

March 19, 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 8:19 a.m. today requesting confirmation of the information contained in the news article entitled “Meralco capital expenditure steady despite Middle East turmoil”. The news article was published in Inquirer.Net today.

The article reported in part that:

“MANILA, Philippines — Tycoon Manuel V. Pangilinan is sticking to the allotted capital expenditures (capex) for his electricity business, which enjoyed at least P100 billion in investment last year, despite challenging market conditions brought by the Iran war.

Pangilinan, who chairs power giant Manila Electric Co. (Meralco), said there was already an approved investment for the company in 2026. However, he did not provide figures.

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‘But I doubt whether we will reduce it for Meralco and MGEN (Meralco PowerGen Corp.),’ he told reporters on Tuesday.

Last year, the consolidated capex for the group hit P108.9 billion. Of this, 73 percent of the investment boosted MGEN’s solar power portfolio.”

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With reference to the news article that is the subject of the Exchange's request for clarification, we would like to confirm the statements attributed to Mr. Manuel V. Pangilinan, the Chairman and CEO of Manila Electric Company ("MERALCO") on keeping the current CAPEX of MERALCO and MGEN as approved by the Boards of MERALCO and MGEN at this time.

In addition, the said CAPEX budget is largely allocated to the power generation business accounting for approximately 75% of the total budget. This represents an increase compared with the actual CAPEX of the previous year. Notwithstanding external uncertainties and geopolitical risks, MERALCO remains committed to continuing investments in its power infrastructure to ensure reliable electricity service and to meet growing demand.

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