Corporate News

Meralco looks to DoE on possible sites for nuclear deployment

MANILA Electric Co. (Meralco) is considering 14 areas previously identified by the government as deployment sites for nuclear technology, a company official said.

"We are aligning with the Department of Energy (DoE) because they have looked at 14 sites before. It would be better to wait on what the DoE will say," Meralco Executive Vice-President and Chief Operating Officer Ronnie L. Aperocho told reporters on Monday evening.

Meralco will decide after the pre-feasibility study if it is to conduct a full-blown study, Mr. Aperocho said.

On Nov. 15, Meralco signed a deal with US-based company Ultra Safe Nuclear Corp. (USNC) to study the potential deployment of one or more micro-modular reactor (MMR) systems in the Philippines.

Under the deal, USNC will conduct a pre-feasibility study that will run for four months to familiarize Meralco with MMR systems and how to effectively use them.

The power distribution utility will then have the option to conduct a more

detailed feasibility study with a focus on the adoption and deployment of MMR energy sys-

"But it's like the stars are aligned, <tinyurl.com/2vj44a8k> right? The 123

tems.

agreement of the government and the House Bill 9293 has been approved, it's already in the Senate," Mr. Aperocho said in mixed English and Filipino.

The Philippines and the United States signed the Agreement for Cooperation Concerning Peaceful Uses of Nuclear Energy, or the so-called "123 Agreement," which will set the legal framework for potential nuclear power projects with US providers.

Meanwhile, House Bill 9293, which seeks to create the Philippine Atomic Energy Regulatory Authority, hurdled second reading approval last week at the House of Representatives.

Manuel V. Pangilinan, chairman and chief executive officer of Meralco, told reporters separately that the company asked USNC if it could buy a modular plant as proof of concept that it could employ.

"So at least we have experienced how to build and operate a small nuclear plant," Mr. Pangilinan said.

Asked about where nuclear technology can be

deployed, Mr. Pangilinan said: "It must be [within] certain geologic conditions, I suppose. So let's see. Let's wait for the results." – Sheldeen Joy Talavera

Philex unit secures \$100-M loan

PHILEX MINING Corp. said on Tuesday that its subsidiary Silangan Mindanao Mining Co., Inc. had signed a \$100-million debt facility for its mining project in Surigao del Norte.

In a regulatory filing, Philex Chief Executive Officer Eulalio B. Austin said the loan, signed on Nov. 20, would fund the ongoing development of the Silangan copper-gold mine.

The company earlier conducted a stock rights offering that raised P2.6 billion for its Silangan mine sites.

Philex Senior Vice-President and Chief Financial Officer Romeo B. Bachoco said the proceeds of the rights offering were used to start the development of the project's first phase.

Mr. Bachoco added that the first phase, which covers the Boyongan ore deposit, has an estimated mine life of 28 years based on its declared mineable reserves of 81 million tons at 0.67% copper and 1.13 grams per ton of gold.

The site contains an estimated recoverable copper of 993 million pounds and 2.8 million ounces of gold.

Philex added that development continues with ongoing underground tunneling at 35% or 210 meters to the ore body.

"Clearing works and access road to the tailings storage facility (TSF) area are nearing completion with the issuance of the permit by the Municipality of Sison. Surigao del Norte for the construction of the TSF," it said.

The company added it is in the final stages of evaluating proposals and is set to award the contract for the facility and the processing plant.

In 2021, the company placed development cost at \$224 million for an estimated 571 tons worth of mineral resources.

The Silangan project is set to initially process 2,000 tons of ore per day until this reaches 12,000 tons or four million tons annually upon its completion.

The lenders are Union Bank of the Philippines, Inc., Security Bank Corp. and Bank of the Philippine Islands, with BDO Capital and Investment Corp. as lead arranger.

For the third quarter, Philex's attributable net income declined to P139.84 million, 41.7% lower than P239.67 million in the same period last year.

Its revenues dropped by 11.8% to P1.8 billion from P2.04 billion the prior year.

Philex is one of three Philippine units of Hong Kong-based First Pacific Co. Ltd., the others being Metro Pacific Investments Corp. and PLDT Inc.

