

SAN MIGUEL CORPORATION

2ND TRANCHE OFFERING OF PESO-DENOMINATED SERIES 2-S, 2-T, 2-U PREFERRED SHARES

Issuer	San Miguel Corporation
Instrument	Cumulative, non-voting, non-participating, non-convertible, redeemable, re-issuable Philippine Peso-denominated perpetual Series 2 Preferred Shares
Offer Size	<p>266,666,600 Series 2 Preferred Shares (subject to the Oversubscription Option as provided below), to be offered in up to three (3) subseries: Series 2-S, Series 2-T, and Series 2-U Preferred Shares.</p> <p>The Offer Shares will be issued out of the Series 2 Preferred Shares held in treasury by the Company.</p>
Oversubscription Option	<p>In the event of an oversubscription, the Joint Issue Managers, and the Joint Lead Underwriters and Bookrunners, in consultation with the Company, reserve the right, but do not have the obligation, to increase the Offer size by up to an additional 133,333,400 Series 2 Preferred Shares (the “Oversubscription Option”).</p> <p>In case the Oversubscription Option is partly exercised or not exercised at all during the Offer Period for the Offer Shares, the corresponding number of Oversubscription Option shares not taken up or exercised shall revert to the Shelf Registered Shares, and automatically increase the remaining shares that may be offered by the Issuer in subsequent tranches.</p>
Par Value	The Offer Shares shall have a par value of ₱5.00 per share.
Offer Price	The Series 2-S, Series 2-T, and Series 2-U Preferred Shares shall be offered at a price of ₱75.00 per share.
Registration and Listing	<p>Registered with the SEC on November 9, 2023 under shelf registration pursuant to MSRD Order No. 62, Series of 2023, and shall be listed on the Main Board of the PSE, subject to compliance with SEC regulations and PSE listing rules. Upon listing, the Series 2-S, Series 2-T, and Series 2-U Preferred Shares shall be traded under the ticker codes “SMC2S”, “SMC2T”, and “SMC2U”, respectively.</p> <p>The Series 2-S, Series 2-T, and Series 2-U Preferred Shares shall be issued out of the remaining balance of 413,333,300 Shelf Registered Shares under the Shelf Registration.</p>
Issue Date	October 24, 2025 or such other date when the Series 2-S, Series 2-T, and Series 2-U Preferred Shares are listed on the Main Board of the PSE.
Use of Proceeds	The Company will use the net proceeds from the Offer for the refinancing of existing short-term loans which were used to redeem the Series 2-F Preferred Shares, to partially redeem the Series 2-J Preferred Shares and the Series 2-K Preferred Shares, and/or to make additional investments in the infrastructure business, including the Manila International Airport and other airport related projects in Bulakan, Bulacan, and the tollways projects. See “ <i>Use of Proceeds</i> ” in the Offer Supplement.
Offer Period	The Offer Period shall commence at 9:00 a.m. on October 13, 2025 and end at 12:00 noon on October 17, 2025. The Issuer, the Joint Issue Managers, and the Joint Lead Underwriters and Bookrunners reserve the right to extend or terminate the Offer Period with the approvals of the SEC and the PSE, as applicable.

Dividend Rate

As and if cash dividends are declared by the Board of Directors, cash dividends on the Series 2-S, Series 2-T, and Series 2-U Preferred Shares shall be at the initial rates of:

Series 2-S Preferred Shares: [•]

Series 2-T Preferred Shares: [•]

Series 2-U Preferred Shares: [•]

in all cases calculated for each share by reference to the Offer Price thereof in respect of each Dividend Period (each, the “**Initial Dividend Rate**” for the relevant subseries).

Dividend Rate means (a) from the Issue Date up to the relevant Step-Up Date, the applicable Initial Dividend Rate, and (b) from the relevant Step-Up Date, until the date the Series 2-S, Series 2-T, and Series 2-U Preferred Shares are redeemed, the higher of the applicable Initial Dividend Rate and the applicable Step-Up Rate. *(Please see below relevant definitions.)*

Dividend Payment Date

Cash dividends on the Offer Shares will be payable once for every Dividend Period on such date set at the time of declaration by the Board of Directors (each a “**Dividend Payment Date**”) in accordance with the terms and conditions of the Offer Shares. The Dividend Payment Date shall be any day within the period commencing on (and including) the last day of a Dividend Period and seven (7) Trading Days from the end of the relevant Dividend Period.

The quarterly dividend is computed by multiplying the Issue Price by the applicable Dividend Rate, and thereafter dividing by four. For the first Dividend Period, the dividend will be pro-rated to cover only the number of days from the Issue Date up to the end of such Dividend Period. For the succeeding Dividend Periods, the corresponding Dividend Payment Date may also fall on any date between the last day of the Dividend Period and seven (7) Trading Days from the end of the relevant Dividend Period.

If a Dividend Payment Date occurs after the end of a Dividend Period, there shall be no adjustment to the amounts of dividends to be paid.

The dividends on the Series 2-S, Series 2-T, and Series 2-U Preferred Shares will be calculated on a 30/360-day basis.

If the Dividend Payment Date is not a Business Day, dividends will be paid on the next succeeding Business Day, without adjustment as to the amount of dividends to be paid.

Dividends on the Series 2-S, Series 2-T, and Series 2-U Preferred Shares will be cumulative. If for any reason the Issuer’s Board of Directors does not declare dividends on the Series 2-S, Series 2-T, and Series 2-U Preferred Shares for a Dividend Period, the Issuer will not pay dividends on such Dividend Payment Date for such Dividend Period. However, on any future Dividend Payment Date on which dividends are declared, holders of the Series 2-S, Series 2-T, and Series 2-U Preferred Shares must receive the dividends due to them on such Dividend Payment Date as well as all dividends accrued and unpaid to the holders of the Series 2-S, Series 2-T, and Series 2-U Preferred Shares prior to such Dividend Payment Date. See “*Description of the Offer Shares*”.

