



# Q3/9M 2023 Analysts' Briefing

03 November 2023  
Makati City

# Q3 2023 Consolidated Highlights



- Net income and EPS fell 66% to Php 3.4 bn and Php 0.80/share on weaker selling prices, fewer coal shipments and lower net forex gains
- Coal and SCPC accounted for 53% and 46% of earnings, respectively
- Balance sheet remained very healthy, even after Php 20.3 bn of cash dividends (April 2023), capex and debt payment



- Coal contribution plunged 76% to Php 1.8 bn on high base effect and stabilizing market
- ASP down 36% to Php3,315 mainly due to correcting indices and lower quality sold
- Shipments receded 22% to 2.5 MMT on limited commercial grade inventory and anemic external domestic demand



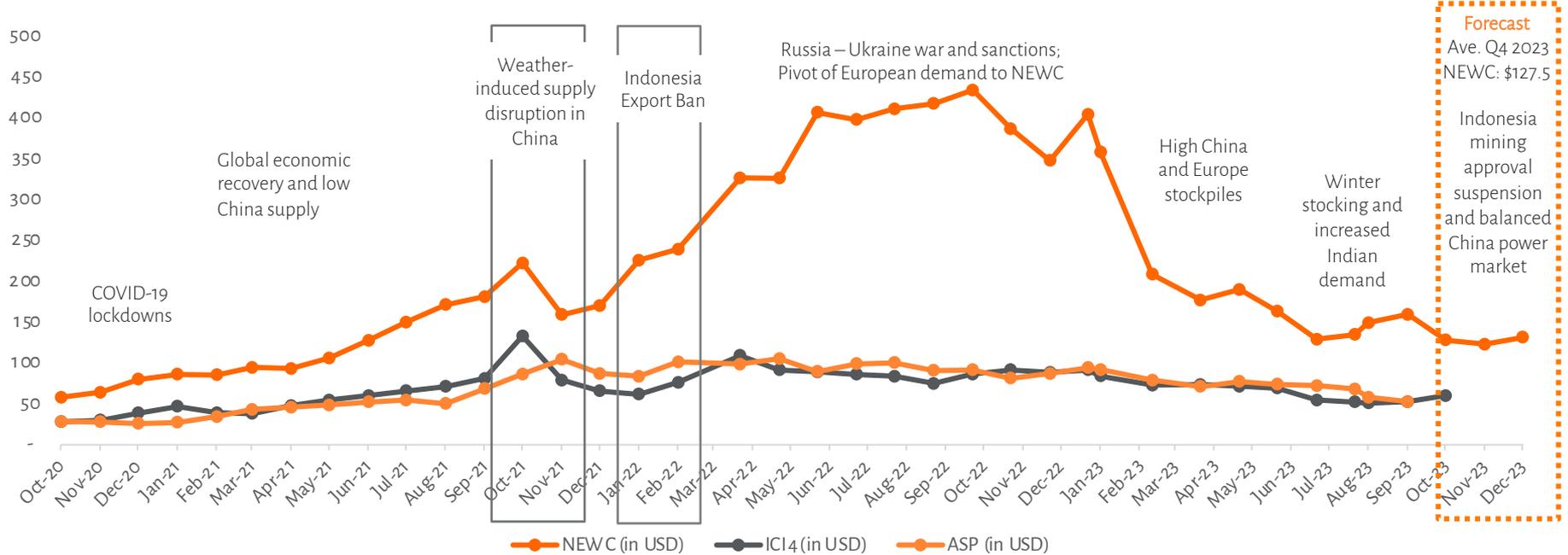
- Power contribution dropped 43% to Php 1.6 bn on lower ASP, cushioned by better SCPC plant performance
- SCPC attributable earnings fell 28% to Php 1.6 bn, while SLPGC broke even with Php 13 mn due to lower plant availability
- Overall ASP down 23% on lower spot and fuel prices; total power sales grew 13% to 1,099 GWh, 68% of which went to spot

# 9M 2023 Consolidated Highlights



- Net income and EPS dropped 37% to Php 22.6 bn and Php 5.32 on stabilizing coal market; second-highest 9M results in corporate history
- Power earnings contribution rise to 38% (from 18%) on better plant performance and sales volume
- Declared Php 14.9 bn in special dividends on October 9; best-ever total annual payout at Php 29.8 bn
- Coal contribution shrank 52% to Php 14.0 bn on lower index prices and shipments
- ASP fell 23% to Php 4,042/MT on normalizing indices and higher non-commercial grade coal sales; shipments down 12% to 10.5 MMT on fewer exports
- Average NEWC almost halved (48%) to USD 186, while ICI4 dropped 23% to USD 65, as global energy market adjusted to last year's supply disruption
- Power segment contribution surged 31% to Php 8.6 bn mainly due to better plant operations, driven by resumption of SCPC Unit 2
- SCPC earnings expanded 41% to Php 7.0 bn, while SLPGC income rose 1% to Php 1.7 bn
- Total power sales improved 24% to 3,437 GWh, 68% sold to spot; ASP up 2% to Php 5.75/KWh largely on more spot sales

# Possible Q4 price uptick on Indonesian supply crunch

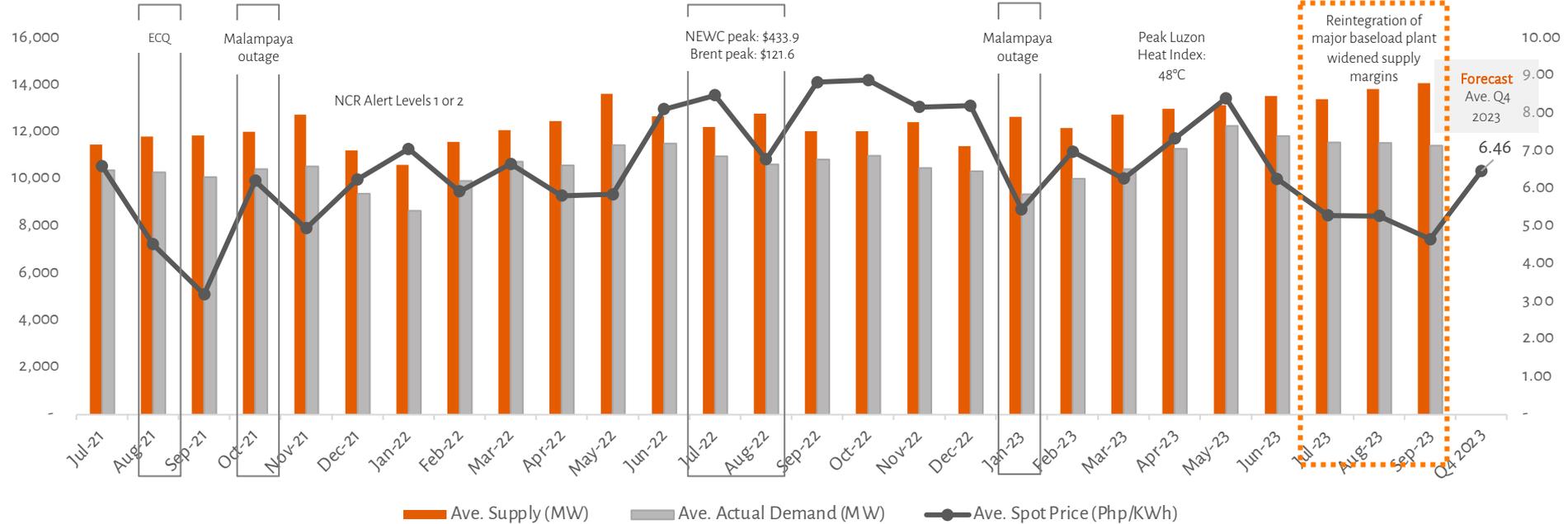


	Q3 2023	Q3 2022	Change	Q2 2023	Change	9M 2023	9M 2022	Change
<b>Ave. NEWC</b>	147.8	420.7	-65%	160.7	-8%	185.5	353.8	-48%
<b>Ave. ICI4</b>	52.0	81.7	-36%	65.1	-20%	64.7	84.3	-23%

