



SAN MIGUEL
FOOD AND BEVERAGE, INC.

May 17, 2024

PHILIPPINE DEALING & EXCHANGE CORP.

29th Floor, BDO Equitable Tower
8751 Paseo de Roxas,
Makati City 1226

Attention: **ATTY. SUZY CLAIRE R. SELLEZA**
Head – Issuer Compliance and Disclosure Department
Philippine Dealing & Exchange Corp.

Subject: **SMC Group Analysts' Briefing Materials re 2024 First Quarter Results**

Gentlemen:

Please be informed that the disclosure sent herewith was submitted by San Miguel Food and Beverage, Inc. to the Philippine Stock Exchange, Inc. on May 16, 2024.

Very truly yours,

ALEXANDRA VICTORIA B. TRILLANA
Corporate Secretary and Compliance Officer

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17.2(c) THEREUNDER

1. Date of Report (Date of earliest event reported)
May 16, 2024
2. SEC Identification Number
11840
3. BIR Tax Identification No.
000-100-341-000
4. Exact name of issuer as specified in its charter
SAN MIGUEL FOOD AND BEVERAGE, INC.
5. Province, country or other jurisdiction of incorporation
Philippines
6. Industry Classification Code(SEC Use Only)
7. Address of principal office
100 E. Rodriguez Jr. Avenue (C-5 Road), Barangay Ugong, Pasig City, Metro Manila
Postal Code
1604
8. Issuer's telephone number, including area code
(632) 5317-5000
9. Former name or former address, if changed since last report
N/A
10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
COMMON SHARES (FB)	5,909,220,090
SERIES A BONDS DUE MARCH 2025 (IN PESO)	8,000,000,000.00
SERIES B BONDS DUE MARCH 2027 (IN PESO)	7,000,000,000.00
TOTAL DEBT AS OF 31MAR24 (IN MILPESO CONSO)	188,808

11. Indicate the item numbers reported herein

ITEM 9. OTHER EVENTS

The Exchange does not warrant and holds no responsibility for the veracity of the facts and representations contained in all corporate disclosures, including financial reports. All data contained herein are prepared and submitted by the disclosing party to the Exchange, and are disseminated solely for purposes of information. Any questions on the data contained herein should be addressed directly to the Corporate Information Officer of the disclosing party.



SAN MIGUEL
FOOD AND BEVERAGE, INC.

San Miguel Food and Beverage, Inc.
FB

PSE Disclosure Form 4-30 - Material Information/Transactions
References: SRC Rule 17 (SEC Form 17-C) and Sections 4.1 and 4.4 of the Revised Disclosure Rules

Subject of the Disclosure
Analysts' Briefing Materials of the SMC Group, including the Company, on the Group's 2024 First Quarter Results.
Background/Description of the Disclosure
Please see attached.
Other Relevant Information
None.

Filed on behalf by:

Name	Alexandra Trillana
Designation	Corporate Secretary and Compliance Officer



SAN MIGUEL
CORPORATION



SAN MIGUEL
FOOD AND BEVERAGE, INC.



PETRON

SAN MIGUEL CORPORATION

Analysts' Briefing

2024 1st QUARTER RESULTS

May 16, 2024



Executive Summary

- » SMC received several **notable citations recognizing the Company's sustainability efforts** towards achieving its four overarching sustainability goals.
- » SMC is off to a strong start in 2024 marked by **robust demand in most of our business units** while continuing to strike the good balance between maintaining volume growth and profitability.
- » SMC delivered solid 1Q24 results. Headlining this performance was a **15% operating income growth** underpinned by robust volumes and improved margins coming from lower raw material costs and cost control measures across the group.
- » SMC's **steady growth in its core growth businesses** while its **growth businesses are gaining traction** exemplify its **strength and value creation**.
- » We continue to support our businesses with the **optimum level of investments and resources** and at the same time **achieving leverage** as we scale.



