

## **DISCLAIMER**

**The attached consent solicitation statement may not be downloaded, forwarded or distributed, in whole or in part, to any other person and may not be reproduced in any manner whatsoever. Any downloading, forwarding, distribution or reproduction of the attached consent solicitation statement, in whole or in part, is unauthorized. Failure to comply with this requirement may result in a violation of the applicable laws and regulations**

**IMPORTANT: You must read the following disclaimer before continuing.** The following disclaimer applies to the attached Consent Solicitation Statement. You are therefore advised to read this disclaimer carefully before reading, accessing or making any other use of the attached Consent Solicitation Statement. In accessing the attached Consent Solicitation Statement, you agree to be bound by the following terms and conditions, including any modifications to it from time to time, each time you receive any information from the Issuer, the Consent Solicitation Advisor, and the Joint Solicitation Agents, (as such terms are defined in the attached Consent Solicitation Statement).

The Joint Solicitation Agents may, to the extent permitted by applicable law, have or hold a position in the Notes and make, or continue to make, a market in, or act as principal in any transactions in, or relating to, or otherwise act in relation to, the Notes. The Joint Solicitation Agents may also deliver the Consent Form for their own account or on behalf of other Noteholders.

*Confirmation of your representation:* You have accessed the attached document on the basis that you have confirmed to the Issuer, the Trustee and the Consent Solicitation Advisor that (1) you are a holder or a beneficial owner of the Notes referred to in the attached Consent Solicitation Statement, (2) you are a person to whom it is lawful to deliver, or to grant access to the attached Consent Solicitation Statement through electronic means, and (3) that you consent to the delivery of, or your being granted access to, this document through electronic means.

In the event this document has been made available to you in electronic form, please be reminded that documents made available to you through this medium may have been altered or changed during the process of electronic transmission or access and consequently the Issuer, the Trustee and the Consent Solicitation Advisor and their respective affiliates accept no liability or responsibility whatsoever in respect of any difference between this electronic version of the Consent Solicitation Statement made available to you and the hard copy version.

You are responsible for protecting against viruses and other destructive items. Your use of this electronic document is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

In the event you have accessed this Consent Solicitation Statement on the basis that you are a person to whom this Consent Solicitation Statement may be lawfully delivered or made available in accordance with the laws of the jurisdiction in which you are located, please be reminded that you may not nor are you authorized to deliver this Consent Solicitation Statement to any other person.



## SAN MIGUEL CORPORATION

### CONSENT SOLICITATION STATEMENT

Consent Solicitation for a proposed amendment to the  
Trust Agreement dated 21 May 2018 governing the:  
**5.2500% 2-Year Fixed-Rate Notes Due 2020**

**THE CONSENT SOLICITATION (AS DEFINED HEREIN) WILL EXPIRE AT 3:00 P.M (PHILIPPINE TIME) ON 18 DECEMBER 2019, UNLESS SOONER TERMINATED OR EXTENDED BY SAN MIGUEL CORPORATION IN ITS SOLE DISCRETION.**

Subject to the terms and conditions set forth in this consent solicitation statement (the “**Consent Solicitation Statement**”), San Miguel Corporation (the “**Issuer**”, “**we**”, “**us**” or “**our**”) is soliciting consents (the “**Consent Solicitation**”) from the holders of record (the “**Record Noteholders**”) of its outstanding 5.2500% 2-Year Fixed-Rate Notes Due 2020 (the “**Notes**”, and the holders thereof, the “**Noteholders**”) as of 5:00 p.m. (Philippine time) on 14 November 2019 (the “**Record Date**”) for the adoption of a proposed amendment (the “**Proposed Amendment**”) to the Trust Agreement dated 21 May 2018 between the Issuer and Rizal Commercial Banking Corporation – Trust and Investments Group in its capacity as trustee (the “**Trustee**”).

The Proposed Amendment is explained in detail in Paragraph 1 (“*The Proposed Amendment*”) under the heading *The Consent Solicitation* below. Capitalized terms used but not defined herein shall, unless the context otherwise requires, have the meanings set forth in the Trust Agreement.

As used in this Consent Solicitation, the term “Record Noteholders” means those Noteholders of record as of the Record Date, as reflected in the Register of Noteholders maintained by the Philippine Depository & Trust Corp. (the “**Registrar**”) pursuant to the Registry and Paying Agency Agreement dated 21 May 2018 between the Issuer and the Registrar.

For and in consideration of the grant by a Record Noteholder of his, her, or its consent to the Proposed Amendment in accordance with the terms and conditions and procedures set out in this Consent Solicitation Statement (each such consent, a “**Consent**”; and each Record Noteholder that delivers to any of BDO Capital and Investment Corporation, BPI Capital Corporation, China Bank Capital Corporation, and SB Capital Investment Corporation (each a “**Joint Solicitation Agent**” and collectively the “**Joint Solicitation Agents**”) a consent form validly executed in the form enclosed herewith as Annex A (a “**Consent Form**”), which shall be received by the Trustee on or before 3:00 p.m. (Philippine time) of 18 December 2019 (or such time and date, as may be adjusted to an earlier or later time and date in the Issuer’s sole discretion, the “**Expiration Date**”), a “**Consenting Noteholder**”), the Issuer shall pay each Consenting Noteholder an amount equal to PHP1.25 per PHP1,000 of the principal amount of the Notes in respect of which the Consent Form is given (the “**Consent Fee**”).

The Issuer shall pay the Consent Fee no later than the fourth Business Day the date that the Trustee certifies that the Required Consents have been obtained (as such term is defined below) (a “**Business Day**” being any day other than Saturday or Sunday on which banks are open for business in Metro Manila, Philippines, and such fourth Business Day, the “**Consent Payment Date**”).

**THE EXPIRATION DATE MAY BE ADJUSTED TO AN EARLIER OR LATER DATE AND TIME AT THE SOLE DISCRETION OF THE ISSUER, SUBJECT TO THE ISSUER'S GIVING NOTICE OF SUCH ADJUSTMENT TO THE NOTEHOLDERS IN ACCORDANCE WITH THE DISCUSSION UNDER PARAGRAPH 5 ("AMENDMENTS; PUBLIC ANNOUNCEMENTS") UNDER THE HEADING *THE CONSENT SOLICITATION* BELOW .**

Please note that our undertaking to pay the Consent Fee is subject to the fulfillment of the conditions discussed under Paragraph 4(e) ("*Conditions to Issuer's Payment Obligations*") under the heading *The Consent Solicitation* below, including but not limited to the following:

- (1) the Trustee's receipt of validly executed and delivered Consent Forms from Record Noteholders on or before the Expiration Date;
- (2) the Trustee's receipt of validly executed and delivered Consent Forms from Record Noteholders representing more than 50% of the aggregate principal amount of the Notes (the "**Required Consents**") on or before the Expiration Date;
- (3) the Trustee's receipt of the Required Consents for each of the (i) Notes, (ii) the 4.8243% Series A Bonds due 2022, 5.2840% Series B Bonds due 2024, and 5.7613% Series C Bonds due 2027; (iii) the 5.1923% Series D Bonds due 2022; and (iii) the 6.2500% Series E Bonds due 2023, 6.6250% Series F Bonds due 2025, and 7.1250% Series G Bonds due 2028.
- (4) a certification from the Trustee that the Required Consents have been obtained, and the other conditions set forth herein are satisfied (or otherwise waived) under the terms set forth herein; and
- (5) the execution and delivery by the Issuer and the Trustee of a supplemental agreement to amend the Trust Agreement (such agreement, the "**Supplemental Trust Agreement**", and the date on which the Supplemental Trust Agreement is executed, the "**Execution Date**").