\*ASP Conversion: USD/PHP = 49.61 (2020 ave.), 49.25 (2021 ave.), 54.48 (2022 ave) and 55.49 (9M 2023 ave)  
\*\*2023 NEWC and ICI prices as of October 25, 2023



# Rising demand and lower hydro output to lift Q4 prices



	Q3 2023	Q3 2022	Change	Q2 2023	Change	9M 2023	9M 2022	Change
<b>Ave. Spot Price</b>	5.07	8.02	-37%	7.32	-31%	6.20	7.05	-12%

Source: Wholesale Electricity Spot Market (WESM)



# Best-ever 9M power results temper coal decline

In PHP mn	Q3 2023	Q3 2022	Change	9M 2023	9M 2022	Change
Coal	1,799	7,368	-76%	13,966	29,367	-52%
SCPC	1,577	2,188	-28%	6,954	4,941	41%
SLPGC	13	585	-98%	1,656	1,634	1%
Others	12	9	33%	39	12	225%
<b>Total</b>	<b>3,401</b>	<b>10,150</b>	<b>-66%</b>	<b>22,615</b>	<b>35,954</b>	<b>-37%</b>

Q/Q		Q3 2023	Q2 2023	Change	Q3 2021	Change
	Coal	1,799	6,893	-74%	3,149	-43%
	Power	1,602	3,292	-51%	863	86%
	<b>Total</b>	<b>3,401</b>	<b>10,185</b>	<b>-67%</b>	<b>4,012</b>	<b>-15%</b>

## Consolidated Highlights

- Q3 and 9M earnings fell double-digits on weaker coal contribution
- 9M 2023 earnings second-highest in history, following best-ever results in 2022
- Coal contributed 53% of Q3 total earnings, followed by SCPC (46%) and SLPGC (1%)
- Q3 power contribution (47%) higher YoY (27%), QoQ (32%) and versus 2021 (22%)
- Lower Q3 and 9M intercompany eliminations on narrower gross margins in coal sales and higher ending inventory in power segment

# Stabilizing energy markets and rainy season persist in Q3

In PHP mn	Q3 2023	Q3 2022	Change	9M 2023	9M 2022	Change
Revenues	11,628	21,159	-45%	56,201	73,167	-23%
COS – Cash Cost	5,566	5,384	3%	17,980	17,097	5%
<b>Core EBITDA</b>	<b>4,300</b>	<b>11,389</b>	<b>-62%</b>	<b>27,926</b>	<b>40,031</b>	<b>-30%</b>
Depreciation	1,358	1,428	-5%	4,438	4,384	1%
<b>Core Net Income</b>	<b>3,401</b>	<b>10,150</b>	<b>-66%</b>	<b>22,615</b>	<b>35,954</b>	<b>-37%</b>
<b>Reported NI</b>	<b>3,401</b>	<b>10,150</b>	<b>-66%</b>	<b>22,615</b>	<b>35,954</b>	<b>-37%</b>

In PHP bn	Sep 2023	Dec 2022	Change
Debt*	7.8	10.2	-24%
Ending cash balance	26.8	20.1	33%

\*Bank loans, all long-term

## Consolidated Highlights

- Q3 and 9M revenues drop mainly due to lower coal shipments and prices, partially offset by higher power sales
- Core EBITDA margins narrowed from 54% to 37% in Q3 and 55% to 50% in 9M
- Q3 and 9M COS-Cash Cost rose on higher production and generation costs; total cash costs declined (from Php 9.8 bn to 7.3 bn in Q3 and from Php 33.1 bn to Php 28.3 bn in 9M) as government share fell on weaker coal revenues
- Depreciation movements on higher accounting eliminations due to combined effect of coal production costs and ending coal inventory (power segment)

In PHP mn	Q3 2023	Q3 2022	Change	9M 2023	9M 2022	Change
Revenues	8,129	16,582	-51%	42,443	61,761	-31%
COS – Cash Cost	4,544	4,465	2%	15,090	14,241	6%
Government Share	824	3,595	-77%	7,360	13,689	-46%
<b>Core EBITDA</b>	<b>2,629</b>	<b>8,375</b>	<b>-69%</b>	<b>19,492</b>	<b>33,380</b>	<b>-42%</b>
Depreciation	850	820	4%	2,786	2,525	10%
<b>Reported Net Income (RNI)</b>	<b>2,437</b>	<b>8,363</b>	<b>-71%</b>	<b>17,343</b>	<b>32,412</b>	<b>-46%</b>
Eliminations	638	995	-36%	3,377	3,045	11%
<b>RNI – after elims</b>	<b>1,799</b>	<b>7,368</b>	<b>-76%</b>	<b>13,966</b>	<b>29,367</b>	<b>-52%</b>

In PHP bn	Sep 2023	Dec 2022	Change
Debt*	0.8	1.0	-20%
Ending cash balance	18.0	15.5	16%

\*Bank loans

\*\*Philippine Ports Authority

## Coal Standalone Highlights

- Topline contracted on weaker selling prices and lower shipments; COS-Cash Cost and depreciation upticks mainly due to higher production costs
- Q3 net forex gains declined from Php 768 mn to Php 246 mn on lower export sales and and less favorable forex rates; 9M forex losses at Php 15mn versus Php 1.7 bn forex gains last year
- Q3 Other Income soared 205x from Php 1 mn to Php 206 mn following receipt of PPA\*\* wharfage export fee refund for erroneously paid fees from September 2008 to December 2014
- Debt level down on regular loan amortization

	Q3 2023	Q3 2022	Change
Strip Ratio (S/R)			
Aggregate*	18.1	10.0	81%
Effective**	18.1	10.0	81%
<b>Production (in MMT)</b>	<b>2.8</b>	<b>3.5</b>	<b>-20%</b>
<b>Sales Volume (in MMT)</b>	<b>2.5</b>	<b>3.2</b>	<b>-22%</b>
Exports	0.5	1.1	-55%
Domestic	2.0	2.1	-5%
Own Power Plants	1.0	0.7	43%
Other Power Plants	0.7	1.0	-30%
Industrial Plants	0.1	0.2	-50%
Cement	0.2	0.2	0%
<b>ASP (in Php / MT)</b>	<b>3,315</b>	<b>5,173</b>	<b>-36%</b>
Commercial-Grade Coal Ending Inventory (in MMT)***	1.9	1.7	12%

\*Actual S/R for Molave and Narra mines during the period

\*\* Expensed S/R

\*\*\*Includes inventory for 5,600, 5,300 and 5,100 kcal/kg quality coal

## Coal Standalone Highlights

- Elevated S/R and reduced production mainly due to heavier rainfall in July and August (454 mm vs 625 mm), ongoing stripping activities in Molave South Block 6, East Block 5 and Narra North Block 1
- Molave and Narra S/Rs reached 50.6 and 10.7, respectively; Narra mine accounted for 81% of total Q3 production
- Full-year S/R adjusted to 12.8 (from 12.09 in previous guidance)
- Sales dropped as insufficient commercial-grade inventory curbed South Korea shipments; South Korea remained top export market (57%), followed by China (34%) and Brunei (9%)
- Domestic sales lower on anemic demand from external buyers

