



August 17, 2026

PHILIPPINE STOCK EXCHANGE, INC.

Disclosure Department
6th Floor, PSE Tower
5th Avenue corner 28th Street
Bonifacio Global City, Taguig City

Attention: **Atty. Johanne Daniel M. Negre**
Head, Disclosure Department

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

Re: **SMC Analysts' Briefing for 2026 First Half Results**

Gentlemen:

We are forwarding the materials that were distributed to the attendees at the Analysts' Briefing of San Miguel Corporation ("SMC") this afternoon. Petron Corporation is among the subsidiaries of SMC reported.

Very truly yours,


JOHANNA JASMINE M. JAVIER-ELACIO *th*
Vice President – General Counsel
and Corporate Secretary



SAN MIGUEL
CORPORATION

2026 1st SEMESTER RESULTS ANALYSTS' BRIEFING

August 17, 2026



SAN MIGUEL
CORPORATION



SAN MIGUEL
FOOD AND BEVERAGE, INC.



| Executive summary

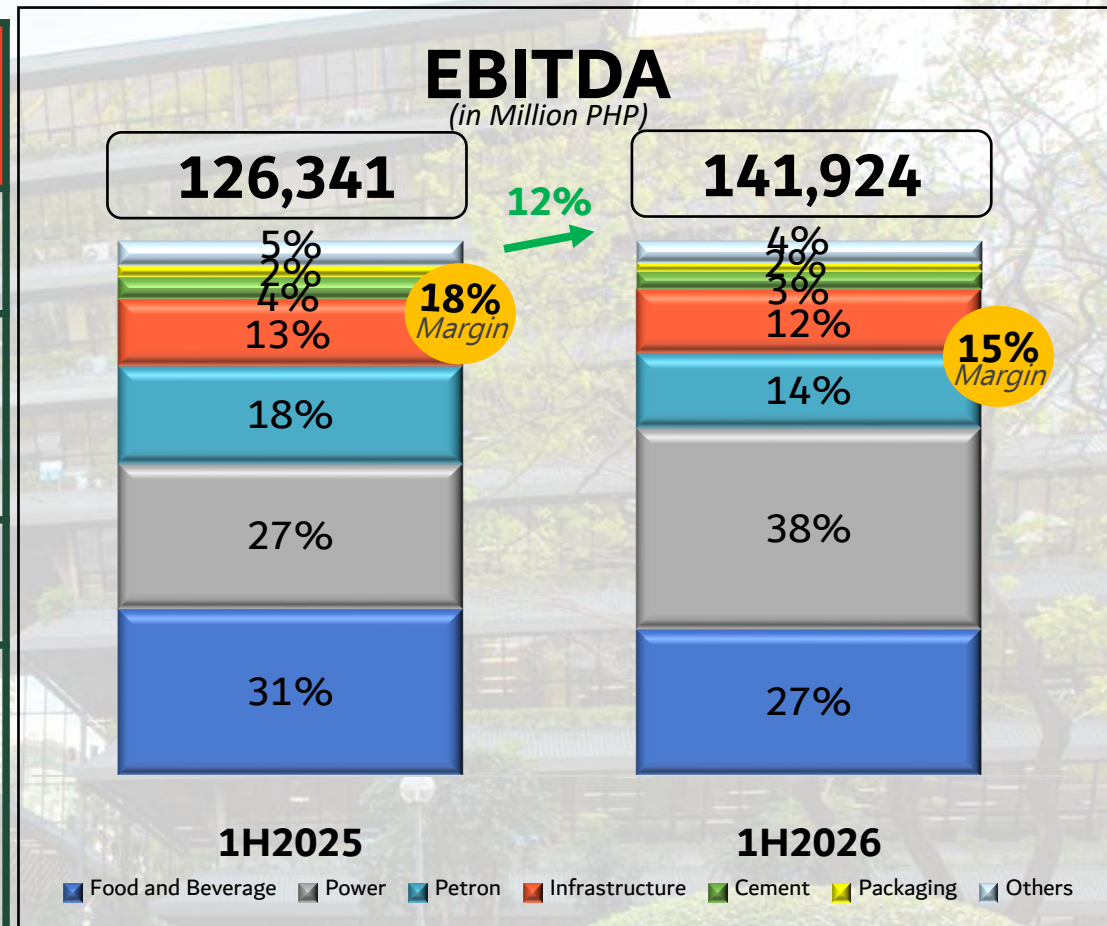
- » The first half of 2026 was marked by a more challenging Philippine operating environment, with GDP growth slowing to 2.3% in the second quarter and 2.6% for the first half, as weaker investment, softer household spending, elevated inflation, peso depreciation, and Middle East-related disruptions weighed on consumer sentiment and business confidence.
- » Within this challenging environment, SMC delivered resilient first-half results, with higher core net income and a 17% increase in operating income, driven by robust topline growth, steady domestic demand, and improved contributions from Energy, Food, Spirits, and Infrastructure.
- » SMC continued to advance its sustainability agenda in 1H 2026, moving from establishing key frameworks toward greater integration into business operations and decision-making. Key progress included advancing the Climate Risk Assessment, Net Zero Roadmap, and People Upliftment Framework, alongside the publication of the 2025 Sustainability Report. Flagship initiatives such as the Better Rivers Program continued to deliver measurable environmental and social outcomes, while stronger internal engagement and sustainability governance supported SMC's focus on long-term resilience, value creation, and sustainable growth.