The Supplemental Trust Agreement will be effective only after the Issuer pays the Consent Fee. If the Required Consents have not been received on or before the Expiration Date, or any of the other conditions set forth herein are not satisfied or waived, no Consent Fee will be paid to any Noteholder, irrespective of whether or not such Noteholder has delivered a validly executed Consent Form.

Following the Consent Payment Date, the Proposed Amendment to the Trust Agreement will be conclusive and binding on all Noteholders and all future holders and owners of the Notes (or of any notes issued in lieu thereof or in exchange therefor), irrespective of whether or not such Noteholders or future holders and owners have consented to the Proposed Amendment to the Trust Agreement.

*The Consent Solicitation Advisor is:*

**STANDARD CHARTERED BANK**

*The Joint Solicitation Agents for this Consent Solicitation are:*

**BDO CAPITAL AND INVESTMENT CORPORATION  
BPI CAPITAL CORPORATION  
CHINA BANK CAPITAL CORPORATION  
SB CAPITAL INVESTMENT CORPORATION**

*22 November 2019*

## TABLE OF CONTENTS

	<u>Page</u>
IMPORTANT INFORMATION .....	6
IMPORTANT DATES FOR THE CONSENT SOLICITATION .....	9
SUMMARY OF THE CONSENT SOLICITATION .....	10
THE NOTES .....	14
THE CONSENT SOLICITATION .....	15
ANNEX A (CONSENT FORM)	

## IMPORTANT INFORMATION

---

Record Noteholders are requested to read and carefully consider the information contained herein and to give their Consent to the Proposed Amendment by properly completing and executing the Consent Form enclosed herewith in accordance with the instructions set forth herein and therein.

The transfer of Notes after the Record Date will not have the effect of revoking any Consent validly given by a Record Noteholder, and each properly completed and executed Consent Form will be counted notwithstanding any subsequent transfer of the Notes to which such Consent Form relates.

If the conditions described below under Paragraph 4(e) (“*Conditions to Issuer’s Payment Obligations*”) have not all been satisfied or waived (including, without limitation, the condition that the Trustee must have received the Required Consents on or before the Expiration Date), then we will not be obligated to pay any Consent Fee whatsoever. Any Record Noteholder desiring to give his, her or its Consent to the Proposed Amendment must deliver the properly completed and executed Consent Form and any other documents required by the Consent Form to the Trustee, directly or by procuring delivery through any of the Joint Solicitation Agents, at the Trustee’s address set forth in the said Consent Form, on or prior to the Expiration Date.

Beneficial owners of the Notes desiring to deliver Consents and whose Notes are held, as of the Record Date, in the name of a broker, dealer, commercial bank, trust company or other nominee institution, **must contact such nominee promptly and instruct such nominee**, as the Record Noteholder of such Notes, to deliver the Consent on behalf of the beneficial owner on or prior to the Expiration Date.

The Issuer has received the requisite corporate approvals to undertake the Consent Solicitation. However, the Issuer does not make any recommendation to you as to whether you should execute and deliver the Consent Forms. You must make your own decision as to whether or not to execute and deliver a Consent Form.

No person has been authorized to provide you with any information or make any representations other than those contained in this Consent Solicitation Statement or in the accompanying Consent Form. Other materials, information or representations must not be relied upon as having been authorized by us, the Trustee, the Consent Solicitation Advisor, the Joint Solicitation Agents, or any other person. By delivering your Consent Form, you represent that you are consenting to the Proposed Amendment solely based on the information contained in, or incorporated by reference into, this Consent Solicitation Statement and your own examination of us and the terms of the Proposed Amendment.

None of the Trustee, the Consent Solicitation Advisor, and the Joint Solicitation Agents, or any of their respective affiliates has verified the information contained in this Consent Solicitation Statement. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Trustee, the Consent Solicitation Advisor, the Joint Solicitation Agents, or any of their respective affiliates as to the accuracy or completeness of the information contained in this Consent Solicitation Statement or any other information provided by the Issuer in connection with this Consent Solicitation. None of the Trustee, the Consent Solicitation Advisor, and the Joint Solicitation Agents, or any of their respective affiliates accepts any responsibility for this Consent Solicitation Statement, makes any representation regarding this Consent Solicitation Statement or this Consent Solicitation or owes any duty to any Noteholder, except as may be provided in the Trust Agreement.

The statements made in this Consent Solicitation Statement are made as of the date hereof, and the delivery of this Consent Solicitation Statement and the accompanying materials shall not, under any circumstances, create any implication that the information contained herein is

correct subsequent to the date hereof or after the date hereof, or that there has been no change in the information set forth herein or in our affairs since the date hereof.

Standard Chartered Bank is acting as Consent Solicitation Advisor to the Issuer in relation to this Consent Solicitation and to no one else and will not regard any other person as its customer or be responsible to anyone other than the Issuer for providing the protections normally afforded to customers of the Consent Solicitation Advisor or for providing advice in relation to this Consent Solicitation. The Consent Solicitation Advisor and the Joint Solicitation Agents may have a holding in, or may from time to time provide advice or other investment services in relation to, or engage in transactions involving, the Notes.

Recipients of this Consent Solicitation Statement and the accompanying materials should not construe the contents hereof or thereof as legal, business or tax advice. Each recipient should consult its own attorney, business advisor, tax advisor and other professional advisors as to the legal, business, tax and other matters concerning this Consent Solicitation.

Requests for assistance in completing and delivering Consent Forms, or for additional copies of the Consent Form or this Consent Solicitation Statement and the Consent Form should be directed to the Trustee, the Consent Solicitation Advisor, or any of the Joint Solicitation Agents, at the relevant address, telephone number or email address set out on pages 23 and 24 of this Consent Solicitation Statement. The Consent Solicitation Statement and the Consent Form may also be downloaded from the Issuer's website at <http://www.sanmiguel.com.ph>

Any questions regarding the terms of the Consent Solicitation may be directed to the Consent Solicitation Advisor or any of the Joint Solicitation Agents at the relevant address, telephone number or email address set out on pages 23 and 24 of this Consent Solicitation Statement.

This Consent Solicitation Statement is issued and directed only to the Record Noteholders and no other person shall be, or is entitled to rely or act on, or be able to act on, its contents.

Each Record Noteholder, by accepting delivery of this Consent Solicitation Statement and by execution and delivery of the Consent Form, will be deemed to have represented, agreed and acknowledged that he, she or it is the beneficial owner of the Notes to which the Consent Form relates or has been duly authorized to act on behalf of the beneficial owner of such Notes; and he, she or it understands that the Issuer, the Trustee, the Consent Solicitation Advisor, and the Joint Solicitation Agents will rely upon the truth and accuracy of his, her or its acknowledgements, representations and agreements.

We expressly reserve the right, in our sole discretion and regardless of whether any of the conditions described under Paragraph 4(e) ("*Conditions to Issuer's Payment Obligations*") below have been satisfied, subject to applicable law, at any time prior to acceptance of the Consents, to: (i) terminate this Consent Solicitation for any reason; (ii) waive any of the Conditions to Issuer's Payment Obligations under paragraph 4(e) below, in whole or in part; (iii) adjust the Expiration Date to an earlier or later time and date; and (iv) amend the terms of this Consent Solicitation. Please see Paragraph 5 ("*Amendments; Public Announcements*") under the heading *The Consent Solicitation* below. In addition, we expressly reserve the right to execute and deliver to the Trustee the Supplemental Trust Agreement on any Business Day falling before or after the Expiration Date, provided that the Trustee shall have certified that the Required Consents have been obtained.