NOTE: For 9M Highlights, refer to page 37

In PHP mn	Q3 2023	Q3 2022	Change	9M 2023	9M 2022	Change
Revenues	3,997	3,931	2%	14,055	9,752	44%
COS – Cash Cost	1,785	1,137	57%	5,976	3,532	69%
<b>Core EBITDA</b>	1,801	2,462	<b>-27%</b>	6,772	5,261	29%
Depreciation	382	362	6%	1,143	1,082	6%
<b>Reported Net Income (RNI)</b>	1,117	1,488	<b>-25%</b>	4,330	2,966	46%
Eliminations	460	700	<b>-34%</b>	2,624	1,975	33%
<b>RNI – after elims</b>	1,577	2,188	<b>-28%</b>	6,954	4,941	41%

In PHP bn	Sep 2023	Dec 2022	Change
Debt*	6.0	7.6	<b>-21%</b>
Ending cash balance	5.1	2.6	96%

\*Bank loans

## SCPC Standalone Highlights

- Better Q3 and 9M topline largely due to improved plant performance; disproportionate growth in Q3 and 9M Cash Costs due to higher sales and generation costs, coupled with increased taxes and insurance premium
- Lower replacement power purchased in Q3 (from Php 90 mn to Php 6mn); 9M spot buys plummeted from Php 174 mn to Php 58 mn
- Q3 and 9M EBITDA margins narrowed to 45% and 48% (from 63% and 54%), respectively, on lower selling prices
- Q3 provision for income taxes fell on lower taxable earnings; 9M provision surged by 47%

	Q3 2023	Q3 2022	Change
<b>Plant Availability (in %)</b>	<b>99%</b>	<b>51%</b>	<b>94%</b>
Unit 1	100%	99%	1%
Unit 2	98%	2%	4,800%
<b>Average Capacity* (in MW)</b>	<b>391</b>	<b>414</b>	<b>-6%</b>
<b>Gross Generation (in GWh)</b>	<b>856</b>	<b>522</b>	<b>64%</b>
<b>Sales Volume (in GWh)</b>	<b>783</b>	<b>491</b>	<b>59%</b>
BCQ	97	85	14%
Spot	686	406	69%
<b>ASP (in Php/KWh)</b>	<b>5.10</b>	<b>8.01</b>	<b>-36%</b>
BCQ	4.28	6.84	-37%
Spot	5.22	8.26	-37%

\*Running days, Unit 2 commissioning commenced on August 28, 2022

## SCPC Standalone Highlights

- Plant availability almost doubled on re-energization of Unit 2 on October 9, 2022 and near-continuous operations of both plants (2 days vs 90 days in 2022)
- Total average capacity down on occasional deration of both plants, largely due to Unit 2 generation vibration issues
- Sales volume up double digits, bulk (88%) of which went to the spot market
- As of September 30, 2023, 45MW or 11% of dependable capacity (410 MW) contracted; 56% of contracts have fuel passthrough provision, all set to expire in 2030 and beyond
- Sharp ASP drop cushioned by higher spot sales volume; Net WESM seller for both periods (686 GWh vs 395 GWh in 2022)

NOTE: For 9M Highlights, refer to page 38

In PHP mn	Q3 2023	Q3 2022	Change	9M 2023	9M 2022	Change
Revenues	1,296	2,119	-39%	5,717	5,871	-3%
COS – Cash Cost	803	1,418	-43%	2,461	3,363	-27%
<b>Core EBITDA</b>	96	390	-75%	2,129	1,570	36%
Depreciation	327	334	-2%	977	988	-1%
<b>Reported Net Income (RNI)</b>	(123)	53	-332%	943	549	72%
Eliminations	136	532	-74%	713	1,085	-34%
<b>RNI – after elims</b>	13	585	-98%	1,656	1,634	1%

In PHP bn	Sep 2023	Dec 2022	Change
Debt*	1.0	1.7	-41%
Ending cash balance	3.5	1.8	94%

\*Bank loans

## SLPGC Standalone Highlights

- Q3 and 9M revenues declined on lower plant availability, sales volume and spot prices
- COS-Cash Cost fell faster on lower output and generation costs
- Q3 and 9M replacement power purchases plunged 30% and 43% to Php 283 mn and Php 608 mn (from Php 406 mn and Php 1.1 bn), respectively
- Q3 Core EBITDA margin narrowed from 18% to 7% on anemic ASP, while 9M margin widened from 27% to 37% on better 9M ASP
- Steep decline in eliminations on lower coal prices and consumption

	Q3 2023	Q3 2022	Change
<b>Plant Availability (in %)</b>	<b>59%</b>	<b>78%</b>	<b>-24%</b>
Unit 1	33%	69%	-52%
Unit 2	85%	88%	-3%
<b>Average Capacity* (in MW)</b>	<b>222</b>	<b>283</b>	<b>-22%</b>
<b>Gross Generation (in GWh)</b>	<b>311</b>	<b>489</b>	<b>-36%</b>
<b>Sales Volume (in GWh)</b>	<b>316</b>	<b>479</b>	<b>-34%</b>
BCQ	256	368	-30%
Spot	60	111	-46%
<b>ASP (in Php/KWh)</b>	<b>4.10</b>	<b>4.42</b>	<b>-7%</b>
BCQ	4.07	3.29	24%
Spot	4.23	8.16	-48%

\*Running days

## SLPGC Standalone Highlights

- Plant availability, average capacity, gross generation and sales slumped on higher outage days (76 days vs 40 days in 2022)
- Reduced Unit 1 availability stemmed from excessive turbine movement and high axial displacement; both units also had coal coking and silo blocking incidents
- Bulk (81%) of power sales went to bilateral contracts, prioritizing commitments; BCQ sales down on lower beginning capacity from 169.90 (June 2022) to 143.7 MW (June 2023)
- As of September 30, 121.20MW of 300MW dependable capacity contracted, with no fuel passthrough provision; 8% and 83% of contracted capacity expiring in Q4 2023 and Q4 2024, respectively
- Net market seller at 13 GWh (from 63 GWh in 2022)

NOTE: For 9M Highlights, refer to page 39

# Coal Segment Guidance and Updates

## Sales Target



2023 and 2024

**15 to 16 MMT**

## Target Market



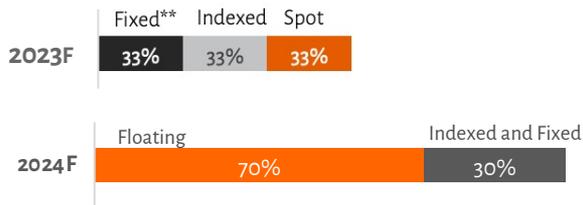
2023 and 2024

Domestic  
55%



Exports  
45%

## Pricing Target

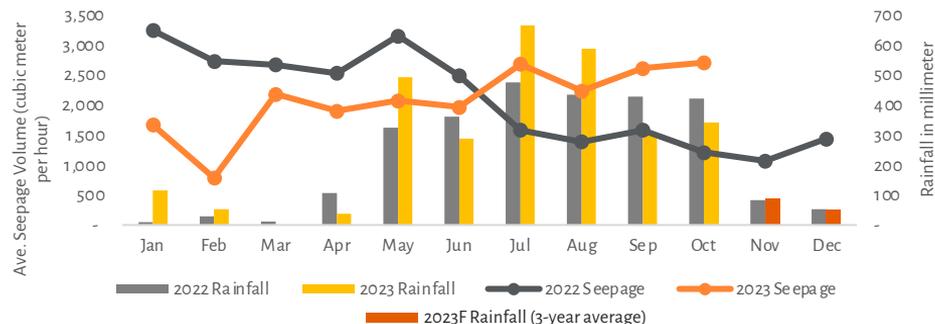


\*Mine plan as of October 2023; subject to change

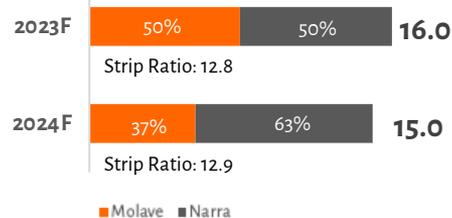
\*\*Ongoing negotiations

## Rainflow and Seepage Levels

Elevated rainflow levels in July and August; seepage management focused on Narra mine



