

MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS
OF

SYNERGY GRID & DEVELOPMENT PHILS., INC.
(the "Corporation")

Held on 06 May 2026, at 3:00 P.M.
Via Videoconference

DIRECTORS PRESENT:

Henry T. Sy, Jr.
Paul P. Sagayo, Jr.
Vicente D. Gerochi IV
Justice Lady P. Soriano
Jose Perpetuo M. Lotilla
Daniel D. Ibasco
Luis Jose P. Ferrer

ALSO PRESENT:

Maria Farah Z.G. Nicolas-Suchianco
Cheryl S. Saldaña-de Leon
Andreanne Hannah B. Dimaandal
Selina Irene O. Ablaza

1. CALL TO ORDER

The Chairman, Henry T. Sy, Jr., called the meeting to order and presided over the same. The Corporate Secretary, Atty. Cheryl S. Saldaña-de Leon, recorded the minutes of the proceedings.

The Corporate Secretary advised that the meeting was recorded, in compliance with the requirements of the Philippine Securities and Exchange Commission (SEC) under SEC Memorandum Circular No. 6, Series of 2020, which provides for the guidelines for a board meeting through videoconference. The recording will form part of the records of the Corporation.

2. PROOF OF NOTICE OF MEETING AND CERTIFICATION OF QUORUM

The Corporate Secretary certified that notices were sent to all directors by electronic mail, and that a quorum existed for the transaction of business. During the roll call, the Corporate Secretary verified and confirmed the identity of the participants, their location, the device they are using, that each participant received the relevant materials prior to the meeting, and that they can clearly hear and see the other participants.

Name of Participant	Location	Device	Receipt of relevant materials of the meeting	Confirmation that they can clearly hear and/or see the other attendees
Henry T. Sy, Jr.	Pasay City	Laptop	Yes	Yes
Paul P. Sagayo, Jr.	Pasig City	Laptop	Yes	Yes
Vicente D. Gerochi IV	Makati City	Desktop	Yes	Yes
Justice Lady P. Soriano	San Juan City	Laptop	Yes	Yes
Jose Perpetuo M. Lotilla	Quezon City	Mobile Phone	Yes	Yes
Luis Jose P. Ferrer	Quezon City	Laptop	Yes	Yes
Daniel D. Ibasco	Muntinlupa City	Laptop	Yes	Yes

Thereafter, the Chairman declared that the Board could now proceed to transact the official business for this meeting. 

3. **APPROVAL OF THE MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS HELD ON 27 MARCH 2026**

Upon motion duly made and seconded, the directors unanimously passed and approved the following resolution:

“RESOLVED, that the minutes of the Regular Meeting of the Board of Directors of the Corporation held on 27 March 2026 be approved.”

4. **PRESENTATION AND APPROVAL OF THE FINANCIAL REPORTS AS OF 31 MARCH 2026**

The Corporation's Chief Finance Officer, Treasurer, and Investor Relations Officer, Ms. Justice Lady P. Soriano (CFO), presented the financial reports of Synergy Grid & Development Phils., Inc. (Corporation) and its subsidiaries as of 31 March 2026.

Financial Performance (Parent Only)

	1st Quarter of 2026			Unaudited Year To Date		
	March 31, 2026	Budget	March 31, 2025	March 31, 2026	Budget	March 31, 2025
OPERATION SERVICE REVENUES-Net	0	0	0	0	0	0
OPERATING EXPENSES	20	22	23	20	22	23
	20	22	23	20	22	23
LOSS FROM OPERATIONS	(20)	(22)	(23)	(20)	(22)	(23)
OTHER INCOME - Net						
Dividend income	1,816	1,816	0	1,816	1,816	0
Management Income	12	12	0	12	12	0
Interest income	2	2	2	2	2	2
	1,830	1,830	2	1,830	1,830	2
NET INCOME (LOSS) BEFORE TAX	1,810	1,808	(21)	1,810	1,808	(21)
INCOME TAX EXPENSE	1	0	0	1	0	0
NET INCOME (LOSS)/ TOTAL						
COMPREHENSIVE INCOME (LOSS)	1,809	1,808	(21)	1,809	1,808	(21)

For the Corporation's financial performance, operating expenses as of 31 March 2026 amounted to PhP20 Million, which is lower than the operating expenses of the previous year for the same period. Other income, which consisted of dividend income, management income, and interest income, amounted to PhP1.83 Billion. There was a substantial increase from the previous year due to dividends received from the National Grid Corporation of the Philippines (NGCP), OneTaipan Holdings, Inc. (OTHI), and Pacifica21 Holdings, Inc. (P21), and management income for the first quarter. Net income recorded in the first quarter of 2026 was PhP1.81 Billion, as compared with the net loss of PhP21 Million for the first quarter of 2025.

