	1,906,645	1,906,645.00
24 March 2023	Preferred Shares	MAPUA, JULIA CRISTINA GABRIELLE H.	2,965,892	2,965,892.00
24 March 2023	Preferred Shares	MAPUA, RAMON ANTONIO LUIS H.	2,965,892	2,965,892.00
24 March 2023	Preferred Shares	BUTIU, MICHELLE ANA MARIE	1,235,788	1,235,788.00
24 March 2023	Preferred Shares	WILKERSON, AARON H.	1,235,788	1,235,788.00
24 March 2023	Preferred Shares	WILKERSON, RICHARD ANTON H.	1,235,788	1,235,788.00
24 March 2023	Preferred Shares	WILKERSON, ANTHONY VINCENT P.	741,473	741,473.00
24 March 2023	Preferred Shares	WILKERSON, ALLANDREW P.	741,473	741,473.00
27 March 2023	Preferred Shares	WILKERSON, ARTHUR P.	741,473	741,473.00
27 March 2023	Preferred Shares	WILKERSON, MATTHEW TIMOTHY G.	741,473	741,473.00
27 March 2023	Preferred Shares	TIU, TIFFANY CRISTIN W.	741,473	741,473.00
27 March 2023	Preferred Shares	WILKERSON, DARREL CHARLES A. III	1,235,788	1,235,788.00
27 March 2023	Preferred Shares	WILKERSON, KIMBERLY NICOLE A.	1,235,788	1,235,788.00
27 March 2023	Preferred Shares	WILKERSON, KEVIN MATTHEW A.	1,235,788	1,235,788.00
27 March 2023	Preferred Shares	WILKERSON, PETER DAVID I. JR.	926,842	926,842.00
27 March 2023	Preferred Shares	WILKERSON, REBECCA ELIZABETH I.	926,841	926,841.00
27 March 2023	Preferred Shares	WILKERSON, AMY KATHRYN I.	926,841	926,841.00
27 March 2023	Preferred Shares	WILKERSON, KELSY I.	926,841	926,841.00
27 March 2023	Preferred Shares	WILKERSON, TERESITA CARNITA C.	926,842	926,842.00
27 March 2023	Preferred Shares	WILKERSON, RICHARD BLAKE C.	926,841	926,841.00
27 March 2023	Preferred Shares	WILKERSON, CATHERINE ANNE A.	926,841	926,841.00
27 March 2023	Preferred Shares	WILKERSON, GEORGE JOSEPH A.	926,841	926,841.00
27 March 2023	Preferred Shares	WILKERSON, RACHELLE MARIE V.	1,853,683	1,853,683.00

27 March 2023	Preferred Shares	WILKERSON, ALLISON ANNE V.	1,853,682	1,853,682.00
27 March 2023	Preferred Shares	WILKERSON, PAUL AUGUSTINE N.	3,707,364	3,707,364.00
27 March 2023	Preferred Shares	WILKERSON, MARTIN KYLE C.	3,707,365	3,707,365.00
27 March 2023	Preferred Shares	ANGELES, ANTON NICKLUS	3,295,435	3,295,435.00
27 March 2023	Preferred Shares	VALDES, PATRICK N.	3,295,435	3,295,435.00
27 March 2023	Preferred Shares	VALDES, THERESA N.	3,295,435	3,295,435.00
27 March 2023	Preferred Shares	VALDES, JOHN PAUL N.	3,295,435	3,295,435.00
27 March 2023	Preferred Shares	VALDES, JORELL CARLO C.	823,859	823,859.00
27 March 2023	Preferred Shares	VALDES, CAMILLE JO-ANN C.	823,859	823,859.00
27 March 2023	Preferred Shares	VALDES, JOSEPH CHRISTIAN C.	823,859	823,859.00
27 March 2023	Preferred Shares	VALDES, JAIME MIGUEL F.	1,098,478	1,098,478.00
27 March 2023	Preferred Shares	VALDES, JOHANNES LEOPOLDO F.	1,098,478	1,098,478.00
27 March 2023	Preferred Shares	VALDES, MIRJANA LOURDES FELISA S.	3,295,435	3,295,435.00
27 March 2023	Preferred Shares	VALDES, DANIELA PATRICIA F.	1,098,478	1,098,478.00
27 March 2023	Preferred Shares	CHUA, CORINNE DEANNA V.	3,295,435	3,295,435.00
27 March 2023	Preferred Shares	VALDES, ADRIENNE NOELLE R.	3,295,435	3,295,435.00
27 March 2023	Preferred Shares	VALDES, JONATHAN CHRISTOPHER	823,859	823,859.00

The foregoing is exempt from registration with the SEC pursuant to Section 10(e) of the Securities Regulation Code, except with respect to the sale of securities to George Joseph A. Wilkerson and Anton Nicklaus Angeles, which were isolated transactions under Section 10(c) of the Code.

Apart therefrom, the Company has not, within the past three (3) years from the date of this Prospectus, sold any other exempt or unregistered shares, including sales of reacquired securities, securities issued in exchange for property, services, or other securities, or new securities resulting from the modification of outstanding securities.

B. Description of the Issuer's Securities

On October 21, 2022, the SEC approved the Company's amendment to its Articles of Incorporation which included a 1:100 stock split.

In March 2023, the Company issued Two Hundred One Million Six Hundred Eighty Thousand Six Hundred Thirty-Two (201,680,632) preferred shares from its unissued authorized preferred shares at P1.00 par value.

The Company has no debt securities, stock options, securities subject to redemption or call, warrants and other securities other than the common shares described above.

ITEM 6. MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATIONS

The following discussion and analysis of the Company's financial condition and results of operations should be read in conjunction with the Company's Audited Financial Statements for the period ended December 31, 2024, as well as the notes thereto included in this report.

DISCUSSION ON CHANGES IN FINANCIAL POSITION

As of December 31, 2024 and December 31, 2023

Assets

The Company's total assets increased by ₱587.5 million, primarily due to the Company's net profit for the year.

Property, plant, and equipment

Property, plant, and equipment increased by ₱41.8 million, net of the annual depreciation expense amounting to ₱235.3 million. Additions during the year are concentrated on the continuous improvement of substations and distribution and transmission lines to meet the increasing demand of customers. During the height of the summer season, the Company required significant additions of transformers due to an unforeseen rise in power demand. In addition, the Company also incurred an additional P28.9 million capital investment in construction work in progress for a project aimed at connecting to a proposed new NGCP substation in Porac, Pampanga.

Right-of-use assets and Lease liabilities

Right-of-use assets and the associated lease liabilities increased due to the renewal of certain contracts that expired in 2023 and 2024.

Deferred tax assets – net

Deferred tax assets increased by ₱19.0 million due to temporary differences that are deductible from future taxable income. The main part of the increase still relates to the recognition of provisions for customer refunds during the year. Please see the analysis of the related account.

Retirement benefit assets - net

The increase in retirement benefit assets is brought about by the excess of the Company's contributions to the retirement fund over the retirement expense computed by the actuaries. The Company consistently invests P12.0 million annually in the retirement fund.

Other Non-current Assets

The increase in other non-current assets resulted from a P75.0 million advance payment made by the Company for the acquisition of land that is intended to be used as a future substation.

Cash and cash equivalents

Cash and cash equivalents increased by ₱86.4 million. This increase, as shown in the statement of cash flows, primarily results from operating activities amounting to P660.7 million less amounts utilized for investment purposes and dividend declarations. The amounts from operating activities are supported by the increase in net profit during the year.

A portion of cash and cash equivalents is invested in time deposits and investment schemes that earn higher interest rates than current bank savings rate. The average interest rates are the same as those of the investment securities disclosed below.

Investment Securities

The increase in investment securities results from the Board of Directors' decision to invest the Company's excess operating funds into investments that generate higher income than current bank savings rate. The interest rates for these investments ranges between 5% to 6% per annum.

In addition, the Board of Directors and Management decided to liquidate its marked to market investments due to identified lower rate of return.

Trade and other receivables

Trade receivables increased by P69.6 million. This increase, despite a decline in revenues, is affected solely by timing differences. In December 2024, management decided to move the billing due dates that were originally set from December 23, 2024 to December 31, 2024 to after the new year. This resulted to a lower collection during the last two weeks of December. This is further supported by the fact that the average collection period for 2024 decreased to 45 days from 49 days in 2023. Please refer to the revenue analysis of revenues in the financial performance comparison portion of this report.

Prepayments and other current assets

The increase in prepayments and other current assets is attributable to the acquisition of materials and supplies during the latter part of the year. The bulk of materials and supplies delivered in December 2024 is intended for two projects – the sub-transmission line that will connect the Company to the proposed NGCP Porac Substation and the new substation that will be constructed in Brgy. Pulung Cacutud, Angeles City.

Liabilities

The Company's liabilities increased by ₱41.0 million from additional provisions and additional customer deposits.

Refundable deposits

The ₱22.6 million increase in refundable deposits results from new customers and the necessary updates for those who increased their consumption throughout the year.

Trade and other payables

The Company's trade payables have consistently decreased due to lower generation charges billed by its power suppliers. Most of the Company's power requirements are supported by coal power plants and their rates fluctuate based on the market price of coal and foreign currency exchange rates. This led to a reduction in trade payables as of December 31, 2024, along with the pass-through revenues and associated receivables. Please refer to the analysis of revenue changes.

Provisions

Provisions increased because of the anticipated customer refunds resulting from the ERC's directive. The refund to customers is already likely, as the ERC recently instructed a certain distribution utility to implement a refund. The Company recognized the expense and liability for the refund based on its internal calculation. This will be accounted for as part of the Company's liabilities until ERC requires the implementation of the refund to the customers.

Income and other tax liabilities

Income and other tax liabilities decreased, even with the rise in income tax expense, because of the timing of the payments on these liabilities. Most income tax obligations for the year were settled in the earlier quarters.

Stockholders' Equity

The increase in the Company's equity, amounting to ₱546.5 million, represents the current year's results of operations as reported in the statement of comprehensive income, reduced by the amounts of dividends declared.