## Mine Plan\*



Q3 Ending Inventory

**3.0 MMT**

63% commercial-grade

# Power Segment Guidance and Updates

## Potential Supply Contracts

**152 MW**

**61%** Under Evaluation

**39%** For review and execution

## Asset Sale

SLPGC 50MW Gas Turbine Total Sale Price

**US\$12.6M**

Of the total sale price, received Php 406M in Q3 as partial payment (57%), booked under Accounts and Other Payables. Target completion date of sale Q4 2023

## Plant Outages

H2 2023

16 Sep

30 Sep

27 Oct

28 Oct

SLPGC Unit 2  
28 Days  
(completed)

SCPC Unit 2  
13 Days  
(completed)

SLPGC Unit 1  
6 Days  
(ongoing)

SCPC Unit 1  
20 Days  
(ongoing)

## 2023F Outage Days

SCPC Unit 1	32
SCPC Unit 2	32
SLPGC Unit 1	124
SLPGC Unit 2	67

## Insurance Claim

SLPGC 50MW Gas Turbine

**Php 31M**

To cover Q1 2022 forced outages following premature turbine bearing failure

## Spot Market Exposure

**77%** of running dependable capacity (710 MW)

Plant	Net Selling Capacity*	Contracted Capacity	Spot Exposure
SCPC (410MW)	381.3 MW	45.00 MW	336.30 MW
SLPGC (300MW)	270.00 MW	121.20 MW	148.80 MW

\*Net of station service requirement, which varies from time to time

2024

3 Feb

1 Aug

19 Nov

SCPC Unit 2  
80 Days

SLPGC Unit 1  
40 Days

SCPC Unit 1  
30 Days

Generator swapping

# Company Outlook



## Drivers

- Indonesia short-term supply crunch
- Accelerating Indian demand
- Restocked commercial-grade inventory



## Risks

- El Niño and growing demand
  - Efficient fuel management
  - Possible delay in additional new capacity
- 
- Escalating geopolitical tensions
  - Narra water seepage
  - Economic slowdown
- 
- Unplanned and prolonged outages
  - Performance of rewind generator stator
  - Economic slowdown

# Key Takeaways

- Lower Q3 earnings on high base effect and normalizing energy markets
- Second-best 9M for Group and all-time high for the Power segment
- Better Q4 on improving coal and power prices;  
Successful swapping of SCPC Unit 2 generator stator in H1 2024 present significant upside





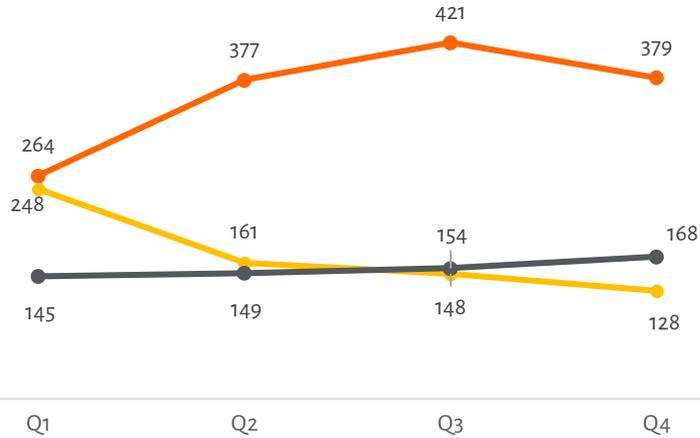
## Annex

- Market Outlook
- ESG Updates
- Consolidated Capex
- Debt Profile
- 9M 2023 Operating Highlights
- Power Segment Highlights
- 2023 Plant Outages Summary
- Statements of Income and Financial Position

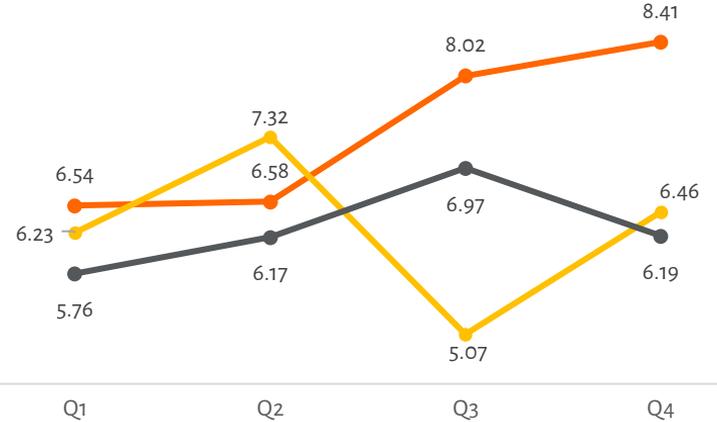


# Market Outlook

## Newcastle Prices (in USD/MT)



## WESM Spot Prices (in Php/KWh)



Note: Quarterly New Castle Prices as of October 25, 2023

	2019	2020	2021	2022	2023F	2024F
<b>NEWC</b>	77.8	60.4	137.3	360.2	172.2	154.0
<b>WESM</b>	4.66	2.27	4.83	7.39	6.27	6.27

—●— 2022  
—●— 2023  
—●— 2024F

# Environmental Stewardship



**BIRDS  
PROTECTED**

**49**  
ENDANGERED  
STATUS

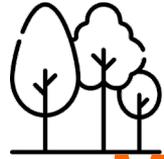
**21**  
VULNERABLE  
STATUS

**21**  
NEAR THREATENED  
STATUS

*Based on IUCN*



**1,2k ha**  
TOTAL REHABILITATED  
AREA



**2.5M**  
SURVIVING  
TREES

# Environmental Stewardship



**1.6k ha**

Habitats Protected  
and Restored



**166**

Animals Rescued or  
Reproduced



**190.0k**

Giant Clams Propagated



**500**

Sea Grass  
Transplanted



**2.1k**

Corals Transplanted



**110**

Reef Balls  
Deployed

# Social Inclusion



**4,563**

Direct Employees



**345 (8%)**

Female Direct Employees



**1,127**

Indirect Employees



**0.50**

LTIFR Employees



**0.23**

LTIFR Contractors

LTIFR = Lost-time Injury Frequency Rate per 150,000 working hours



**67**

Average Training Hours  
(per employee)



**65**

Average Training  
Hours (male)



**84**

Average Training  
Hours (female)



**100%**

New Suppliers Accredited  
Using Social Criteria

# Social Inclusion



## BROADER ACCESS

## EDUCATION AND WELLNESS

1,282

High School Graduates  
from 2003 to October 2023



291

Scholarships  
Granted



1,566

STCI Graduates  
from 2006 to 2023



6

Classrooms  
Built



4,063

DWSSII Graduates  
from 2003 to September 2023



77

Alternative Learning System  
Enrollees from 2021 to  
September 2023

# Social Inclusion



BROADER ACCESS

EDUCATION AND WELLNESS



**1,295**

Patients served since 2022  
medical mission resumptions



**15**

Infirmary Beds



**181,274**

Patients Served by  
Company Infirmary since 2016



**16,213**

Organic Crops  
Produced (in kg)