2023 Sustainability Milestones


Economic

Economic value generated and distributed


P1,461 B+
of economic
value
generated

P1,418 B+
of economic
value
distributed

Environment

 **11%, 7% & 6%**


Decreases in GHG emissions intensity for Power, Petron, and SMC's lower-carbon business units

 **5.7Mn MT**


Of silt and waste removed from Pasig, Tullahan, San Juan, and Bulacan rivers

 **7.5B Liters**

Freshwater saved through "Water for All" project

 **6.5Mn+**

Trees planted through Project 747

 **55 Species**

Of coral transplanted through coral reef rehabilitation


 **34%**

Increase in total water recycled and reused

 **87%**

Of solid waste diverted away from landfills


Social

 **1.3Mn Hours**


Online and in-person trainings provided to employees

 **46**


Executives and staff completed the Sustainability Management Certification Program and delivered 10 capstone sustainability projects

 **13,061**


Employee volunteers

 **9,911**

Members served almost daily by Better World communities

 **242,466**

Families granted access to clean water through Bulacan Bulk Water project


 **24,860**

Volunteer hours of service

Governance

 **63%**

Total procurement budget spent on local suppliers

 **23 and 35**

Directors and Executives, respectively, trained with the Ateneo Institute of Sustainability

**Note: All highlights above are based on progress made in the year 2023, except for the following achievements, which have been realized since the inception of the projects until the end of 2023: (a) silt and waste removed from rivers, (b) trees planted through Project 747, and (c) families granted access to clean water through the Bulacan Bulk Water Project.*



1Q2024 Sustainability Awards



3G Excellence in Sustainability Reporting Award 2024



3G Championship Award for CSR 2024



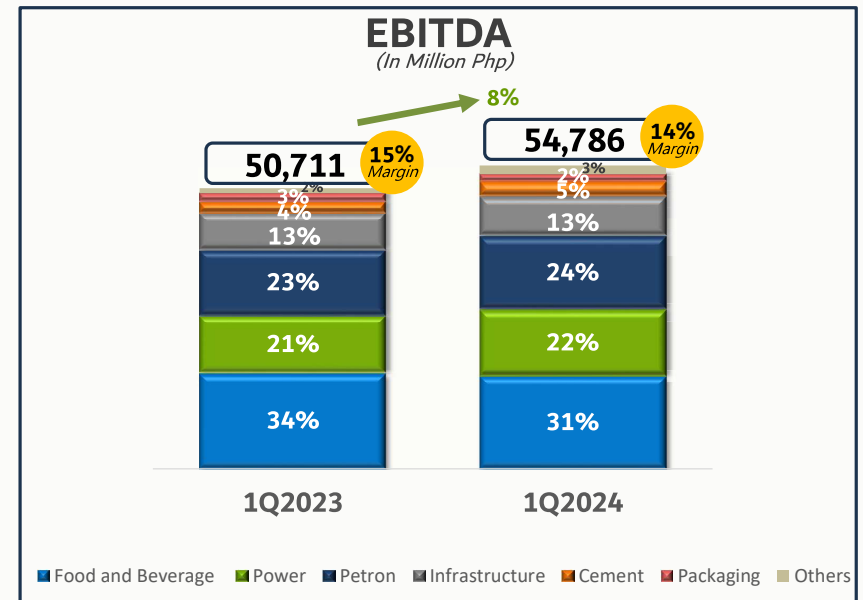
Silver Award – Empowerment of Women



Silver Award – Best Community Programme

SMC started the year strong with consolidated revenues growing 13%

<i>(in Million Php)</i>	1Q2024	1Q2023	%Change
NET SALES	392,713	346,725	13%
INCOME FROM OPERATIONS	40,464	35,053	15%
NET INCOME	8,887	17,739	-50%
NET INCOME excluding FOREX	14,493	9,004	61%