Dividend Period

A “**Dividend Period**” shall refer to the period commencing on the Issue Date and having a duration of three (3) months, and thereafter, each of the successive periods

of three (3) months commencing on the last day of the immediately preceding Dividend Period up to, but excluding the first day of the immediately succeeding Dividend Period; provided that, the first Dividend Period of the Offer Shares shall be the period commencing on the Issue Date and ending on the last day of the then current Dividend Period for the other outstanding Series 2 Preferred Shares, and provided further that, the last Dividend Period of the Offer Shares shall be the period commencing on the first day of the then current Dividend Period of the Offer Shares and ending on the Optional Redemption Date.

To illustrate, the current dividend periods for the outstanding Series “2” Preferred Shares are as follows:

- September 21 – December 20
- December 21 – March 20
- March 21 – June 20
- June 21 – September 20

First Dividend Period

If the Issue Date of the Offer Shares is on October 24, 2025, the first Dividend Period for the Offer Shares shall be from October 24, 2025 to December 20, 2025 or a cash dividend payment equivalent to fifty-eight (58) days.

Last Dividend Period

For example:

(i) If the Issuer will redeem the Series 2-S Preferred Shares on the third (3rd) anniversary of the Issue Date or on October 24, 2028, the last Dividend Period for the Series 2-S Preferred Shares will be from September 21, 2028 to October 24, 2028 or a cash dividend payment equivalent to thirty-four (34) days.

(ii) If the Issuer will redeem the Series 2-S Preferred Shares on the last day of any Dividend Period after the third (3rd) anniversary of the Issue Date, for instance on March 20, 2029, the last Dividend Period for the Series 2-S Preferred Shares will be from December 21, 2028 to March 20, 2029 or a cash dividend payment equivalent to ninety (90) days.

(iii) If the Issuer will redeem the Series 2-S Preferred Shares on the fifth (5th) anniversary of the Issue Date or on October 24, 2030, the last Dividend Period for the Series 2-S Preferred Shares will be from September 21, 2030 to October 24, 2030 or a cash dividend payment equivalent to thirty-four (34) days.

**Conditions on Declaration
and Payment of Cash
Dividends**

The declaration of cash dividends will be subject to the discretion of the Board of Directors to the extent permitted by law.

The Board of Directors will not declare and pay cash dividends on any Dividend Payment Date where:

- (a) payment of the cash dividend would cause SMC to breach any of its financial covenants; or
- (b) the profits available to SMC to distribute as cash dividends are not sufficient to enable SMC to pay in full both the cash dividends on the Offer Shares and the dividends on all other classes of the shares of SMC that are scheduled to be paid on or before the same date as the cash dividends on the Offer Shares and that have an equal right to dividends as the Offer Shares.

If the profits available to distribute as dividends are, in the opinion of the Board of Directors, not sufficient to enable SMC to pay in full on the same date both cash dividends on the Offer Shares and the dividends on other shares that have an equal right to dividends as the Offer Shares, SMC is required (i) to pay in full, or to set aside an amount equal to, all dividends scheduled to be paid on or before that Dividend Payment Date on any shares with a right to dividends ranking in priority to that of the Offer Shares; and (ii) to pay cash dividends on the Offer Shares and any other shares ranking equally with the Offer Shares as to participation in profits pro rata to the amount of the cash dividends scheduled to be paid to them. The amount scheduled to be paid will include the amount of any dividend payable on that date and any arrears on past cumulative dividends on any shares ranking equal in the right to dividends with the Offer Shares.

Any such cash dividends deferred or not declared in accordance with the above provisions shall constitute "Arrears of Dividends" which shall accrue cash dividends at the prevailing Dividend Rate. The profits available for distribution are, in general and with some adjustments, equal to the accumulated realized profits of SMC less accumulated realized loss.

Cash dividends on the Offer Shares will be cumulative. If for any reason the Board of Directors of SMC does not declare a cash dividend on the Offer Shares for a Dividend Period, SMC will not pay a cash dividend on the Dividend Payment Date for that Dividend Period. However, on any future Dividend Payment Date on which cash dividends are declared, holders of the Offer Shares will receive the accrued and unpaid cash dividends due them on such Dividend Payment Date as well as all Arrears of Dividends to the holders of the Offer Shares prior to such Dividend Payment Date.

Holders of the Offer Shares shall not be entitled to participate in any other or further dividends, cash, property or stock beyond the dividends specifically payable on the Offer Shares. SMC will covenant that, in the event:

- (a) any cash dividends due with respect to any Series "2" Preferred Shares then outstanding for any period are not declared and paid in full when due;
- (b) where there remains outstanding Arrears of Dividends; or
- (c) any other amounts payable under the terms and conditions of the Offer Shares described in the Offer Supplement are not paid in full when due for any reason,

then it will not declare or pay any dividends or other distributions in respect of, or repurchase or redeem, securities ranking *pari passu* with, or junior to, the Offer Shares (or contribute any moneys to a sinking fund for the redemption of any securities ranking *pari passu* with, or junior to, the Offer Shares) until any and all Arrears of Dividends and accrued but unpaid cash dividends have been paid to the holders of the Offer Shares.

Optional Redemption and Purchase

As and if approved by the Board of Directors, the Company may redeem in whole (but not in part), any subseries of the Offer Shares as follows:

- (a) in respect of Series 2-S Preferred Shares, on the third (3rd) anniversary of the Issue Date or on the last day of any Dividend Period thereafter (each a "**Series 2-S Optional Redemption Date**");
- (b) in respect of Series 2-T Preferred Shares, on the fifth (5th) anniversary of the Issue Date or on the last day of any Dividend Period thereafter (each a "**Series 2-T Optional Redemption Date**"); and

- (c) in respect of Series 2-U Preferred Shares, on the seventh (7th) anniversary of the Issue Date or on the last day of any Dividend Period thereafter (each a “**Series 2-U Optional Redemption Date**”)

(each of the Series 2-S Optional Redemption Dates, Series 2-T Optional Redemption Dates, and Series 2-U Optional Redemption Dates, being an “**Optional Redemption Date**”), after giving not more than sixty (60) nor less than thirty (30) days’ prior written notice to the intended date of redemption, at a redemption price equal to the Offer Price of the Offer Shares plus all dividends due them on such Optional Redemption Date as well as all Arrears of Dividends after deduction of transfer costs customarily chargeable to stockholders, as applicable, to effect the redemption (the “**Redemption Price**”). Such notice to redeem shall be deemed irrevocable upon issuance thereof.