SMC core net income up 48%, reflecting strong underlying performance

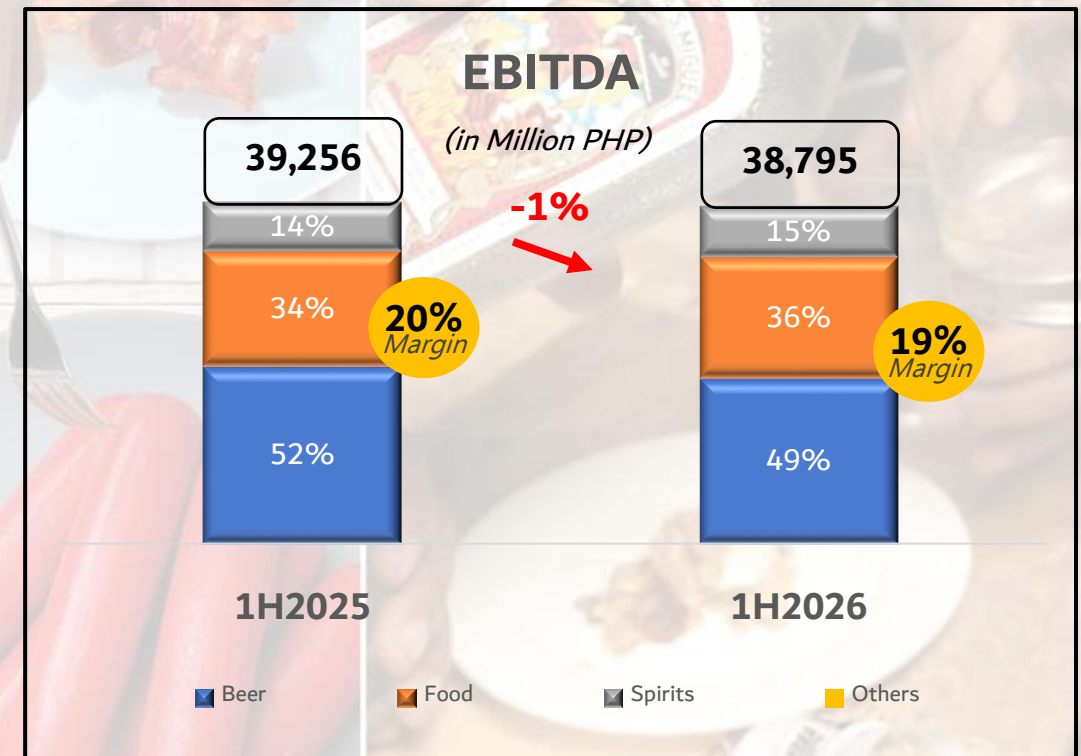
(In Million Php)	1H2026	1H2025	%Change
Net Sales	964,102	718,205	34%
Income from Operations	102,289	87,658	17%
Net Income	37,674	66,767	(44%)
Net Income (Exc. FOREX & One-offs)	54,170	36,692	48%



Diversified portfolio demonstrates resiliency, cushioning 2Q headwinds and driving 1H consolidated operating income 17% higher

