



SAN MIGUEL CORPORATION

13 June 2019

The Philippine Stock Exchange, Inc.

Disclosure Department

6th Floor, Philippine Stock Exchange Tower

28th Street, corner 5th Avenue

Bonifacio Global City, Taguig City

Attention: **Ms. Janet A. Encarnacion**
Head – Disclosure Department

Gentlemen:

We advise that the Company received late afternoon on June 11, 2019, a copy of SEC MSRD Order No. 16, issued by the Markets and Securities Regulation Department of the Securities and Exchange Commission (SEC), acknowledging receipt of payment by the Company of the amount of Php2,770,872.00, as a fine on the Company in connection with the filing of the Statement of Initial Beneficial Ownership and Statement of Changes in the Beneficial Ownership (SEC Form 23-A and B, respectively) under the Securities Regulation Code (SRC). A copy of the said Order is hereto attached.

The Company paid the aforementioned fine after the finality of the decision of the Court of Appeals in *San Miguel Corporation v. Corporate Governance and Finance Department of the Securities and Exchange Commission*, where the Court of Appeals found that the fine imposed by the SEC was in excess of the limits prescribed under Section 54.1(ii) of the SRC.

Very truly yours,

MARY ROSE S. TAN
Assistant Corporate Secretary



MARKETS AND SECURITIES REGULATION DEPARTMENT

IN THE MATTER OF

SAN MIGUEL CORPORATION

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SEC MSRD Order No. 26
Series of 2019

ORDER

The records of the Commission show that **SAN MIGUEL CORPORATION** violated Section 23 of the Securities Regulation Code by failing to file within the reglementary period SEC Form 23-A and 23-B. The Issuer acknowledged its violation by paying a fine amounting to **Two Million Seven Hundred Seventy Thousand Eight Hundred Seventy Two Pesos (P2,770,872.00)** under Official Receipt No. 1791919 dated 10 June 2019.

The Issuer is, therefore, enjoined to exert its utmost effort in complying with the provision of the Securities Regulation Code and its Implementing Rules and Regulations in order to avoid the recurrence of similar violations, otherwise, heavier penalty may be imposed.

SO ORDERED.

Pasay City, Metro Manila,

10 June 2019


VICENTE GRACIANO P. FELIZMENIO, JR.
Director