This Consent Solicitation Statement has not been reviewed by the Philippine Securities and Exchange Commission ("**SEC**").

**NONE OF THE ISSUER, THE TRUSTEE, THE CONSENT SOLICITATION ADVISOR, THE JOINT SOLICITATION AGENTS, OR ANY OF THEIR RESPECTIVE AFFILIATES MAKES ANY RECOMMENDATION AS TO WHETHER OR NOT RECORD NOTEHOLDERS SHOULD CONSENT TO THE PROPOSED AMENDMENT. EACH RECORD NOTEHOLDER MUST MAKE HIS, HER OR ITS OWN DECISION AS TO WHETHER TO EXECUTE AND DELIVER A CONSENT FORM PURSUANT TO THIS CONSENT SOLICITATION STATEMENT. RECORD NOTEHOLDERS ARE URGED TO CAREFULLY EVALUATE ALL OF THE INFORMATION IN THIS CONSENT SOLICITATION STATEMENT AND TO**



**CONSULT THEIR OWN INVESTMENT AND TAX ADVISORS IN MAKING THEIR DECISION AS TO WHETHER TO EXECUTE AND DELIVER A CONSENT FORM PURSUANT TO THIS CONSENT SOLICITATION STATEMENT.**

**THIS CONSENT SOLICITATION STATEMENT DOES NOT CONSTITUTE A SOLICITATION OF CONSENTS IN ANY JURISDICTION IN WHICH, OR TO OR FROM ANY PERSON TO OR FROM WHOM, IT IS UNLAWFUL TO MAKE THE CONSENT SOLICITATION. PERSONS WHO RECEIVE THIS CONSENT SOLICITATION STATEMENT MUST INFORM THEMSELVES ABOUT AND OBSERVE ANY APPLICABLE RESTRICTIONS ON THE DISTRIBUTION AND SOLICITATION OF CONSENT FORMS.**

## IMPORTANT DATES FOR THE CONSENT SOLICITATION

Noteholders should take note of the following important dates in connection with this Consent Solicitation. Please note that this schedule is subject to change if the Issuer adjusts the Expiration Date to a later or earlier time and date, or otherwise amends the terms of this Consent Solicitation, in its sole discretion, as permitted by and in accordance with this Consent Solicitation Statement.

Date	Event
5:00 p.m. (Philippine time) of 14 November 2019	Record Date
22 November 2019	Consent Solicitation Statement is posted on the Issuer's website at <a href="http://www.sanmiguel.com.ph">http://www.sanmiguel.com.ph</a>
22 November 2019	Commencement of sending out of the Consent Solicitation Statement by courier to Record Noteholders
22 November 2019	Commencement of the Consent Solicitation
22 November 2019 to 18 December 2019	The period during which Record Noteholders may deliver Consents, as may be adjusted by the Issuer to a later or earlier time and date in its sole discretion.
3:00 p.m. (Philippine time) of 18 December 2019	Expiration Date – The deadline for a Record Noteholder to deliver Consents pursuant to the Consent Solicitation and be eligible to receive the Consent Fee. The Expiration Date may be adjusted by the Issuer to a later or earlier time and date in its sole discretion. In any case, the Expiration Date will occur on the date that the Required Consents sufficient to approve the Proposed Amendment have been received. The Maturity Date for the Notes is independent of the Expiration Date.
26 December 2019 or three (3) Business Days after the Trustee certifies that the Required Consents have been obtained	The estimated Execution Date – The date on which the Issuer and the Trustee may enter into the Supplemental Trust Agreement.
26 December 2019 or three (3) Business Days after the Trustee certifies that the Required Consents have been obtained	The estimated Consent Payment Date – The date upon which the Proposed Amendment will become effective after the payment of the Consent Fee by the Issuer pursuant to the Consent Solicitation. The Supplemental Trust Agreement will take effect as of the Consent Payment Date.

## SUMMARY OF THE CONSENT SOLICITATION

*The following summary is provided solely for the convenience of the Record Noteholders and is qualified in its entirety by reference to the more detailed information contained elsewhere in this Consent Solicitation Statement and any amendments or supplements hereto. Record Noteholders are urged to read this Consent Solicitation Statement and the related Consent Form in their entirety, as each contains important information which Record Noteholders should read carefully before making any decision with respect to the Consent Solicitation conducted hereby.*

### Overview

The purpose of this Consent Solicitation is to obtain the Required Consents of the Record Noteholders holding or representing more than 50% of the aggregate principal amount of the Notes then outstanding to approve the Proposed Amendment. For a more detailed description of the Consent we are seeking, please refer to the discussion under the heading “*The Proposed Amendment*” below.

<b><i>The Notes</i></b>	5.2500% 2-Year Fixed-Rate Notes Due 2020
<b><i>Consent Solicitation</i></b>	The purpose of this Consent Solicitation is to obtain the consent, to the Proposed Amendment, of Record Noteholders holding or representing more than 50% of the aggregate principal amount of the Notes.
<b><i>Proposed Amendment</i></b>	<p>The Proposed Amendment seeks to amend the Trust Agreement dated 21 May 2018, between the Issuer and the Trustee, by amending the financial covenants from:</p> <p>1) A maximum Consolidated Net Debt to Consolidated EBITDA ratio of 5.5:1</p> <p>to:</p> <p>1) Consolidated Net Debt to Consolidated Total Equity of equal or less than 2.1x; and</p> <p>2) Ratio of Consolidated EBITDA to Consolidated Total Interest Expense does not fall below 2.0x</p> <p>The Proposed Amendment will not alter the interest rate or maturity date of the Notes, the Issuer’s obligation to make principal and interest payments on the Notes, or the substantive effect of any other covenant or provision of the Notes.</p>
<b><i>Form of Consent</i></b>	<p>Each Record Noteholder that consents to the Proposed Amendment must deliver to the Trustee or to the Joint Solicitation Agents, for further delivery to the Trustee, a Consent Form properly completed and validly executed in the form enclosed herewith as Annex “A”, on or before the Expiration Date.</p> <p>The Record Noteholder is solely responsible for the completeness and accuracy of the information provided by such in the Consent Form and none of the Issuer, the Trustee, the Consent Solicitation Advisor, nor any of the Joint Solicitation Agents, is responsible</p>