For the avoidance of doubt, on the applicable Optional Redemption Date, the Issuer has the option to redeem, in whole but not in part, the Series 2-S, Series 2-T, and Series 2-U Preferred Shares.

In the event an Optional Redemption Date which the Issuer has chosen as the date to redeem the Series 2-S, Series 2-T, and Series 2-U Preferred Shares falls on a day that is not a Business Day, the redemption shall be made on the next succeeding day that is a Business Day, without adjustment as to the Redemption Price and the amount of dividends to be paid.

The Issuer may also redeem the Series 2-S, Series 2-T, and Series 2-U Preferred Shares, in whole but not in part, at any time prior to any Optional Redemption Date if an Accounting Event or a Tax Event (each as defined below) has occurred and is continuing. The redemption due to an Accounting Event or a Tax Event shall be made by the Issuer at the Redemption Price, provided that if the Accounting Event or Tax Event is specific to a subseries, then the foregoing optional redemption may be exercised only with respect to such subseries.

After listing on the PSE, the Issuer reserves the right to purchase the Series 2-S, Series 2-T, and Series 2-U Preferred Shares at any time in the open market or by public tender or by private contract at any price through PSE without any obligation to purchase or redeem the other Series 2-S, Series 2-T, and Series 2-U Preferred Shares. The Series 2-S, Series 2-T, and Series 2-U Preferred Shares so purchased may either be redeemed (pursuant to their terms and conditions as set out in the Offer Supplement) and cancelled or kept as treasury shares, as applicable.

Step-Up Dividend Rate

Unless the Offer Shares are redeemed by the Issuer, in respect of the Series 2-S Preferred Shares, five (5) years from the Issue Date (the “**Series 2-S Step-Up Date**”), in respect of the Series 2-T Preferred Shares, seven (7) years from the Issue Date (the “**Series 2-T Step-Up Date**”), and in respect of the Series 2-U Preferred Shares, ten (10) years from the Issue Date (the “**Series 2-U Step-Up Date**”) (each of the Series 2-S Step-Up Date, the Series 2-T Step-Up Date, and the Series 2-U Step-Up Date being a “**Step-Up Date**”), or on the next Business Day in case the relevant Step-Up Date falls on a non-Business Day, the dividends on each subseries will be adjusted as follows:

- (a) for the Series 2-S Preferred Shares, the higher of the (i) applicable Initial Dividend Rate; or (ii) the 3-day simple average of the 10-year BVAL (each reference rate, a “**BVAL**”) (or if the 10-year BVAL is not available or cannot be determined, any such successor rate as determined by the Bankers Association of the Philippines (“**BAP**”) or the *Bangko Sentral ng Pilipinas* (“**BSP**”))), as published on the website of the PDS or, if unavailable, the Philippine Dealing & Exchange Corp. (“**PDEX**”) page of Bloomberg (or such successor website or page of the publication agent or electronic service provider) for the three (3)

consecutive Business Days preceding and inclusive of the Series 2-S Step-Up Date, plus 3.00% (the “**Series 2-S Step-Up Dividend Rate**”);

- (b) for the Series 2-T Preferred Shares, the higher of the (i) applicable Initial Dividend Rate; or (ii) the 3-day simple average of the interpolated 15-year BVAL (or if the interpolated 15-year BVAL is not available or cannot be determined, any such successor rate as determined by the BAP or the BSP, as published on the website of the PDS or, if unavailable, the PDEX page of Bloomberg (or such successor website or page of the publication agent or electronic service provider) for the three (3) consecutive Business Days preceding and inclusive of the Series 2-T Step-Up Date, plus 3.00% (the “**Series 2-T Step-Up Dividend Rate**”); and
- (c) for the Series 2-U Preferred Shares, the higher of the (i) applicable Initial Dividend Rate; or (ii) the 3-day simple average of the 20-year BVAL (or if the 20-year BVAL is not available or cannot be determined, any such successor rate as determined by the BAP or the BSP, as published on the website of the PDS or, if unavailable, the PDEX page of Bloomberg (or such successor website or page of the publication agent or electronic service provider) for the three (3) consecutive Business Days preceding and inclusive of the Series 2-U Step-Up Date, plus 3.00% (the “**Series 2-U Step-Up Dividend Rate**”).

Provided, that in the event the relevant Step-Up Date falls on a day that is not a Business Day:

- (i) the rate setting will be done on the immediately succeeding Business Day using the average of the relevant BVAL rates for the three (3) consecutive Business Days preceding and inclusive of the said rate setting date; and
- (ii) the higher of the applicable Initial Dividend Rate and the applicable Step-Up Dividend Rate will be applied commencing on the Step-Up Date (which is five (5) years from the Issue Date of the Series 2-S Preferred Shares, seven (7) years from the Issue Date of the Series 2-T Preferred Shares, and ten (10) years from the Issue Date of the Series 2-U Preferred Shares).

(Each of the Series 2-S Step-Up Dividend Rate, Series 2-T Step-Up Dividend Rate, and the Series 2-U Step-Up Dividend Rate being a “**Step-Up Dividend Rate**”).