Hastings Holdings, Inc., a unit of PLDT Beneficial Trust Fund subsidiary MediaQuest Holdings, Inc., has interest in BusinessWorld through the Philippine Star Group, which it controls.

On Tuesday, Philex shares rose by 1.06% or three centavos to P2.86 apiece. – Adrian H. Halili

JG Summit unit completes Batangas solar project

MERBAU CORP., the renewable energy (RE) arm of the Gokongwei-led JG Summit Holdings, Inc., has completed a 13.811-megawatt-peak rooftop-mounted solar project in Batangas City, the company said on Tuesday.

In a media release, Merbau said the solar project will provide the energy requirements of JG Summit's petrochemical complex. The complex houses the manufacturing plants of JG Summit Olefins Corp. (JGSOC) and the packaging division of Universal Robina Corp. (URC).

"The project aims to reduce power consumption sourced from both the in-house produced and from the national grid. This will also result to significant reduction of greenhouse gas (GHG) emissions through the use of renewable energy sources," the company said.

JG Summit is expecting to generate an annual energy savings of 17.8 gigawatthours and GHG emission reduction of 17,000 tons from both JGSOC and URC warehouses and building offices within the complex.

"This milestone marks a significant step in our journey as we aim to become a leading renewable energy company in the country," Merbau President and Chief Executive Officer Patrick Henry C. Go said.

Merbau partnered with Upgrade Energy Philippines, Inc. (UGEP) as its engineering, procurement and construction contractor.

"The project reinforces UGEP's commitment as a leading player in the country's energy transition goals and demonstrates our dedication to driving sustainable solutions and contributing to a greener future," said UGEP President and Chief Executive Ruth Yu-Owen.

The construction of the solar project started in August last year and was rolled out into two phases. The first phase was completed in December 2022 with a capacity of 5.8 megawatts (MW) while the second phase was completed in April with a capacity of eight MW.

Mr. Go said the company is eyeing partnerships for projects with Robinsons Land Corp., URC, Cebu Pacific, as well as other companies within the Gokongwei group of companies.

"We also plan to expand our RE portfolio to be able to deliver power to eligible end-users outside of the Group in our commitment to solidify our dedication to sustainable and innovative energy solutions," Mr. Go said.

On Monday, JG Summit said that its board had approved the proposal to infuse up to P11 billion into JGSOC to pay off the latter's maturing obligations and to support its operations.

JG Summit reported a third-quarter attributable net income of nearly P5 billion, higher by almost three-fold from P1.89 billion in the same quarter last year.

Gross revenues rose by 23.8% to P87.94 billion from P71.04 billion a year earlier.

Shares of the company went down by P0.85 or 2.2% to close at P37.85 apiece. -**Sheldeen Joy Talavera**