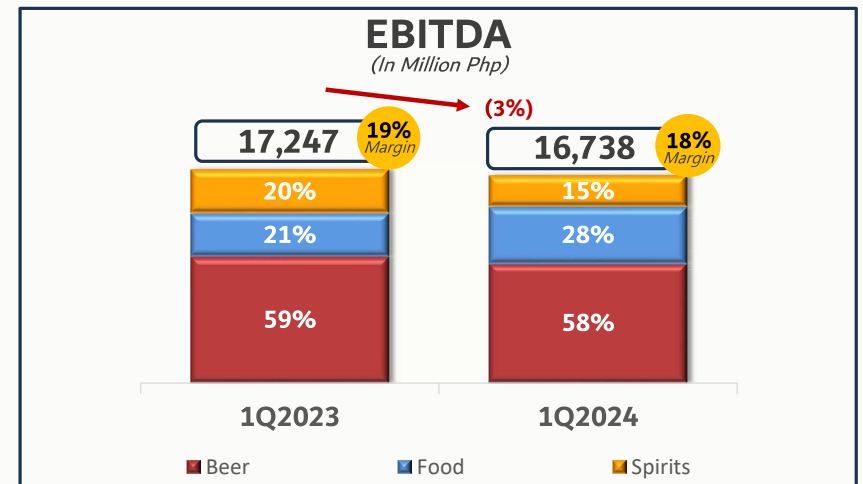


Operating income rose 15% to ₱40.5 billion on account of robust demand, lower raw material costs in Food, improved margins from contracted volumes in Power, and effective cost saving measures in Cement.



SMFB sustained top-line growth to ₱95.4 billion

<i>(in Million Php)</i>	1Q2024	1Q2023	%Change
NET SALES	95,432	93,186	2%
INCOME FROM OPERATIONS	13,119	11,581	13%
NET INCOME	9,974	9,876	1%

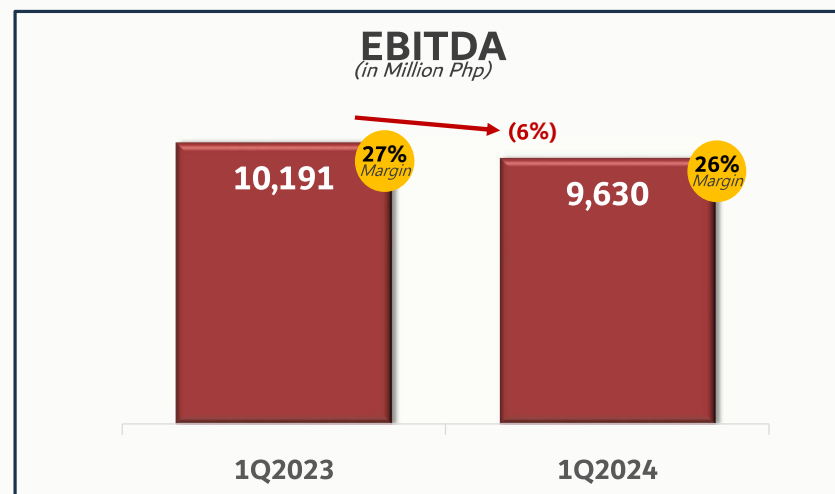


EBITDA dipped 3% to ₱16.7 billion vs last year due to lower Beer volumes. Meanwhile, operating income grew by 13% fueled by increased sales in Food and Spirits Divisions.