As of December 31, 2023, and December 31, 2022

Assets

The Company's total assets increased by ₱488.6 million because of the inflow of cash from the Company's public offering in December 2023.

Property, plant and equipment

Property, plant and equipment increased by ₱35.8 million, net of the annual depreciation expense amounting to ₱226.5 million. Additions during the year include the acquisition of a parcel of land intended for a substation. It also includes the continuous improvement of substations and distribution lines to meet the increasing demand of customers.

Right-of-use assets and Lease liabilities

Right-of-use assets and the related lease liabilities decreased due to the monthly amortization and rental payments, respectively. New and renewed lease contracts during the year have minimal impact on the right-of-use asset and lease liabilities accounts.

Deferred tax assets – net

Deferred tax assets increased by ₱9.7 million from temporary differences that are deductible from future taxable income. The main portion of these relates to additional provisions for customer refunds that were recognized during the year.

Retirement benefit assets - net

The increase in retirement benefit assets is brought about by the excess of the Company's contributions to the retirement fund over the retirement expense computed by the actuaries. The Company consistently invests P12.0 million a year in the retirement fund.

Cash and cash equivalents and Short-term placements

Cash and cash equivalents increased by ₱715.3 million. This increase is the net result of cash dividends declared during the year and the proceeds received from the public offering in December 2023. The proceeds received from the public offering are restricted to the projects identified in the Company's prospectus.

Trade and other receivables

Trade receivables significantly decreased by ₱284.9 million because of the declining generation sales during the year. This is further supported by the fact that the average collection period for

2023 and 2022 consistently remained at around 48 to 49 days. Please refer to the analysis of revenues in the comparison of the financial performance portion of this report.

Prepayments and other current assets

The increase in prepayments and other current assets is attributable to the acquisition of materials and supplies and certain financial investments made during the year. The former is for stock replenishment and the latter is for mutual funds that are subject to a favorable return.

Liabilities

The Company's liabilities decreased by ₱74.9 million which is significantly caused by the decrease in trade and other payables.

Refundable deposits

The ₱57.4 million increase in refundable deposits is the result of new customers and the required updating for customers who their increased consumption during the year.

Trade and other payables

The Company's trade payables significantly decreased because of the decrease in generation charges billed by the Company's power suppliers. The actual rates billed by power suppliers are the same rates used to bill the Company's end consumers without any markup (pass-through).

Most of the Company's power requirements are supported by coal power plants. Their rates are variable to the price of coal in the market and the foreign currency exchange rates. This resulted in a decrease in trade payables as of December 31, 2023, as well as the pass-through revenues and related receivables. Please refer to the analysis of changes in revenues.

Provisions

Provisions increased due to the expected customer refunds arising from the directive of the ERC. On 25 April 2022, the Company received a letter from the ERC that formalizes the scheme and formula for computing the excess of the Company's actual billings to customers against the maximum amount allowed for the Company. The estimated amount of refund as of 31 December 2023 has been recognized by the Company as an obligation until such time that ERC will require implementation of the refund to the customers.

Income and other tax liabilities

Income and other tax liabilities decreased despite the increase in income tax expense due to the timing of payment of income tax liabilities. The majority of the income tax obligations during the year were paid in the earlier quarters of the year.

Stockholders' Equity

The increase in the Company's equity amounting to ₱563.6 million represents the effect of the public offering, the current year's results of operations as reported in the statement comprehensive income, reduced by the amounts of dividends declared.

In compliance with the requirements of the ERC for securities registration of at least 15% of a distribution utility's common shares of stock, the Company filed with the Securities and Exchange Commission (SEC) its application for the registration of its shares and a public offering 207.0 million primary common shares at an offer price of ₱3.42 per share. This was subsequently approved by the SEC in December 2023. In the same month, the Company was able to raise a total of P708.0 million from this public offer.

As of December 31, 2022 and December 31, 2021

Assets

The Company's total assets increased by ₱595.6 million, mainly arising from its current assets.

Property, plant and equipment

Property, plant and equipment increased by ₱34.5 million, net of the annual depreciation expense amounting to ₱199.6 million. A significant portion of the additions during the year pertain to the construction and completion of the Company's New Petersville and New Milenyo Substations. Petersville is the Company's main entry point of power from NGCP. The New Petersville Substation is intended to be an improved version of the Old Petersville Substation with additional bays that can transmit power to more substations within the franchise area. The New Milenyo Substation, on the other hand, is constructed on acquired land after the maturity of the Old Milenyo's land lease contract. Other additions to the Company's property and equipment would include meter and transformer installations, pole erections and improvement of the Company's distribution lines to serve the rising demand and the increasing number of customers.

Right-of-use assets and Lease liabilities

Right-of-use assets and the related lease liabilities decreased due to the monthly amortization and rental payments. The additions include only the renewal of agreements that matured during the year.

Deferred tax assets – net

Deferred tax assets increased by ₱29.1 million from temporary differences that are deductible from future taxable income. The main portion of these relates to additional provisions recognized during the year.

Retirement benefit assets - net

The decrease in retirement benefit assets is brought about by the excess of the retirement expense and other comprehensive losses during the year against the Company's contributions to the retirement fund.

Other non-current assets

Other non-current assets decreased by ₱75.7 million due to certain advances related to the construction of the 2 new substations. These were reversed and recognized as part of property and equipment upon receipt of the goods or actual performance of services.

Cash and cash equivalents and Short-term placements

Cash and cash equivalents increased by ₱797.9 million mainly from the Company's results of operations. Moreover, the Company's short-term placements in 2021 which has a maturity of more than 90 days are classified during the year as part of cash and cash equivalents.

Trade and other receivables

Trade receivables increased by ₱169.0 million mainly because of the increase in sales during the year. This is supported by the fact that the percentage of receivables that are overdue for more than 180 days decreased from 8% in 2021 to 5% in 2023.

Prepayments and other current assets

The increase in prepayments and other current assets is attributable to the acquisition of materials and supplies and certain financial investments made during the year. The former is for stock replenishment and the latter is for some mutual funds that are subject to a favorable return.

Liabilities

The Company's liabilities increased by ₱269.5 million. The increase was derived from three (3) major accounts: refundable deposits, provisions and income and other tax liabilities.

Refundable deposits

The ₱87.3 million increase in refundable deposits is the result of new customers and the required updating for customers who increased their consumption during the year.

Provisions

Provisions increased due to the expected customer refunds arising from the directive of the ERC. On 25 April 2022, the Company received a letter from the ERC regarding the treatment of the lapsed periods for distribution utilities under the Performance Based Regulation. This letter formalizes the scheme and formula for computing the excess of the Company's AWAT over MAP. The estimated amount of refund as of 31 December 2022 has been recognized by the Company as an obligation until such time that ERC will require implementation of the refund to the customers.

Trade and other payables

The Company's trade payables had a modest increase despite the significant increase in purchased power for comparative years. The main reason for this is the balance of the Generation Rate Adjustment Mechanism and Incremental Currency Exchange Rate Adjustment ("GRAM/ICERA") recovery scheme as of 31 December 2021, in the amount of ₱110.7 million. This recovery scheme pertains to adjustment recovery mechanisms for costs in fuel, purchased power, and foreign exchange rates that have been incurred by the NPC in the previous years and were approved by the ERC in 2017 for PSALM. These recovery schemes will be billed to customers and remitted to PSALM by AEC every month. Following the provisions of the Philippine Financial Reporting Standards, AEC recognized the related receivable and payable from this transaction in the financial statements. It matured on 31 December 2022 and is at nil as of the said date.

The Company's accrued expenses increased by ₱6.6 million due to the increase in customers who acquired solar panels to augment their power needs and reduce their electric utility payments. Customers' excess capacity can be applied to subsequent power bills and is included in the Company's monthly accruals.

Income and other tax liabilities

Income and other tax liabilities increased due to the increase in annual income tax for 2022. In addition to the increase in total taxable income for 2022, the Company does not have any income tax payable as of 31 December 2021 because of the over-remittances of the Company during that year.

Stockholders' Equity

The increase in the Company's equity amounting to ₱326.1 million represents the current year's results of operations as reported in the statement comprehensive income, reduced by the amounts of dividends declared

DISCUSSION ON FINANCIAL OPERATION

For the Years Ended December 31, 2024 and December 31, 2023

Revenues

The Company's sales of electricity decreased by ₱83.5 million or 1%.

	2024	2023
Pass-through revenues	P 6,257,453,578	P 6,453,916,538
Distribution revenues	<u>1,330,873,374</u>	<u>1,217,941,771</u>
	<u>P 7,588,326,952</u>	<u>P 7,671,858,309</u>

The net decrease resulted from the following factors:

- (a) Pass-through revenues decreased by ₱196.5 million, representing a 3% decline. These revenues refer to the amounts charged by power suppliers, which are then billed to the end users at the same rate by the Company. As discussed in the analyses above, most of the Company's power providers are coal plants. Throughout the year, the average generation rates continued to decrease from ₱8.03/kWh in 2023 to ₱6.64/kWh in 2024, due to the identified decline or normalization of coal prices in the world market. This is further supported by the decrease in the trade and other payables account as of December 31, 2024.

While the generation rates have not yet fallen to the levels seen before the pandemic or before the rise in international conflicts, the improvement in these rates has brought some relief to consumers.

- (b) Distribution revenues rose by 9%, primarily due to the growth in gWh sold (from 731 gWh in 2023 to 816 gWh in 2024).

Costs and Operating Expenses

Purchased Power and Transmission Charges

The Company's main cost is its purchased power and transmission charges.

The cost of power purchased during the year decreased by P378.3 million. This is related to the decrease in average generation rates stated above. On the other hand, the transmission charges portion of the cost increased during the period by P183.7 million due to the significant rise in temperatures last summer, which led to a depleted power supply across the country and the increase in ancillary charges by the NGCP. Please refer to Note 16 of the 2024 audited financial statements.

General and Administrative Expenses

General and administrative expenses decreased by ₱5.7 million.

Depreciation and amortization expense increased by ₱9.0 million due to capital asset additions as discussed in the analysis of the Property, Plant and Equipment and Right-of-Use Asset accounts.