# Social Inclusion



SUSTAINABLE PARTNERSHIPS

PEOPLE GROUPS

12

Local community partnerships forged



3

Local Women's Organizations Supported



4.0k

Uniforms purchased from Semirara Women's Organization



4

Total Local Seaweed Farmers Supported

# Social Inclusion

06

CLEAN WATER  
AND SANITATION



09

INDUSTRY, INNOVATION  
AND INFRASTRUCTURE



11

SUSTAINABLE CITIES  
AND COMMUNITIES



STRONGER CONNECTIONS

INFRASTRUCTURE AND TRANSPORTATION

100,905

Passengers transported  
since 2016



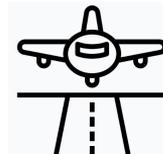
51 km

Roads Built



50.9 km

Roads Maintained



2.2 km

Island Airstrip



1,600

Daily Passengers  
of Free Shuttle System



2,394 sqm

Floor Area of  
Semirara Food Court



1,815 sqm

Floor Area of Semirara  
Wet and Dry Market

# Social Inclusion

## 1,100 patients benefit from SMPC's three-day medical and dental mission

More than a thousand patients received free medical consultations and had their dental issues addressed during the 3-day medical and dental mission facilitated by SMPC Hospital in partnership with Tabang Antique Medical Missions and the Quezon City Dental Association last August 2-4, 2023.



# Social Inclusion

## SMPC distributes seaweed propagules to Caluya seaweed farmers

Integrated energy company Semirara Mining and Power Corporation, in its continued effort to expand its livelihood programs outside of its host island, partnered with the Department of Energy (DOE), the local government of Caluya, and the Bureau of Fisheries and Aquatic Resources to distribute 16,000 kilos of seaweed propagules to seaweed farmers of barangays Sibato and Sibolo in the municipality of Caluya, Antique last August 12-14, 2023.



# Social Inclusion

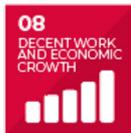
## SMPC donates fishing gear and solar kits to indigent fisherfolks

SMPC provided complementary fishing implements and portable solar kits to all 75 fiberglass boat beneficiaries of its livelihood program last September 13, 2023.

The program, which was launched in 2022, aims to promote sustainable fishing practices in the area and offer an extra source of income and food support to underprivileged fishermen and their families.



# Economic Development



REDUCING POVERTY

EMPLOYMENT AND LIVELIHOOD

4,563

Jobs Generated (Direct Hires)



Php 1.48 B

Employee Payroll



55%

Employees from  
Host Communities



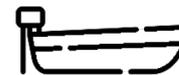
109

Tenants in Semirara Food  
Court and Market



304

Registered MSMEs  
in Semirara Island



75

Motorized Fiberglass  
Boats Donated

# Awards and Recognition

## DMCI Holdings, SMPC recognized for Corporate Governance Excellence

Integrated energy company Semirara Mining and Power Corporation (SMPC), and its parent company DMCI Holdings, have been recognized as the top-performing Philippine listed companies by the esteemed Institute of Corporate Directors (ICD).

DMCI Holdings and SMPC received the prestigious 3 Golden Arrow award, a testament to their sustained commitment to top-tier corporate governance standards. Both entities have been consistently recognized as ASEAN Corporate Governance Scorecard (ACGS) Golden Arrow awardees since 2019.

This recognition emphasizes their unwavering dedication to the principles outlined in the Philippine Code of Corporate Governance and to the adoption of internationally acclaimed corporate governance practices, as endorsed by the ACGS.



# Awards and Recognition

## SEM-Calaca Power Corporation's environmental efforts recognized at Ecological Summit

In its recent Ecological IEC SWM Summit, the DENR-EMB CALABARZON acknowledged SEM-Calaca Power Corporation's continued environmental protection efforts.

The former specifically highlighted SCPC's commitment in carrying out regular clean-up activities in its water bodies and in raising awareness in the implementation of the Philippine Clean Water Act of 2004 (RA 9275).

The summit is held annually to recognize local government units, industries, and other private stakeholders with exemplary performance in environmental protection and to acknowledge their commendable efforts in realizing their environmental programs and activities.



# Awards and Recognition



The Department of Environment and Natural Resources (DENR) Secretary Maria Antonia Yulo Loyzaga lauded SMPC's oil spill efforts, which collected 51,000 kilograms of oil-contaminated debris from the sunken ship in Mindoro.

SMPC was among the organizations recognized during the DENR's "Para Sa Bayan: Milestones and Pathways to Environmental Sustainability" held at the Philippine International Convention Center, Pasay City on July 31, 2023.

# ESG Stories – “Anong Kuwentong Semirara Mo?”



Ms. Recka Mae Mesullo



Mr. Pavel Hospodarsky



# Consolidated Capex

In PHP bn	Q3 2023	Q3 2022	Change
<b>Coal</b>	0.8	0.5	60%
<b>SCPC</b>	0.1	0.4	-75%
<b>SLPGC</b>	0.1	0.1	0%
<b>Total</b>	<b>1.0</b>	<b>1.0</b>	<b>0%</b>

9M 2023	9M 2022	Change
2.4	2.2	9%
0.4	0.9	-56%
0.2	0.5	-60%
<b>3.0</b>	<b>3.6</b>	<b>-17%</b>

In PHP bn	2023F	2022	Change
<b>Coal</b>	3.3	2.5	32%
<b>SCPC</b>	0.8	1.2	-33%
<b>SLPGC</b>	0.6	0.6	0%
<b>Total</b>	<b>4.8</b>	<b>4.3</b>	<b>12%</b>

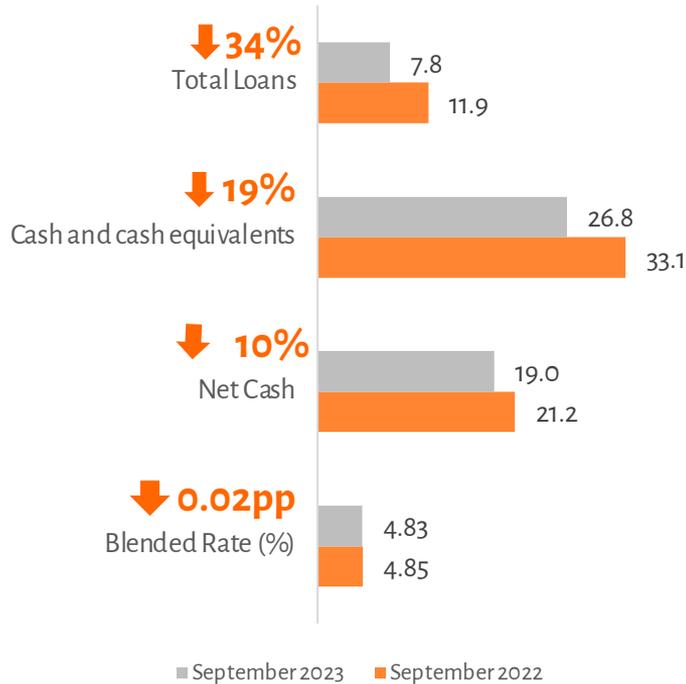
\*Rounding may cause total not to match the sum of parts