Financial Position as of 31 March 2026 (Parent Only)

	March 31, 2026	March 31, 2025	December 31, 2025
ASSETS			
Current Assets			
Cash	1,966	224	370
Prepayments and other current assets	38	30	36
Total Current Assets	2,004	254	406
Noncurrent Assets			
Investment in subsidiaries	94,246	94,246	94,246
Property and equipment - net	0	1	1
Total Noncurrent Assets	94,246	94,247	94,247
Total Asset	96,250	94,501	94,653
LIABILITIES AND EQUITY			
Current Liability			
Accrued expenses and other current liabilities	4	3	195
Dividends payable	12	8	33
Total Liabilities	16	11	228
Equity			
Capital stock	5,266	5,266	5,266
Additional paid-in capital	88,928	88,928	88,928
Retained earnings	2,040	296	231
Total Equity	96,234	94,490	94,425
	96,250	94,501	94,653

For the financial position of the Corporation, the CFO presented the figures as of 31 March 2026 as compared with the figures from 31 March 2025.

Total assets amounted to PhP96.25 Billion, which includes a PhP1.6 Billion increase from the previous year due to the receipt of dividends from NGCP, OTHI, and P21. Total liabilities decreased to PhP16 Million in view of substantial decreases on the final tax on dividends and encashment of dividend checks previously issued to shareholders. Lastly, under the equity section, retained earnings increased to PhP2.04 Billion from PhP231 Million as of 31 December 2025.

Cash Flow as of 31 March 2026 (Parent Only)

(Amounts in Millions)				
	March 31, 2026	March 31, 2025	December 31, 2025	
CASH FLOWS USED IN OPERATING ACTIVITIES	P	(9) P	(24) P	(19)
CASH FLOWS FROM INVESTING ACTIVITIES				
Dividend Received		1,816	0	3,584
Net cash provided by investing activities		1,816 P	0 P	3,584
CASH FLOWS FROM FINANCING ACTIVITIES				
Payment of dividends		(20)	(0)	(3,252)
Payment of final tax on dividends		(191)	0	(191)
Net cash used in financing activities		(211) P	(0) P	(3,443)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	P	1,596 P	(24) P	122
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		370	248	248
CASH AND CASH EQUIVALENTS AT END OF YEAR	P	1,966 P	224 P	370

For the cash flow of the Corporation, net cash used in operating activities was PhP9 Million. Net cash flow provided by investing activities amounted to PhP1.82 Billion representing dividends received by the Corporation. Net cash flow used in financing activities totaled to PhP211 Million, comprised mainly of final tax on dividends. These resulted in a net increase in cash of PhP1.60 Billion and an ending cash balance of PhP1.97 Billion.

Financial Performance (Consolidated)

(Amounts in Millions)						
	1st Quarter of 2026			Unaudited Year to Date		
	March 31, 2026	Budget	March 31, 2025	March 31, 2026	Budget	March 31, 2025
OPERATION SERVICE REVENUES - Net	51,045	51,053	13,374	51,045	51,053	13,374
OPERATING EXPENSES	7,158	6,917	6,321	7,158	6,917	6,321
INCOME FROM OPERATIONS	43,887	44,136	7,053	43,887	44,136	7,053
OTHER CHARGES - Net						
Interest expense	(2,766)	(2,600)	(2,351)	(2,766)	(2,600)	(2,351)
Interest income	32	18	35	32	18	35
Foreign exchange gain (loss) - net	(334)	110	83	(334)	110	83
Bank and finance charges	(116)	(115)	(77)	(116)	(115)	(77)
Miscellaneous charges	(468)	(415)	(362)	(468)	(415)	(362)
	(3,652)	(3,002)	(2,672)	(3,652)	(3,002)	(2,672)
NET INCOME BEFORE TAX	40,235	41,134	4,381	40,235	41,134	4,381
INCOME TAX EXPENSE	1	0	0	1	0	0
NET INCOME	40,234	41,134	4,381	40,234	41,134	4,381
TOTAL COMPREHENSIVE INCOME	40,234	41,134	4,381	40,234	41,134	4,381
Attributable to:						
Equity holders of the Parent Company	18,377	18,788	1,990	18,377	18,788	1,990
Non-controlling interests	21,857	22,346	2,391	21,857	22,346	2,391
	40,234	41,134	4,381	40,234	41,134	4,381
BASIC AND DILUTED INCOME PER SHARE	3.49	3.57	0.38	3.49	3.57	0.38

For the consolidated financial performance of the Corporation and its subsidiaries (Group) for the first quarter of 2026, operation service revenues increased to PhP51.05 Billion on account of regulatory adjustments brought about by the Energy Regulatory Commission (ERC)'s final decision on the fourth (4th) and fifth (5th) regulatory periods.