Salaries and employee benefits rose by ₱13.2 million due to the enhancement of employee benefits following the signing of the collective bargaining agreement in April 2024.

Taxes and licenses fell by P3.6 million due to reduced business taxes paid to the local government unit. The business taxes are calculated based on the Company's revenues from the previous year.

Repairs and maintenance declined due to one-time maintenance costs incurred in the Company's substations in 2023.

Stationery and office supplies increased owing to the acquisition of power bill envelopes aimed at protecting the data of the company's customers.

Professional fees dropped significantly due to legal costs associated with the Company's public offering in 2023.

Others increased due to a deficiency tax payment made in 2024 totaling P13.0 million.

Other Income and Charges

Other operating income rose because of the renewal of pole rental agreements in 2023 and the related update of the pole rental rates.

Finance income is already expected to increase in 2024 due to cash inflow from the Company's public offering and the investment of these funds in short-term, high-yield financial assets. Please refer to the analysis of cash and cash equivalents and investment securities.

The provisions expense in 2024 is higher than that in 2023 due to the increase in electricity sold and the corresponding rise in distribution revenues. The provisions recognized relate to the calculated monthly excess of actual amounts billed over the maximum allowable price set by the ERC. In 2015, the ERC established a set of distribution rates and a maximum allowable price for the Company. Due to fluctuations in electrical consumption among each customer class, the total amounts billed to customers exceeded the maximum allowable price. Refunds for excess billed amounts are required to be made to customers upon the ERC's instruction.

Tax Expense

Tax expense increased along with the profit before tax as there were minimal permanent tax differences in the Company's income and expense accounts.

For the Years Ended December 31, 2023, and December 31, 2022

Revenues

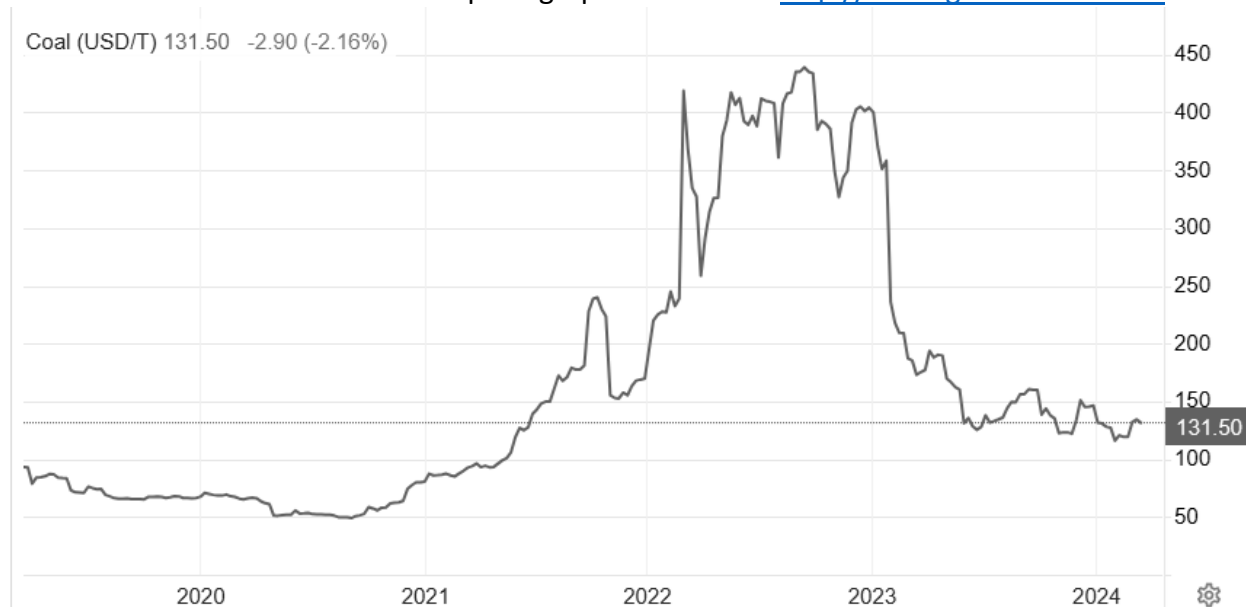
The Company's sales of electricity decreased by ₱513.1 million or 6%.

	2023	2022
Pass-through revenues	P 6,453,916,539	P 7,067,746,239
Distribution revenues	<u>1,217,941,770</u>	<u>1,117,184,533</u>
	<u>P 7,671,858,309</u>	<u>P 8,184,930,772</u>

The net decrease was brought about by the following factors:

(a) Pass-through revenues decreased by ₱613.8 million or 9%. Pass-through revenues pertain to the amount billed by power suppliers which is subsequently billed by the Company at the same rate to the end users. As previously discussed, the majority of the Company's power providers are coal plants. During the year average generation rates decreased from ₱9.08/kWh in 2022 to ₱8.03/kWh in 2023 due to the identified decrease or normalization of the price of coal in the world market. Coal prices started to increase by the end of 2020 and reached their peak during the second half of 2022. By the second half of 2023, the effect of the decline in coal prices has already been noticeable in the amounts billed by the power suppliers. This, in turn, resulted in lower amounts billed to the Company's customers and the resulting receivables as of December

31, 2023. This is further supported by the decline in trade and other payables accounts as of the same date. Please refer to the coal price graph below from <http://tradingeconomics.com>



(b) Distribution revenues increased by 9% mainly attributable to the increase in kWh which increased by 8% to 731.3 million kWh.

Costs and Operating Expenses

Purchased Power and Transmission Charges

The Company's main cost is its purchased power and transmission charges.

Purchased power and transmission charges decreased by 10% approximating the decrease in pass-through revenues of 9%. This can be solely attributable to the decrease in average generation rates. Furthermore, transmission charges also decreased during the period as the power supply of the national power grid is more stable than in 2022.

General and Administrative Expenses

General and administrative expenses increased by ₱108.2 million.

Depreciation and amortization expenses increased by ₱26.9 million due to capital asset additions, specifically the completion of the New Petersville and New Milenyo Substations in August of 2022.

Salaries and employee benefits increased by ₱12.2 million because of bonuses and benefits provided to the Company's employees during the Company's 100th Anniversary Celebration on August 12, 2023.

Taxes and licenses increased due to the increase in gross revenues for the year 2022, the base amount of the annual business and local franchise tax being charged by the Angeles City Local Government Unit.

The Company's outside services are in the form of security, meter reading and bill handling services outsourced from various providers. The increase in outside services is attributable to the new office and warehouse locations, to the increase in rates charged by the service providers, and to the increase in the number of our customers.

Professional fees increased to ₱28.4 million due to professional fees paid in relation to the Company's ten (10) years distribution development plan and the legal fees incurred for the Company's planned public offering.

Other Income and Charges

Other operating income increased due to the renewal of pole rental agreements in 2023 and the related updating of the pole rental rates.

Provisions expense in 2022 is higher than in 2023. In April 2022, ERC issued a formal notice on the computation of the AWAT vs. MAP refund scheme. The Company updated its previous computations and recognized the differences in 2022. The 2023 provisions solely pertain to the computed monthly excess of actual amounts billed over the maximum allowable price provided by ERC.

Finance income is higher in 2023 due to the investments made in short-term, high-yield financial assets.

Finance costs is lower in 2023 due to the maturity of the GRAM/ICERA recovery scheme in December 2022. The interest expense arising from the unwinding of the discount of the related liability is included as part of the finance cost in the 2022 financial statements.

Tax Expense

Tax expense increased along with the profit before tax as there were minimal permanent tax differences in the Company's income and expense accounts.

For the Years Ended December 31, 2022 and December 31, 2021

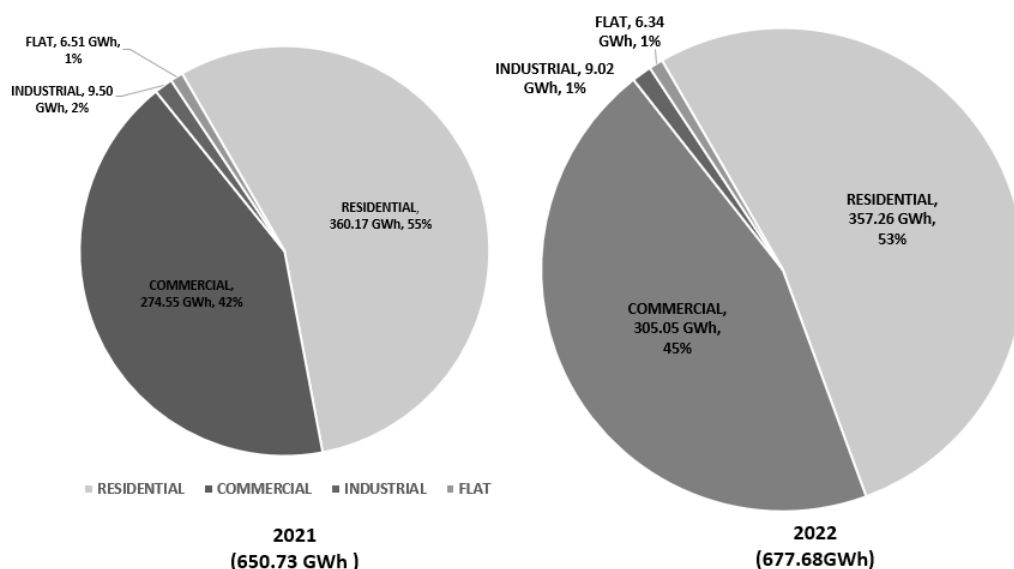
Revenues

The Company's sales of electricity increased by ₱2.6 billion or 46%:

	2022	2021
Pass-through revenues	P 7,067,746,239	P 4,529,259,051
Distribution revenues	<u>1,117,184,533</u>	<u>1,062,398,296</u>
	<u>P 8,184,930,772</u>	<u>P 5,591,657,347</u>

The increase was brought about by the following factors:

- (a) KWh sales increased by 27.0 million or 4% from 650.7 million as of December 2021 to 677.7 million as of December 2022. This increase in customer consumption is attributable to the increase in customer numbers by 3% and the almost complete opening of the economy. Continuous vaccination drives within municipalities and cities provided immunity to the population and enabled them to live in the new normal. While the work-from-home system had indeed been an acceptable practice, the Company's commercial customers, especially restaurants and service-oriented businesses were able to re-open. The graph below shows that the increase in the consumption of commercial customers approximates the increase in kilowatt hour sales for the year.



