



SAN MIGUEL CORPORATION

August 5, 2021

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:

Please see attached press statement of the Company entitled "SMC posts biggest gain in over a year to P29.6B, to continue helping drive economic recovery," which we will release to the press today.

Very truly yours,


FERDINAND K. CONSTANTINO
Corporate Information Officer



SAN MIGUEL CORPORATION

NEWS RELEASE

August 5, 2021

SMC posts biggest gain in over a year to P29.6B, to continue helping drive economic recovery

San Miguel Corporation (SMC) sustained its growth momentum throughout the first six months of the year, registering a net income of P29.6 billion—a significant turnaround from its P4.0 billion net loss in the same period last year—as all major businesses posted robust recoveries amid the continuing COVID-19 restrictions nationwide.

SMC's consolidated revenues grew 16% to P410.1 billion, driven by higher sales from Petron Corp., up by 14%, SMC Global Power by 5%, SMC Infrastructure by 27%, and San Miguel Food and Beverage by 20%.

Operating income surged 309% to P61.0 billion, brought about by improved margins, effective company-wide cost savings initiatives, and continuous improvements in operational efficiencies.

EBITDA ended at P80.7 billion, a year-on-year growth of 91% from P42.2 billion.

“While there is no doubt that the uncertainties brought about by the pandemic will continue to have an impact on our businesses, our strong performance in the first half reflects the effectiveness of the strategies we’ve put in place and our ability to quickly adapt to the evolving needs of our consumers,” said SMC President and COO Ramon S. Ang

He added: “Vaccinating our employees against COVID-19 is a crucial part of our strategy for sustainable long-term recovery. With the arrival of our company-procured vaccines—enough to cover over 70,000 in our network—our nationwide vaccination drive is now in full gear. We now have 15 operational vaccination sites all over the country, with a remaining two more set to open. Our goal is to reach herd immunity at all our facilities so we can better perform our jobs, sustain our performance, and contribute to economic recovery.”

Ang said the re-imposition of a lockdown for two weeks is an opportunity for the company to respond in terms of immediate relief for disadvantaged communities, supply much-needed essential goods and services, and help protect the country’s social and economic gains in the continuing fight against the pandemic.

SAN MIGUEL FOOD AND BEVERAGE INC.

San Miguel Food and Beverage, Inc.'s (SMFB) generated consolidated revenues of P146.8 billion in the first half, a 20% improvement on account of continuous volume improvements and better selling prices across the Food and Beer divisions and sustained all-time high volumes from the Spirits division.

SMFB's consolidated operating income rose 103% to P23.0 billion, while net income grew by 137% to P17.4 billion.

San Miguel Brewery, Inc.

San Miguel Brewery, Inc. (SMB) posted strong volume growth in the second quarter, resulting in a 15% increase in consolidated volumes to 97.4 million cases for the first half. Correspondingly, consolidated revenues grew 27% to P54.3 billion.

Combined with effective cost management initiatives, operating income grew 64% to P12.1 billion. Net income rose 89% to P9.5 billion.

Ginebra San Miguel Inc.

Ginebra San Miguel Inc. (GSMI) further solidified its growth momentum with domestic volumes reaching 20.1 million cases, surpassing last year's level by 21%. Consolidated revenues were likewise up 36% to P20.2 billion. The company continued its focus on delivering relevant marketing campaigns and consumer promos, expanding distribution, and sustaining efficiencies across its supply chain.

Consolidated operating income rose by 45% in the first half to P2.6 billion, while net income ended at P2.1 billion, a 66% improvement from the previous year.

San Miguel Foods

San Miguel Foods delivered a strong first half, posting consolidated revenues of P72.2 billion, an 11% increase from the same period in 2020. Growth was driven by the robust performance of the Protein and Animal Health & Nutrition segments and positive pricing and volume gains.

The Food Group's consolidated operating income grew 272% to P8.4 billion from the previous year.

SMC GLOBAL POWER HOLDINGS CORP.

SMC Global Power Holdings Corp. recorded first-half off-take volumes of 13,552 Gwh and consolidated revenues amounting to P60.3 billion, both representing a 5% growth over the same period in 2020, driven by higher spot volumes and improved nominations from customers.

Operating income declined 5% to P17.2 billion due to higher purchase volumes resulting from gas supply restrictions for the Ilijan power plant and outages in the Sual power plant. Net income rose 35% to P12.2 billion.

PETRON CORPORATION

Petron Corporation achieved a first-half consolidated net income of P3.9 billion, an outstanding improvement from the P14.2 billion net loss it reported in the same period last year. With continued price recovery, consolidated revenues rose 14% to P174.1 billion. Consolidated sales volumes were still down by 7% to 38.9 million barrels from 41.9 million barrels last year, as fuel consumption in the commercial sector, particularly the aviation industry, remained restrained.

Consolidated operating income increased by 162% to P8.9 billion from a loss of P14.5 billion a year ago. Domestic operations contributed P5.6 billion, while Malaysia was at P3.4 billion.

SMC INFRASTRUCTURE

SMC Infrastructure generated revenues of P8.5 billion for the first half of the year, up 27% from last year. Average daily traffic flow in all operating toll roads continue to improve, while volumes also continue to increase for Manila North Harbor and Bulacan Bulk Water. Operating income grew 144% to P2.3 billion.

The Skyway Stage 3 project, which was opened to the public on January 14, 2021 started collecting toll fees only last July 12, 2021.

For media inquiries, please contact the SMC Media Affairs Group:

Mary Jane O. Llanes - mjllanes@sanmiguel.com.ph

Jayson B. Brizuela - jbrizuela@sanmiguel.com.ph

Jon E. Hernandez III - jhernandeziii@sanmiguel.com.ph