Other charges-net also increased to PhP3.65 Billion as of 31 March 2026 from PhP2.67 Billion as of 31 March 2025. These other charges-net consist of: (1) interest expense of PhP2.77 Billion due to higher interest expense of concession fees and term loans; (2) interest income of PhP32 Million due to lower funds invested for the period; (3) foreign exchange loss of PhP334

Million due to the weakening of the Philippine Peso against the United States Dollar; (4) bank and finance charges of PhP116 Million due to higher amortization of Debt Issuance Cost (DIC) resulting from additional loan drawdown; and (5) increase in miscellaneous charges of PhP468M mainly due to higher franchise tax expense and other miscellaneous charges offset by liquidated damages, rental income, and income from technical services.

The resulting net income for the first quarter of 2026 is PhP40.23 Billion as of 31 March 2026, as compared to PhP4.38 Billion as of 31 March 2025.

Financial Position as of 31 March 2026 (Consolidated)

(Amounts in Millions)

	March 31, 2026	March 31, 2025	December 31, 2025
ASSETS			
Noncurrent Assets			
Intangible asset - net	472,998	432,853	465,114
Property and equipment - net	5,223	5,426	5,174
Receivables - net of current portion	73,380	19,633	38,637
Goodwill	10,472	10,472	10,472
Other noncurrent assets	1,628	2,242	1,691
Total Noncurrent Assets	563,701	470,626	521,088
Current Assets			
Cash and cash equivalents	7,486	6,216	7,417
Receivables - net	25,392	16,128	24,704
Other current assets - net	21,464	25,098	23,076
Total Current Assets	54,342	47,442	55,197
	618,043	518,068	576,285

For the consolidated financial position of the Group, the total assets increased to PhP618.04 Billion due to capital expenditures as reflected in the intangible assets account and regulatory adjustments as reflected in the receivables account. These regulatory adjustments refer to the under-recoveries resulting from the 4th and 5th regulatory reset periods.

Total noncurrent assets increased to PhP564 Billion as of 31 March 2026 in view of additional expenditures incurred on NGCP priority and other major projects. Total current assets decreased to PhP54.34 Billion as of 31 March 2026 due to increase in cash and cash equivalents from newly drawn term loans, increase in the current portion of receivables from higher ancillary service charges, and decrease in other current assets.

Financial Position as of 31 March 2026 (Consolidated)

(Amounts in Millions)

	March 31, 2026	March 31, 2025	December 31, 2025
LIABILITIES AND EQUITY			
Noncurrent Liabilities			
Loans payable - net of current portion	230,718	200,953	216,454
Retirement benefits liability	3,297	3,049	3,201
Customers' and other deposits	489	563	496
Concession fee payable	30,232	40,555	30,232
Other noncurrent liabilities	202	401	219
Total Noncurrent Liabilities	264,938	245,321	250,602
Current Liabilities			
Trade and other current payables	45,046	46,507	53,200
Current portion of concession fee payable	5,285	4,793	10,323
Current portion of loans payable	35,552	24,480	33,150
Other current liabilities	24,174	23,665	24,032
Total Current Liabilities	110,057	99,445	120,705
Total Liabilities	374,995	344,766	371,307
Equity			
Capital stock	5,266	5,266	5,266
Additional paid-in capital	88,928	88,928	88,928
Remeasurement losses on defined benefit liability	(201)	(210)	(201)
Equity adjustments from common control transactions	(73,359)	(73,359)	(73,359)
Retained earnings	121,260	88,372	102,883
Equity Attributable to Equity Holders of the Parent Company	141,894	108,997	123,517
Non-controlling interests	101,154	64,105	81,461
Total Equity	243,048	173,102	204,978
	618,043	518,068	576,285

The total liabilities of the Group increased to PhP375 Billion as of 31 March 2026. Total noncurrent liabilities increased from PhP250.60 Billion as of 31 December 2025 to PhP264.94 Billion as of 31 March 2026 due to increase in loans payable from newly drawn term loans,

increase in retirement benefits liability from service cost and interest expense for the period, decrease in customers and other deposits from the release of customers' deposits, and decrease in Other Non-Current Liabilities caused by reclassification to the current portion of finance lease. Total current liabilities decreased to PhP110 Billion due to the semi-annual deferred payment of concession fee, lower accrued expenses, accounts payable, Gross Receipt/Invoice Receipt (GR/IR) caused by higher settlement of invoices, interest on loans, and concession fee offset by higher ancillary services.