- (b) Pass-through revenues increased by 56% from ₱4.5 billion to ₱7.1 billion mainly from the increase in generation rates. Average generation rates increased from ₱5.69/kWh in 2021 to ₱9.08/kWh in 2022. This significant increase in generation rates is the effect of the increase in the price of coal, as aforementioned in the June 2023 analysis of the increase in revenues. Coal prices started to increase in late 2020. It was greatly affected by conflicts within international players with China banning coal imports from Australia and other countries banning imports from Russia at the height of the Ukraine war.
- (c) Distribution revenues increased by 5%. As the distribution rate remained the same since 2015, the increase is brought about by the increase in kilowatt-hour with minimal effect from the increase in local government taxes that are also billed from customers. Local government taxes increased in 2022 as gross revenues increased from year to year.

Costs and Operating Expenses

Purchased Power and Transmission Charges

Purchased power and transmission charges increased by 49% with the increase in generation rates and kilowatt-hour consumption. The percentage increase is lower than the percentage increase in pass-through revenues because of the credits received from one of our power suppliers. In 2022, the Company received a ₱159.9 million reduction in its power bills from the Unutilized Contracted Capacity of the Buyer (“UCCB”). UCCB pertains to the excess or unutilized contracted power that was sold by the power supplier to the electricity market, the proceeds of which are shared with the Company. On the other hand, transmission charges increased by 24% in 2022 from ancillary charges required to maintain the reliability of the national grid.

General and Administrative Expenses

General and administrative expenses increased by ₱18.6 million. The significant contributors are as follows:

Depreciation and amortization expense increased by ₱13.4 million due to capital asset additions and the completion of the New Petersville and New Milenyo Substations in August of 2022. Depreciation of constructed assets starts upon completion.

Salaries and employee benefits increased by ₱0.9 million due to a special bonus given during the 99th anniversary celebration of the Company. The effects of resignations, retirements and hiring of new employees are minimal.

Taxes and licenses increased due to the increase in business taxes and local franchise taxes which are based on gross revenues for the year 2021.

Repairs and maintenance for the year 2022 are regular costs of maintaining the Company's assets. Repairs and maintenance for 2021 include certain one-time costs incurred on substations and IT software.

Professional fees increased to ₱15.3 million due to professional fees paid to the Company's external legal counsel for services rendered on a legal case.

Annual supervisory fees paid to the ERC are fixed at ₱10.0 million. Other various ERC charges usually arise based on need (e.g., meter testing and calibration and certain permit fees on the Company's filings and applications). In 2021, the Company incurred ₱2.8 million on a filed capital asset acquisition application.

Communication, light and water increased due to the increased electricity cost as discussed in the pass-through revenues and purchased power sections of this analysis. The Company's own-used electricity is billed at the same rate charged to customers.

Insurance expense increased due to an increase in rates that are induced by inflation. Transportation and travel increased due to the increased mobility of personnel.

Impairment loss on trade and other receivables decreased as collection improved. Upon expiration of the directive of the ERC to extend grace periods to customers on account of the pandemic, the Company immediately reinforced its collection of receivables to manage its cashflows. Customers were provided with options to be able to cope with their obligations.

Rent payments that are excluded in the recognition of right-of-use assets and lease liabilities increased due to additional short-term leases of equipment.

Other operating expenses are lower in 2022 due to a deficiency tax payment in 2021 amounting to ₱19.5 million.

Other Income and Charges

Other operating income increased due to the increase in pole rentals and miscellaneous income. Pole rentals are higher due to new attachments of lessees while miscellaneous income is significantly higher because of a payment received for the requested relocation of our power lines and the recognition of income from the sale of excess purchased power to the electricity market. On the other hand, there was no gain in the reversal of provisions during the year.

Provisions expense in 2022 pertains to the recognition of customer refunds on distribution charges. In April 2022, ERC issued a formal notice on the computation of the AWAT vs. MAP refund scheme.

Finance income and finance costs decreased due to the collection and repayment of the GRAM/ICERA recovery scheme. The related receivables and payables are carried at fair value. The collection and repayment reduced the interest from the unwinding of the discount on the accounts.

Tax Expense

Tax expense increased along with the profit before tax as there were only very minimal permanent differences in the Company's income and expense accounts.

KEY PERFORMANCE INDICATORS (Years 2024, 2023 & 2022)

The relevant key performance indicators of the Company are shown below:

	2024	2023	2022	2021
Return on Equity <i>Net Profit divided by Total Equity</i>	17.61%	16.49%	15.35%	11.43%
Return on Assets <i>Net Profit divided by Average Assets</i>	11.23%	9.86%	7.86%	5.80%
Debt to Equity Ratio <i>Total Liabilities divided by Total Equity</i>	0.65	0.75	0.95	0.97
Current Ratio <i>Total Current Assets divided by Total Current Liabilities</i>	2.91	2.63	2.10	1.90
Average Collection Period <i>Average Accounts Receivable divided by Average Sales per day (Sale of Electricity divided 365 days)</i>	44.47 days	48.69 days	47.88 days	63.70 days

LIQUIDITY RISKS

The Company's liquidity requirements related to trade and other payables, as well as refundable deposits, are detailed in Note 4 of the financial statements for December 31, 2024.

The Company is unaware of any event that would result in direct or contingent financial obligations that are significant to the Company, including the default or acceleration of any obligations. All known obligations or potential exposures are accounted for in the Company's provisions and other liability accounts.

The Company does not engage in any off-balance sheet transactions, arrangements, obligations—including contingent obligations—or other relationships with unconsolidated entities or other individuals created during the relevant period.

Other than those arising from new ERC directives, the Company is not aware of any trends, events, or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales, revenues, income from continuing operations.

The Company is not in default or breach of any note, loan, lease, or other indebtedness or financing arrangement requiring it to make payments.

The Company is not aware of any known trend, event, or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on its net sales or revenues apart from what is disclosed in this Prospectus.

The Company does not have any significant elements of income or loss that did not arise from its continuing operations.

The Company does not have any seasonal aspects that had a material effect on the financial conditions or results of operations.

The Company does not have any material commitments for capital expenditures other than those described under **Exhibit “A-1”** under the “*Use of Proceeds*” Section of the Prospectus.

COMMITMENTS AND CONTINGENCIES

Provisions

ERC Resolution No. 16 requires all distribution utilities to file their consolidated applications to address any over/under recoveries on generation, transmission, system loss, and other pass-through charges, as well as with the lifeline and senior citizen subsidies. The Company filed its application for confirmation of its over and under-recoveries of its automatic pass-through cost adjustments for the billing periods January 2011 to December 2013 in 2014, for the billing periods January 2014 to December 2016 in 2017, for the billing periods January 2017 to December 2019 in 2020 and for the billing periods January 2020 to December 2022 in 2023. In 2020, the Company received provisional authority orders from the ERC to refund and collect the over and under-recoveries from the applications filed in 2014 and 2017. The Company is still awaiting the confirmation and final resolution of the ERC.

The Company also estimated certain over-recoveries on distribution charges, the refund of which to customers is identified to be probable based on orders issued by the ERC to other distribution utilities. As of December 31, 2024, the Company’s application for approval of these refunds is still under evaluation by the ERC. In addition, the Company is also involved in certain cases as a

defendant and for which provisions were made in prior years. There are no developments yet to such cases as of December 31, 2024.

Based on the assessed outcome of the aforementioned, the Company has recognized a provision for probable losses amounting to 53.4 million and P40.1 million in 2024 and 2023 respectively. The related expense is presented as Provisions under Other Income (Charges)-Net section in the statements of profit and loss.

The outstanding liability arising from these provisions as of December 31, 2024 and 2023 amounting to P478.4 million and P426.6 million, respectively, is presented as Provisions in the statements of financial position.

Others

There are other commitments and contingent liabilities that arise in the normal course of the Company's operations which are not reflected in the financial statements. As of December 31, 2024 and 2023, management is of the opinion that losses, if any, from these commitments and contingencies will not have a material effect on the Company's financial statements.

ITEM 7. FINANCIAL STATEMENTS

The Audited Financial Statements (“AFS”) of the Company as of and for the years ended December 31, 2024 and 2023 and the schedules listed in the accompanying index to Supplementary Schedules are filed as part of this report **(see Exhibit A-2)**.

ITEM 8. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

The AFS of the Company, for the years ended December 31, 2024, and December 31, 2023, have been audited by P&A Grant Thornton, an independent or external auditor.

The Company has had no disagreements with its independent or external auditor on any matter of accounting principles or practices, financial statements disclosure, or auditing scope or procedure from the periods ending December 31, 2024, and December 31, 2023.

PART III. CONTROL AND COMPENSATION INFORMATION

ITEM 9. DISCLOSURES ON DIRECTORS AND EXECUTIVE OFFICERS

1. Directors and Executive Officers

The overall management and supervision of the Company is undertaken by its Board of Directors. The Board of Directors is empowered to direct, manage, and supervise the affairs of the Company. Pursuant to the Articles of Incorporation, the Company shall have 9 members of the Board and Executive Officers, namely:

NAME	AGE	CITIZENSHIP	POSITION	TERM
Geromin T. Nepomuceno	70	Filipino	Chairman of the Board/ Director	1 year
Maria Rita Josefina V. Chua	60	Filipino	President and Chief Executive Officer/ Director	1 year
Arsenio N. Valdes	70	Filipino	Director	1 year
Robert Gerard B. Nepomuceno	61	Filipino	Treasurer/ Director	1 year
Richard Hubert N. Wilkerson	65	American	Director	1 year
Emmanuel Joseph M. Nepomuceno	49	Filipino	Director	1 year
Rafael N. Mapua	54	Filipino	Director	1 year
Ivanna G. de la Peña	70	Filipino	Independent Director	1 year
Horacio E. Cebrero III	62	Filipino	Independent Director	1 year
Atty. Benedict R. Tugonon	49	Filipino	Corporate Secretary	1 year
Michael Angelo D. Colle	62	Filipino	Chief Operating Officer and Senior Vice President	1 year
Aldrin Erwin James T. Nepomuceno	42	Filipino	Chief Financial Officer and Senior Vice President	1 year

GEROMIN T. NEPOMUCENO, JR.,
Chairman of the Board/ Director

Geromin “Gerry” T. Nepomuceno, Jr. has been the Chairman of the Board of AEC since December 2019. He has vast experience in the electric power industry having been the President of AEC from 2001 to 2019, and the Treasurer and Director of Raslag Corporation.

