



March 14, 2022

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

Attention: **Janet A. Encarnacion**
Head, Disclosure Department

Gentlemen:

We reply with respect to the news article entitled "SMC Prestige Power eyes 600-MW Leyte LNG plant" posted in manilastandard.net on March 11, 2022, which reported in part that:

"Prestige Power Resources Inc., a unit of SMC Global Power Holdings Corp., plans to build a 600-megawatt liquefied combined cycle power plant in Barangay Tugas, Tabangao, Leyte at a cost of P41.49 billion.

PPRI said in a statement the project would contribute 600 MW to the grid as baseload power plant to meet the country's rising power supply requirements.

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'As required by the Department of Energy, the company will develop a reliable, efficient, and cost-effective energy resource. PPRI proposes to use LNG—the cleanest of all fossil fuels—to provide energy in a manner that is safe to the environment, the company said.

Construction is expected to begin in the third quarter of 2022 and commercial operations by the first quarter of 2025.

PPRI submitted the documents as part of its requirements to the Department of Environment and Natural Resources for public scoping.

San Miguel Corp., SMC Global's parent, has been pursuing the development of LNG to meet the country's growing power needs as it shies away from building more coal-fired power plants.

Reliance Energy Development Inc., another SMC Global subsidiary, also plans to develop a 300-MW LNG combined cycle power plant at the San Carlos City Ecozone in San Carlos City, Negros Occidental at a cost of P18.5 billion

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By way of response to the Exchange, we advise and confirm that Prestige Power Resources Inc. and Reliance Energy Development Inc., both wholly-owned subsidiaries of SMC Global Power Holdings Corp., the 100% owned holding company of San Miguel Corporation engaged in the power and energy business, contemplate to construct, operate and maintain liquified combined cycle natural gas plants in Tabango, Leyte, and San Carlos City, Negros Occidental, with capacities of 600MW and 300MW at estimated costs of P41.49B and P18.5B, respectively. Both plants will utilize fossil fuels to provide energy in a manner safe to the environment, as reported in the aforementioned news article.

Subject to the issuance of the relevant governmental licenses and permits, the construction of the plants refer to above is expected to start sometime in the third quarter of 2022 and the commercial operations of Tabango, Leyte plant is projected to commence by the first quarter of 2025, while the commencement of the operations of the San Carlos City, Negros Occidental plant is by third quarter of 2025.

Very truly yours,



FERDINAND K. CONSTANTINO
Corporate Information Officer