SMFB's consolidated revenues grew 2% to P205.3 billion

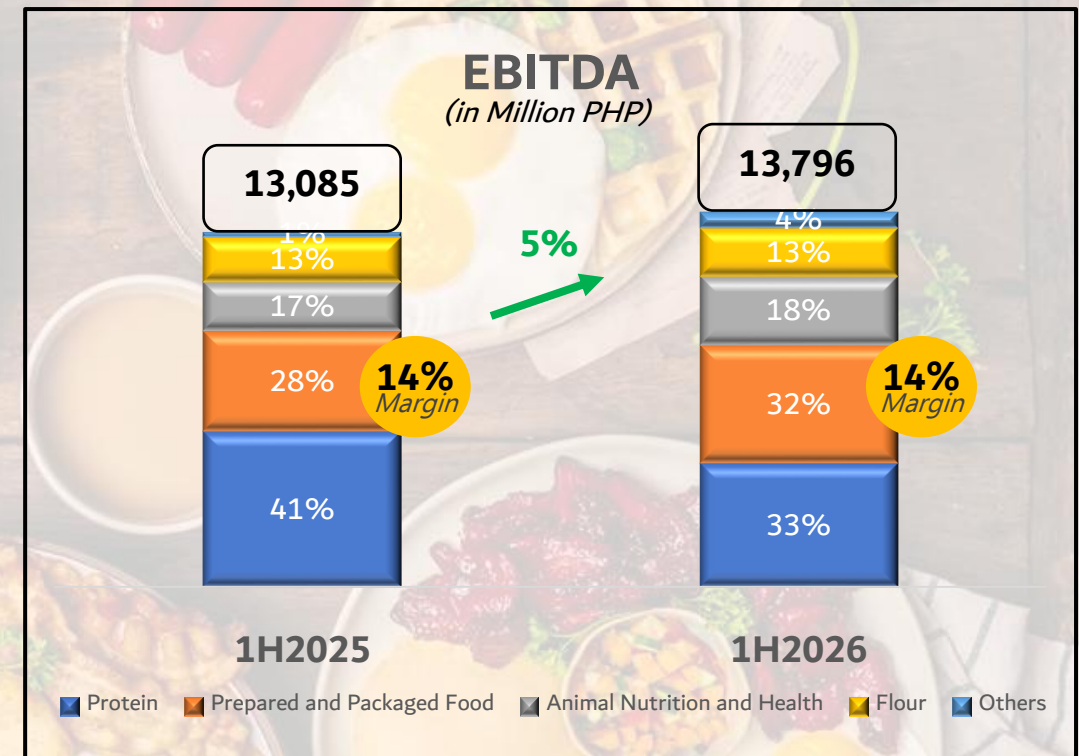
(In Million Php)	1H2026	1H2025	%Change
Net Sales	205,254	201,200	2%
Income from Operations	28,811	30,041	(4%)
Net Income	22,052	22,964	(4%)



Gross profit and margins held firm through high inflation and a weaker peso

SMF grew revenues 5% to P99.3 billion and net income 8% to P6.4 billion

(In Million Php)	1H2026	1H2025	%Change
Net Sales	99,267	94,379	5%
Income from Operations	8,833	8,648	2%
Net Income	6,444	5,994	8%