His leadership led AEC to become one of the biggest distribution utilities in the country. He is also a Director of Clark Electric Distribution Corporation.

Gerry is also involved in other industries being the Chairman of Angeles Industrial Park, Inc., Crismin Realty and MSN Food. He is also the President of Angeles Ice Plant, Treasurer and Director of TGN Realty, Teresa Water Works, Inc. and JTEN Equities, and a Director of JDN Sons, Inc. and Wespan Development Corporation.

Gerry is an active member of the Executive Committee of the Board of Trustees of Holy Angel University where he became the interim President from 2014 to 2015.

Gerry is a graduate of Bachelor of Science in Mechanical Engineering from De La Salle University and is a licensed mechanical engineer. He holds a Master’s Degree in Business Management from the Asian Institute of Management.

Business experience for the past five (5) years	Chairman & Director	ANGELES ELECTRIC CORPORATION
	Chairman & Director	ANGELES INDUSTRIAL PARK, INC.
	Chairman	CRISMIN REALTY CORPORATION
	Chairman	M.S.N. FOODS INC.
	President	ANGELES ICE PLANT, INC.
	Director	CLARK ELECTRIC DISTRIBUTION CORP.
	Director & Treasurer	TGN REALTY CORP.
	Director & Treasurer	TERESA WATERWORKS, INC.
	Director & Treasurer	JTEN EQUITIES, INC.
	Trustee	HOLY ANGEL UNIVERSITY
	Director	JDN SONS, INC.
	Director	WESPAN DEVELOPMENT CORPORATION
	Director	BOREALIS CORPORATION

MARIA RITA JOSEFINA V. CHUA*President and Chief Executive Officer/ Director*

Maria Rita Josefina “Marijo” V. Chua is currently the President and Chief Executive Officer of Angeles Electric Corporation. She took over the helm as President from Engr. Geromin T. Nepomuceno in December 2019. She is also the President of Teresa Water Works, Inc. She is a Director of RASLAG Corp. and has been with the company since its incorporation in 2013.

Aside from AEC, Marijo also serves as a Director of Clark Electric Distribution Corporation, also private distribution utility.

She is also a Director of TGN Realty, Inc., JDN Sons, Inc., WESPAN Development Corporation, and JTEN Equities. She is a member of the Board of Trustees of the Holy Angel University.

Marijo is a graduate of two (2) courses from St. Scholastica’s College namely Bachelor of Science in Commerce Major in Accounting and Major in Hotel Restaurant Management. She also holds a Master’s Degree in Business Administration from the Ateneo Graduate School of Business. She is a Certified Public Accountant.

Business experience for the past five (5) years	President and CEO/ Director	ANGELES ELECTRIC CORPORATION
	President & Director	TERESA WATERWORKS, INC
	Director	CLARK ELECTRIC DISTRIBUTION CORP.
	Director	TGN REALTY, INC.
	Director	JUAN D. NEPOMUCENO SONS, INC.
	Director	WESPAN DEVELOPMENT CORPORATION
	Director	J TEN EQUITIES, INC
	Director	RASLAG CORP.
	Trustee	HOLY ANGEL UNIVERSITY
	Director	BOREALIS CORPORATION

ARSENIO N. VALDES*Director*

Arsenio “Arni” N. Valdes is one of the Directors of AEC. His experience in the power industry spans from the distribution to the generation sectors, being a Director of AEC (distribution utility), Raslag Corp. (Solar/Renewables), and Angeles Power, Inc. (generator). He is best known for his leadership in Juan D. Nepomuceno Sons, Inc. and TGN Realty Corporation, being the President of both corporations from February 2007 to February 2019. He is currently the Chairman of Juan D. Nepomuceno Sons, Inc., TGN Realty Corporation, Borealis Corp, Wespan Development, and the Rockwell Nepo Development Corp.

Arni is the President and CEO of Dolomatrix Philippines, Inc. He is also a Director of Teresa Water Works, Inc., Angeles Industrial Park, Inc., and JTEN Equities, Inc.

Arni is also involved and holds key positions in various business, socio-civic, and cause-oriented organizations. He is presently a Director and Chairman of the Metro Angeles Chamber of Commerce & Industry, Inc. (MACCII) where he was the former President. He is currently a Director of the Metro Clark Information & Communication Technology Council (MCICT). He is also a Senior Adviser to the Environmental Practitioners Association, where he formerly held the position of President.

Arni is a graduate of Bachelor of Science in Industrial Management Engineering from the De La Salle University and holds a Masters in Business Administration degree from the Ateneo De Manila University. He is a Fellow of the Institute of Corporate Directors (FICD).

Business experience for the past five (5) years	Director	ANGELES ELECTRIC CORP.
	President & CEO /Director	DOLOMATRIX PHILS., INC.
	Chairman & Director	TGN REALTY, INC.
	Chairman & Director	JUAN D. NEPOMUCENO SONS, INC.
	Director	TERESA WATERWORKS, INC.
	Chairman & Director	BOREALIS CORPORATION
	Chairman & Director	WESPAN DEVELOPMENT CORP.
	Director	ANGELES POWER, INC.
	Director	RASLAG CORP.
	Chairman & Director	ROCKWELL NEPO DEVELOPMENT CORP.
	Director	ANGELES INDUSTRIAL PARK INC.
	Director	JTEN EQUITIES INC.
	Director	JTEN SPORTS INC.

ROBERT GERARD B. NEPOMUCENO

Treasurer/ Director

Robert Gerard “Rogie” B. Nepomuceno has been the Treasurer and Director of AEC since 2018. He is also the current President and CEO of Raslag Corp.

Aside from the power industry, Rogie is also involved in the manufacturing industry. He is presently the President of Durastress Corporation, a manufacturer of pre-cast concrete products and a supplier of ready-mix concrete. He started his career in Durastress as a Supervisor in 2002 and has since made the company one of the largest manufacturers of concrete piles in the North. He is concurrently the President of Italfil Manufacturing Corp.

Rogie is a Director of Juan D Nepomuceno Sons, Inc., Borealis Corp., Angeles Industrial Park Inc., Borealis Corp., Wespan Development Corp., and TGN Realty Corp. He is also the Chairman of the Bids and Awards Committee of Holy Angel University.

Rogie graduated from the Ateneo de Manila University in 1985 with a Bachelor of Arts degree majoring in Economics. He finished his EMBA at the Asian Institute of Management in 2007.

Business experience for the past five (5) years	Treasurer & Director	ANGELES ELECTRIC CORPORATION
	President & Director	DURASTRESS CORPORATION
	President & Director	ITALFIL MANUFACTURING, INC.
	President & CEO	RASLAG CORP.
	Director	JUAN D. NEPOMUCENO SONS, INC.
	Director	TGN REALTY, INC.
	Director	WESPAN DEVELOPMENT CORPORATION
	Chairman	HOLY ANGEL UNIVERSITY (Bids & Awards Committee)
	Chairman	HOLY ANGEL UNIVERSITY (Const. Committee)
	Director	ANGELES INDUSTRIAL PARK, INC.
	Director	BOREALIS CORPORATION
	CFO & Director	PETGON PROPERTY MNGT. CORP.

RICHARD HUBERT N. WILKERSON

Director

Richard Hubert “Rick” N. Wilkerson has been a Director of AEC since 2018. He is a Director and formerly the President and CEO of JDN Realty Group. He also serves as Director of JTen Equities, Inc. He is the President and CEO of Wilkersons and Sons and the Treasurer and Director of Teresa Waterworks Inc.

Rick has held key positions in various multi-national organizations in the Oil and Gas and Hi-Tech Industries, most notably as Senior Director of Finance with Western Digital Corporation, the world’s largest maker of digital storage devices.

Rick holds a Bachelor of Science degree in Finance from Oklahoma State University.

Business experience for the past five (5) years	Director	JDN REALTY GROUP
	Former President & CEO	JDN REALTY GROUP
	Director	ANGELES ELECTRIC CORP.
	Director	J TEN EQUITIES, INC.
	President & CEO	WILKERSONS AND SONS
	Treasurer & Director	TERESA WATERWORKS INC.

EMMANUEL JOSEPH M. NEPOMUCENO*Director*

Emmanuel Joseph “Manny” M. Nepomuceno has been a Director of AEC since 2013.

Manny is a technology professional focused on governance issues at the top level of management. He is the Head of Digital, Chief Financial Officer, and Co-founder of Abe-Abe, a digital agency based in Pampanga. He is the Chief Financial Officer and Multi-Gym Franchise Owner of several Anytime Fitness franchises in the Philippines and Indonesia. He is also a member of the Steering Committee of Anytime Fitness brand in Indonesia.

From 2015 to 2020, he ran Seedbox Philippines, the country’s first online platform devoted to distributing mutual funds and other investment products. In 2021, he received his Certified in the Governance of Enterprise IT certification from ISACA. He is also a Certified Anti-Money Laundering Specialist with a certification from ACAMS.

Manny is a graduate of Bachelor of Arts in English Literature at the Ateneo de Manila University and a candidate for MS Information Management at the Ateneo Graduate School of Business. He is also a graduate of the Professional Director’s Program of the Institute of Corporate Directors.

