



February 17, 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: **Janet A. Encarnacion**
Head, Disclosure Department

Gentlemen:

We reply with respect to the news article entitled “SEC approves SMC bonds, Bank of Commerce IPO” posted in Manila Bulletin on February 16, 2022, which reported in part that:

“The Securities and Exchange Commission (SEC) has approved the planned P3.5 billion initial public offering (IPO) of Bank of Commerce and the P60-billion fixed-rate bonds of its parent company San Miguel Corporation (SMC).

The Commission En Banc resolved to render effective the registration statements of Bank of Commerce and SMC covering 1.4 billion common shares and fixed-rate bonds under shelf registration, respectively, subject to their compliance with certain remaining requirements.

. . . .

Meanwhile, SMC may issue the P60 billion fixed-rate bonds in one or more tranches within three years.

For the first tranche, the conglomerate will offer to the public up to P25 billion of five-year Series J bonds due 2027, with an overallotment option of up to P5 billion of seven-year Series K bonds due 2029.

Proceeds will be used for the refinancing of short-term loan facilities of the company and for other general corporate purposes.

The bonds comprising the first tranche will be offered at face value and will be listed on the Philippine Dealing and Exchange Corp. on March 1, based on the latest timetable sent to the SEC.

SMC tapped BDO Capital and China Bank Capital as joint issue managers for the offering. They will work alongside BPI Capital Corporation, PCCI, PNB

Capital, RCBC Capital Corporation, and SB Capital Investment Corporation as joint lead underwriters and bookrunners.”

By way of response to the Exchange, we confirm that the Securities and Exchange Commission (the “Commission”) approved and render effective the registration statements relating to: (i) the issuance by San Miguel Corporation (“SMC”) of up to Sixty Billion fixed-rate bonds, under shelf-registration, (the “Bonds”) and (ii) the initial public offering of common shares by Bank of Commerce (“BOC”), an affiliate of SMC (the “Offering”), respectively, subject to compliance with certain requirements imposed by the Commission, as reported in the aforementioned news article.

The Bonds may be issued in one or more tranches within three (3) years. For the first tranche, SMC plans to offer to the public up to P25 billion of the Series J Bonds due 2027, with an over allotment option of up to P5 billion of seven-year Series K Bonds due 2029. Proceeds of the Bonds will be used for the refinancing of short-term loan facilities of SMC and for other general corporate purposes. The Bonds comprising the first tranche will be offered at face value and will be listed on the Philippine Dealing and Exchange Corp. on March 1, 2022, based on the latest timetable sent to the Commission.

As for the Offering, up to 280,602,800 million common shares of BOC, priced at up to P12.50 per share, will be offered to the public and 1,403,013,920 million common shares of BOC will be listed on the Main Board of the Philippine Stock Exchange. Proceeds of the Offering will be used to fund the Bank’s lending activities and finance capital expenditure requirements, in connection with upgrading its automated teller machine fleet and core banking system.

Very truly yours,

A handwritten signature in black ink, appearing to read 'FERDINAND K. CONSTANTINO', with a long horizontal stroke extending to the right.

FERDINAND K. CONSTANTINO
Corporate Information Officer