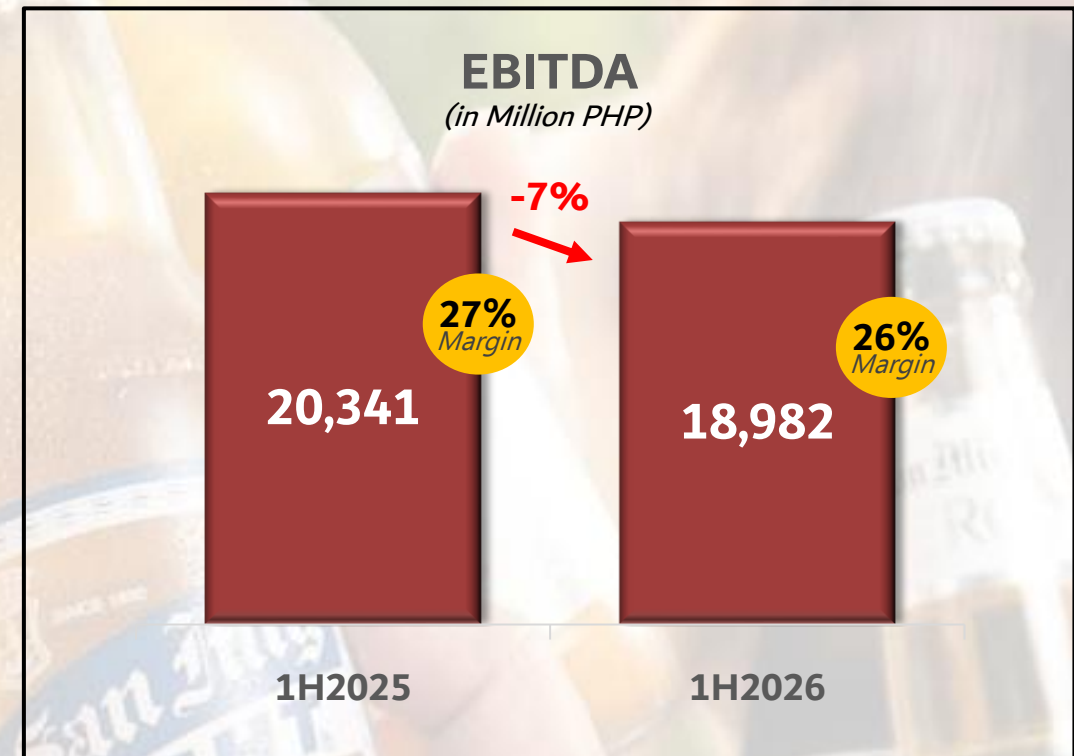


Record Feeds volumes and sustained Prepared and Packaged Food growth more than offset lower Poultry prices



Pricing sustained SMB revenues at P73.7 billion

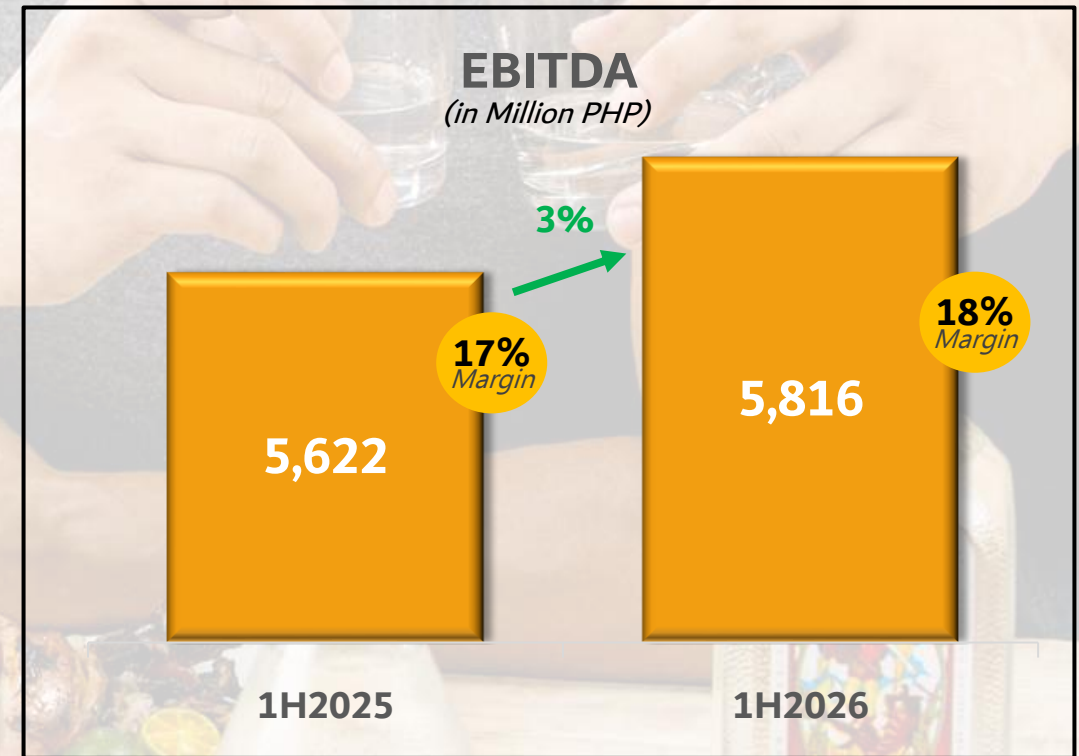
(In Million Php)	1H2026	1H2025	%Change
Net Sales	73,654	74,588	(1%)
Income from Operations	14,372	16,214	(11%)
Net Income	11,447	12,984	(12%)



Domestic revenues held steady in a more cautious consumer environment, while the Middle East conflict affected exports