Business experience for the past 5 years	Director	ANGELES ELECTRIC CORPORATION
	Director	NEPOMUCENO REALTY GROUP
	Director	TERESA WATERWORKS INC.
	Steering Committee Member	ANYTIME FITNESS ID
	Chief Financial Officer & Multi-Gym Franchise Owner	ANYTIME FITNESS PH AND ID
	General Manager	SEEDBOX PHILIPPINES

RAFAEL N. MAPUA*Director*

Rafael “Raffy” N. Mapua has been a Director of AEC since 2005. He is a golf enthusiast and presently the President and General Manager of Tee One Inc. and J-Ten Sports Inc., the exclusive Philippine distributors of premium Japanese golf equipment. First Tee maintains over fifty (50) Retail Accounts, including the Philippines’ best Golf Courses and Pro Shops. Raffy also handled key positions from several companies. He served as General Manager of Pacsports Phils. Inc., Nevada Bob’s HK Ltd., and Filton Investment Ltd. He had a stint at The Peninsula Manila Hotel as an Account Manager for Sales and Marketing.

He has varied experiences in International Business, Customer Relationship Management, Marketing and Sales.

Raffy is a graduate of Bachelor of Science in Business Management from Ateneo de Manila University and an EMBA candidate for a Master's in Business Administration degree from the Asian Institute of Management.

Business experience for the past five (5) years	Director	ANGELES ELECTRIC CORP.
	General Manager	TEE ONE INC.
	Former General Manager	PACSPORTS PHILS. INC.
	Former General Manager	NEVADA BOB'S HK LTD.
	Former General Manager	FILTON INVESTMENT LTD.

IVANNA G. DE LA PEÑA

Independent Director

Ivanna "Ivanne" de la Peña is an Independent Director of AEC.

Director Ivanne started as a Junior Analyst in Meralco's Utility Economics Division in 1978. She rose through the ranks and retired as the First Vice President and Head of the Regulatory Management Office in 2018. She served as Meralco's advisor for Regulatory Management and provided oversight functions in tariff management, regulatory affairs, and compliance.

She has varied experiences in rate design, compliance with various government regulations and franchise requirements, engaging with other industry stakeholders on various issues confronting the industry and representations in hearings in both Senate and House of Representatives.

Ivanne is a graduate of Bachelor of Science in Statistics from the University of the Philippines Diliman and holds a Master's Degree in Business Administration also from UP Diliman.

Business experience for the past five (5) years	Independent Director	ANGELES ELECTRIC CORP.
	Former First VP and Head of Regulatory Management Office	MANILA ELECTRIC COMPANY
	Director	CLARK ELECTRIC DISTRIBUTION CORPORATION
	Board of Trustees	MFI POLYTECHNIC INSTITUTE INC.
	Treasurer	SOLVRE INC.

HORACIO E. CEBRERO III*Independent Director*

Horacio “Ricky” E. Cebrero III is one of the Independent Directors of AEC.

Ricky is currently a Senior Consultant at RCBC. Previously, he held the position of Senior Executive Vice President and Treasurer of RCBC from 2018 to 2022. He also served as the Executive Vice President Treasury Sector Head of the Philippine National Bank (PNB). His extensive experience in the banking industry spans from his previous key positions in RCBC, East West Banking Corp., Citibank, and Asian Bank Corporation among others.

Ricky is a graduate of Bachelor of Science in Commerce Major in Marketing at the De La Salle University. He has MBA units from the De La Salle Graduate School of Business and Economics and has attended the Stanford Senior Executives Leadership Program at Stanford University Hongkong and the Professional Directors Program at the Institute of Corporate Directors.

Business experience for the past five (5) years	Independent Director	ANGELES ELECTRIC CORP.
	Senior Consultant	RIZAL COMMERCIAL BANKING CORP.
	Director	RCBC TRUST CORP.
	Chairman & President	FRAME PROPERTIES INC.
	Chairman	RCBC FOREX CORPORATION
	Director	RCBC IFL HONGKONG
	Director	RIZAL EQUITIES
	EVP Treasury Sector Head	Philippine National Bank

ATTY. BENEDICT R. TUGONON*Corporate Secretary*

Atty. Benedict Tugonon has been the Corporate Secretary of Angeles Electric Corp. since 2019. He is a practicing lawyer, a senior partner, and currently the Head of the Tax Department of the Law Firm of Quiason, Makalintal, Barrot, Torres, Ibarra, Sison, and Damaso. He has more than twenty-three (23) years of experience in tax and corporate law practice in the Philippines. He acquired both his Bachelor’s Degree in Philosophy and Law at San Beda University.

He previously served as the Corporate Secretary of International Elevators and Escalators, Inc. from 2012 to 2020. In 2016, he served as the President of the Tax Management Association of the Philippines.

He has advised numerous clients on the tax aspect of major transactions, including property acquisitions and transfers, corporate mergers and reorganization, tax audits, and estate tax planning.

ATTY. BEATRIZ RAINE L. BAYUDAN

Assistant Corporate Secretary

Atty. Beatriz Bayudan has served as the Company's Assistant Corporate Secretary since 2024. She is currently an Associate at the Law Firm of Quiason Makalintal.

She graduated from the University of the Philippines College of Law in 2019 with the Degree of Juris Doctor and earned her Economics Degree from the same university.

MICHAEL ANGELO D. COLLE

Chief Operating Officer & Senior Vice President, Head of Network and Retail Services Division

Engr. Michael Angelo D. Colle is the Chief Operating Officer and Head of the Network and Retail Services Division. He is also the Head of the Distribution & Network Services Department. He has been the Distribution Manager since 2015. He joined the Company in 1987 as a Ground Man in the Line Maintenance and Construction Section of AEC.

As Chief Operating Officer, his key performance objective is to take the management lead to plan, direct, coordinate, and oversee the operations and activities of the Company. Under the supervision of the CEO, he manages the day-to-day operations of the Company, ensuring the efficient execution of strategies set by the CEO. He ensures operations are aligned with customer needs and delivers excellent customer service.

As Head of the Distribution & Network Services Dept., he is responsible for the overall management and safety of the distribution system, network projects, and assets. He is also directly responsible for the overall efficient management and maintenance of the sub-transmission and distribution system in accordance with the utility industry and national standards.

ALDRIN ERWIN JAMES T. NEPOMUCENO

Chief Financial Officer and Senior Vice President, Head of Support Services Division

Mr. Aldrin Erwin James T. Nepomuceno is the Chief Financial Officer & SVP and Head of the Support Services Division. He joined the Company in 2010.

As Chief Financial Officer, he manages the Company's financial health by overseeing functions like financial planning and analysis, cash flow management, risk assessment, and strategic decision-making. He also acts as the key advisor to the CEO on financial matters.

As Support and Services Division Head, he is responsible for the overall management of the Company's support services such as the Information Technology and Communications Services section and the General Services Section.

He is the nephew of the Chairman of the Board Mr. Geromin T. Nepomuceno and President & CEO Maria Rita Josefina V. Chua.

2. Significant Employees

The following persons are the significant employees of the Company who are expected to make significant contributions to the business of AEC:

NAME	AGE	CITIZENSHIP	POSITION
1. Ceferino S. Bingcang	62	Filipino	Vice President and Retail Services Department Head
2. Myra Cresencia V. Rivera	58	Filipino	Vice President and Human Resources Department Head
3. Cristina L. Arboleda	57	Filipino	Vice President and Regulatory Compliance Department Head
4. Franz Gerard C. Pulido	37	Filipino	Vice President and Finance and Accounting Department Head
5. Atty. Russel S. Alabado	47	Filipino	Vice President and In-house Legal Counsel and Data Privacy Officer
6. David S. Praza	53	Filipino	Head, Line Operations, Maintenance & Construction Section
7. Joseph Quiambao	57	Filipino	Head, Technical Services Section

CEFERINO S. BINGCANG Jr.

Vice President, Retail Services Division Head

Engr. Ceferino S. Bingcang is the Vice President and Head of the Retail Services Department. Previously, he held the position of Network Support Manager since 2019. He joined the Company in 1987 as a Lineman.

As Retail Services Department Head, he ensures that the Company is responsibly performing administrative functions directly involving consumer welfare from new meter application, meter reading, billing, collection, and disconnection/reconnection, and can establish quality relationships with customers. His Department ensures that all customer-related concerns are met with efficient operational procedures.

MYRA CRESENCIA V. RIVERA

Vice President and Human Resources Department Head

Ms. Myra V. Rivera is the Vice President and Human Resources Department Head. She joined the Company in 2003.

She handles all human resource-related operations and helps the Company identify needs, develop action plans, and facilitate change to improve organization performance, employee acquisition, engagement, retention, morale, and communication.

She also conducts, plans, and facilitates organizational workshops and training for employee development.

CRISTINA L. ARBOLEDA

Vice President and Regulatory Compliance Department Head

Ms. Cristina L. Arboleda is the Vice President and Regulatory Compliance Department. She was also appointed as Compliance Officer in 2023. Her responsibilities include ensuring full adherence and compliance by the Company, its Directors, and Officers with the relevant laws, industry regulations, the Code of Corporate Governance for Registered Issuers, and other regulatory reportorial requirements of various agencies.

She joined the Company in 1993 and held various positions in Finance and Accounting. She started as an Accounting Associate. She rose through the ranks and was previously appointed as Finance Manager in 2020. She held the positions of Finance Manager and Regulatory Compliance Officer.

FRANZ GERARD C. PULIDO

Vice President and Finance & Accounting Department Head

Mr. Franz Gerard Pulido is the Vice President and Head of Finance and Accounting. He was an Audit Manager at Punongbayan & Araullo before joining the Company in 2020.

He is responsible for the efficient and effective implementation of controls and procedures involving the recording of financial transactions and the timely preparation of financial statements and related analyses and reports.

He ensures that the Company has efficient liquidity planning and controls related to the company's financial activities. He leads the preparation of the annual budget, the plans required for cash flows, and liquidity requirements. He also manages the handling of funds and balances the risks and rewards of making investments for income opportunities.

ATTY. RUSSEL S. ALABADO

Vice President, In-House Counsel and Data Protection Officer

Atty. Russel Alabado joined the Company in 2022 as the In-House Counsel and Data Protection Officer.