## Highlights

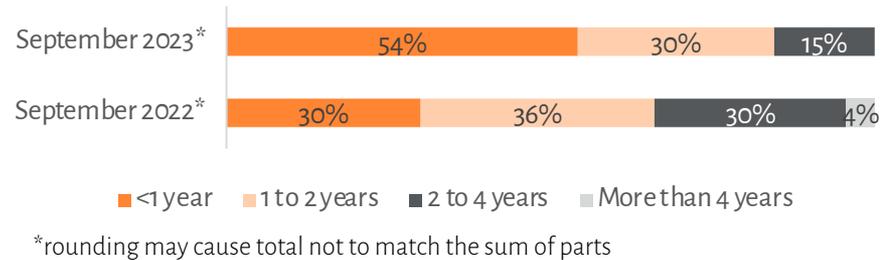
- Q3 capex flat as higher coal capex offset lower SCPC spending, mainly due to reflecting activities and material handling capacity enhancement; SCPC capex lower after Unit 1 planned maintenance in Q4 2022
- Downward adjustment of 2023F from Php 6.1 bn to Php 4.8 bn on deferred spending for other mining equipment acquisition, SCPC Unit 2's rewinding and swapping costs to early 2024
- SLPGC Unit 1 replacement of high-pressure/ intermediate-pressure (HIP) turbine rotor (Php 200 mn) has been put on hold, pending outcome of discussion with the insurers

# Debt Profile In Php bn

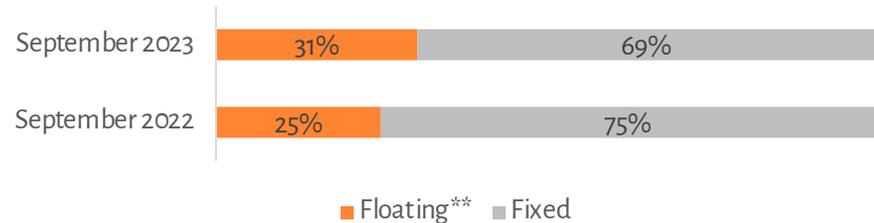
## Loans and Cash Position



## Loan Maturity Schedule



## Floating\*\* and Fixed



\*\*pertains to fixed loans subject to repricing by Q4 2024

	9M 2023	9M 2022	Change
Strip Ratio (S/R)			
Aggregate*	13.0	8.3	57%
Effective**	13.0	8.3	57%
<b>Production (in MMT)</b>	<b>11.8</b>	<b>13.7</b>	<b>-14%</b>
<b>Sales Volume (in MMT)</b>	<b>10.5</b>	<b>11.9</b>	<b>-12%</b>
Exports	4.6	6.0	-23%
Domestic	5.9	5.9	0%
Own Power Plants	2.8	2.0	40%
Other Power Plants	2.1	2.5	-16%
Industrial Plants	0.5	0.6	-17%
Cement	0.5	0.8	-38%
<b>ASP (in Php / MT)</b>	<b>4,042</b>	<b>5,224</b>	<b>-23%</b>
Commercial-Grade Coal Ending Inventory (in MMT)***	1.9	1.7	12%

\*Actual S/R for Molave and Narra mines during the period

\*\* Expensed S/R

\*\*\*Includes inventory for 5,600, 5,300 and 5,100 kcal/kg quality coal

## Coal Standalone Highlights

- Higher S/R and lower production due to stripping activities in Molave South Blocks 5 and 6, East Blocks 5 and 6 (depleted in August) and Narra North Block 1
- Molave accounted for 66% of 9M 2023 production; Molave and Narra S/Rs at 12.1 and 14.9, respectively
- Total sales fell on weaker external sales, cushioned by better own plant sales; Shipments to China and South Korea contracted by 15% from 3.1 MMT to 2.7 MMT and 1.9 MMT to 1.6 MMT, respectively
- China remained as top export market (58%), followed by South Korea (35%), Brunei (3%), Japan (2%) and Vietnam (2%)
- Sharp ASP decline on normalizing indices and increased sales of non-commercial grade coal



	9M 2023	9M 2022	Change
<b>Plant Availability (in %)</b>	<b>94%</b>	<b>48%</b>	<b>96%</b>
Unit 1	96%	95%	1%
Unit 2	93%	1%	9,200%
<b>Average Capacity* (in MW)</b>	<b>403</b>	<b>412</b>	<b>-2%</b>
<b>Gross Generation (in GWh)</b>	<b>2,492</b>	<b>1,459</b>	<b>71%</b>
<b>Sales Volume (in GWh)</b>	<b>2,287</b>	<b>1,378</b>	<b>66%</b>
BCQ	274	175	57%
Spot	2,013	1,203	67%
<b>ASP (in Php/KWh)</b>	<b>6.14</b>	<b>7.08</b>	<b>-13%</b>
BCQ	5.16	5.31	-3%
Spot	6.28	7.34	-14%

\*Running days, Unit 2 commissioning commenced in August 28, 2022

## SCPC Standalone Highlights

- Significant improvements in plant availability, generation and sales as total outage days declined (32 days vs 283 days in 2022) following resumption of Unit 2 on October 9, 2022
- Average capacity slightly declined on occasional deration of both plants
- Bulk (88%) of sales went to spot; BCQ sales grew as beginning contracted capacity more than doubled (122%) from 20.45 (end-2021) to 45.45MW (end-2022)
- ASP fell on lower fuel costs (for BCQ sales) and market spot prices
- Net market seller at 2,009 GWh (vs 1,180 GWh in 2022)



	9M 2023	9M 2022	Change
<b>Plant Availability (in %)</b>	<b>69%</b>	<b>76%</b>	<b>-9%</b>
Unit 1	57%	82%	-30%
Unit 2	81%	70%	16%
<b>Average Capacity* (in MW)</b>	<b>264</b>	<b>284</b>	<b>-7%</b>
<b>Gross Generation (in GWh)</b>	<b>1,203</b>	<b>1,422</b>	<b>-15%</b>
<b>Sales Volume (in GWh)</b>	<b>1,150</b>	<b>1,400</b>	<b>-18%</b>
BCQ	818	1,057	-23%
Spot	332	343	-3%
<b>ASP (in Php/KWh)</b>	<b>4.97</b>	<b>4.19</b>	<b>19%</b>
BCQ	4.30	3.18	35%
Spot	6.62	7.31	-9%

\*Running days

## SLPGC Standalone Highlights

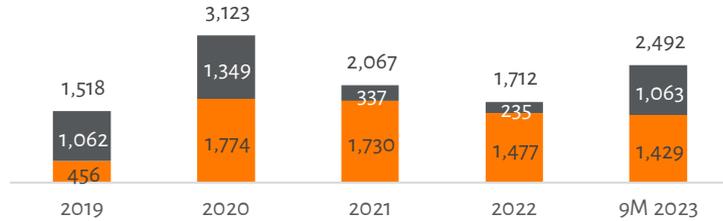
- Plant availability, gross generation and sales dropped on higher Unit 1 outage days (118 days vs 48 days in 2022), partially offset by better Unit 2 performance (53 days vs 81 days)
- Average capacity edged lower on occasional deration in Unit 1 (from 144MW to 123 MW)
- Bulk (71%) of power sales went to BCQ; sale to BCQ declined amid lower contracted capacity at the start of period (173.90 MW in end-2021 vs 143.70MW in end-2022)
- ASP rebounded on combined effect of contract repricing, new contracts signed and higher spot exposure
- Net seller to the spot market at 238 GWh (vs 205 GWh)



# Historical Power Plant Performance

## SCPC

Gross Generation  
(in GWh)

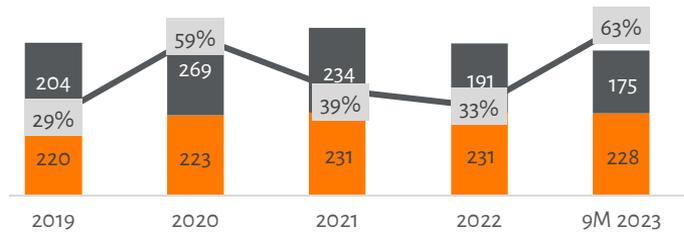


## SLPGC

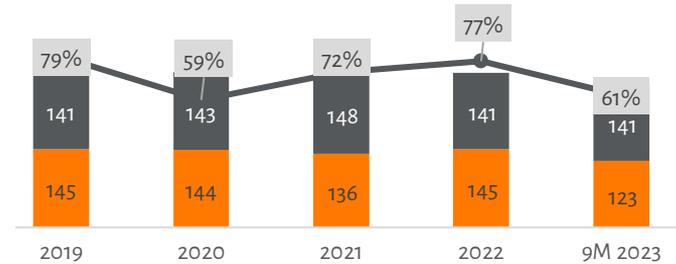
Gross Generation  
(in GWh)