Dividends on the Series 2-S, Series 2-T, and Series 2-U Preferred Shares will be cumulative. If for any reason the Issuer’s Board of Directors does not declare dividends on the Series 2-S, Series 2-T, and Series 2-U Preferred Shares for a Dividend Period, the Issuer will not pay dividends on such Dividend Payment Date for such Dividend Period. However, on any future Dividend Payment Date on which dividends are declared, holders of the Series 2-S, Series 2-T, and Series 2-U Preferred Shares must receive the dividends due to them on such Dividend Payment Date as well as all dividends accrued and unpaid to the holders of the Series 2-S, Series 2-T, and Series 2-U Preferred Shares prior to such Dividend Payment Date. See “*Description of the Offer Shares*”.

No Sinking Fund

The Company is not legally required, has not established, and currently has no plans to establish, a sinking fund for the redemption of the Series 2-S, Series 2-T, and Series 2-U Preferred Shares.

Accounting Event

An accounting event shall occur if an opinion of any recognized person authorized to perform auditing services in the Government has stated that there is more than an insubstantial risk that the funds raised through the issuance of the Offer Shares may no longer be recorded as equity pursuant to the PFRS, or such other accounting standards which succeed PFRS, as adopted by the Government, applied by SMC for

drawing up its consolidated financial statements for the relevant financial year and such event cannot be avoided by SMC taking reasonable measures available to it.

Tax Event

A tax event shall occur if dividend payments become subject to higher withholding tax or any new tax (including a higher rate of an existing tax) as a result of certain changes in law, rule or regulation, or in the interpretation thereof, and such tax cannot be avoided by use of reasonable measures available to SMC.

Purchase of the Offer Shares

After listing on the PSE, SMC may purchase the Series 2-S, Series 2-T, and Series 2-U Preferred Shares, then tradeable at that time at any time in the open market or by public tender or by private contract at any price through the PSE without any obligation to purchase or redeem the other outstanding Series 2-S, Series 2-T, and Series 2-U Preferred Shares.

Redemption by reason of a Tax Event

In the event payments in respect of the Series 2-S, Series 2-T, and Series 2-U Preferred Shares become subject to additional withholding or any new tax as a result of certain changes in law, rule or regulation, or in the interpretation thereof, and such tax cannot be avoided by use of reasonable measures available to the Issuer, the Issuer may redeem each of the Series 2-S, Series 2-T, and Series 2-U Preferred Shares at any time in whole but not in part, at the Redemption Price. See *“Description of the Offer Shares”*.

Redemption by reason of an Accounting Event

In the event an opinion of a recognized accounting firm authorized to perform auditing services in the Government has been delivered to the Issuer stating that there is more than an insubstantial risk that the Series 2-S, Series 2-T, and Series 2-U Preferred Shares may no longer be recorded as equity in the audited consolidated financial statements of the Issuer prepared in accordance with PFRS, or such other accounting standards which succeed PFRS as adopted by the Issuer for the preparation of its audited consolidated financial statements for the relevant financial year, and such event cannot be avoided by use of reasonable measures available to the Issuer, the Issuer may redeem each of the Series 2-S, Series 2-T, and Series 2-U Preferred Shares in whole, but not in part, at the Redemption Price. See *“Description of the Offer Shares”*.

Taxation

All payments in respect of the Series 2-S, Series 2-T, and Series 2-U Preferred Shares are to be made free and clear of any deductions or withholding for or on account of any present or future taxes or duties imposed by or on behalf of the Government, including but not limited to, stamp, issue, registration, documentary, value added or any similar tax or other taxes and duties, including interest and penalties. If such taxes or duties are imposed, SMC will pay additional amounts so that the holders of Series 2-S, Series 2-T, and Series 2-U Preferred Shares will receive the full amount of the relevant payment which otherwise would have been due and payable; provided, however, that SMC shall not be liable for:

- (a) any withholding tax applicable on dividends earned or on any amounts payable to the holders of the Series 2-S, Series 2-T, and Series 2-U Preferred Shares, including any additional tax on such dividends imposed by changes in law, rule, or regulation;
- (b) any income tax (whether or not subject to withholding); percentage tax (such as stock transaction tax), documentary stamp tax or other applicable taxes on the redemption (or receipt of the redemption price) of the Series 2-S, Series 2-T, and Series 2-U Preferred Shares or on the liquidating distributions as may be received by a holder of the Series 2-S, Series 2-T, and Series 2-U Preferred Shares; (c) any expanded value added tax which may be payable by any holder of the Series 2-S, Series 2-T, and Series 2-U Preferred Shares on any amount to be received from the Issuer under the terms and conditions of the Series 2-S, Series 2-T, and Series 2-U Preferred Shares; (d) any withholding tax, including any additional tax imposed by change in law, rules, or regulation, on any dividend payable to any holder of the Series 2-S, Series 2-T, and Series 2-U Preferred Shares or any entity which is a non-resident

foreign corporation; and (e) any applicable taxes on any subsequent sale or transfer of the Series 2-S, Series 2-T, and Series 2-U Preferred Shares by any holder of the Series 2-S, Series 2-T, and Series 2-U Preferred Shares which shall be for the account of the said holder (or the buyer in case such buyer shall have agreed to be responsible for the payment of such taxes).

Form, Title and Registration of the Preferred Shares

The Series 2-S, Series 2-T, and Series 2-U Preferred Shares will be issued in scripless form through the electronic book-entry system of SMC Stock Transfer Service Corporation as Registrar for the Offer Shares and lodged with the Philippine Depository & Trust Corporation (“**PDTC**”) as Depository Agent on Issue Date through Trading Participants of the PSE (“**Trading Participants**”) nominated by the applicants. For this purpose, applicants shall indicate in the proper space provided for in the Application to Purchase (as defined below) the name of the Trading Participant under whose name their Offer Shares will be registered. After Issue Date, shareholders may request the Registrar, through their nominated Trading Participant, to (a) open a scripless registry account and have their holdings of the Offer Shares registered under their name, or (b) issue stock certificates evidencing their investment in the Offer Shares. Any expense that will be incurred in relation to such registration or issuance shall be for the account of the requesting shareholder.

