



October 17, 2024

The Philippine Stock Exchange, Inc.

Disclosure Department
6th Floor, Philippine Stock Exchange Tower
28th Street, corner 5th Avenue
Bonifacio Global City, Taguig City

Attention: **Atty. Stefanie Ann B. Go**
OIC, Disclosure Department

Gentlemen:

We reply with respect to various news articles relating to San Miguel Corporation ("SMC" or the "Company"). In the article entitled "San Miguel wants to optimize Angat hydro plant" posted in ManilaStandard.net on October 16, 2024, it was reported that:

"San Roque Hydro Power Inc. (SRHP), a unit of San Miguel Global Power Holdings Corp., is pursuing the 4-megawatt Angat Run-of-River Project (ARORP) and the 150-megawatt Angat Optimization Project (AOP) in Norzagaray, Bulacan province with an estimated capital expenditure budget of P8.437 billion.

SRHP said in documents submitted to the Department of Environment and Natural Resources the projects are expected to be completed by 2028 to address the projected increase in demand in the Luzon grid.

The Angat River, which flows through Norzagaray, is used for irrigation, domestic water supply and hydroelectric power generation.

The proposed projects will harness the flow of the river for hydroelectric power generation. As water is discharged from the Angat Dam to the Bustos Dam to irrigate Bulacan and Pampanga, the ARORP will utilize the runoff water by passing it through a turbine to generate electricity before it continues to flow.

SRHP said the Angat Hydroelectric Power Plant (AHEPP) main units are not reaching their full capacity due to the effects of climate change.

'Thus, the Angat Optimization Project will maximize the water discharged by the AHEPP Main Units by pumping it back to the existing Angat reservoir during off-peak periods (nighttime) to make it available again during peak periods (daytime),' the company said.

The AOP process involves storing the water discharged by AHEPP main units during its power generation in a lower pond that will be created by constructing a small dam along the Angat River downstream of AHEPP's tailrace.

'These ARORP and AOP seek to support the performance of the AHEPP to continuously supply 97 percent of the domestic water requirements for a population of about 13 million; generate 246 megawatts of power for the Luzon Grid; and irrigate hectares of rice land in the provinces of Bulacan and Pampanga,' the company said.

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By way of response to the Exchange, we advise that San Miguel Global Power Holdings Corp., through its subsidiary, San Roque Hydro Power Inc., an affiliate of San Miguel Corporation, submitted for the consideration of the Department of Environment and Natural Resources ("DENR") proposals for: (i) the 4-megawatt Angat Run-of-River Project and (ii) the Angat Optimization Project in Norzagaray, Bulacan (collectively the "Proposals"), to harness and maximize the flow of the Angat River for hydroelectric power generation of the existing capacity of the 200MW Main Units of Angat Hydroelectric Power Plant and address the projected increase in the power demand from the Luzon Grid, as reported in the aforementioned article. Further disclosures shall be made to the Exchange in the event of any amendment or change in the Proposals and any action by the DENR on the Proposals.

Very truly yours,



FERDINAND K. CONSTANTINO
Corporate Information Officer