GSMI grew operation income 8% to P5.4 billion and expanded margin to 18%

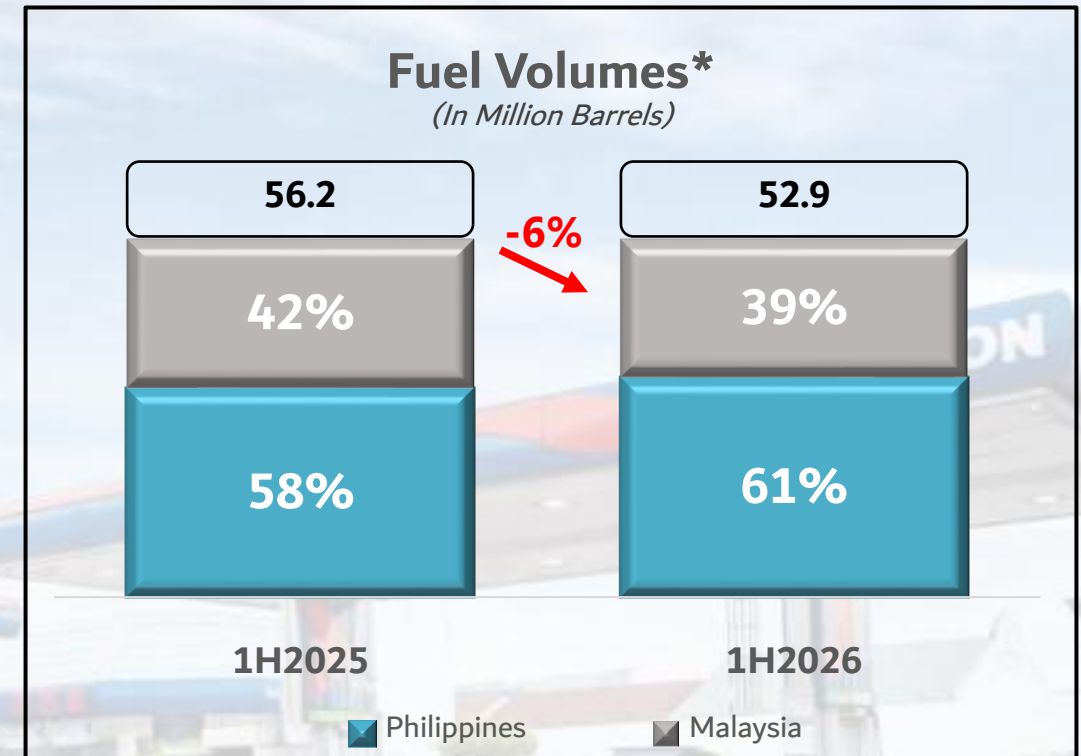
(In Million Php)	1H2026	1H2025	%Change
Net Sales	32,335	32,235	0%
Income from Operations	5,360	4,952	8%
Net Income	4,381	4,247	3%



Pricing, lower material costs, and improved distillery efficiencies drove earnings higher

Petron posted P3.8 billion net income amid challenging first half

(In Million Php)	1H2026	1H2025	%Change
Net Sales	605,891	386,395	57%
Income from Operations	12,640	15,146	(17%)
EBITDA	19,792	23,057	(14%)
Net Income	3,811	5,252	(27%)