He's been a practicing lawyer since 2004 and has previous experience in filing Power Supply Agreements before the Energy Regulatory Commission for various electric cooperatives.

As Vice President and In-House Counsel, he reviews contracts and existing processes and proposes improvements. He examines and interprets laws and legal documents and assists in handling customer complaints filed in court or with the ERC.

DAVID S. PRAZA

Head of Line Operations, Maintenance, and Construction Section

Engr. David S. Praza is the Head of the Line Operations, Maintenance, and Construction Section. Previously, he was appointed as Distribution Engineer for Implementation in 2015. He joined the Company in 1994 as Groundman 1.

He coordinates and implements the plans, designs, and construction as well as maintains a reliable and well-protected distribution network and 69 KV sub-transmission line system.

JOSEPH QUIAMBAO

Head of Technical Services Section

Engr. Joseph Quiambao was appointed as the Technical Services Section Head in 2024. Before his appointment, he was the Supervisor in the Meter Laboratory Unit and facilitated Net Metering Programs.

As Technical Services Section Head, he ensures the efficiency and alignment with the Company's overall direction of the operations of the Meter Laboratory Unit, Energy Audit and Inspection Unit, and the implementation of the Open Access and Retail Competition programs such as the RCOA, Net Metering, DER and Green Energy Options Program for qualified customers.

3. Family Relationships

AEC's President and Director Maria Rita Josefina V. Chua is the sister of Director Arsenio N. Valdes. On the other hand, Directors Chua and Valdes, Directors Engr. Geromin T. Nepomuceno, Robert Gerard B. Nepomuceno, Richard Hubert N. Wilkerson and Rafael N. Mapua are first-degree cousins.

Director Emmanuel Joseph M. Nepomuceno and the Chief Financial Officer, Mr. Aldrin Erwin James T. Nepomuceno, are nephews of the abovementioned Directors.

Aside from the foregoing, there are no other family relationships between other directors, executive officers, or other persons nominated or chosen by the Company to become directors or executive officers.

4. Involvement in Certain Legal Proceedings

Within the past five (5) years from the date of this Report, there has been no bankruptcy petition filed by or against any business of which any of the foregoing named directors or executive officers have been a general partner or executive officer at the time of the bankruptcy or within two (2) years prior to that time.

None of the foregoing directors or executive officers have been convicted by final judgment in any criminal proceeding nor involved in any pending criminal proceeding, whether domestic or foreign in the past five (5) years from the date of this Report.

None of the foregoing directors or executive officers have been subject to any order, judgment, or decree by any domestic or foreign court of competent jurisdiction, permanently or temporarily barring, suspending, or otherwise limiting his involvement in any type of business, securities, commodities, or banking activities in the past five (5) years from the date of this Report.

None of the foregoing directors or executive officers have been found by a domestic or foreign court or tribunal of competent jurisdiction in a civil action, domestic or foreign Exchange, or other market or self-regulatory organization to have violated a securities or commodities law or regulation in the past five (5) years from the date of this Report.

ITEM 10. EXECUTIVE COMPENSATION

The table below shows the compensation received by the Company's top executives. All figures set forth below shall be in Philippine pesos.

NAME AND PRINCIPAL POSITION	FISCAL YEAR COVERED	SALARY	BONUS	OTHER ANNUAL COMPENSATION
Maria Rita Josefina V. Chua <i>President & Chief Executive Officer</i>	2022	4,282,077	706,982	611,223
	2023	4,959,556	1,151,090	693,308
	2024	5,452,058	1,319,030	307,336
Michael Angelo D. Colle <i>Chief Operating Officer</i>	2022	2,089,317	348,189	301,320
	2023	2,267,736	560,400	349,215
	2024	2,527,251	638,991	162,084
Aldrin Erwin James T. Nepomuceno <i>Chief Financial Officer</i>	2022	1,531,079	255,149	210,131
	2023	1,697,499	418,591	234,086
	2024	1,934,013	490,181	93,027
Myra Cresencia V. Rivera <i>Vice President, Human Resources</i>	2022	2,065,678	344,249	296,810
	2023	2,019,367	535,491	315,482
	2024	2,165,273	571,081	142,092
All Other Officers as a Group**	2022	5,638,111	854,305	554,045
	2023	6,540,839	1,596,734	824,902
	2024	8,255,769	2,111,549	599,705

**Apart from the standard arrangements set forth in the succeeding section, the Company's Officers do not receive any compensation as such.

COMPENSATION OF DIRECTORS

Standard Arrangements

The Directors receive a per diem of Fifteen Thousand Pesos (₱15,000.00) for each meeting attended.

Pursuant to the Company's Manual on Corporate Governance which was approved by the Company on October 11, 2023, the Company shall have three (3) committees namely, the Corporate Governance Committee, Risk Management & Oversight Committee, and Audit Committee. In 2024, the Company formed the Executive Committee, the Audit Committee, and the Governance Committee. The Committee chairpersons shall be entitled to a per diem of Fifteen Thousand Pesos (₱15,000.00) for each meeting attended while Committee members shall be entitled to a per diem of Ten Thousand Pesos (₱10,000.00) for each meeting attended.

Except for discretionary mid-year and year-end bonuses shown in the table below, no other compensation, in any form, is paid to them for the services they provide as directors of the Company. All figures set forth below shall be in Philippine Peso.

Name	Position	Compensation for 2023	Compensation for 2024
1. Geromin T. Nepomuceno	Chairman of the Board/ Director	371,111	265,000
2. Maria Rita Josefina V. Chua*	President/ Director	407,059	245,000
3. Robert Gerard B. Nepomuceno	Treasurer/ Director	381,111	265,000
4. Arsenio N. Valdes	Director	371,111	245,000
5. Richard Hubert N. Wilkerson	Director	371,111	235,000
6. Emmanuel Joseph N. Nepomuceno	Director	371,111	240,000
7. Rafael N. Mapua	Director	356,111	215,000
8. Ivanna G. de la Peña	Independent Director	150,000	435,000
9. Horacio E. Cebrero III	Independent Director	155,000	390,000
10. Atty. Benedict R. Tugonon	Corp. Secretary	-	-

**Amounts excluded from the Executive Compensation Table above*

EMPLOYMENT CONTRACTS AND TERMINATION OF EMPLOYMENT AND CHANGE-IN-CONTROL ARRANGEMENTS

Employment Contract with Executive Officers

There are no written employment contracts between the Company and its President, Chief Operating Officer and Chief Financial Officer.

Compensatory Plan or Arrangement

The Company has no existing compensatory plan or arrangement with any of its named executive officers, that will result from the resignation, retirement, or any other termination of such executive officer, a change-in-control of the Company, or a change in said executive officers' responsibilities following a change in Company control that will exceed an aggregate sum of Two Million Five Hundred Thousand Pesos (₱2,500,000.00).

WARRANTS AND OPTIONS OUTSTANDING

There are no outstanding warrants or options held by the Company's President, named executive officers, and all its officers and directors as a group

ITEM 11. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

On December 14, 2023, the SEC approved AEC's application pursuant to the requirements of Sections 8 and 12 of the Securities Regulation Code, for the registration of Two Hundred One Million Six Hundred Eighty Thousand Six Hundred Thirty-Two (201,680,632) issued and outstanding preferred shares and One Billion One Hundred Seventy-Eight Million Four Hundred Forty-Eight Thousand Four Hundred (1,178,448,400) common shares, covered under MSRD Order No. 69 Series of 2023

A public offer was made, pursuant to the Certificate of Permit to Offer issued, for Two Hundred Seven Million Twenty Thousand (207,020,000) primary common shares. All of the Two Hundred Seven Million Twenty Thousand (207,020,000) primary common shares offered for sale to the general public were fully subscribed as of December 22, 2023. AEC now has one hundred forty (140) common stockholders and sixty-eight (68) preferred stockholders.

SECURITY OWNERSHIP OF CERTAIN RECORD AND BENEFICIAL OWNERS

As of December 31, 2024, there are no stockholders or beneficial owners of more than 5% of the Company's voting shares.

SECURITY OWNERSHIP OF MANAGEMENT

The security ownership of the Management and Directors of the Company are as follows:

Name of Beneficial Owner	Title of Share Held	Number of Preferred / Common Shares and Nature of Beneficial Ownership	Citizenship	Percent Ownership of Type of Share
Maria Rita Josefina V. Chua* *	Common	8,698,400; direct ownership	Filipino	0.63%
Aldrin Erwin James T. Nepomuceno*	Common	9,523,800; direct ownership	Filipino	0.83%
	Preferred	1,977,261; direct ownership	Filipino	0.98%
Geromin T. Nepomuceno**	Common	3; direct ownership	Filipino	0.00%
Robert Gerard B. Nepomuceno**	Common	11,375,100; direct ownership	Filipino	0.82%
Arsenio N. Valdes**	Common	5,706,300; direct ownership	Filipino	0.41%
Richard Hubert N. Wilkerson**	Common	7,852,600; direct ownership	American	0.57%
Emmanuel Joseph N. Nepomuceno**	Common	23,614,300; direct ownership	Filipino	2.18%
	Preferred	6,536,836; direct ownership	Filipino	3.24%
Rafael N. Mapua**	Common	11,183,700; direct ownership	Filipino	0.81%

Ivanna G. de la Peña**	Common	1; direct ownership	Filipino	0.00%
Horacio E. Cebrero III**	Common	1; direct ownership	Filipino	0.00%

* *Executive Officer*

** *Director*

VOTING TRUST

There are no voting trust holders in respect of more than five percent (5%) of the Company's voting shares.

CHANGE IN CONTROL ARRANGEMENTS

There are no contracts, agreements, or arrangements with respect to the issued and outstanding shares which will result in a change in control of the Company.

ITEM 12. CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

There are no transactions with or involving the Company in which a director, executive officer, or stockholder owns ten percent (10%) or more of the total outstanding shares and members of their immediate family had or is to have a direct or indirect material interest.