	<p>for notifying the Record Noteholder of any error, defect, or deficiency in the submitted Consent Form.</p> <p>A Record Noteholder shall not be entitled to receive any Consent Fee if (i) the Consent Form of such Record Noteholder is received by the Trustee, through the Consent Solicitation Advisor or Joint Solicitation Agents, after the Expiration Date, or if (ii) any of the other conditions set forth in “<i>Conditions to Issuer’s Payment Obligations</i>” have not been satisfied, even if such Consent Form has been properly completed and validly executed by such Record Noteholder.</p> <p>See “<i>Conditions to Issuer’s Payment Obligations</i>” on page 19.</p>
<b><i>Consent Fee</i></b>	The Issuer will pay to each Record Noteholder from whom the Trustee received a validly executed and delivered Consent Form on or before the Expiration Date an amount equal to PHP1.25 for each PHP1,000 of the principal amount of the Notes in respect of which such Consent Form is given.
<b><i>Trust Agreement</i></b>	The Trust Agreement dated 21 May 2018
<b><i>Supplemental Trust Agreement</i></b>	The supplemental agreement to amend the Trust Agreement to be entered into by and between the Issuer and the Trustee to embody the agreement among the Issuer, the Consenting Noteholders and the Trustee on the Proposed Amendment. The Supplemental Trust Agreement will modify the terms of the Trust Agreement solely with respect to the Proposed Amendment.
<b><i>Trustee</i></b>	Rizal Commercial Banking Corporation - Trust and Investments Group
<b><i>Required Consents</i></b>	The receipt by Trustee of validly executed and delivered Consent Forms evidencing the Consents of Record Noteholders holding or representing more than 50% of the aggregate principal amount of the Notes then outstanding on or before the Expiration Date.
<b><i>Expiration Date</i></b>	<p>This Consent Solicitation will expire at 3:00 p.m. (Philippine time) on 18 December 2019, unless such time and date are adjusted to an earlier or later time and date by the Issuer in its sole discretion.</p> <p>The Maturity Date for the Notes is independent of the Expiration Date.</p>
<b><i>Record Date</i></b>	5:00 p.m. (Philippine time) of 14 November 2019
<b><i>Conditions to Issuer’s Payment Obligations</i></b>	<p>The Issuer’s obligation to pay the Consent Fee to the Consenting Noteholders is subject to the following conditions:</p> <p>(1) the Trustee’s receipt of validly executed and delivered Consent Forms from Record Noteholders on or before the Expiration Date;</p>

the Trustee's receipt of validly executed and delivered Consent Forms from Record Noteholders representing more than 50% of the aggregate principal amount of the Notes on or before the Expiration Date;

(2) the Trustee's receipt of the Required Consents for each of the (i) Notes, (ii) the 4.8243% Series A Bonds due 2022, 5.2840% Series B Bonds due 2024, and 5.7613% Series C Bonds due 2027; (iii) the 5.1923% Series D Bonds due 2022; and (iii) the 6.2500% Series E Bonds due 2023, 6.6250% Series F Bonds due 2025, and 7.1250% Series G Bonds due 2028.

(3) a certification from the Trustee that the Required Consents have been obtained, and the other conditions set forth herein are satisfied (or otherwise waived) under the terms set forth herein;

(4) the execution and delivery by the Issuer and the Trustee of the Supplemental Trust Agreement;

(5) the absence of any law or regulation which would, and the absence of any pending or threatened injunction or other proceeding which (if adversely determined) would, render the Proposed Amendment unlawful or invalid, or enjoin or materially delay the implementation of the Proposed Amendment; and

(6) (A) no change (or development involving a prospective change) shall have occurred in the Issuer's business, properties, assets, liabilities, financial condition, operations, or results of operations, and (B) no change (or development involving a prospective change) shall have occurred in the financial markets generally or affecting the Issuer's equity or the Notes, in each case which, in the Issuer's reasonable judgment, is or may be adverse to the Issuer or has or may have a material adverse effect upon the contemplated benefits to the Issuer of the Proposed Amendment.

The foregoing conditions are for the Issuer's sole benefit and the Issuer may, in its sole discretion, waive any of these conditions, in whole or in part, at any time and from time to time or otherwise amend the terms and conditions of this Consent Solicitation at any time.

***How to Deliver Consents***

Validly completed and executed Consent Forms should be delivered to the Trustee, directly or by procuring delivery through any of the Joint Solicitation Agents, in time for receipt by the Trustee on or before the Expiration Date (for entitlement to the Consent Fee) in accordance with paragraph 4(c) ("*Procedure for Giving Consents*").

***Irrevocability of Consents***

Consents are irrevocable once delivered to the Trustee.

<b><i>Assistance and Information</i></b>	<p>Requests for assistance in completing and delivering Consent Forms, or for additional copies of the Consent Form or this Consent Solicitation Statement and the Consent Form should be directed to the Trustee, Consent Solicitation Advisor, or any of the Joint Solicitation Agents at the relevant address, telephone number or email address set out on pages 23 and 24 of this Consent Solicitation Statement. The Consent Solicitation Statement and Consent Form may also be downloaded from the Issuer’s website at <a href="http://www.sanmiguel.com.ph">http://www.sanmiguel.com.ph</a></p> <p>Any questions regarding the terms of the Consent Solicitation may be directed to the Consent Solicitation Advisor or the Joint Solicitation Agents at the relevant address, telephone number or email address set out on pages 23 and 24 of this Consent Solicitation Statement. Beneficial owners of the Notes may also contact their brokers, dealers, commercial banks or trust companies for assistance concerning this Consent Solicitation.</p> <p>Requests for copies of the Trust Agreement and the form of the Supplemental Trust Agreement may be directed to the Trustee at its address, telephone number or email address set out on page 23 of this Consent Solicitation Statement.</p>
<b><i>Income Tax Considerations</i></b>	<p>For a summary of certain Philippine income tax consequences in connection with the Consents and the Proposed Amendment, see “<i>Certain Tax Considerations</i>.”</p>
<b><i>Consequences to Non-Consenting Holders</i></b>	<p>If the Required Consents are obtained on or before the Expiration Date, the other conditions are satisfied (or waived). The Supplemental Trust Agreement will be deemed effective and all Noteholders and all future holders and owners of the Notes will be bound by the terms of the Trust Agreement as amended by the Supplemental Trust Agreement giving effect to the Proposed Amendment, irrespective of whether or not such Noteholders or future holders and owners have consented to the Proposed Amendment.</p>
<b><i>Consent Solicitation Advisor</i></b>	<p>Standard Chartered Bank</p>
<b><i>Joint Solicitation Agents</i></b>	<p>BDO Capital and Investment Corporation  BPI Capital Corporation  China Bank Capital Corporation  SB Capital Investment Corporation</p>

## THE NOTES

---

The terms and conditions of the Notes are set out in the Trust Agreement and the Information Memorandum dated 21 May 2018 (the “**Information Memorandum**”), which was distributed during the offering of the Notes. Copies of such documents are available for inspection during normal business hours at the offices of the Trustee. Requests for copies of the Trust Agreement may be directed to the Trustee at its address, telephone number or email address set out on page 23 of this Consent Solicitation Statement. The Information Memorandum may also be downloaded from the Issuer’s website at <http://www.sanmiguel.com.ph>

## THE CONSENT SOLICITATION

---

### 1. The Proposed Amendment

The terms and conditions of the Notes set out in the Trust Agreement provide that, so long as the Notes or any portion thereof remains outstanding:

#### Section 7.2 Negative Covenants of the Issuer

The Issuer hereby covenants and agrees that, unless the Majority Noteholders shall otherwise consent in writing, the Issuer shall not, from the date of this Agreement and for as long as the 2-Year Fixed-Rate Notes or any portion thereof remains outstanding:

xxx

- (b) incur Debt if on the Transaction Date, after giving effect to the incurrence of such Debt, but not giving effect to the receipt or application of proceeds therefrom, the ratio of the Consolidated Net Debt as at the last day of each Relevant Period immediately preceding the Transaction Date (and giving effect to the incurrence of Debt) to the Consolidated EBITDA in respect of the Relevant Period immediately preceding the Transaction Date exceeds 5.5:1.