Legal title to the Series 2-S, Series 2-T, and Series 2-U Preferred Shares will be shown in an electronic register of shareholders (the “**Registry of Shareholders**”) which shall be maintained by the Registrar. The Registrar shall send a transaction confirmation advice confirming every receipt or transfer of the Offer Shares that is effected in the Registry of Shareholders (at the cost of the requesting shareholder). The Registrar shall send (at the cost of SMC) at least once every quarter a statement of account to all shareholders named in the Registry of Shareholders, except certificated shareholders and depository participants, confirming the number of Offer Shares held by each shareholder on record in the Registry of Shareholders. Such statement of account shall serve as evidence of ownership of the relevant shareholder as of the given date thereof. Any request by shareholders for certifications, reports or other documents from the Registrar, except as provided herein, shall be for the account of the requesting shareholder.

For scripless shares, the maintenance and custody fee payable to the PDTC shall be for the account of the shareholder.

Selling and Transfer Restrictions

After listing, the subsequent transfers of interests in the Offer Shares shall be subject to normal selling restrictions for listed securities as may prevail in the Philippines from time to time.

Governing Law

The Series 2-S, Series 2-T, and Series 2-U Preferred Shares will be issued pursuant to the laws of the Republic of the Philippines.

Features of the Preferred Shares

Please refer to “*Description of the Offer Shares*” on page 63 of the Offer Supplement.

Other Terms of the Offer

Minimum Subscription to the Preferred Shares

Each Application shall be for a minimum of 500 Offer Shares, and thereafter, in multiples of 10 Offer Shares. No Application for multiples of any other number of Offer Shares will be considered.

Eligible Investors

The Offer Shares may be owned or subscribed to by any person, partnership, association or corporation regardless of nationality, subject to limits under Philippine law. However, under certain circumstances, SMC may reject an Application or reduce the number of the Offer Shares applied for subscription.

Subscription to the Offer Shares may be restricted in certain jurisdictions. Foreign investors interested in subscribing or purchasing the Offer Shares should inform themselves of the applicable legal requirements under the laws and regulations of the countries of their nationality, residence, or domicile, and as to any relevant tax or foreign exchange control laws and regulations affecting them personally. Foreign investors, both corporate and individual, warrant that their purchase of the Offer Shares will not violate the laws of their jurisdiction and that they are allowed to acquire, purchase and hold the Offer Shares.

Procedure for Application

Applications to Purchase the Offer Shares may be obtained from any of the Joint Issue Managers, or the Joint Lead Underwriters and Bookrunners. All Applications shall be evidenced by the Application to Purchase, duly executed in each case by an authorized signatory of the applicant and accompanied by two (2) completed specimen signature cards, the corresponding proof of payment for the Offer Shares covered by the Application and all other required documents including documents required for registry with the Registrar and Depository Agent. The duly executed Application to Purchase and required documents should be submitted to the Joint Issue Managers, or the Joint Lead Underwriters and Bookrunners by the end of the Offer Period. The Application to Purchase must also be signed by the nominated Trading Participant signifying its conformity to receive the Offer Shares on Issue Date.

If the applicant is a corporation, partnership, or trust account, the Application must be accompanied by the following documents:

- (a) a certified true copy of the applicant's latest articles of incorporation and by-laws and other constitutive documents, each as amended to date, duly certified by the corporate secretary or equivalent officer;
- (b) the applicant's SEC certificate of registration, duly certified by the corporate secretary or equivalent officer;
- (c) a duly notarized corporate secretary's certificate setting forth the resolution of the applicant's board of directors or equivalent body authorizing (i) the purchase of the Offer Shares indicated in the application and (ii) the designated signatories for the purpose, including their respective specimen signatures;
- (d) certified true copy of latest General Information Sheet ("GIS") duly certified by the corporate secretary or equivalent officer;
- (e) photocopy of any one (1) of the following valid identification documents ("ID" of the authorized representative(s)): passport/driver's license, company ID, Social Security System/Government Service and Insurance System ID and/or Senior Citizen's ID or such other ID and documents as may be required by or acceptable to the selling bank or the Receiving Agent, as applicable;
- (f) two (2) specimen signature cards with specimen signatures of the signatory or signatories of the Application to Purchase; and
- (g) validly issued taxpayer identification number issued by the BIR.

Individual applicants must also submit a photocopy of any one (1) of the following valid IDs: passport/driver's license, company ID, Social Security System/Government Service and Insurance System ID and/or Senior Citizen's ID or such other ID and documents as may be required by or acceptable to the selling bank or Trading Participant.

An applicant who is exempt from or is not subject to withholding tax or who claims reduced tax treaty rates must indicate such exemption or entitlement in the

Application to Purchase and also submit additional documents as may be required by the Issuer, including but not limited to, the documents described on pages 156 to 157 of the Offer Supplement.

For Applications to Purchase to be submitted by the Trading Participants, please refer to the Trading Participant Implementing Guidelines.

Local Small Investors

Applications to purchase the shares allocated for Local Small Investors must be done online through the PSE Easy. The system will generate a reference number and payment instruction. Application payments for the Offer Shares must be settled within the Offer Period.

A Local Small Investor applicant should nominate in the application the PSE Trading Participant through which its shares will be lodged. Otherwise, the application shall not be accepted. In the event that a Local Small Investor applicant does not have a PSE Trading Participant, the Local Small Investor applicant, if eligible, may open a trade account. Local Small Investor applicant may refer to the Local Small Investors Guidelines for more additional information.

Local Small Investor applications will be processed on a first-come, first-served basis while final allocation of the Trading Participants will be determined pursuant to allocation mechanics. This section should be read in conjunction with the Offer Implementing Guidelines, which will be published on the PSE EDGE website.

