



May 5, 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: **Alexandra D. Tom Wong.**
Manager, Disclosure Department

Gentlemen:

Please see attached press statement of the Company entitled "SMC 1st quarter revenues up by 57% to P316.8 billion," which we will release to the press today.

Very truly yours,



FERDINAND K. CONSTANTINO
Corporate Information Officer

News Release

SMC CORPORATE AFFAIRS OFFICE

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SMC 1st quarter revenues up by 57% to P316.8 billion

Diversified conglomerate San Miguel Corporation maintained its growth momentum in the first three months of the year posting consolidated revenues of P316.8 billion for the first quarter, up 57% from the same period last year, on the back of strong volume growth and better selling prices across its major businesses.

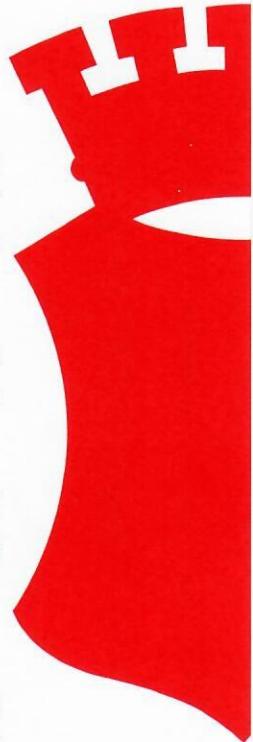
This, despite another disruption in economic activity in January following a surge in COVID-19 cases and the volatility in global commodities markets that continues to drive up prices of raw materials.

Consolidated income from operations jumped 25% to ₱40.1 billion while consolidated recurring net income amounted to ₱13.9 billion, 3% better than the same period last year and before the full benefits of the CREATE Law were reflected. Group EBITDA, rose 9% to P44.8 billion.

“Overall, we are off to a good start this year, with volumes and revenues showing robust growth. While we are still seeing mixed results from our businesses due to the Omicron surge disruption at the start of the year and significant increases in raw material prices, we are well-positioned to build on our gains. Economic activity is returning to pre-pandemic levels, our workforce has been fully vaccinated, and we have managed to keep the virus under control. With these, we are confident we can sustain our target levels of growth,” said SMC President and Chief Executive Officer Ramon S. Ang.”

San Miguel Food and Beverage, Inc.

San Miguel Food and Beverage, Inc. posted consolidated revenues of ₱83.1 billion in the first three months, 9% higher than the same period last year. This was driven mainly by a combination of volume growth and better selling prices across multiple categories in its Beer, Spirits, and Food divisions. Consolidated operating income



ended slightly higher at ₱12.7 billion which has been affected by rising input costs on raw materials and utilities. Net income amounted to ₱9.2 billion.

Beer

San Miguel Brewery, Inc. (SMB) recorded consolidated revenues of ₱29.7 billion in the first quarter, up 3% from last year's ₱28.8 billion, mainly due to growth in its international operations, coupled with the domestic price increase implemented starting October last year, which compensated for lower volumes caused by the lockdowns in January of this year due to Omicron surge.

Operating income stood at ₱6.8 billion, at par with previous year's level and despite the increase in beer taxes implemented at the start of the year.

Spirits

Ginebra San Miguel Inc. sustained its revenue growth posting ₱12.6 billion, 11% higher than the ₱11.3 billion in the first quarter of 2021. Operating income rose 39% to ₱1.8 billion, driven by higher volumes, continuing cost management and innovative brand building initiatives. Net income amounted to ₱1.4 billion, up 34% from 2021.

Food

San Miguel Foods (SMF) delivered strong first quarter revenues, amounting to ₱40.8 billion, up 13% from the previous year, amid setbacks from the aftermath of Typhoon "Odette" that affected the Visayas region. Growth was supported by higher volumes and enhanced sales mix that focused on higher value added products.

Significant increases in the prices of major raw material, along with supply chain challenges and skyrocketing fuel prices, squeezed margins, resulting in an 8% decline in operating income to ₱4.2 billion. In response, the Food business maximized the use of alternative raw materials, implemented purposive fixed costs cuts, and optimized utilization of company-owned production facilities as well as capitalized on synergies in logistics and distribution.

Power

SMC Global Power Holdings Corp.'s (SMCGP) consolidated revenues rose 57% to ₱43.0 billion, from ₱27.4 billion in the previous year, brought about by higher average realization prices for bilateral contracts with fuel pass-on charges, higher spot sales prices, and higher volumes from increased nominations from Meralco and other DUs and industrial customers.

Fuel and oil

Petron Corporation opened the year strong, delivering consolidated revenues of ₱172.3 billion, up 107% from last year's ₱83.3 billion with the recovery in demand and higher international prices. Net income of ₱3.6 billion for the 1st quarter was more than double the ₱1.7 billion registered in the same period last year.

Infrastructure

SMC Infrastructure registered double-digit volume growth for the 1st quarter driven by higher traffic flows in February and March, offsetting the impact of travel restrictions imposed in January. Consolidated revenues ended at ₱6.2 billion, up 44% from year-ago levels. Operating income rose by 108% to ₱2.5 billion.

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