The Issuer seeks to modify the foregoing financial covenant of the Issuer under Section 7.2 (b) of the Trust Agreement. With the Proposed Amendment, Section 7.2 (b) of the terms and conditions of the Trust Agreement shall read:

#### Section 7.2 Negative Covenants of the Issuer

The Issuer hereby covenants and agrees that, unless the Majority Noteholders shall otherwise consent in writing, the Issuer shall not, from the date of this Agreement and for as long as the 2-Year Fixed-Rate Notes or any portion thereof remains outstanding:

xxx

- (b) incur Debt if on the Transaction Date, after giving effect to the incurrence of such Debt, but not giving effect to the receipt or application of proceeds therefrom, **the ratio of the Consolidated Net Debt to Consolidated Total Equity shall be more than 2.10x, and Consolidated EBITDA to Consolidated Total Interest Expense shall be less than 2.00x.**

Consequently, the Issuer also seeks to modify Section 1.1 of the Trust Agreement to include the following definitions:

**“Consolidated Total Equity” means the consolidated total assets minus consolidated total liabilities plus deposit for future subscription (without double counting any amounts) as reported in the consolidated financial statements of the Company and**



**excluding all amounts attributable to or generated by the Ring-Fenced Subsidiaries.**

**“Consolidated Total Interest Expense” means the total Interest Expense per consolidated financial statements of the Company less interest due on the Project Debt.**

## **2. Purpose of the Consent Solicitation**

The purpose of the Consent Solicitation is to obtain the Required Consents to the Proposed Amendment.

The Required Consents must be obtained to authorize the Issuer and Trustee to enter into the Supplemental Trust Agreement embodying the Proposed Amendment.

## **3. Rationale for the Proposed Amendment**

The Issuer is seeking the consent of Noteholders to the Proposed Amendments in order to align certain of the covenants and provisions of the Notes with certain covenants and provisions of the Issuer’s recently issued ₱10 billion retail bond in the Philippines last 4 October 2019, as well as its recently contracted U.S. dollar denominated syndicated term loan facility last 27 September 2019. As part of the consent solicitation, the Issuer is also seeking consent of bondholders to the Proposed Amendment from its outstanding Peso denominated fixed rate corporate bonds due 2022, 2023, 2024, 2025, 2027, and 2028. The Issuer is also conducting a consent solicitation exercise in respect of its outstanding U.S. dollar denominated notes due 2023 under the Issuer’s U.S.\$2,000,000,000 Medium Term Note Programme and currently obtaining consents from its lenders under its Philippine Peso and U.S. dollar denominated term loans to likewise align the covenants therein. Aligning the covenants across the Issuer’s outstanding debt portfolio, including the amendment of certain terms and conditions of its U.S. dollar and Philippine Peso bonds, would also materially align the covenant package of the San Miguel Corporation group of companies with those of local conglomerates and other similarly situated corporates in the Philippines.

For a description of the Issuer, its business, financial condition and results of operations, please refer to the relevant disclosures made by the Issuer on its website: <http://www.sanmiguel.com.ph>, the Philippine Stock Exchange, Inc., the Philippine Dealing and Exchange, Inc., and the SEC.

## **4. Terms of the Consent Solicitation**

### **(a) Record Date**

The Record Date for the determination of Noteholders entitled to give Consents and receive the Consent Fee pursuant to this Consent Solicitation is 5:00 p.m. (Philippine time) on 14 November 2019. This Consent Solicitation Statement and the accompanying Consent Form are being sent to all Record Noteholders.

The Issuer reserves the right to establish from time to time any new time and date as the Record Date and, thereupon, any such new time and date will be deemed to be the “**Record Date**” for purposes of this Consent Solicitation. Notice will be provided to the Noteholders’ in accordance with Paragraph 5 below (“*Amendments; Public Announcements*”) if the Record Date is so changed.

(b) *Consent Fee*

Subject to the conditions set out under Paragraph 4(e) (“*Conditions to Issuer’s Payment Obligations*”) below, the Issuer shall pay the Consent Fee no later than the Consent Payment Date.

A Consent Fee equal to PHP1.25 for each PHP1,000 of the principal amount of the Notes shall be paid to Record Noteholders who have properly delivered to the Trustee, either directly or through the Joint Solicitation Agents, validly executed Consent Forms on or before the Expiration Date that have been verified by the Registrar and remain in effect at the Expiration Date in accordance with the terms hereof. No other holder of any Notes will be entitled to receive any Consent Fee.

The right to receive the Consent Fee is not transferable with any Notes.

The Consent Fee will be paid through the Record Noteholders’ respective settlement banks, consistent with their instructions to the Registrar and Paying Agent for the payment of interest and principal on the Notes. Interest shall not accrue on or be payable with respect to the Consent Fee.

The Consent Fee will be computed based on the following formula:

$$\left( \frac{\text{Principal amount of the Notes in respect of which the Consent Form is given}}{\text{PHP1,000.00}} \right) \times \text{PHP1.25}$$

(c) *Procedure for Giving Consents*

Record Noteholders who wish to consent to the Proposed Amendment should complete, sign and date the Consent Form attached hereto as Annex A and deliver the same to the Trustee, either directly or by procuring delivery through any of the Joint Solicitation Agents, at the Trustee’s address set forth in the Consent Form, in accordance with the instructions contained herein and therein.

If a Consent Form relates to fewer than all the Notes or lesser than the principal amount of all the Notes held of record as of the Record Date by the Record Noteholder executing such Consent Form, such Record Noteholder must indicate on the Consent Form the aggregate peso amount (in integral multiples of PHP1,000) of such Notes to which the Consent relates. In the absence of a specified amount or in case the specified amount is higher than the principal amount of the Notes registered in the Record Noteholder’s name in the Register of Noteholders, the Consent Form will be deemed to relate to all Notes and to the entire principal amount of such Notes registered in the name of such Record Noteholder as of the Record Date.

For a Record Noteholder to be eligible to receive the Consent Fee, a Record Noteholder must give his, her or its Consent to the Proposed Amendment by delivering to the Trustee (or procuring delivery to the Trustee through any of the Joint Solicitation Agents) a properly completed and executed Consent Form and any other documents required hereunder at the Trustee’s address set forth on the Consent Form, on or before the Expiration Date. Delivery of a Consent Form to the Issuer, Consent Solicitation Advisor, or Registrar shall not be considered valid delivery under this Consent Solicitation Statement, and the Record Noteholder giving such Consent Form shall not be entitled to any Consent Fee.

Beneficial owners of the Notes desiring to deliver Consent Forms and whose Notes are held, as of the Record Date, in the name of a broker, dealer, commercial bank, trust company or other nominee institution, must contact such nominee promptly and instruct such nominee, as the Record Noteholder of such Notes, to execute and deliver a Consent Form on behalf of such

beneficial owner on or prior to the Expiration Date. Please give sufficient time to allow such person to process your instructions and meet the Expiration Date for delivery of Consent Forms. To ensure timely receipt of your instructions, please check with your broker, dealer, commercial bank, custodian or the relevant Joint Solicitation Agent for clarification as to the processing time required and deliver the appropriate materials well before that time. If such person does not have adequate time to process your instruction, your Consent will not be given effect.

If the Notes to which a Consent Form relates are held by two or more joint Record Noteholders, then in order to validly deliver a Consent Form: each joint Record Noteholder must sign the Consent Form if their ownership of the Notes are recorded by the Registrar in an “and” capacity; or any one of the joint Record Noteholders, may sign the Consent Form if their ownership of the Notes are recorded by the Registrar in an “or” or “and/or” capacity. The determination of the Registrar of the sufficiency of any signatures on Consent Forms for validity shall be conclusive on the Issuer and as regards the Consent Solicitation. If a signature is by a trustee, executor, administrator, guardian, attorney-in-fact, officer of a corporation or other Record Noteholder acting in a fiduciary or representative capacity, such person should so indicate when signing and must submit proper evidence satisfactory of such person’s authority to act on behalf of the Record Noteholder. If the Notes are held in different names, a separate Consent Form must be executed covering each name.