Payment for the Offer Shares

The Offer Price of the Offer Shares must be paid in full upon submission of the Application to Purchase.

Payment shall be in the form of:

(a) a cashier's/manager's or corporate check, or personal check drawn against a bank account with a BSP-authorized agent bank or any branch thereof with a clearing period of not more than one (1) Business Day and dated as of the date of submission of the Application to Purchase covering the entire number of the Offer Shares covered by the same Application. Checks should be made payable to "**SMC Preferred Shares Offer**" and crossed "Payee's Account Only" with a clearing period of not more than one (1) Business Day shall be accepted. Check payment must be made within the clearing cut-off of the last day of the Offer Period; or

(b) through the Real Time Gross Settlement ("**RTGS**") facility of the BSP to the relevant Joint Issue Manager, the Joint Lead Underwriter and Bookrunner, or the Selling Agent to whom such Application was submitted. Standard transaction fees for RTGS payments will be for the account of the investor; or

(c) via direct debit from their deposit account maintained with the relevant Joint Issue Manager, the Joint Lead Underwriter and Bookrunner, or the Selling Agent; or

(d) through other means as may be agreed between the applicant and the relevant Joint Issue Manager, Joint Lead Underwriter and Bookrunner, or Selling Agent.

Payment by the Local Small Investors shall be made by:

Online payment via DragonPay, with "SMC Stock Transfer Service Corporation (SMC STSC)" as the merchant.

Should the payment of the Local Small Investor be incomplete or below the full payment or below the full payment amount of the purchase, the LSI Application shall

be rejected.

The payment must be made no later than 12:00 noon on October 17, 2025.

LSI Applicants paying through DragonPay should ensure that their subscription amount is within the transaction limit of their chosen bank. If the total subscription amount is more than P50,000.00 or the transaction limit of their chosen bank, then an LSI Applicant should select the PesoNet option in DragonPay.

Acceptance/Rejection of Application

The actual number of the Offer Shares that an applicant will be allowed to subscribe to is subject to the confirmation of the Joint Issue Managers and the Joint Lead Underwriters and Bookrunners. SMC, through the Joint Issue Managers and the Joint Lead Underwriters and Bookrunners, reserves the right to accept or reject, in whole or in part, or to reduce any application due to any grounds specified in the relevant underwriting agreement to be entered into by SMC with the Joint Issue Managers and the Joint Lead Underwriters and Bookrunners ("**Underwriting Agreement**"). Applications which were unpaid or where payments were insufficient and those that do not comply with the terms of the Offer shall be rejected. Delivery of personal checks does not constitute payment until actual receipt of cleared funds. Moreover, any payment received pursuant to the Application does not constitute as approval or acceptance by SMC of the Application.

An Application, when accepted, shall constitute an agreement between the applicant and SMC for the subscription to the Offer Shares at the time, in the manner and subject to terms and conditions set forth in the Application to Purchase and those described in the Offer Supplement. Notwithstanding the acceptance of any Application by SMC and subject to the right of the Issuer to withdraw the Offer pursuant to this section and the section "*Plan of Distribution – Withdrawal of the Offer*" of the Offer Supplement, the Offer Shares will be issued only upon listing of such Offer Shares on the PSE, and provided that the Underwriting Agreement shall not have been terminated or cancelled, on or before the Issue Date, in accordance with the provision of the said agreement.

Refunds for Rejected Applications

In the event that the number of the Offer Shares to be allotted to an applicant, as confirmed by the Joint Issue Managers, the Joint Lead Underwriters and Bookrunners, or the concerned Trading Participant, is less than the number covered by its Application, or if an Application is wholly or partially rejected by SMC, then SMC shall refund, without interest, within five (5) Business Days from the end of the Offer Period, all, or a portion of the payment corresponding to the number of the Offer Shares wholly or partially rejected. All refunds shall be made through the Joint Lead Underwriters and Bookrunners, the Selling Agent, the concerned Trading Participant, or the Receiving Agent, as applicable, with whom the applicant has filed the Application at the risk of the applicant.

Refund in case Offer Shares are not listed

In the event the Offer Shares are not listed on PSE, the Joint Lead Underwriters and Bookrunners, the concerned Trading Participant, or the Receiving Agent, as may be applicable, shall notify the applicant concerned. The Joint Lead Underwriter and Bookrunner, the concerned Trading Participant, or the Receiving Agent, as may be applicable, shall return the check payment or refund the amount paid by the applicant concerned by way of issuance of its own check payable to the order of the applicant and crossed "Payees' Account Only" or through other means as may be agreed between the applicant and the relevant Joint Lead Underwriter and Bookrunner, Trading Participant, or Receiving Agent. All checks shall be made available for pick up by the applicants concerned three (3) Business Day after the intended Issue Date at the office of the Joint Lead Underwriters and Bookrunners, the Trading Participants, or the Receiving Agent, as may be applicable. Any checks that remain unclaimed after

15 Business Days from the intended Issue Date shall be mailed or delivered, at the risk of the applicant, to the address specified in the Application to Purchase.

Refund Process for Local Small Investors

All refunds shall be made directly to the Local Small Investor applicants unless respective Local Small Investor applicants' nominated PSE Trading Participants consented to process Local Small Investor refunds. In that case, all refunds may be made through the nominated PSE Trading Participant, at the Local Small Investor applicant's risk. The refunds will be processed by the Receiving Agent directly to the nominated PSE Trading Participant by transferring immediately available funds to the relevant bank account of, or via check to, each relevant nominated PSE Trading Participant in such amount representing the total refund due to all the clients of the relevant PSE Trading Participant on or before the tenth (10th) banking day after the end of the Offer Period or on November 3, 2025. The affected Local Small Investor applicants may coordinate directly with their respective nominated PSE Trading Participant, as indicated in the submitted Local Small Investor applicants.