BALANCE SHEET (Head Office and Branches) As of September 30, 2023 A S S E T S					CONSOLIDATED BALANCE SHEET (Bank and Financial Subsidiaries) As of September 30, 2023						
					A S S E T S						
		Current Quarter		Previous Quarter			Current Quarter		Previous Quarter		
Cash and Cash Items Due from Bangko Sentral ng Pilipinas (BSP) Due from Other Banks Financial Assets at Fair Value through Profit or Loss Available-for-Sale Financial Assets-Net Held-to-Maturity (HTM) Financial Assets-Net Loans and Receivables-Net: Interbank Loans Receivable Loans and Receivables-Others General Loan Loss Provision Other Financial Assets Equity Investment in Subsidiaries, Associates, and Joint Ventures-Net Bank Premises, Furniture, Fixture & Equipment-Net Real and Other Properties Acquired-Net Other Assets-Net	Ρ	9,948,369,841,96 41,297,603,538,14 11,520,821,716,89 11,548,153,648,42 133,617,567,382,16 70,474,388,313,66 500,182,545,551,36 5,567,522,847,27 496,945,992,283,87 4,855,378,539,81 4,075,380,467,21 4,033,629,925,56 127,644,842,715,56	Ρ	11,208,974,774.12 39,140,593,679.09 7,665,543,425.77 13,006,767,528.26 136,235,743,662.83 69,942,710,671.36 482,023,468,682.17 7,781,691,099,62 476,223,122,026.16 1,981,344,443.61 5,958,539,769.33 4,696,392,909.75 4,036,796,952.52 3,350,215,830.53 123,972,390,345.50	Cash and Cash Items Due from Bangko Sentral ng Pilipinas (BSP) Due from Other Banks Financial Assets at Fair Value through Profit or Loss Available-for-Sale Financial Assets-Net Held-to-Maturity (HTM) Financial Assets-Net Loans and Receivables-Net: Interbank Loans Receivable Loans and Receivables-Others General Loan Loss Provision Other Financial Assets Equity Investment in Subsidiaries, Associates, and Joint Ventures-Net Bank Premises, Furniture, Fixture & Equipment-Net Real and Other Properties Acquired-Net Other Assets-Net	Ρ	9,948,369,841,96 41,297,603,538,14 11,567,559,549,10 11,558,585,772,91 133,648,787,011,76 70,474,388,313,66 498,534,937,300,65 5,567,522,847,27 495,298,597,026,44 2,331,182,573,06 6,437,243,335,86 2,556,626,508,98 5,955,927,404,11 4,034,404,826,04 130,396,523,408,99	Ρ	11,208,974,774,12 39,140,593,679.09 7,709,537,910.57 13,007,424,193.59 136,265,073,354.83 69,942,710,671.36 480,466,416,007.47 7,781,691,099.62 474,666,212,163.61 1,981,487,255.76 5,955,353,619.13 2,514,469,923,84 5,674,908,360.84 3,350,990,731.01 129,963,626,086,78		



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TOTAL ASSETS		127,644,842,715.96	_	123,972,390,349.50
	P	925,639,818,438.89	Ρ_	901,238,138,235.23
	<u></u>			
nancial Liabilities at Fair Value through Profit or Loss posit Liabilities ue to Other Banks Is Payable: Interbank Loans Payable Other Deposit Substitute	Ρ	1,958,839,464.76 563,762,888,460.00 868,115,324.66 42,676,903,316.87 121,769,958,22 42,555,133,358.65	٩	2,631,019,491.14 527,202,629,499,00 329,952,500.32 63,515,362,680,83 15,238,367,269,40 48,276,995,411.43
Others onds Payable-Net her Financial Liabilities her Liabilities		- 48,898,804,714.51 13,059,055,393.21 123,840,439,361.06		- 47,038,963,812.20 11,493,810,189.93 120,234,143,142.32
TOTAL LIABILITIES	P	795,065,046,035.07	P	772,445,881,315.74
STOCKHOLDERS' EG				
pital Stock her Capital Accounts tained Earnings	P	46,186,416,799.90 (2,338,597,354.07) 86,726,952,957.99	۴	46,186,416,799.90 (4,121,112,838.41) 86,726,952,958.00
TOTAL STOCKHOLDERS' EQUITY	P	130,574,772,403.82	P	128,792,256,919.49
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	P	925,639,818,438.89	P	901,238,138,235.23
CONTINGENTACCO	UNTS		_	
rformance Standby Letters of Credit	P	42,212,807,093.14	P	35,129,702,173.14
mmercial Letters of Credit ade Related Guarantees mmitments tot Foreign Exchange Contracts ust Department Accounts: Trust and Other Fiduciary Accounts Agency Accounts erivatives hers		8,332,147,698,35 524,326,163,49 93,649,447,936,30 71,764,681,095,91 106,913,006,084,68 51,590,177,700.19 55,322,828,384,49 380,991,700,009,65 3,640,686,787,50		10,670,703,595.84 743,935,976.31 84,536,548,457.90 26,262,727,813.41 103,400,057,044.54 50,832,212,813.61 52,567,844,230,93 298,117,025,823.56 1,120,853,803.61
TOTAL CONTINGENT ACCOUNTS	P	708,028,802,869.02	P	559,981,554,688.31
DDITIONAL INFORMATION	_			
Gross total loan portfolio (TLP) Specific allowance for credit losses on the TLP	۴	515,060,838,409.65 12,547,323,278.51	۴	497,196,629,821.09 13,191,816,695.31
Non-Performing Loans (NPLs) a) Gross NPLs b) Ratio of gross NPLs to gross TLP (%) c) Net NPLs d) Ratio of Net NPLs to gross TLP (%) e) Ratio of total allowance for credit losses to gross NPLs (%)		16,214,050,607.80 3.15 5,332,600,693.60 1.04 91,76		15,191,383,119.61 3.06 4,354,315,044.20 0.88 99.88
f) Ratio of specific allowance for credit losses on the gross TLP to gross NPLs (%) Classified Loans & Other Risk Assets, gross of allowance for credit losses DOSRI Loans and receivables, gross allowance of credit losses Ratio of DOSRI loans and receivables, gross of allowance for credit losses, to gross TLP (9 Gross non-performing DOSRI loans and receivables	6)	77.39 22,289,000,000.00 10,529,131,766.18 2.04 –		86.84 22,289,000,000.00 10,030,770,321.91 2.02 –
Ratio of gross non-performing DOSRI loans and receivables to TLP (%) Percent Compliance with Magna Carta (%) a) 8% for Micro and Small Enterprises b) 2% for Medium Enterprises		- 0.93 3.32		- 0.83 3.00
 Return on Equity (ROE) (%) Capital Adequacy Ratio (CAR) on Solo Basis, as prescribed under existing regulations Total CAR (%) Ter 1 Ratio (%) 		7.32 15.91 15.04		7.28 16.73 16.42
 c) Common Tier 1 Ratio (%) c) Deferred Charges not yet Written Down Unbooked Allowance for Credit Losses on Financial Instruments Received 		15.04		16.42
 Basel III Leverage Ratio on Solo Basis, as prescribed under existing regulations Tier Capital 		100,852,347,917.29 967,263,025,292.53		104,061,612,129.27 927,374,999,027.63
b) Exposure Measure c) Leverage Ratio (%)		10.43		11.22