SMB's consolidated revenues declined by 3% on lower volumes

<i>(in Million Php)</i>	1Q2024	1Q2023	%Change
NET SALES	37,367	38,335	(3%)
INCOME FROM OPERATIONS	8,131	8,438	(4%)
NET INCOME	6,514	6,819	(4%)



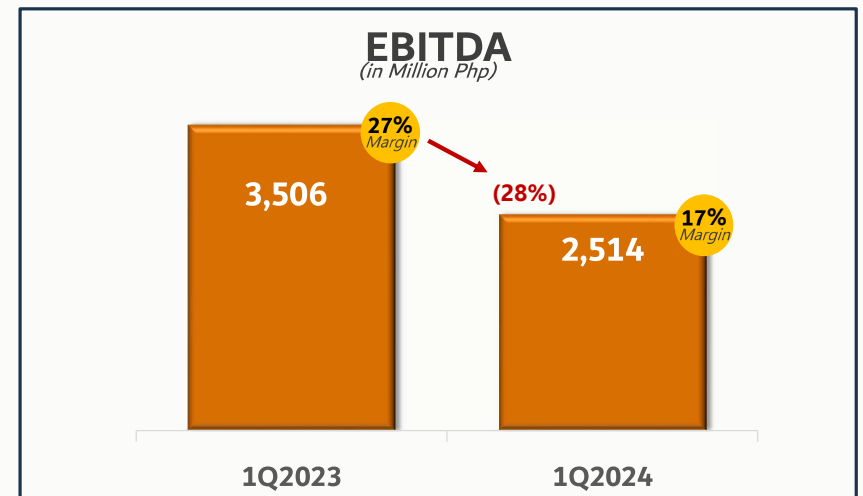
Coming from a high base in 1Q2023, in anticipation of a price hike effective March 2023, 1Q2024 recorded lower Beer volumes resulting in a slower performance for the quarter.





GSMI's revenue growth was backed by strong volume growth driven by effective brand campaigns

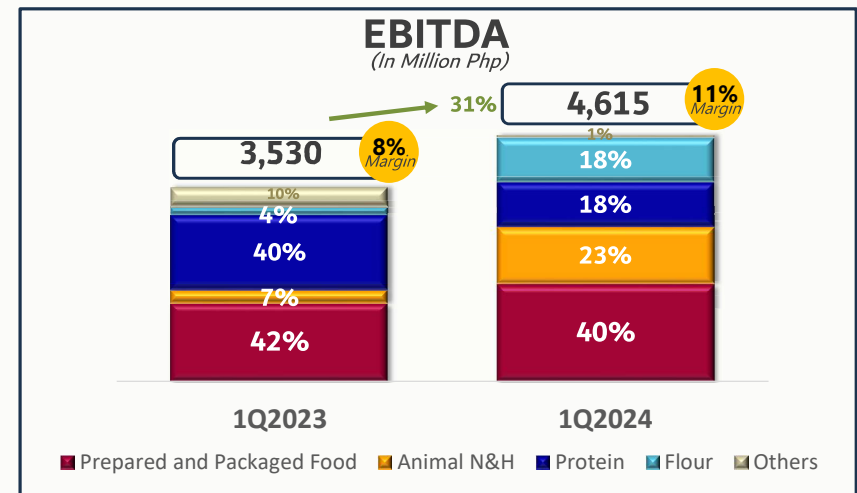
<i>(in Million Php)</i>	1Q2024	1Q2023	%Change
NET SALES	15,117	12,945	17%
INCOME FROM OPERATIONS	2,278	1,631	40%
NET INCOME	1,907	2,532	(25%)



Increase in operating income growth came in part from higher selling price, aided by efficiencies in imported alcohol purchase, second-hand bottle use and biogas generation at its distillery. Excluding one-time gain from Don Papa in March 2023, net income would have grown 38%.

San Miguel Foods sustained topline growth and delivered strong profits on higher volumes and lower raw material costs across most businesses.