Retained earnings increased by 18% to PhP121.26 Billion as of 31 March 2026, resulting in a total equity of PhP243.05 Billion.

Cash Flow as of 31 March 2026 (Consolidated)

(Amounts in Millions)	March 31, 2026	March 31, 2025	December 31, 2025
NET CASH FLOWS PROVIDED BY OPERATING ACTIVITIES	2,839	6,570	40,222
NET CASH FLOWS USED IN INVESTING ACTIVITIES			
Investment in capital expenditures	(11,682)	(9,569)	(52,713)
Additions to property and equipment	(270)	(379)	(781)
Net cash used in investing activities	(11,952)	(9,948)	(53,494)
NET CASH FLOWS PROVIDED BY FINANCING ACTIVITIES			
Proceeds of loans payable	27,500	9,500	53,500
Payment of cash dividends	(2,376)	(0)	(8,076)
Payment of loans payable and debt issue costs	(10,834)	(4,249)	(24,078)
Payment of concession fee	(5,039)	(4,547)	(9,340)
Settlement of obligation under lease liabilities	(75)	(70)	(283)
Net cash provided by financing activities	9,176	634	11,723
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	6	(3)	3
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	69	(2,747)	(1,546)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	7,417	8,963	8,963
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	7,486	6,216	7,417

For the Group's cash flow, net cash provided by operating activities amounted to PhP2.84 Billion. Net cash flow used in investing activities totaled to PhP11.95 Billion, consisting mainly of capital expenditures. Net cash flow provided by financing activities was PhP9.18 Billion, consisting of loan proceeds of PhP27.5 Billion, payment of cash dividends of PhP2.38 Billion, payment of loans of PhP10.83 Billion, payment of concession fee of PhP5.04 Billion, and settlement of obligation under lease liabilities of PhP75 Million. These resulted in a net increase in cash of PhP69 Million and an ending cash balance of PhP7.5 Billion.

After some discussion and upon motion duly made and seconded, the following resolution was approved:

"RESOLVED, that as recommended by the Audit and Risk Committee, the Corporation's Financial Reports as of 31 March 2026, as presented by the Corporation's Chief Finance Officer (CFO) be approved;

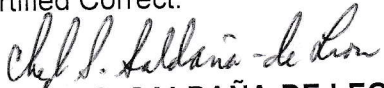
"RESOLVED FURTHER, that the Corporation appoints its Chairman, Mr. Henry T. Sy, Jr., President, Atty. Paul P. Sagayo, Jr., its Treasurer, Ms. Justice Lady P. Soriano, or any director or officer of the Corporation as its authorized representatives and signatories in the preparation and approval of the financial reports, with authority to make the necessary arrangements in order to effect the release of the same, and to sign, execute, and/or deliver any and all documents in the name of the Corporation in connection therewith, including the signing of relevant documents related thereto, as well as the performance of all other acts incidental thereto;

"RESOLVED FINALLY, that these resolutions shall remain valid, subsisting, and enforceable, unless subsequently modified, revoked, rescinded, or suspended by a resolution of the Board of Directors."

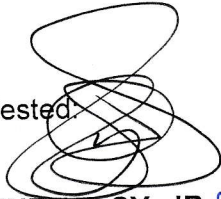
5. ADJOURNMENT

There being no further business to transact, the meeting was adjourned.

Certified Correct:


CHERYL S. SALDAÑA-DE LEON
 Corporate Secretary

Attested:


HENRY T. SY, JR.
 Chairman

Approved:


PAUL P. SAGAYO, JR.
 Director/President


JOSE PERPETUO M. LOTILLA
 Lead Independent Director


VICENTE D. GEROCHI IV
 Director


LUIS JOSE P. FERRER
 Independent Director


JUSTICE LADY P. SORIANO
 Director


DANIEL D. IBASCO
 Independent Director