We, Sanjiv Vohra and Eduardo M. Olbes of the above mentioned bank do solemnly swear that all matters set forth in the above balance sheet are true and correct

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erforman ommerci ade Rela ommitm oot Forei	nce Standby Letters of Credit	LDERS'EQUITY		r	130,574,772,403.82	P	128,792,256,919.49
ommerci ade Rela ommitm oot Forei				P	926,410,956,812.16	Ρ	905,200,079,312.63
ommerci ade Rela ommitm oot Forei			CONTINGENT ACCOU	NTS			
Trust ar	ign Exchange Contracts artment Accounts: nd Other Fiduciary Accounts y Accounts			P	42,212,807,093,14 8,332,147,698,35 524,326,163,49 93,649,447,936,30 71,764,681,095,91 106,913,006,084,68 51,590,177,700,19 55,322,828,384,49 380,991,700,009,65 3,640,686,787,50	Ρ	35,129,702,173,14 10,670,703,595,84 743,935,976,31 84,536,548,457,90 26,262,727,813,41 103,400,057,044,54 50,832,212,813,61 52,567,844,230,93 298,117,025,823,56 1,120,853,803,61
TOTAL	CONTINGENT ACCOUNTS			P	708,028,802,869.02	Ρ_	559,981,554,688.31
			to shorten corporate term on Dece rescribed under existing regulatio		1, 2023)		
a) To b) Ti	otal CAR (%) ĩer 1 Ratio (%) common Equity Tier 1 Ratio (9				16.34 15.46 15.46		17.06 16.75 16.75
a) Ti b) Ex	III Leverage Ratio on Conso E ier Capital xposure Measure everage Ratio (%)	Basis, as prescribed unc	er existing regulations		104,708,949,925.17 971,890,978,666.96 10.77		107,759,298,736.69 935,034,769,524.60 11.52
a) To b) To	dity Coverage Ratio (LCR) on iotal HQLA iotal net cash outflows iquidity Coverage Ratio (%)	Consolidated Basis, as j	orescribed under existing regulati	ons	204,594,527,855.63 117,456,791,161.08 174.19		201,535,080,891.38 110,038,381,953.37 183.15



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(SGD.) SANJIV VOHRA

President

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