February 11, 2026

ATTY. JOHANNE DANIEL M. NEGRE
Head, Disclosure Department
Philippine Stock Exchange, Inc.
6th Floor, PSE Tower
5th Avenue corner 28th Street
Bonifacio Global City,
Taguig City

Dear Atty. Negre:

We reply to the correspondence sent by the Disclosure Department of the Philippine Stock Exchange at 8:36 a.m. today requesting confirmation of the information contained in the news article entitled "Meralco eyes P272 billion capex through 2030, seeks P2.34/kWh distribution tariff". The news article was published in Bilyonaryo.com on February 10, 2026.

The article reported in part that:

> *"*
> *UTILITY giant Manila Electric Co. (Meralco) plans to spend around P272 billion over the next four years to modernize its network and expand services, according to documents filed with the Energy Regulatory Commission (ERC).*
>
> *The planned capital expenditure includes P51.8 billion for 2027, P61.2 billion for 2028, P61.1 billion for 2029, P73.1 billion for 2030, and more than P20 billion for carry-over projects.*
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> *. . . ."*

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With reference to the news article that is the subject of the Exchange's request for clarification, we confirm that the planned Capital Expenditures (CAPEX) for the years 2027 to 2030 are consistent with the application filed by Manila Electric Company (the "Company") with the Energy Regulatory Commission (ERC). We also clarify that the CAPEX amounts cited in the article reflect nominal annual values and already incorporate the Construction Work in Progress (CWIP) factor. The planned CAPEX is factored into the Company's application for distribution rate adjustment that was submitted to the ERC.

The proposed CAPEX are necessary to: (i) augment the capacity of the Company's distribution network to meet demand growth and new customer requirements; (ii) replace or refurbish aging and obsolete assets; (iii) relocate facilities affected by government infrastructure programs and third-party initiated projects; (iv) acquire and construct non-network assets required for the efficient and reliable operation of the electric distribution system; (v) deploy automation and technology initiatives, including the Advanced Metering Program for more than three million customers and other innovative solutions supporting electrification

projects; and (vi) ensure compliance with regulatory requirements and applicable rules and regulations.

The proposed capital expenditure amounts are still subject to approval of the ERC.

We trust that you find the foregoing clarification in order.

Very truly yours,

WILLIAM S. PAMINTUAN
Senior Vice President
Assistant Corporate Secretary and
Information Disclosure Officer