

MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS
OF

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

Held on 05 November 2025, at 1:30 P.M.
Via Videoconference

DIRECTORS PRESENT:

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

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, Mr. 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.	San Juan City	Laptop	Yes	Yes
Vicente D. Gerochi IV	Makati City	Desktop	Yes	Yes
Jose Perpetuo M. Lotilla	Quezon City	Mobile Phone	Yes	Yes
Luis Jose P. Ferrer	Quezon City	Laptop	Yes	Yes
Justice Lady P. Soriano	Seoul, South Korea	Laptop	Yes	Yes
Daniel D. Ibasco	Makati City	Desktop	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 ORGANIZATIONAL MEETING OF THE BOARD OF DIRECTORS HELD ON 16 OCTOBER 2025

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

“RESOLVED, that the minutes of the Organizational Meeting of the Board of Directors of the Corporation held on 16 October 2025 be approved.”

4. PRESENTATION AND APPROVAL OF THE FINANCIAL REPORTS AS OF 30 SEPTEMBER 2025

The Corporation's Director, Chief Financial 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 30 September 2025.

Financial Performance (Parent Only)

(Amounts in Millions)

	3rd Quarter of 2025			Unaudited Year To Date		
	September 30, 2025	Budget	September 30, 2024	September 30, 2025	Budget	September 30, 2024
OPERATION SERVICE REVENUES	0	0	0	0	0	0
COST OF OPERATION SERVICE REVENUES	0	0	0	0	0	0
OPERATION SERVICE REVENUES-Net	0	0	0	0	0	0
OPERATING EXPENSES	19	19	20	61	63	65
LOSS FROM OPERATIONS	(19)	(19)	(20)	(61)	(63)	(65)
OTHER INCOME						
Interest income	14	2	2	18	5	19
Dividend income	1,399	1,399	0	1,769	1,769	1,782
Management Income	36	12	12	36	36	36
	1,449	1,413	14	1,823	1,810	1,837
NET INCOME BEFORE TAX	1,430	1,394	(6)	1,762	1,747	1,772
INCOME TAX EXPENSE	3	0	(0)	4	0	4
NET INCOME / TOTAL COMPREHENSIVE INCOME	1,427	1,394	(6)	1,758	1,747	1,768

For the Financial Performance of the Corporation as of 30 September 2025, operating expenses amounted to Php61 Million, which is lower by Php4 Million as compared with the same period last year. Other income totaled Php1.82 Billion, consisting of interest income of Php18 Million, dividend income of Php1.77 Billion, and management income of Php36 Million.

In sum, these resulted in a net income of Php1.76 Billion as of 30 September 2025, as compared with Php1.77 Billion as of 30 September 2024. 

Financial Position as of 30 September 2025 (Parent Only)

(Amounts in Millions)

	September 30, 2025	September 30, 2024	December 31, 2024
ASSETS			
Current Assets			
Cash and cash equivalents	386	265	248
Other current assets - net	34	28	30
Total Current Assets	420	293	278
Noncurrent Assets			
Investment in subsidiaries	94,246	94,246	94,246
Property and equipment - net	1	1	1
Total Noncurrent Assets	94,247	94,247	94,247
Total Asset	94,667	94,540	94,525
LIABILITIES AND EQUITY			
Current Liabilities			
Accrued expenses and other current liabilities	196	2	6
Dividends payable	31	8	8
Total Liabilities	227	10	14
Equity			
Capital stock	5,266	5,266	5,266
Additional paid-in capital	88,928	88,928	88,928
Retained earnings	246	336	317
Total Equity	94,440	94,530	94,511
	94,667	94,540	94,525

For the Financial Position of the Corporation as of 30 September 2025, total assets increased by PhP142 Million for the nine-month period mainly attributable to the PhP138 Million increase in cash due to receipt of dividends from the National Grid Corporation of the Philippines (NGCP).

Total liabilities amounted to PhP227 Million, consisting of: (1) PhP196 Million accrued expenses mainly for government remittances, particularly final tax on dividends of PhP191 Million; and (2) dividends payable of PhP31 Million, which includes a balance of PhP8 Million carried over from previous years and PhP23 Million outstanding from dividends declared last 04 September 2025.

Retained earnings decreased from PhP317 Million as of 31 December 2024 to PhP246 Million as of 30 September 2025.

Cash Flow as of 30 September 2025 (Parent Only)

(Amounts in Millions)

	September 30, 2025	September 30, 2024	December 31, 2024
CASH FLOWS FROM OPERATING ACTIVITIES	P (16)	P (13)	P (30)
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividend received	1,769	1,782	1,782
Net cash provided by investing activities	P 1,769	P 1,782	P 1,782
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of dividends	(1,615)	(1,636)	(1,636)
Payment of final tax on dividends	0	(192)	(192)
Net cash used in financing activities	P (1,615)	P (1,828)	P (1,828)
NET INCREASE IN CASH AND CASH EQUIVALENTS	P 138	P (59)	P (76)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	248	324	324
CASH AND CASH EQUIVALENTS AT END OF YEAR	P 386	P 265	P 248

For the Corporation's cash flow as of 30 September 2025, net cash used in operating activities was PhP16 Million. Net cash flow provided by investing activities was PhP1.77 Billion, representing dividends received from NGCP. Net cash used in financing activities was PhP1.62 Billion, representing dividends paid to shareholders.