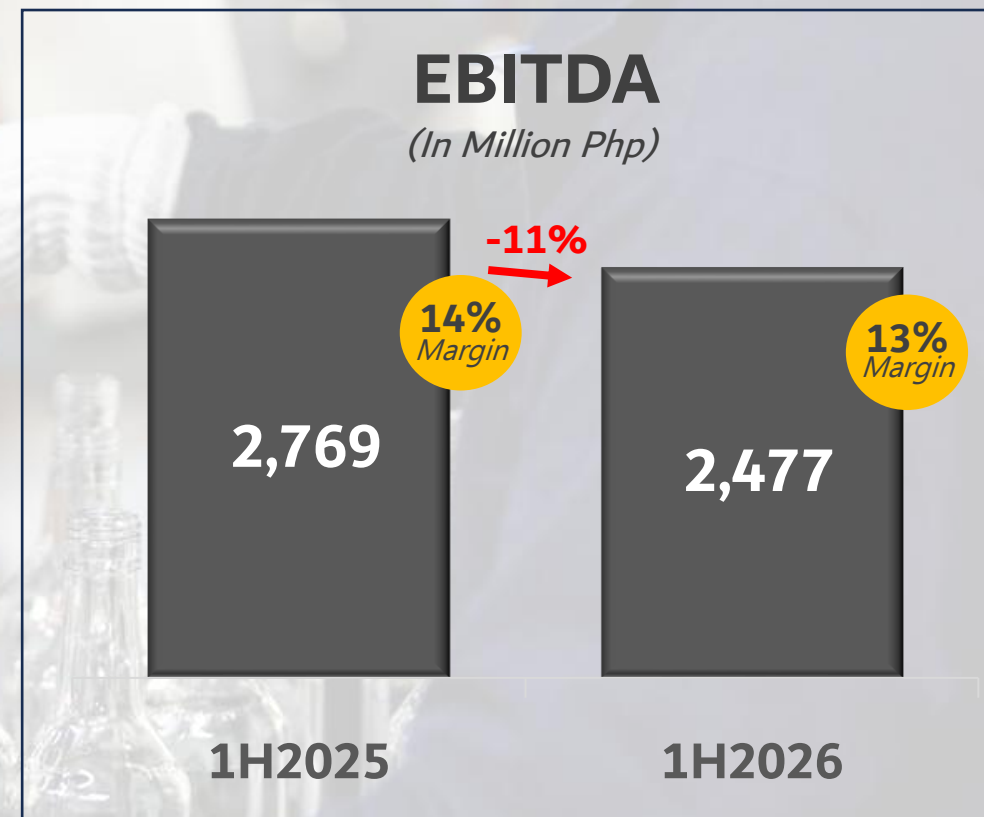
*Excludes Singapore trading volumes

Consolidated volumes which includes trading grains, grew by 6% as it was supported by a notable 15% growth in domestic retail sales

Packaging revenues held steady at P19.3 billion as strong international operations absorbed domestic demand softness



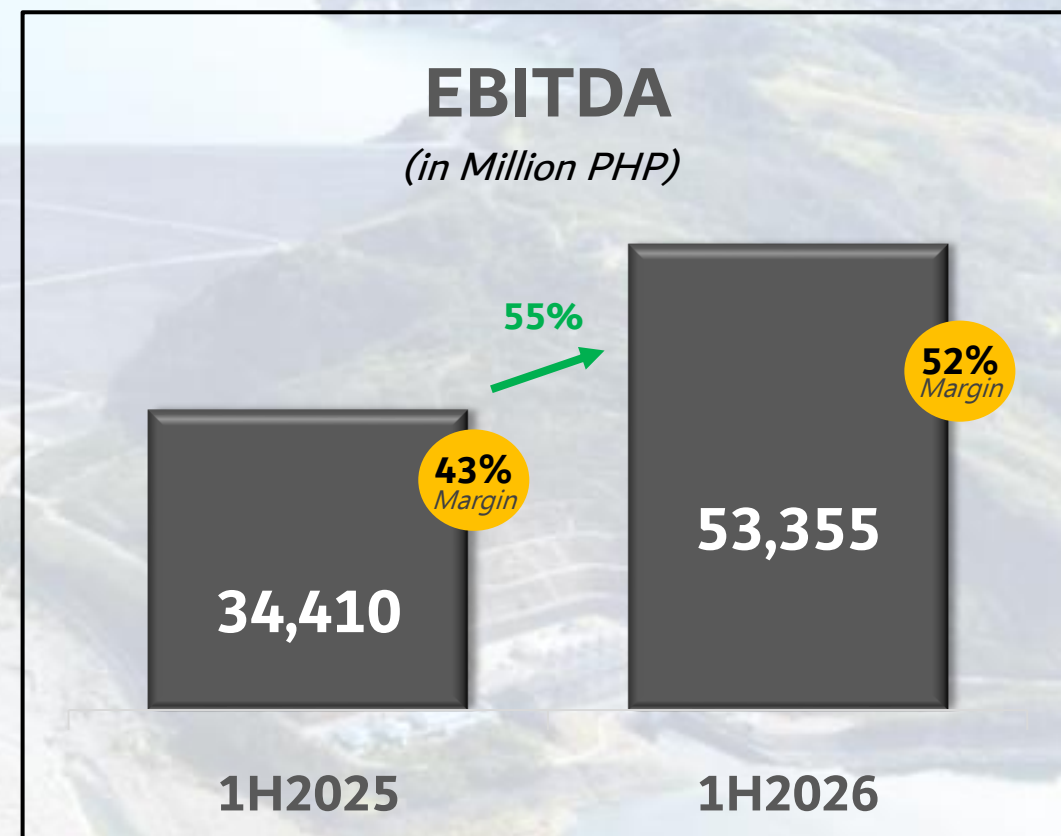
(In Million Php)	1H2026	1H2025	%Change
Revenue	19,314	19,284	0%
Income from Operations	1,151	1,592	(28%)