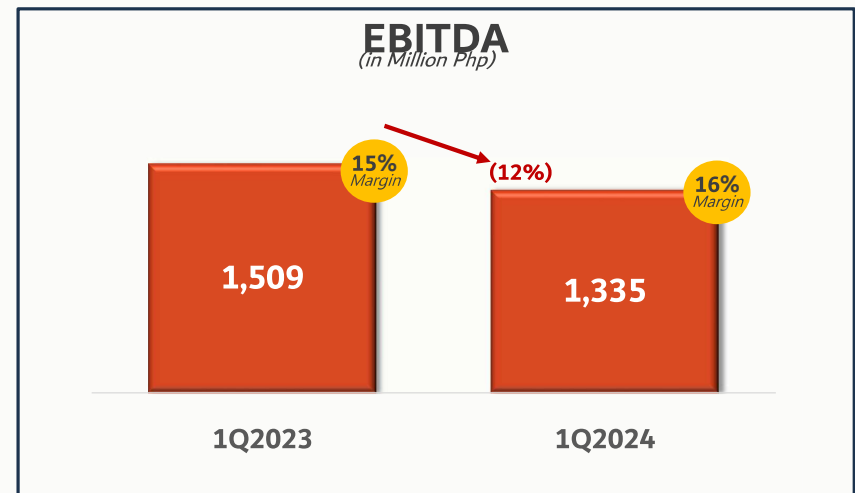
<i>(in Million Php)</i>	1Q2024	1Q2023	%Change
NET SALES	42,950	41,908	2%
INCOME FROM OPERATIONS	2,730	1,531	78%
NET INCOME	1,770	740	139%



Softening of major raw material prices along with enhanced operational efficiencies enabled by its company-owned facilities led to the 78% increase in operating income.

SMC's Packaging Group revenues declined reflecting lower demand for glass from SMB.

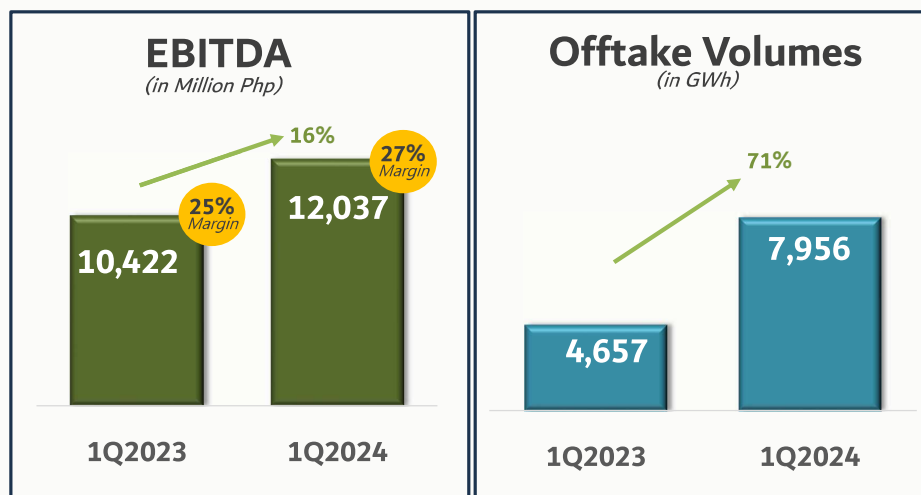
<i>(in Million Php)</i>	1Q2024	1Q2023	%Change
NET SALES	8,407	10,195	(18%)
INCOME FROM OPERATIONS	696	803	(13%)



EBITDA margin improved slightly to 16% on better productivity and management of fixed costs.

San Miguel Global Power revenues rose 7% on higher offtake volumes and BESS' contribution

<i>(In Million Php)</i>	1Q2024	1Q2023	%Change
NET SALES	44,123	41,124	7%
INCOME FROM OPERATIONS	8,840	7,575	17%
NET INCOME	1,547	5,345	-71%