These resulted in a net increase in cash of PhP138 Million and an ending cash balance of PhP386 Million.

Financial Performance (Consolidated)

(Amounts in Millions)

	3rd Quarter of 2025			Unaudited Year to Date		
	September 30, 2025	Budget	September 30, 2024	September 30, 2025	Budget	September 30, 2024
OPERATION SERVICE REVENUES - Net	15,028	13,252	13,201	54,636	39,760	39,797
OPERATING EXPENSES	7,290	7,344	6,280	20,528	20,594	18,021
INCOME FROM OPERATIONS	7,738	5,908	6,921	34,108	19,166	21,776
OTHER CHARGES - Net						
Interest expense	(3,289)	(2,314)	(2,296)	(7,901)	(7,058)	(5,732)
Interest income	65	29	41	131	111	132
Foreign exchange gain (loss) - net	(253)	(63)	211	86	(165)	(243)
Bank and finance charges	(88)	(78)	(66)	(246)	(224)	(191)
Miscellaneous Charges	(435)	(310)	(320)	(1,117)	(953)	(1,050)
	(4,000)	(2,736)	(2,430)	(9,047)	(8,289)	(7,084)
NET INCOME BEFORE TAX	3,738	3,172	4,491	25,061	10,877	14,692
INCOME TAX EXPENSE	3	0	1	4	0	5
NET INCOME	3,735	3,172	4,490	25,057	10,877	14,687
OTHER COMPREHENSIVE INCOME						
Item that will never be reclassified to profit or loss						
Remeasurement gains on defined benefit liability	0	0	0	238	0	354
TOTAL COMPREHENSIVE INCOME	3,735	3,172	4,490	25,295	10,877	15,041
Attributable to:						
Equity holders of the Parent Company	1,706	1,444	2,042	11,537	4,950	6,846
Non-controlling interests	2,029	1,728	2,448	13,758	5,927	8,195
	3,735	3,172	4,490	25,295	10,877	15,041
BASIC AND DILUTED						
INCOME (LOSS) PER SHARE	0.32	0.27	0.39	2.17	0.94	1.27

For the Consolidated Financial Reports of the Corporation and its subsidiaries (Group) as of 30 September 2025, revenue increased by 37% from PhP39.8 Billion as of 30 September 2024 to PhP54.64 Billion, mainly due to the recording of under-recovery based on the recently concluded fourth (4th) regulatory period reset and recognition of the new Maximum Allowable Revenue (MAR) of NGCP from PhP51.47 Billion to PhP58.11 Billion.

The Group's net other charges increased by 28% from PhP7.08 Billion to PhP9.05 Billion, primarily due to the increase in interest expense resulting from the reclassification of interest during construction to interest expense upon completion of projects in accordance with IFRS 23. The resulting net income as of 30 September 2025 is PhP25.1 Billion.

Financial Position as of 30 September 2025 (Consolidated)

(Amounts in Millions)

	September 30, 2025	September 30, 2024	December 31, 2024
ASSETS			
Noncurrent Assets			
Intangible asset - net	450,467	413,185	425,545
Property and equipment - net	5,184	5,192	5,270
Receivables - net of current portion	24,008	19,883	19,847
Goodwill	10,472	10,472	10,472
Other noncurrent assets	1,995	2,437	2,385
Total Noncurrent Assets	492,126	451,189	463,519
Current Assets			
Cash and cash equivalents	7,097	6,060	8,963
Receivables - net	24,994	13,756	14,062
Other current assets - net	21,565	26,322	25,792
Total Current Assets	53,656	46,138	48,817
	545,782	497,327	512,336

For the Financial Position of the Group as of 30 September 2025, total assets amounted to PhP545.78 Billion. The bulk of the current assets are receivables from customers resulting from the recognition of under-recovery. Noncurrent assets amounting to PhP492.13 Billion consists mainly of additional intangible assets recorded, resulting from substation upgrading and transmission line improvements in Western Luzon.

Financial Position as of 30 September 2025 (Consolidated)

(Amounts in Millions)

	September 30, 2025	September 30, 2024	December 31, 2024
LIABILITIES AND EQUITY			
Noncurrent Liabilities			
Loans payable - net of current portion	215,201	189,086	196,897
Retirement benefits liability	2,943	2,474	2,952
Customers' and other deposits	569	508	529
Concession fee payable	35,517	45,348	40,555
Other noncurrent liabilities	273	1,654	1,712
Total Noncurrent Liabilities	254,503	239,070	242,645
Current Liabilities			
Trade and other current payables	43,629	40,767	46,549
Current portion of concession fee payable	5,039	4,547	9,340
Current portion of loans payable	28,587	25,646	23,286
Other current liabilities	23,979	20,778	21,795
Total Current Liabilities	101,234	91,738	100,970
Total Liabilities	355,737	330,808	343,615
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	(101)	0	(210)
Equity adjustments from common control transaction	(73,359)	(73,359)	(73,359)
Retained earnings	95,981	85,182	86,382
Equity Attributable to Equity Holders of the Parent Company	116,715	106,017	107,007
Non-controlling interests	73,330	60,502	61,714
Total Equity	190,045	166,519	168,721
	545,782	497,327	512,336