Lower demand and higher input costs pressured earnings despite cost-saving initiatives

SMGP's EBITDA surged 55% to P53.4 billion on the back of stronger revenues and improved contract terms

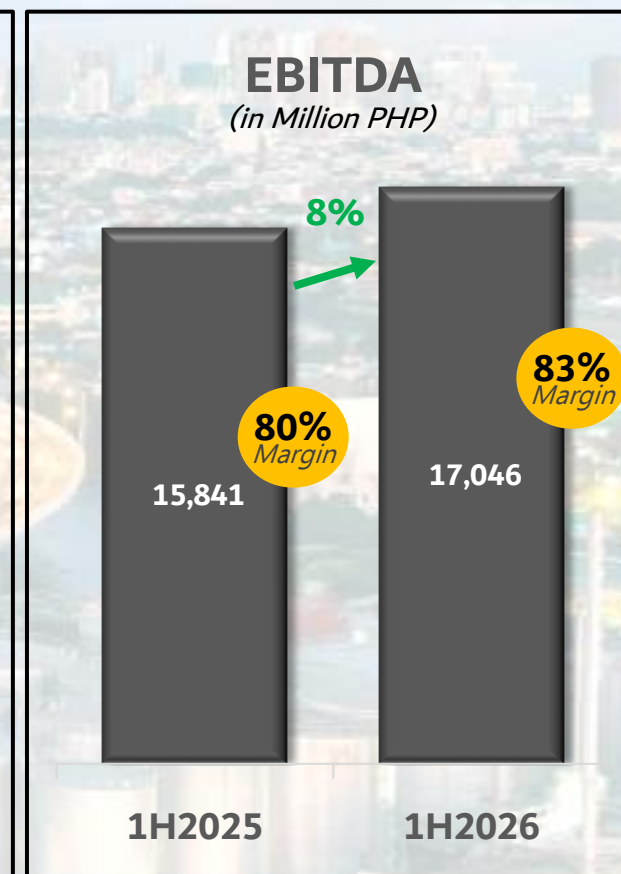
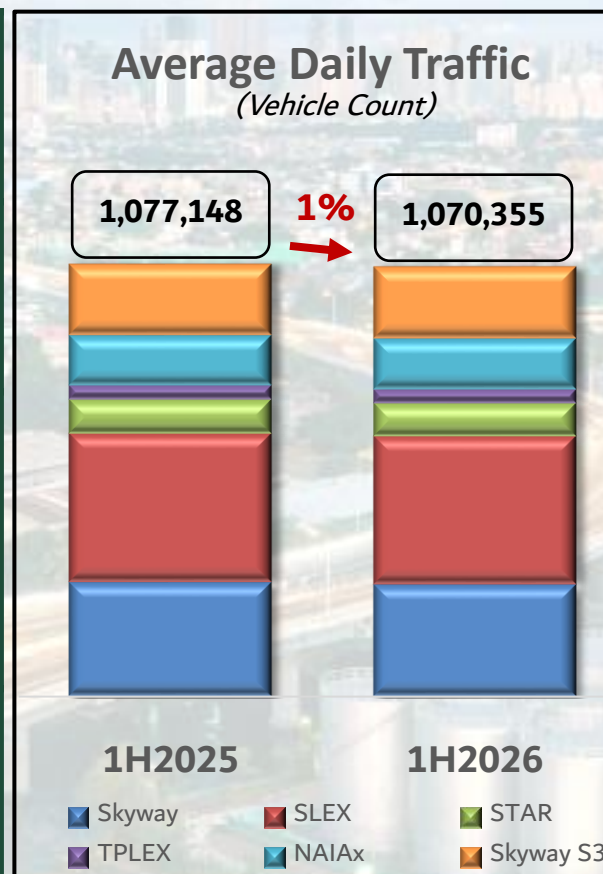
(In Million Php)	1H2026	1H2025	%Change
Net Sales	101,856	80,147	27%
Income from Operations	41,968	22,120	90%
Net Income	32,151	34,573	(7%)