Ave. Capacity (in MW) & Capacity Factor (in %)



Ave. Capacity (in MW) & Capacity Factor (in %)



Unit 1 Unit 2 Capacity Factor (%)

# 2023 Plant Outage Summary



Unit 1	
Planned	Unplanned
<ul style="list-style-type: none"> <li>October 28 to November 16 (target)</li> </ul>	<ul style="list-style-type: none"> <li>May 1 to 13</li> </ul>

Unit 2	
Planned	Unplanned
<ul style="list-style-type: none"> <li>none</li> </ul>	<ul style="list-style-type: none"> <li>January 12 to 13</li> <li>April 7 to 14</li> <li>May 29 to June 7</li> <li>September 30 to October 13</li> </ul>



Unit 1	
Planned	Unplanned
<ul style="list-style-type: none"> <li>none</li> </ul>	<ul style="list-style-type: none"> <li>January 20 to February 1</li> <li>May 15 to June 14</li> <li>June 17 to August 23</li> <li>September 20 to 28</li> <li>October 28 to November 4 (target)</li> </ul>

Unit 2	
Planned	Unplanned
<ul style="list-style-type: none"> <li>January 7 to February 12</li> </ul>	<ul style="list-style-type: none"> <li>February 18 to 21</li> <li>September 16 to October 15</li> </ul>



# Standalone Statements of Income

In Php millions	Q3 2023					Q3 2022					%
	COAL	SCPC	SLPGC	Others	Combined	COAL	SCPC	SLPGC	Others	Combined	
Revenues	8,129	3,997	1,296	68	13,490	16,582	3,931	2,119	67	22,699	-41%
COS	(4,544)	(1,785)	(803)	(53)	(7,185)	(4,465)	(1,137)	(1,418)	(53)	(7,073)	2%
Govt Share	(824)	-	-	-	(824)	(3,595)	-	-	-	(3,595)	-77%
OPEX	(132)	(411)	(397)	2	(938)	(147)	(332)	(311)	(1)	(791)	19%
Total cash cost	(5,500)	(2,196)	(1,200)	(51)	(8,947)	(8,207)	(1,469)	(1,729)	(54)	(11,459)	-22%
<b>Core EBITDA</b>	<b>2,629</b>	<b>1,801</b>	<b>96</b>	<b>17</b>	<b>4,543</b>	<b>8,375</b>	<b>2,462</b>	<b>390</b>	<b>13</b>	<b>11,240</b>	<b>-60%</b>
Depreciation and amortization	(850)	(382)	(327)	-	(1,559)	(820)	(362)	(334)	-	(1,516)	3%
Other income (expense)	452	94	50	-	596	769	29	30	-	828	-28%
<b>EBIT</b>	<b>2,231</b>	<b>1,513</b>	<b>(181)</b>	<b>17</b>	<b>3,580</b>	<b>8,324</b>	<b>2,129</b>	<b>86</b>	<b>13</b>	<b>10,552</b>	<b>-66%</b>
Finance cost	(20)	(82)	(16)	-	(118)	(59)	(105)	(28)	-	(192)	-39%
Finance income	265	55	41	1	362	119	8	12	1	140	159%
Taxes	(39)	(369)	33	(6)	(381)	(21)	(544)	(17)	(5)	(587)	-35%
<b>Core net income</b>	<b>2,437</b>	<b>1,117</b>	<b>(123)</b>	<b>12</b>	<b>3,443</b>	<b>8,363</b>	<b>1,488</b>	<b>53</b>	<b>9</b>	<b>9,913</b>	<b>-65%</b>
Nonrecurring items	-	-	-	-	-	-	-	-	-	-	0%
<b>Reported Net Income</b>	<b>2,437</b>	<b>1,117</b>	<b>(123)</b>	<b>12</b>	<b>3,443</b>	<b>8,363</b>	<b>1,488</b>	<b>53</b>	<b>9</b>	<b>9,913</b>	<b>-65%</b>
<b>Reported Net Income, after elims</b>	<b>1,799</b>	<b>1,577</b>	<b>13</b>	<b>12</b>	<b>3,401</b>	<b>7,368</b>	<b>2,188</b>	<b>585</b>	<b>9</b>	<b>10,150</b>	<b>-66%</b>



# Standalone Statements of Income

In Php millions	9M 2023					9M 2022					%
	COAL	SCPC	SLPGC	Others	Combined	COAL	SCPC	SLPGC	Others	Combined	
Revenues	42,443	14,055	5,717	222	62,437	61,761	9,752	5,871	164	77,548	-19%
COS	(15,090)	(5,976)	(2,461)	(181)	(23,708)	(14,241)	(3,532)	(3,363)	(146)	(21,282)	11%
Govt Share	(7,360)	-	-	-	(7,360)	(13,689)	-	-	-	(13,689)	-46%
OPEX	(501)	(1,307)	(1,127)	-	(2,935)	(451)	(959)	(938)	(2)	(2,350)	25%
Cash cost	(22,951)	(7,283)	(3,588)	(181)	(34,003)	(28,381)	(4,491)	(4,301)	(148)	(37,321)	-9%
<b>Core EBITDA</b>	<b>19,492</b>	<b>6,772</b>	<b>2,129</b>	<b>41</b>	<b>28,434</b>	<b>33,380</b>	<b>5,261</b>	<b>1,570</b>	<b>16</b>	<b>40,227</b>	<b>-29%</b>
Depreciation and amortization	(2,786)	(1,143)	(977)	-	(4,906)	(2,525)	(1,082)	(988)	-	(4,595)	7%
Other income (expense)	190	295	83	1	569	1,664	93	83	-	1,840	-69%
<b>EBIT</b>	<b>16,896</b>	<b>5,924</b>	<b>1,235</b>	<b>42</b>	<b>24,097</b>	<b>32,519</b>	<b>4,272</b>	<b>665</b>	<b>16</b>	<b>37,472</b>	<b>-36%</b>
Finance cost	(114)	(263)	(56)	-	(433)	(236)	(328)	(90)	-	(654)	-34%
Finance income	672	125	85	4	886	155	14	17	1	187	374%
Taxes	(111)	(1,456)	(321)	(7)	(1,895)	(26)	(992)	(43)	(5)	(1,066)	78%
<b>Core net income</b>	<b>17,343</b>	<b>4,330</b>	<b>943</b>	<b>39</b>	<b>22,655</b>	<b>32,412</b>	<b>2,966</b>	<b>549</b>	<b>12</b>	<b>35,939</b>	<b>-37%</b>
Nonrecurring items	-	-	-	-	-	-	-	-	-	-	0%
<b>Reported Net Income</b>	<b>17,343</b>	<b>4,330</b>	<b>943</b>	<b>39</b>	<b>22,655</b>	<b>32,412</b>	<b>2,966</b>	<b>549</b>	<b>12</b>	<b>35,939</b>	<b>-37%</b>
<b>Reported Net Income, after elims</b>	<b>13,966</b>	<b>6,954</b>	<b>1,656</b>	<b>39</b>	<b>22,615</b>	<b>29,367</b>	<b>4,941</b>	<b>1,634</b>	<b>12</b>	<b>35,954</b>	<b>-37%</b>