The method of delivery of the documents to the Trustee is at the election and risk of the Record Noteholder delivering his, her or its Consent. Delivery of such documents will be deemed made only when actually received by the Trustee at the address set forth on the Consent Form. In all cases, sufficient time should be allowed to assure timely delivery. Thus, while you may choose to have your documents delivered through a Joint Solicitation Agent, you must nevertheless ensure that the documents are received by the Trustee before the Expiration Date. Delivery of any Consent Form to a Joint Solicitation Agent shall not be considered valid delivery under this Consent Solicitation Statement unless such Consent Form is received by the Trustee on or before the Expiration Date.

(d) *Determination of Validity*

The Registrar has the obligation to determine that the person(s) signing the Consent Form are duly authorized to do so based on its records and that such signature(s) appearing therein are authentic. In the event of a change in the authorized signatories of any Record Noteholder, such Record Noteholder must ensure that copies, certified by such Record Noteholder’s corporate secretary, of the resolutions adopted by such Record Noteholder’s board of directors or other appropriate body (or such other documents as the Registrar may reasonably require), together with the relevant specimen signatures of such signatories, are sent to the Trustee’s address together with the executed Consent Form.

The Registrar shall notify the Trustee of the results of such determination.

All questions as to the validity, form, eligibility (including time of receipt) and acceptance for payment of any delivered Consent Forms pursuant to any of the procedures described herein and the form and validity (including verification of authorized signatories) of all related documents will be determined by the Trustee, in its sole discretion, which determination will be final and binding. The Trustee reserves the absolute right to reject any or all deliveries of any Consent Forms as it may determine to be not proper. A Consent Form will not be deemed to have been validly delivered (for purposes of, among others, the Consent Fee and the determination of the Required Consents) until all defects or irregularities in such deliveries of Consent Forms have been cured or waived. Any defect or irregularity in connection with deliveries of Consent Forms must be cured within such time as the Trustee determines, unless waived. None of the Issuer, the Trustee, the Consent Solicitation Advisor, or the Joint Solicitation Agents, the Registrar, or any other person will be under any duty to give notification of any defects or irregularities in any deliveries of Consents or Consent Forms, or will incur any liability for failure to give any such notification.

(e) *Conditions to Issuer's Payment Obligations*

(i) The Issuer's obligation to pay the Consent Fee to the Consenting Noteholders is subject to the following conditions:

- (1) the Trustee's receipt of validly executed and delivered Consent Forms from Record Noteholders on or before the Expiration Date;
- (2) the Trustee's receipt of validly executed and delivered Consent Forms from Record Noteholders representing more than 50% of the aggregate principal amount of the Notes (the "Required Consents") on or before the Expiration Date;
- (3) the Trustee's receipt of the Required Consents for each of the (i) Notes, (ii) the 4.8243% Series A Bonds due 2022, 5.2840% Series B Bonds due 2024, and 5.7613% Series C Bonds due 2027; (iii) the 5.1923% Series D Bonds due 2022; and (iii) the 6.2500% Series E Bonds due 2023, 6.6250% Series F Bonds due 2025, and 7.1250% Series G Bonds due 2028
- (4) a certification from the Trustee that the Required Consents have been obtained, and the other conditions set forth herein are satisfied (or otherwise waived) under the terms set forth herein;
- (5) the execution and delivery by the Issuer and the Trustee of the Supplemental Trust Agreement.
- (6) the absence of any law or regulation which would, and the absence of any pending or threatened injunction or other proceeding which (if adversely determined) would, render the Proposed Amendment unlawful or invalid, or enjoin or materially delay the implementation of the Proposed Amendment; and
- (7) (A) no change (or development involving a prospective change) shall have occurred in or shall have threatened the Issuer's business, properties, assets, liabilities, financial condition, operations, or results of operations, and (B) no change (or development involving a prospective change) shall have occurred in the financial markets generally or affecting the Issuer's equity or the Notes, in each case which, in the Issuer's reasonable judgment, is or may be adverse to the Issuer or has or may have a material adverse effect upon the contemplated benefits to the Issuer of the Proposed Amendment.

The foregoing conditions are for the Issuer's sole benefit and the Issuer may, in its sole discretion, waive any of these conditions, in whole or in part, at any time and from time to time or otherwise amend the terms and conditions of this Consent Solicitation at any time.

(ii) If any of the foregoing conditions are not satisfied (or waived by the Issuer) on or prior to the Expiration Date, the Issuer may, in its sole discretion and upon giving notice to the public in accordance with paragraph 5 ("*Amendments; Public Announcements*") below, allow this Consent Solicitation to lapse or extend the solicitation period and continue soliciting Consents pursuant to this Consent Solicitation. Subject to any applicable law, this Consent Solicitation may be abandoned or terminated at any time and for any reason as determined by the Issuer in its sole discretion, in which case, any Consent received prior to such abandonment or termination will be automatically voided.

(f) *Representations and Warranties of Consenting Noteholders*

By delivering a Consent Form pursuant to this Consent Solicitation Statement, a Record Noteholder shall be deemed to acknowledge, represent, warrant and undertake to the Issuer and the Trustee, as of the date such Consent Form is delivered and the Execution Date, that:

- (i) he/she/it has received, reviewed and understood this Consent Solicitation Statement;
- (ii) he/she/it has the full power and authority to issue and deliver the Consent Form;
- (iii) he/she/it has obtained any and all approvals or consents as may be necessary to execute the Consent Form and deliver the same to the Trustee;
- (iv) he/she/it understands, acknowledges and agrees to all of the terms and conditions set out in this Consent Solicitation Statement and the Consent Form;
- (v) he/she/it consents to the collection of information pursuant to the Consent Solicitation and the Consent Form and authorizes the Consent Solicitation Advisor and the Joint Solicitation Agents to disclose all such information as may be required by the Issuer, the Trustee, the Consent Solicitation Advisor, the Joint Solicitation Agents, and the Registrar and Paying Agent, solely and exclusively for the limited purpose of enabling (a) the transactions contemplated under this Consent Solicitation; (b) to perform the respective functions of the trustee of the Noteholders and the registrar and paying agent of the Issuer in the manner contemplated under the Trust Agreement and the Registry and Paying Agency Agreement, respectively.

(g) *Supplemental Trust Agreement*

Following the Trustee's certification that the Required Consents have been obtained, the Issuer and the Trustee shall, no later than three (3) Business Days from the Trustee's receipt of written notice from the Issuer, execute the Supplemental Trust Agreement embodying the parties' agreement on the Proposed Amendment. The Issuer will make a public announcement of the execution of the Supplemental Trust Agreement via press release and disclosure to the Philippine Dealing & Exchange Corp. and Philippine Securities and Exchange Commission on the Execution Date.

The Supplemental Trust Agreement will become effective on the Consent Payment Date.

For the avoidance of doubt, the Issuer reserves the discretion to determine whether or not to execute and deliver the Supplemental Trust Agreement, and the Issuer's receipt of a certification by the Trustee that the Required Consents have been obtained will in no event obligate the Issuer to execute the Supplemental Trust Agreement with the Trustee. The Issuer also reserves the discretion to enter into the Supplemental Trust Agreement with the Trustee on any day falling before or after the Expiration Date, for as long as the Required Consents have been obtained.