Withdrawal of the Offer

The Company reserves the right to withdraw the offer and sale of the Offer Shares at any time before the commencement of the Offer Period, in which event the Company shall make the necessary disclosures to the SEC and the PSE.

The Company may also withdraw the offer and sale of the Offer Shares at any time on or after the commencement of the Offer Period and prior to the Issue Date, if any of the following events occurs, in which case the Underwriting Agreement shall be deemed terminated, namely:

- a. (i) An outbreak or escalation of hostilities or acts of terrorism involving the Philippines or a declaration by the Philippines of a state of war; or (ii) occurrence of any event or change (whether or not forming part of a series of events occurring before, on and/or after the date hereof) of a political, military, economic or other nature; or (iii) occurrence of any change in local, national or international financial, political, economic or stock market conditions, any of which renders it impracticable to continue with the Offer and/or listing of the Offer Shares in the manner contemplated by the PSE Notice of Approval, the SEC Order of Registration, or the SEC Permit to Sell Securities (the "**Approvals**") and by the Offer Supplement, or would have a material adverse effect on the Philippine economy, on the securities or other financial or currency markets of the Philippines, or on the distribution, offer and sale of the Offer Shares in the Philippines, rendering it, in the reasonable determination of the Joint Lead Underwriters and Bookrunners, after consultation with the Issuer, impracticable to proceed with the Offer in the manner contemplated by the Approvals and the Offer Supplement, provided that for the avoidance of doubt, the Offer shall not be withdrawn, cancelled, suspended or terminated solely by reason of the Issuer's or Joint Lead Underwriters and Bookrunners' inability to sell or market the Offer Shares or refusal or failure to comply with any undertaking or commitment by the Issuer, the Joint Lead Underwriters and Bookrunners, or any other entity/person to take up any Offer Shares remaining after the Offer Period;
- b. An order revoking, cancelling, suspending, preventing or terminating the offer, sale, distribution, listing or issuance of the Offer Shares by any court or Governmental Authority (as defined under the section on "*Plan of Distribution – Withdrawal of the Offer*" of the Offer Supplement) having jurisdiction on the matter, including the SEC and the PSE;
- c. Suspension, cancellation, revocation, or termination of the Approvals;

- d. Trading in the PSE is closed or suspended for at least three (3) consecutive Trading Days other than due to weekends or declared holidays, or in such manner or for such period as will render impracticable the listing and trading of the Offer Shares on the Issue Date or such other date as may be approved by the PSE;
- e. There is a change or impending change in any Philippine law, rule, regulation, policy or administrative practice, or a ruling, interpretation, decree or order issued, made, or adopted by any Governmental Authority (as defined under the section on *"Plan of Distribution – Withdrawal of the Offer" of the Offer Supplement*) which (i) materially and adversely affects: (a) the ability of the Issuer to engage in the business it is presently engaged in; (b) the capacity and due authorization of the Issuer to offer and issue the Offer Shares and enter into the transaction documents in connection with the Offer; (c) any of the features of the Offer Shares, including the taxes on fees or costs in connection with the Offer, or (ii) renders illegal the performance by any of the Joint Lead Underwriters and Bookrunners of their respective obligations hereunder;
- f. Any significant, adverse, and unforeseeable change or development in the Issuer's long-term financial condition, assets, liabilities, results of operations, business, properties, or profitability, which renders the Offer Shares unsuitable for offering to the public;
- g. The Issuer decides to or is compelled through an official order, decree, or ruling issued by any competent court or Governmental Authority (as defined under the section on *"Plan of Distribution – Withdrawal of the Offer" of the Offer Supplement*) to stop its operations, which is not remedied within five (5) Business Days from receipt by the Issuer of a formal notice of such decision by such competent court or Governmental Authority (as the case may be);
- h. The Issuer shall be adjudicated bankrupt or insolvent, or shall admit in writing its inability to pay its debts as they mature, or shall make or threaten to make an assignment for the benefit of, or a composition or arrangement with, its creditors or any class thereof, or shall declare or threaten to declare a moratorium on its indebtedness or any class thereof; or the Issuer shall apply for or consent to the appointment of any receiver, trustee or similar officer for it or for all or any substantial part of its property; and such receiver, trustee or similar officer shall be appointed; or the Issuer shall initiate or institute (by petition, application or otherwise), or consent to the institution of any bankruptcy, insolvency, reorganization, rehabilitation, arrangement, readjustment of debt, suspension of payment, dissolution, liquidation, corporate rehabilitation or similar proceeding relating to it under the laws of any jurisdiction; or any such proceeding shall be instituted against the Issuer; or any judgment, writ, warrant of attachment or execution or similar process shall be issued or levied against any material asset, or material part of the Issuer's assets; or any event occurs which under the laws of the Philippines or any applicable political subdivision thereof, has an effect equivalent to any of the foregoing;
- i. A general banking moratorium is declared in the Philippines or a material disruption in commercial banking or securities settlement or clearance services occurs in the Philippines;
- j. The commencement or the threatened commencement in writing by any entity, person or regulatory body of any public action, court proceeding, litigation, arbitration or other similar proceeding against the Joint Lead

Underwriters and Bookrunners in connection with or with respect to the issuance or sale by the Issuer of the Offer Shares or the Offer in general which renders the performance of their underwriting commitment impossible or impracticable;

- k. Any court, arbitral tribunal, or Governmental Authority (as defined under the section on *“Plan of Distribution – Withdrawal of the Offer” of the Offer Supplement*) which has jurisdiction on the matter issues an order restraining or prohibiting the Joint Lead Underwriters and Bookrunners, or directing them to cease, from performing their underwriting obligations which makes it impossible for the Joint Lead Underwriters and Bookrunners to perform their underwriting obligations due to conditions beyond their control;
- l. Unavailability of PDTC’s lodgment facilities and the PSE’s listing facilities used for the Offer and/or listing prior to or on the target Issue Date and such unavailability effectively prevents the ability of the Issuer and the Joint Lead Underwriters and Bookrunners to fully comply with the listing requirements of the PSE, if the impact of such unavailability on the listing of the Offer Shares remains unresolved after discussions between the Issuer and the Joint Lead Underwriters and Bookrunners in good faith; and
- m. Any force majeure event, other than the ones enumerated above, that has material and adverse effect on the Issuer’s long-term financial condition, assets, liabilities, results of operations, business, properties, or profitability.