16

The total liabilities as of 30 September 2025 amounted to PhP355.74 Billion, an increase from PhP343.62 Billion as of 31 December 2024, due to additional borrowings. The total equity also increased from PhP168.72 Billion as of 31 December 2024 to PhP190.05 Billion with an 11% increase in retained earnings from PhP86.38 Billion to PhP95.98 Billion.

Cash Flow as of 30 September 2025 (Consolidated)

(Amounts in Millions)

	September 30, 2025	September 30, 2024	December 31, 2024
NET CASH FLOWS PROVIDED BY OPERATING ACTIVITIES	23,188	23,878	36,683
NET CASH FLOWS USED IN INVESTING ACTIVITIES			
Investment in capital expenditures	(34,454)	(39,893)	(54,880)
Additions to property and equipment	(570)	(808)	(1,102)
Net cash used in investing activities	(35,024)	(40,701)	(55,982)
NET CASH FLOWS PROVIDED BY FINANCING ACTIVITIES			
Proceeds of loans payable	44,000	40,000	51,500
Payment of cash dividends	(4,084)	(3,648)	(3,648)
Payment of loans payable and debt issue costs	(20,395)	(18,776)	(24,825)
Payment of concession fee	(9,340)	(4,424)	(4,424)
Settlement of obligation under lease liabilities	(211)	(182)	(256)
Net cash provided by financing activities	9,970	12,970	18,347
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(0)	0	2
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,866)	(3,853)	(950)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	8,963	9,913	9,913
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	7,097	6,060	8,963

For the Group's cash flow as of 30 September 2025, net cash provided by operating activities was PhP23.19 Billion. Net cash flow used in investing activities amounted to PhP35.02 Billion, consisting of investment in capital expenditures. Net cash flow provided by financing activities amounted to PhP9.97 Billion consisting of loan proceeds of PhP44 Billion, cash dividend

payment of Php4.08 Billion, payment of loans payable of Php20.4 Billion, payment of concession fee of Php9.34 Billion, and settlement of other obligation under lease liabilities of Php211 Million. These resulted in a net decrease in cash of Php1.87 Billion and an ending cash balance of Php7.1 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 30 September 2025, as presented by the Corporation’s Chief Financial 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. **REACTIVATION OF BANK OF COMMERCE PESO SAVINGS ACCOUNT NO. 119-20-002140-9**

Upon motion duly made and seconded, the following resolutions were passed and approved:

“WHEREAS, the Corporation opened Peso Savings Account No. 119-20-002140-9 (Account) with **BANK OF COMMERCE** at Branch 119 – Pasig Boulevard (Bank), which for lack of activity, was subsequently declared dormant;

“RESOLVED, that the Corporation be authorized to transact with the Bank to reactivate its Account, and such other types of accounts or facilities and services availed by the Corporation;

“RESOLVED FURTHER, that the following be authorized to apply, sign, execute, and deliver, for and behalf of the Corporation, any and all documents, papers, instruments, checks and withdrawal slips, debit and credit instructions, fund transfer instructions, check encashment/endorsement forms, agreements, or contracts as may be appropriate and/or required for the implementation of the foregoing powers/transactions authorized above:

<u>Name</u>	<u>Position</u>	<u>Specimen Signature</u>
Zurohayda Yoko M. Montierro	Audit, Risk, and Compliance Manager	
Ria Mae Gatchallan	Finance and Administrative Manager	

“RESOLVED FURTHER, that the Corporation authorizes Mr. Amir Saud Feliciano to transact with the Bank, and file, update, and deliver any and all signed documents that may be required by the Bank, and to claim and receive the necessary documents upon issuance by the Bank; 

"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."

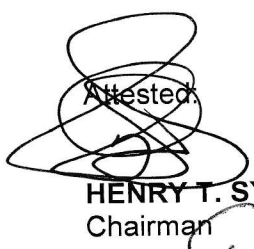
6. ADJOURNMENT

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

Certified Correct:

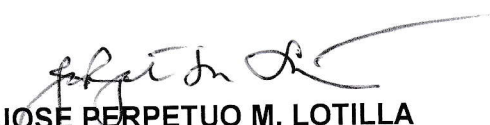

CHERYL S. SALDAÑA-DE LEON
 Corporate Secretary

Attested:


HENRY T. SY, JR.
 Chairman

Approved:

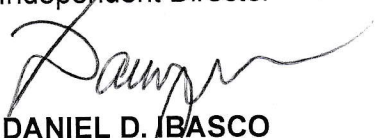

PAUL P. SAGAYO, JR.
 Director/President


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