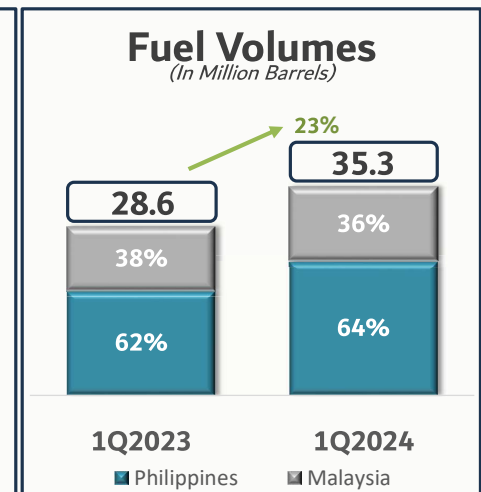
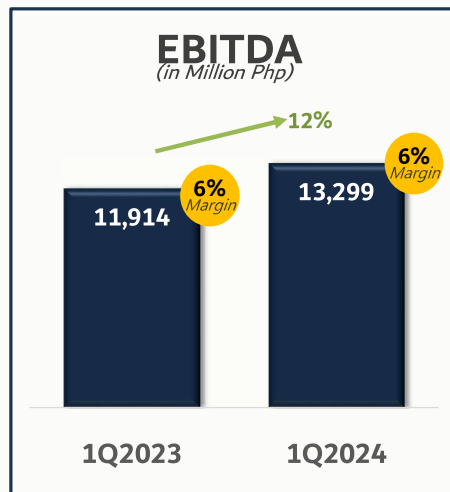


EBITDA and operating income both posted double-digit growth, as it successfully transitioned to fuel pass-through arrangements for most of its bilateral customers, supported by the significantly lower fuel prices. Without the recognized net foreign exchange movement after tax impact, net income would have grown by 15% to ₱2.7 billion.



Broad-based growth recorded across all business segments lifted revenues by 21%

<i>(in Million Php)</i>	1Q2024	1Q2023	%Change
NET SALES	227,637	188,753	21%
INCOME FROM OPERATIONS	10,171	8,418	21%
NET INCOME	3,933	3,399	16%

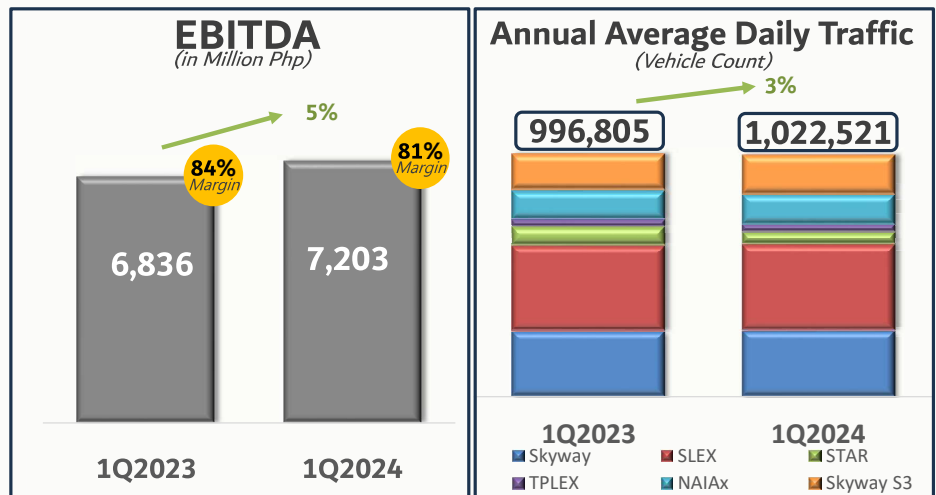


The sales volume growth was supported by higher production at Petron's refinery in Bataan and Port Dickson. Notably, Philippine operations' sales volume recorded a 28% growth on the back of higher retail and supply sales.