# Consolidated Statements of Income

In Php millions	Q3 2023					Q3 2022					%
	COAL	SCPC	SLPGC	Others	Combined	COAL	SCPC	SLPGC	Others	Combined	
Revenues	6,267	3,997	1,296	68	11,628	15,042	3,931	2,119	67	21,159	-45%
COS	(3,521)	(1,325)	(667)	(53)	(5,566)	(4,008)	(437)	(886)	(53)	(5,384)	3%
Govt Share	(824)	-	-	-	(824)	(3,595)	-	-	-	(3,595)	-77%
OPEX	(132)	(411)	(397)	2	(938)	(147)	(332)	(311)	(1)	(791)	19%
Cash cost	(4,477)	(1,736)	(1,064)	(51)	(7,328)	(7,750)	(769)	(1,197)	(54)	(9,770)	-25%
<b>Core EBITDA</b>	<b>1,790</b>	<b>2,261</b>	<b>232</b>	<b>17</b>	<b>4,300</b>	<b>7,292</b>	<b>3,162</b>	<b>922</b>	<b>13</b>	<b>11,389</b>	<b>-62%</b>
Depreciation and amortization	(649)	(382)	(327)	-	(1,358)	(732)	(362)	(334)	-	(1,428)	-5%
Other income (expense)	452	94	50	-	596	769	29	30	-	828	-28%
<b>EBIT</b>	<b>1,593</b>	<b>1,973</b>	<b>(45)</b>	<b>17</b>	<b>3,538</b>	<b>7,329</b>	<b>2,829</b>	<b>618</b>	<b>13</b>	<b>10,789</b>	<b>-67%</b>
Finance cost	(20)	(82)	(16)	-	(118)	(59)	(105)	(28)	-	(192)	-39%
Finance income	265	55	41	1	362	119	8	12	1	140	159%
Taxes	(39)	(369)	33	(6)	(381)	(21)	(544)	(17)	(5)	(587)	-35%
<b>Core net income</b>	<b>1,799</b>	<b>1,577</b>	<b>13</b>	<b>12</b>	<b>3,401</b>	<b>7,368</b>	<b>2,188</b>	<b>585</b>	<b>9</b>	<b>10,150</b>	<b>-66%</b>
Nonrecurring items	-	-	-	-	-	-	-	-	-	-	0%
<b>Reported Net Income</b>	<b>1,799</b>	<b>1,577</b>	<b>13</b>	<b>12</b>	<b>3,401</b>	<b>7,368</b>	<b>2,188</b>	<b>585</b>	<b>9</b>	<b>10,150</b>	<b>-66%</b>

# Consolidated Statements of Income

In Php millions	9M 2023					9M 2022					%
	COAL	SCPC	SLPGC	Others	Conso	COAL	SCPC	SLPGC	Others	Conso	
Revenues	36,207	14,055	5,717	222	56,201	57,380	9,752	5,871	164	73,167	-23%
COS	(12,699)	(3,352)	(1,748)	(181)	(17,980)	(13,116)	(1,557)	(2,278)	(146)	(17,097)	5%
Govt Share	(7,360)	-	-	-	(7,360)	(13,689)	-	-	-	(13,689)	-46%
OPEX	(501)	(1,307)	(1,127)	-	(2,935)	(451)	(959)	(938)	(2)	(2,350)	25%
Cash cost	(20,560)	(4,659)	(2,875)	(181)	(28,275)	(27,256)	(2,516)	(3,216)	(148)	(33,136)	-15%
<b>Core EBITDA</b>	<b>15,647</b>	<b>9,396</b>	<b>2,842</b>	<b>41</b>	<b>27,926</b>	<b>30,124</b>	<b>7,236</b>	<b>2,655</b>	<b>16</b>	<b>40,031</b>	<b>-30%</b>
Depreciation and amortization	(2,318)	(1,143)	(977)	-	(4,438)	(2,314)	(1,082)	(988)	-	(4,384)	1%
Other income (expense)	190	295	83	1	569	1,664	93	83	-	1,840	-69%
<b>EBIT</b>	<b>13,519</b>	<b>8,548</b>	<b>1,948</b>	<b>42</b>	<b>24,057</b>	<b>29,474</b>	<b>6,247</b>	<b>1,750</b>	<b>16</b>	<b>37,487</b>	<b>-36%</b>
Finance cost	(114)	(263)	(56)	-	(433)	(236)	(328)	(90)	-	(654)	-34%
Finance income	672	125	85	4	886	155	14	17	1	187	374%
Taxes	(111)	(1,456)	(321)	(7)	(1,895)	(26)	(992)	(43)	(5)	(1,066)	78%
<b>Core net income</b>	<b>13,966</b>	<b>6,954</b>	<b>1,656</b>	<b>39</b>	<b>22,615</b>	<b>29,367</b>	<b>4,941</b>	<b>1,634</b>	<b>12</b>	<b>35,954</b>	<b>-37%</b>
Nonrecurring items	-	-	-	-	-	-	-	-	-	-	0%
<b>Reported Net Income</b>	<b>13,966</b>	<b>6,954</b>	<b>1,656</b>	<b>39</b>	<b>22,615</b>	<b>29,367</b>	<b>4,941</b>	<b>1,634</b>	<b>12</b>	<b>35,954</b>	<b>-37%</b>

# Consolidated Statements of Financial Position

In Php millions	SMPC	SCPC	SLPGC	Others	Sep 2023	SMPC	SCPC	SLPGC	Others	Dec 2022	%
Cash and cash equivalents	18,026	5,140	3,458	192	26,816	15,534	2,552	1,797	173	20,056	34%
Receivables	3,562	2,240	992	41	6,835	7,447	1,074	1,650	27	10,198	-33%
Inventories	12,801	2,233	898	-	15,932	9,752	2,086	880	0	12,718	25%
Fixed assets	8,119	19,667	11,055	129	38,970	8,333	20,603	11,895	130	40,961	-5%
Others	957	865	1,136	81	3,039	741	1,161	1,189	78	3,169	-4%
<b>Total Assets</b>	<b>43,465</b>	<b>30,145</b>	<b>17,539</b>	<b>443</b>	<b>91,592</b>	<b>41,807</b>	<b>27,476</b>	<b>17,411</b>	<b>408</b>	<b>87,102</b>	<b>5%</b>
Accounts and other payables	7,882	1,826	1,272	38	11,018	9,912	1,400	594	38	11,944	-8%
Loans payable	782	5,967	1,042	-	7,791	948	7,582	1,666	-	10,196	-24%
Others	626	63	102	-	791	544	64	102	-	710	11%
<b>Total Liabilities</b>	<b>9,290</b>	<b>7,856</b>	<b>2,416</b>	<b>38</b>	<b>19,600</b>	<b>11,404</b>	<b>9,046</b>	<b>2,362</b>	<b>38</b>	<b>22,850</b>	<b>-14%</b>
<b>Total Equity</b>	<b>47,968</b>	<b>16,541</b>	<b>7,659</b>	<b>(176)</b>	<b>71,992</b>	<b>44,285</b>	<b>11,710</b>	<b>8,463</b>	<b>(206)</b>	<b>64,252</b>	<b>12%</b>
<b>Total Liabilities and Equity</b>	<b>57,258</b>	<b>24,397</b>	<b>10,075</b>	<b>(138)</b>	<b>91,592</b>	<b>55,689</b>	<b>20,756</b>	<b>10,825</b>	<b>(168)</b>	<b>87,102</b>	<b>5%</b>

Current Ratio	3.39	2.91	16%
DE Ratio	0.27	0.36	-25%
Book value per share	16.94	15.12	12%

\*figures after conso elims

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