After the commencement of the Offer Period, the Offer shall not be withdrawn, cancelled, suspended, or terminated solely by reason of the Issuer’s or the Joint Lead Underwriters and Bookrunners’ inability to sell or market the Offer Shares or refusal or failure to comply with any undertaking or commitment by the Issuer, the Joint Lead Underwriters and Bookrunners, or any other entity/person to take up any Offer Shares remaining after the Offer Period.

Notwithstanding the acceptance of any Application, the Offer Shares will be issued only upon listing of such Offer Shares on the PSE, and provided that the Underwriting Agreement shall not have been terminated or cancelled, on or before the Issue Date, in accordance with the provision of the said agreement. Subject to the right of the Company to withdraw or cancel the offer and sale of the Offer Shares prior to the Issue Date pursuant to this section and the *“Plan of Distribution – Withdrawal of the Offer”* of the Offer Supplement, the Company and any of its agents involved in the Offer undertake to comply with all conditions that are within the control of the Company and any of its agents involved in the Offer, to ensure the listing of the Offer Shares on Issue Date.

Notwithstanding the foregoing, the Company and the Joint Lead Underwriters and Bookrunners recognize and acknowledge that the PSE is a self-regulatory organization with a mandate to maintain a fair and orderly market. In this regard, the PSE may order the imposition of appropriate and reasonable sanctions and penalties on the relevant party for the cancellation of the Offer on or after the commencement of the Offer Period and prior to the Issue Date if, subsequently, the PSE determines that the cancellation or suspension of the Offer was not warranted based on the facts gathered and properly evaluated by the PSE and after due and proper proceedings initiated by the PSE not later than five (5) Business Days after such cancellation or suspension.

Local Small Investors

In compliance with Annexes A and B of PSE Memorandum No. 2024-0024 (**“Local Small Investors Guidelines”**), 10% of the Base Offer or 26,666,600 Offer Shares will be allocated to share subscribers who are willing to subscribe to a minimum board lot and whose individual subscription does not exceed ₱1,005,000.00 (**“Local Small**

Investors”). A clawback mechanism is also adopted wherein the allocation to Local Small Investors is increased to 15% if the total demand is five times or more than the initial allocation for Local Small Investors. If the total demand for shares in the Local Small Investors’ subscription exceeds the maximum 15% under the clawback mechanism, the underwriter(s) shall allocate the shares by balloting.

Each Local Small Investor applicant may subscribe for a minimum of 500 Offer Shares and up to a maximum of 13,400 Offer Shares at the Offer Price.

Expected Timetable

The timetable of the Offer is expected to be as follows:

PSE Board approval and PSE Issuance of Notice of Approval of the Listing Application	October 8, 2025
Initial Dividend Rate Setting	October 10, 2025
Initial Dividend Rate Announcement	October 10, 2025
SEC Issuance of Permit to Sell	October 10, 2025
Offer Period	October 13-17, 2025
Trading Participants’ Submission of Firm Undertaking	October 15, 2025
Confirmation of Trading Participants’ Allocation	October 16, 2025
Issue Date and commencement of trading on the PSE	October 24, 2025

Any change in the dates included above may be subject to approval of the SEC and the PSE, as applicable, and other conditions.

Firm Commitment to Purchase

The Joint Lead Underwriters and Bookrunners will fully underwrite, on a firm commitment basis, the Base Offer, subject to the fulfillment of the conditions provided in the Underwriting Agreement. For further discussion please refer to the section on *“Plan of Distribution”* in the Offer Supplement.

After the commencement of the Offer Period, the Offer shall not be withdrawn, cancelled, suspended or terminated solely by reason of the (i) inability of the Company or the Joint Lead Underwriters and Bookrunners to sell or market the Offer Shares or (ii) the refusal or failure by the Company, the Joint Lead Underwriters and Bookrunners, or any other entity or person to comply with any undertaking or commitment to take up any shares remaining after the Offer Period.

Joint Issue Managers

Bank of Commerce, BDO Capital & Investment Corporation, and PNB Capital and Investment Corporation

Joint Lead Underwriters and Bookrunners

Bank of Commerce, BDO Capital & Investment Corporation, BPI Capital Corporation, China Bank Capital Corporation, Land Bank of the Philippines, Philippine Commercial Capital, Inc., PNB Capital and Investment Corporation, RCBC Capital Corporation, and Security Bank Capital Investment Corporation

For more information on the Joint Lead Underwriters and Bookrunners and their underwriting commitments, please see *“Plan of Distribution”* in the Offer Supplement.

Assigned Joint Lead Underwriters for the Trading Participants

Bank of Commerce and Security Bank Capital Investment Corporation

Selling Agents

The Trading Participants of the Philippine Stock Exchange, Inc.

Depository Agent	Philippine Depository & Trust Corp.
Registrar/Stock Transfer Agent	SMC Stock Transfer Service Corporation
Receiving Agent	SMC Stock Transfer Service Corporation
Counsel to the Issuer	Picazo Buyco Tan Fider Santos & Dee
Counsel to the Joint Issue Managers and the Joint Lead Underwriters and Bookrunners	SyCip Salazar Hernandez & Gatmaitan

-Signature page for the Offer Term Sheet for the Series 2-S, Series 2-T, and Series 2-U Preferred Shares-

SAN MIGUEL CORPORATION

As Issuer

By:

Bryan U. Villanueva
SVP – Chief Finance Officer

Joseph N. Pineda
SVP – Deputy Chief Finance Officer and Treasurer