PART IV. CORPORATE GOVERNANCE

ITEM 13. CORPORATE GOVERNANCE

As of December 31, 2024, the company established the following corporate governance policies as approved by the BOD:

1. Board Diversity Policy
2. Corporate Disclosure and Transparency Policy
3. Board Performance Assessment Policy and Form
4. Board Charter
5. Executive Committee Charter
6. Related Party Transaction Policy
7. Board Risk Oversight Committee Charter
8. Audit Committee Charter
9. Corporate Governance Committee Charter

The Company is still in the process of establishing the policies and procedures required under its Manual on Corporate Governance (the “Manual”).

The Company, as adopted from its Manual and as approved by its Board of Directors, has already established its Corporate Governance Committee as of December 31, 2024. In 2024, the Board established the Audit Committee, Risk Oversight Committee, and Executive Committee.

The Company is dedicated to conducting business in compliance with all relevant laws, rules, and regulations, as well as the highest levels of professionalism, ethics, and business conduct. The Company upholds its core business values of integrity, innovation, commitment, accountability, responsiveness, excellence and social and environmental responsibility, to promote adherence to the principles of good corporate governance.

The Directors and Officers of the Company consistently participate in training sessions and seminars to stay up to date on the latest developments and modifications in governance. The details of the said seminars and other efforts undertaken by the company to ensure that its directors and officers are well-informed and that all of its corporate governance practices are up to date shall be reflected in the company’s Annual Corporate Governance Report (SEC Form ACGR).

MONITORING AND ASSESSMENT

1. The Board of Directors shall conduct an annual self-assessment of its performance, including the performance of the Chairperson, Individual Members, and Committees.

2. The Board should have in place a system that provides criteria and processes to determine the performance of the Board, the individual Directors, and the Committees which would allow for a feedback mechanism from AEC's Shareholders.
3. Each Committee shall report regularly to the Board of Directors.
4. The Compliance Officer shall establish an evaluation system to determine and measure compliance with the Manual. Any violation thereof shall subject the responsible officer or employee to the penalty provided under the Manual.
5. The establishment of the evaluation system, including the features thereof, shall be disclosed in AEC's Annual Report or in such form of report that is applicable to AEC. The adoption of such a performance evaluation system must be approved by the Board of Directors.
6. The Manual shall be reviewed by the Board of Directors as needed unless the Board of Directors determines that it should be reviewed at more frequent intervals. The Manual may be amended as determined by the Board of Directors from time to time.
7. All business processes and practices being performed within any department or business unit of AEC that are not consistent with any portion of the Manual shall be discontinued unless they are changed to the extent necessary to be compliant with the Manual.

PENALTIES FOR NON-COMPLIANCE WITH THE MANUAL

- A. To strictly observe and implement the provisions of the Manual, the following penalties shall, after notice and hearing, be imposed on AEC's Directors, Officers, and Staff in case of violation of any of the provisions of this Manual:
 1. In case of the first violation, the subject person shall be reprimanded.
 2. Suspension from office shall be imposed in case of a second violation. The duration of the suspension shall depend on the gravity of the violation.
 3. For the third violation, the maximum penalty of removal from office shall be imposed.
- B. The commission of a third violation of the Manual by any Director of AEC shall be a sufficient cause for removal as a Director.
- C. The Compliance Officer shall be responsible for determining violation/s after notice and hearing and shall recommend to the Chairman of the Board of Directors the imposable penalty for such violation, subject to further review and approval.

PART V. EXHIBITS AND SCHEDULES

ITEM 14. EXHIBITS AND REPORTS ON SEC FORM 17-C

A. EXHIBITS

	Particulars	Reference
1.	Plan of Acquisition, Reorganization, Arrangement, Liquidation or Succession	NA
2.	Instruments defining the Rights of Security Holders, Including Debentures	NA
3.	Voting Trust Agreement	NA
4.	Annual Report to Security Holders, Form 17-Q or Quarterly Report to Security Holders	<i>See Exhibit "A"</i>
5.	Letter re. Change in Certifying Accountant	NA
6.	Letter re. Change in Accounting Principles	NA
7.	Report furnished to Security Holders	NA
8.	Subsidiaries of Registrant	NA
9.	Published report regarding Matter Submitted to Vote of Security Holders	NA
10.	Consent of Experts and Independent Counsel	NA
11.	Power of Attorney	NA
12.	Additional Exhibits	NA

B. REPORTS ON SEC FORM 17-C

The Company filed the following reports on SEC Form 17-C (Current Report), from the approval of its Registration Statement on January 25, 2024, to January 14, 2025.

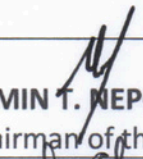

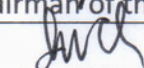

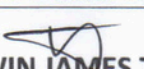
Date of Report	Description	Reference
January 25, 2024	SEC Form 17-C for the ERC Application for the Approval of Electric and Non-Electric Capital Projects for Regulatory Year 2023	<i>See Exhibit "B-1"</i>
February 2, 2024	SEC Form 17-C for the ERC Filing of Motion and Application for the Approval of the Amended Capital Expenditure Projects per ERC Case No. 2019-091 RC	<i>See Exhibit "B-2"</i>
March 4, 2024	SEC Form 17-C for the Declaration of Dividends for March 8, 2024	<i>See Exhibit "B-3"</i>
April 15, 2024	SEC Form 17-C for the Use of Proceeds Progress Report as of March 31, 2024	<i>See Exhibit "B-4"</i>
April 30, 2024	SEC Form 17-C for the Special Meeting of the Board of Directors held on 29 April 2024	<i>See Exhibit "B-5"</i>
May 16, 2024	SEC Form 17-C for the Deadline for submission of Nominations to the Board	<i>See Exhibit "B-6"</i>
May 16, 2024	SEC Form 17-C for the Deficiency Tax Payment on All Internal Taxes except VAT	<i>See Exhibit "B-7"</i>

May 16, 2024	SEC Form 17-C for the Value-Added Tax Deficiency Payment	<i>See Exhibit “B-8”</i>
June 18, 2024	SEC Form 17-C for the Collective Bargaining Agreement Negotiation Registration	<i>See Exhibit “B-9”</i>
June 21, 2024	SEC Form 17-C for the Results of the Annual Stockholders Meeting held on June 18, 2024	<i>See Exhibit “B-10”</i>
July 15, 2024	SEC Form 17-C for the Use of Proceeds Progress Report as of June 30, 2024	<i>See Exhibit “B-11”</i>
August 9, 2024	SEC Form 17-C for the Declaration of Dividends for August 12, 2024	<i>See Exhibit “B-12”</i>
September 26, 2024	SEC Form 17- C for the ERC Order on ERC Case No. 2023-004 RC_SPNEC & AEC PSA	<i>See Exhibit “B-13”</i>
October 15, 2024	SEC Form 17-C for the Use of Proceeds Progress Report as of September 30, 2024	<i>See Exhibit “B-14”</i>
November 15, 2024	SEC Form 17-C for the Declaration of Cash Dividends for November 12, 2024	<i>See Exhibit “B-15”</i>
November 18, 2024	SEC Form 17-C for the Appointment of Internal Audit Head	<i>See Exhibit “B-16”</i>
January 14, 2025	SEC Form 17-C for the Annual Progress Report on the Application of Offering Proceeds as of 31 December 2024	<i>See Exhibit “B-17”</i>
January 14, 2025	SEC Form 17-C for the Use of Proceeds Progress Report as of 31 December 2024	<i>See Exhibit “B-18”</i>

SIGNATURES

Pursuant to the requirements of Section 17 of the 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 Angeles City on APR 07 2025.

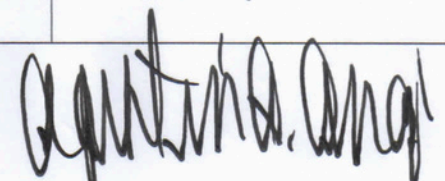
By:

 GEROMIN T. NEPOMUCENO Chairman of the Board	 FRANZ GERARD C. PULIDO Controller, Finance & Accounting Head
 MARIA RITA JOSEFINA V. CHUA President and Chief Executive Officer	 ATTY. BENEDICT R. TUGONON Corporate Secretary
 ALDRIN ERWIN JAMES T. NEPOMUCENO Chief Financial Officer	

SUBSCRIBED AND SWORN to before me this APR 07 2025 day of _____, affiants exhibiting to me the following documents:

NAME	COMPETENT EVIDENCE OF IDENTITY	VALID UNTIL
Geromin T. Nepomuceno	Passport No. P6348755B DFA Angeles	February 21, 2031
Maria Rita Josefina V. Chua	Driver's License No. C10-85-004751	December 19, 2031
Aldrin Erwin James T. Nepomuceno	Passport No. P5709062B DFA Angeles	November 2, 2030
Franz Gerard C. Pulido	PRC ID No. 0125907	October 4, 2027
Benedict R. Tugonon	Driver's License No. N02-92-183265	February 18, 2034

Doc. No. 187;
Page No. 02;
Book No. (xxxvii);
Series of 2025 .


AGUSTIN L. ANGELES
NOTARY PUBLIC- ANGELES CITY
Roll No. 41072, Vol No. XVII, Page 215
PTR No. AC- 2199266 / 01-06-2025
IBP LRN No. 00772 / 12-28-96 Pampanga
Until December 31, 2026
Comm. No. 2024-1247
MCLE Compliance No. VII- 0008998 02-11-2022
256 Sto. Rosario St., San Jose, Angeles City

ANGELES ELECTRIC CORPORATION (AEC)
INDEX TO EXHIBIT “A”

Annual Report to Security Holders, Form 17-Q or Quarterly Report to Security Holders

Date of Report	Type of Report	Reference
November 30, 2023	Prospectus	See Exhibit “A-1”
March 28, 2025	Audited Financial Statement with Supplementary Information as required by SEC as of and for the year ended December 31, 2024.	See Exhibit “A-2”
May 15, 2024	SEC Form 17-Q for the quarter ended 31 March 2024	See Exhibit “A-3”
August 14, 2024	SEC Form 17-Q for the quarter ended 30 June 2024.	See Exhibit “A-4”
November 15, 2024	SEC Form 17-Q for the quarter ended 30 September 2024.	See Exhibit “A-5”