

May 3, 2024

MR. NORBERTO MORENO, JR.

OIC, Disclosure Department
PHILIPPINE STOCK EXCHANGE, INC.
6TH Floor, PSE Tower
5th Avenue corner 28th Street
Bonifacio Global City,
Taguig City

ATTY. SUZY CLAIRE R. SELLEZA

Head – Issuer Compliance and Disclosure Department
PHILIPPINE DEALING & EXCHANGE CORP.
29th Floor, BDO Equitable Tower
8751 Paseo de Roxas, Makati City 1226

Gentlemen:

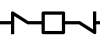
We reply to your letter dated May 3, 2024 (received thru EDGE Submission System at 9:39 a.m.) requiring us to clarify and/or confirm the information contained in the news articles entitled:

“Power distributor Manila Electric Co. (Meralco) plans to build micro modular nuclear power plants to energize remote areas in the Philippines within the next four years.

‘Our goal is to be able to start an operational plant perhaps in one of the island provinces to produce power and demonstrate that it’s a safe mode of producing power,’ Meralco chair Manuel V. Pangilinan said. ‘We hope to do that certainly well before 2028.’

The International Atomic Energy Agency defines micro modular reactors as advanced nuclear reactors with capacity of up to 300 megawatts (MW) per unit or about one-third of the capacity of traditional nuclear power reactors. Ideally, these are constructed in smaller areas.

....



customercare@meralco.com.ph



www.meralco.com.ph



Home: +63(2) 16211
Businesses: +63(2) 16210



Meralco Operating Center,
Ortigas Avenue, Pasig City
1600 Philippines



Pangilinan said it would be important to craft ‘a fairly modest proof-of-concept plan’ to build such small nuclear plants. ‘His group is prepared to do so ‘whatever the size might be—5 to 10 MW and located in a safe place,’ he stressed.

They will conduct due diligence on the potential sites and come up with detailed analysis of the local and regulatory landscapes, which are seen vital to the deployment of nuclear technologies.

Aperocho said the full-on study was ‘progressing’ although they were ‘just negotiating on the cost.’


....”

With reference to the above news article, we would like to confirm the statements attributed to our Chairman and CEO, Mr. Manuel V. Pangilinan, and our Executive Vice-President and COO, Mr. Ronnie L. Aperocho, regarding the Company’s plans to build micro-nuclear power plants to energize remote areas in the Philippines within the next four years.

In addition, please be informed that the Company has completed the prefeasibility study within its franchise area for the possible deployment of Micro Modular Reactor (“MMR”) and Fully Ceramic Micro-encapsulated (“FCM”) nuclear fuel technologies. In cooperation with US-based Ultra Safe Nuclear Corporation (“USNC”), The Company plan to proceed with the full feasibility study that will cover site-specific assessment and detailed analysis of local and regulatory landscapes that are crucial to the deployment of nuclear technologies. This is part of the Company’s commitment to adopt next generation clean technologies and is in line with the Department of Energy’s goal of incorporating at least 1,200MW of nuclear energy in the energy mix by the year 2032.

As the full feasibility study is just about to commence, the effect on MERALCO’s business operations is not yet available. The Company will provide the Exchange with updates of relevant developments regarding this matter.

We trust that you will find the foregoing clarification in order.


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

customer@meralco.com.ph



www.meralco.com.ph



Home: +63(2) 16211
Businesses: +63(2) 16210



Meralco Operating Center,
Ortigas Avenue, Pasig City
1600 Philippines