(h) *Binding Effect on Non-Consenting or Future Noteholders*

From and after the Consent Payment Date, the Proposed Amendment will be conclusive and binding on all Noteholders and all future holders and owners of the Notes (or of any notes issued in lieu thereof or in exchange therefor), irrespective of whether or not such Noteholders or future holders and owners have consented to the Proposed Amendment to the Trust Agreement.

## **5. Amendments; Public Announcements**

The Issuer may, in its sole discretion, amend any of the terms and conditions set out in this Consent Solicitation Statement, by giving written notice thereof to the Trustee and making a public announcement thereof by press release and disclosure to the Philippine Dealing & Exchange Corp. and Philippine Securities and Exchange Commission on the Business Day following the receipt of such written notice by the Trustee. Any such amendment shall become effective on the Business Day following the issuance of such press release and disclosure. Such amendments may include but are not limited to a pre-termination or extension of the period during which the Consent Solicitation shall remain open by adjusting the Expiration Date to an earlier or later time and date.

If this Consent Solicitation is amended or modified in a manner determined by the Issuer to constitute a material change to the Record Noteholders, the Issuer may, if appropriate, extend this Consent Solicitation for a period deemed by it to be adequate to permit the Record Noteholders to deliver their Consents.

The Issuer's interpretation of the terms and conditions of the Consent Solicitation will be final and binding.

## **6. Certain Tax Considerations**

### ***Tax on the Consent Fee***

A Record Noteholder receiving the Consent Fee may be subject to Philippine income tax on the payments received, as the Consent Fee is not part of a Consenting Record Noteholder's interest income from the Notes.

Under the Philippine National Internal Revenue Code of 1997, as amended (the "**Tax Code**"), the Consent Fee will, as a rule, form part of the gross income of the Record Noteholder delivering the Consent Form, for purposes of computing the relevant taxable income subject to the following applicable regular income tax rates: (1) variable rates based on net annual taxable income, the highest of which is 35% of net taxable income of individuals that are Philippine citizens, Philippine residents or aliens engaged in trade or business in the Philippines, (2) 25% final withholding tax for non-resident alien individuals not engaged in trade or business within the Philippines, (3) 30% of the net taxable income of domestic corporations and resident foreign corporations, and (4) 30% final withholding tax for non-resident foreign corporations.

Banks and non-bank financial intermediaries performing quasi-banking functions are subject to gross receipts tax of 7% on the Consent Fee. Other Noteholders may be subject to value-added tax of 12% on their receipt of the Consent Fee.

### ***Documentary stamp tax***

No documentary stamp tax is imposed in connection with the execution and delivery of the Consent Forms.

### ***Withholding tax***

In compliance with the Bureau of Internal Revenue Regulation No. 02-98, as amended by Revenue Regulations No.06-09, the Issuer will withhold 2% creditable withholding tax on the Consent Fee paid to the Registered Noteholders, who are either Philippine citizens, Philippine residents, aliens engaged in trade or business in the Philippines, domestic corporations and resident foreign corporations. However, the Issuer shall withhold 25% final withholding tax from non-resident alien individuals not engaged in trade or business within the Philippines and 30% final withholding tax from non-resident foreign corporations.

**7. Governing Law**

This Consent Solicitation Statement shall be governed by and construed in accordance with Philippine law.

*[Remainder of this page intentionally left blank]*

*The Issuer*



**SAN MIGUEL CORPORATION**

40 San Miguel Avenue, Mandaluyong City, Metro Manila, Philippines

Requests for assistance in completing or delivering Consent Forms, or additional copies of the Consent Forms or this Consent Solicitation Statement and the Consent Form should be directed to the Trustee, the Consent Solicitation Advisor, or the Joint Solicitation Agents at the relevant address, telephone number or email address listed below. The Consent Solicitation Statement and Consent Form may also be downloaded from the Issuer's website at <http://www.sanmiguel.com.ph>. Questions concerning the terms of this Consent Solicitation may be directed to the Consent Solicitation Advisor or the Joint Solicitation Agents at the relevant address, telephone number or email address listed below.

*The Trustee*

**Rizal Commercial Banking Corporation  
- Trust and Investments Group**

9<sup>th</sup> Floor, Yuchengco Tower, RCBC Plaza  
6819 Ayala Avenue, Makati City  
Metro Manila, Philippines

Attention: Ryan Roy W. Sinaon

Subject: San Miguel Corporation Bonds and Notes Consent Solicitation

Telephone: (63) 2 8894 9000 loc. 1278

Email: [rwsinaon@rcbc.com](mailto:rwsinaon@rcbc.com)

*The Consent Solicitation Advisor*

**Standard Chartered Bank**

8<sup>th</sup> Floor 6788 Ayala Avenue  
Makati City, Philippines 1226

Attention: Erwein M. Catoto

Subject: San Miguel Corporation Bonds and Notes Consent Solicitation

Telephone: +632 88782967

Email: [Erwein-john.catoto@sc.com](mailto:Erwein-john.catoto@sc.com)

*The Joint Solicitation Agents for the Consent Solicitation*

**BDO Capital and Investment Corporation**

20<sup>th</sup> Floor, South Tower, BDO Corporate Center  
7899 Makati Avenue, Makati City

Attention: Paula Reya D. Tajanan

Carlos Javier A. Barcelon

Subject: San Miguel Corporation Bonds and Notes Consent Solicitation

Telephone: +632 8891 2049/8840 7000 local 32786

Email:

[tajan.paula@bdo.com.ph](mailto:tajan.paula@bdo.com.ph)

[barcelon.carlos@bdo.com.ph](mailto:barcelon.carlos@bdo.com.ph)



**BPI Capital Corporation**

11/F Tower One, Ayala North Exchange 6796 Ayala Avenue  
corner Salcedo, Legazpi Village, Makati City

Attention: Ralf Christian M. Palmones

Subject: San Miguel Corporation Bonds and Notes Consent Solicitation

Telephone: 8246-5152

Email: [bpicapsyndicate@bpi.com.ph](mailto:bpicapsyndicate@bpi.com.ph)

**China Bank Capital Corporation**

28<sup>th</sup> Floor, BDO Equitable Tower,  
8751 Paseo de Roxas, Makati City

Attention: Martha S. Javelosa/ Francis M. Catibog/ Oliver L. Pobre/ Patricia L. Dalusung

Subject: San Miguel Corporation Bonds and Notes Consent Solicitation

Telephone: +632 8230-6669/8230-6957/

8230-6974/8230-6695

Email: [mmsjavelosa@chinabank.ph](mailto:mmsjavelosa@chinabank.ph)/

[fmmcatibog@chinabank.ph](mailto:fmmcatibog@chinabank.ph)/

[oplpobre@chinabank.ph](mailto:oplpobre@chinabank.ph)/

[pldalusung@chinabank.ph](mailto:pldalusung@chinabank.ph)

**SB Capital Investment Corporation**

18<sup>th</sup> Floor, Security Bank Center,  
6776 Ayala Avenue, Makati, 1200

Attention: Marie Jeanine F. Lansang/ Beatriz Ann C. Lao

Subject: San Miguel Corporation Bonds and Notes Consent Solicitation

Telephone: +632 88676788 loc. 7229 or 5804

Email: [mlansang@securitybank.com.ph](mailto:mlansang@securitybank.com.ph)/ [blao@securitybank.com.ph](mailto:blao@securitybank.com.ph)