SMC Infrastructure posted a robust 9% revenue growth on the back of sustained performance of its toll roads

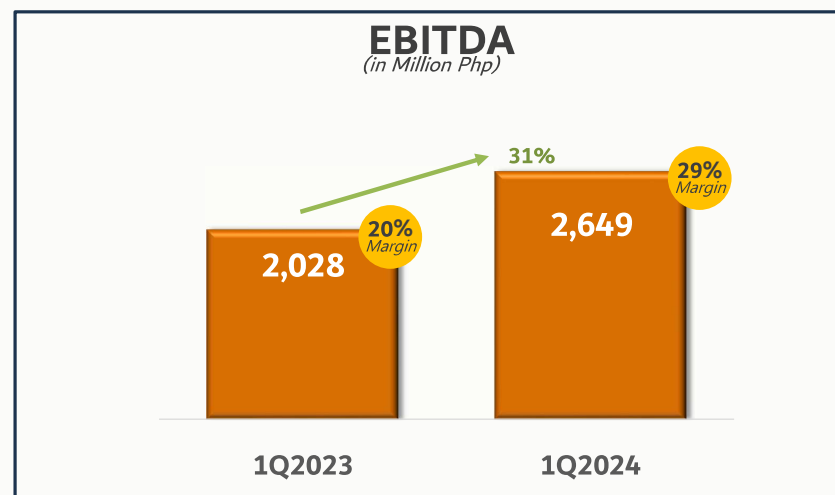
<i>(In Million Php)</i>	1Q2024	1Q2023	%Change
NET SALES	8,886	8,170	9%
INCOME FROM OPERATIONS	4,768	4,485	6%



AADT reached 1.0 million vehicles buoyed by increased travel and economic activities. First quarter growth was also supported by the toll rate increase implemented by SLEX in all vehicle classes starting November 2023. EBITDA margin remains healthy at 81%.

San Miguel Equity Investment Inc. – Cement Business’ operating profit grew 36%

<i>(In Million Php)</i>	1Q2024	1Q2023	%Change
NET SALES	9,276	10,340	(10%)
INCOME FROM OPERATIONS	1,811	1,333	36%



Despite the tight market competition relative to the influx of imported traded cement, the Cement Business recorded a strong operating income growth on the account of lower input costs and cost containment measures. This translated in a wider EBITDA margin of 29% from 20% in the same period last year.

SMC sustained a strong balance sheet, with total assets at ₱2.5 trillion

SMC Financial Position

<i>(In Billion Php)</i>	March 31, 2024	December 31, 2023
Total Current Assets	837	831
Total Assets	2,508	2,459
Cash	270	261
Total Current Liabilities	805	745
Interest-bearing debt	1,441	1,405
Total Liabilities	1,843	1,794
Total Equity	665	665





1Q2024 Business Highlights

- » As of March 31, 2024, the Manila International Airport's land development and ground improvement works are ongoing and progressing well; Overall progress for the LDW is at 79.5% while Airport development works is estimated to commence in 2025.
- » On the Railway Component alone, percentage accomplishment for the MRT 7 is at 72.8% while the Detailed Engineering Design and site development for the depot is still ongoing. In addition, 17 out of 36 trainsets were delivered on-site.
- » SMGP accomplished another key milestone on its BESS project with an additional 3 BESS facilities, with a combined capacity of 110 MWh, commencing operations on March 18, 2024.
- » On February 26, 2024, the ERC granted a Provisional Authority to Operate in favor of Mariveles Power Generation Corporation's Unit 1. Following the receipt of the PAO from the ERC, MPGC declared the commercial operations of its 150 MW Unit 1 with the IEMOP starting March 28, 2024.





Q&A





**SAN MIGUEL
CORPORATION**

Thank you!



SMCInvestorRelations@sanmiguel.com.ph



**CORPORATE
WEBSITES**

— www.sanmiguel.com.ph
www.smfb.com.ph
www.sanmiguelbrewery.com.ph
www.ginebrasanmiguel.com.ph
www.petron.com
www.smcglobalpower.com.ph



INVESTOR RELATIONS — +632 8632 3706 (SMC)
+632 8632 3417 (SMFB)
+632 8884 9265 (PETRON)