*The Registrar for the Consent Solicitation*

**Philippine Depository & Trust Corp.**

29<sup>th</sup> Floor, BDO Equitable Tower,  
8751 Paseo de Roxas, Makati City

*The Consent Solicitation Advisor's and Joint Solicitation Agents'*

*Legal Counsel for the Consent Solicitation*

**Picazo Buyco Tan Fider and Santos**

Penthouse, Liberty Center – Picazo Law

104 H.V. Dela Costa Street

Salcedo Village, Makati City, Philippines



**SAN MIGUEL CORPORATION**

**Consent Form for  
5.2500% 2-Year Fixed-Rate Notes Due 2020**

**IMPORTANT: Please complete sections on Notes details and required signatures.  
Please submit original signed Consent Form.**

To:

**Rizal Commercial Banking Corporation – Trust and Investments Group**  
9<sup>th</sup> Floor, Yuchengco Tower, RCBC Plaza,  
6819 Ayala Avenue,  
Makati City  
Metro Manila, Philippines

For JSA/Trustee use only:

Attention: **Ryan Roy W. Sinaon**

Subject: **San Miguel Corporation Bonds and Notes Consent Solicitation**

From:

\_\_\_\_\_ as Record Noteholder

Date:

Dear Sirs:

**SAN MIGUEL CORPORATION**  
**Consent to the Proposed Amendments**  
**to the Trust Agreement (the “Trust Agreement”) dated 21 May 2018**  
**Governing the**  
**5.2500% 2-Year Fixed-Rate Notes Due 2020**

This is a Consent Form as contemplated by the Consent Solicitation Statement dated 15 November 2019 and issued by San Miguel Corporation in connection with a proposed amendment to the Trust Agreement. Unless otherwise specifically defined in this Consent Form, capitalized terms used herein have the same meanings given to them in the Consent Solicitation Statement.

The undersigned Record Noteholder hereby gives his, her or its irrevocable consent to the Proposed Amendment, and agrees that Section 7.2 and Section 1.1 of the Trust Agreement shall, effective as of the Consent Fee Payment Date, read as follows:

Section 7.2 Negative Covenants of the Issuer

The Issuer hereby covenants and agrees that, unless the Majority Noteholder shall otherwise consent in writing, the Issuer shall not, from the date of this Agreement and for as long as the 2-Year Fixed-Rate Notes Due 2020 or any portion thereof remains outstanding:

xxx

- (b) incur Debt if on the Transaction Date, after giving effect to the incurrence of such Debt, but not giving effect to the receipt or application of proceeds therefrom, **the ratio of the Consolidated Net Debt to Consolidated Total Equity shall be more than 2.10x, and Consolidated EBITDA to Consolidated Total Interest Expense shall be less than 2.00x.**

**“Consolidated Total Equity” means the consolidated total assets minus consolidated total liabilities plus deposit for future subscription (without double counting any amounts) as reported in the consolidated financial statements of the Company and excluding all amounts attributable to or generated by the Ring-Fenced Subsidiaries.**

**“Consolidated Total Interest Expense” means the total Interest Expense per consolidated financial statements of the Company less interest due on the Project Debt.**

Accordingly, the undersigned Record Noteholder irrevocably authorizes the Issuer and the Trustee to implement the Proposed Amendment and enter into the Supplemental Agreement.

In consideration of the undersigned Record Noteholder irrevocably giving the foregoing Consent, the undersigned Record Noteholder hereby accepts the offer of the Issuer of a Consent Fee of PHP1.25 per PHP1,000 of the principal amount of the Notes covered by this Consent Form (subject to valid delivery to the Trustee of this Consent Form, directly or by procuring delivery through any of the Joint Solicitation Agents, at the Trustee’s address on or prior to the Expiration Date on or before the Expiration Date):

<b>Record Noteholder Name:</b>		
<b>Series</b>	<b>Principal Amount</b>	<b>Registry Account Number</b>
<b>2-Year Fixed Rate Corporate Notes</b>		

Further, the undersigned Record Noteholder confirms that he, she or it has read and understood the provisions of the Consent Solicitation Statement, and acknowledges that by his, her or its execution and delivery of this Consent Form to the Trustee, directly or by procuring delivery through any of the Joint Solicitation Agents, he, she or it irrevocably and unconditionally agrees to be bound by and adhere to all of the terms and conditions set out in the Consent Solicitation Statement, including, without limitation, the provision that the Issuer’s undertaking to pay the Consent Fee is subject to the fulfillment of the conditions set out in paragraph 4(e) of the Consent Solicitation Statement (“*Conditions to Issuer’s Payment Obligations*”), including but not limited to the following: (1) the Trustee’s receipt of validly executed and delivered Consent Forms from Record Noteholders on or before the Expiration Date; (2) the Trustee’s receipt of the Required Consents for each of the (i) Notes, (ii) the 4.8243% Series A Bonds due 2022, 5.2840% Series B Bonds due 2024, and 5.7613% Series C Bonds due 2027; (iii) the 5.1923% Series D Bonds due 2022; and (iii) the 6.2500% Series E Bonds due 2023, 6.6250% Series F Bonds due 2025, and 7.1250% Series G Bonds due 2028; (3) a certification from the Trustee that the Required Consents have been obtained, and the other conditions set forth herein are satisfied (or otherwise waived) under the terms set forth herein; and (4) the execution and delivery by the Issuer and the Trustee of the Supplemental Trust Agreement.

The undersigned Noteholder hereby makes the representations and warranties set out in paragraph 4(f) of the Consent Solicitation Statement (“*Representations and Warranties of Consenting Noteholders*”).

By signing this Consent Solicitation Form, the undersigned Record Noteholder hereby consents to the collection of information hereunder and authorizes the Trustee, the Consent Solicitation Advisor, or the Joint Solicitation Agents, to disclose all such information as may be required by the Issuer, the Trustee, the Consent Solicitation Advisor, the Joint Solicitation Agents, and the Registrar and Paying Agent, solely and exclusively for the limited purpose of enabling (a) the transactions contemplated under the Consent Solicitation Statement; (b) to perform the respective functions of the trustee of the Noteholders and the registrar and paying agent of the Issuer in the manner contemplated under the Trust Agreement and the Registry and Paying Agency Agreement, respectively.

This Consent Form shall be governed by and construed in accordance with Philippine law.

Sincerely,

**(Signature(s) of the Record Noteholders to be affixed below)**

<p><i>Signature Block for Record Noteholders who are natural persons:</i></p>	<hr/> <p>Name of Record Noteholder: Email address: Contact No.:</p> <hr/> <p>Name of Record Noteholder: Email address: Contact No.:</p>
<p><i>Signature Block for Record Noteholders which are juridical entities (e.g., corporations or partnerships) or other entities</i></p>	<hr/> <hr/> <p>Name of Record Noteholder:</p> <p>By:</p> <hr/> <p>Name of Representative: Position: Email address: Contact No.:</p> <hr/> <p>Name of Representative: Position: Email address: Contact No.:</p> <hr/> <p>Name of Representative: Position: Email address: Contact No.:</p>

	<hr/> <p>Name of Representative: Position: Email address: Contact No.:</p>
--	----------------------------------------------------------------------------------------

**IMPORTANT NOTE TO RECORD NOTEHOLDER:** In the event of a change in the authorized signatories of any Record Noteholder, such Record Noteholder must ensure that copies, certified by such Record Noteholder's corporate secretary, of the resolutions adopted by such Record Noteholder's board of directors or other appropriate body (or such other documents as the Registrar may reasonably require), together with the relevant specimen signatures of such signatories, are sent to the Solicitation Agent's address together with this executed Consent Form.