Improved margins on better contract terms and higher contributions from BESS led to the business' strong first half performance

SMC Infrastructure earnings remained resilient, with revenues rising 3% YoY

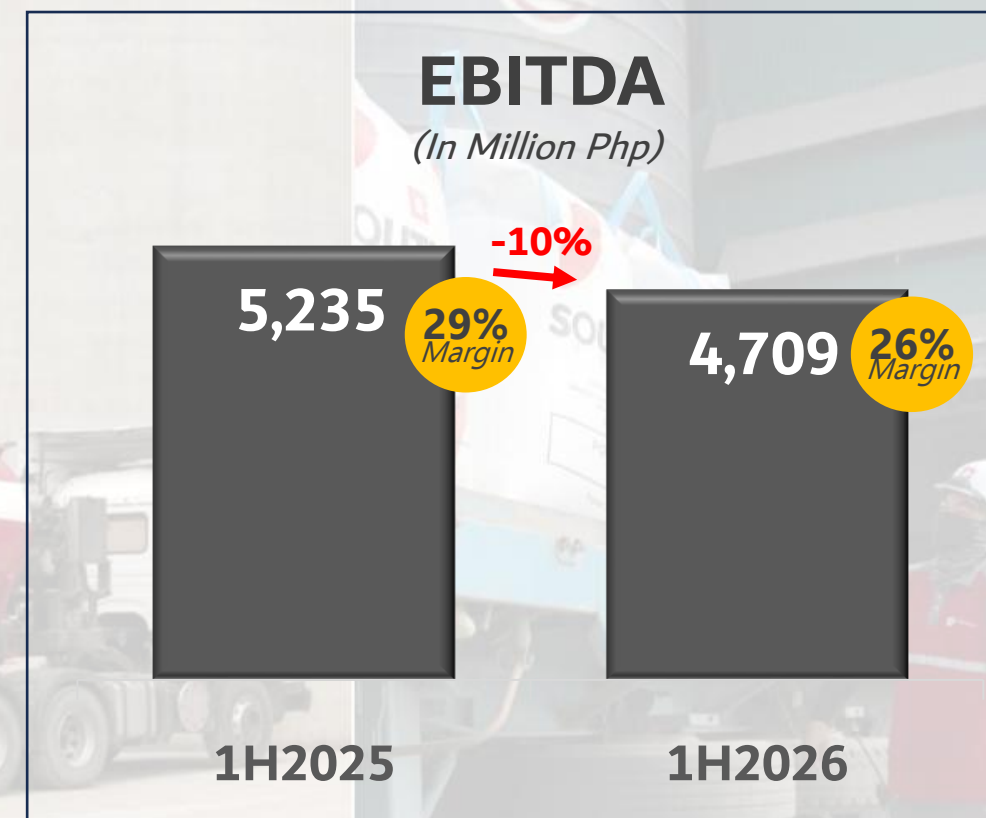
(In Million Php)	1H2026	1H2025	%Change
Net Sales	20,522	19,857	3%
Income from Operations	11,124	11,142	0%
Net Income	8,838	6,838	29%



EBITDA delivered solid 8% growth despite softer traffic amid elevated fuel prices

Cement revenues grew 2% as higher volumes offset pricing pressure amid intense market competition

(In Million Php)	1H2026	1H2025	%Change
Net Sales	18,150	17,822	2%
Income from Operations	3,164	3,493	(9%)



Stronger market position cushioned weak demand, though Middle East-related cost pressures weighed on earnings

SMC closed 2025 with a robust balance sheet, with total assets reaching P2.7 trillion



<i>(In Billion Php)</i>	June 30, 2026	December 31, 2025
Cash	454	352
Total Current Assets	1,083	883
Total Assets	2,996	2,726
Interest-bearing debt	1,798	1,588
Total Current Liabilities	826	715
Total Liabilities	2,202	1,979
Total Equity	794	747

SUSTAINABILITY UPDATE

First Half 2026



SMC 2025 Sustainability at a Glance

FINANCIAL CAPITAL

P1,503 B+
Economic value generated

P995 B+
Operating costs incl.
payments to suppliers

P58 B+
Employee wages and
benefits

P221 B+
Payments to
government in taxes

P153 B+
Payments to providers
of capital

BUILT CAPITAL

5,710 MW
Power generation capacity across SMC facilities

538 MW
Renewable energy
capacity installed

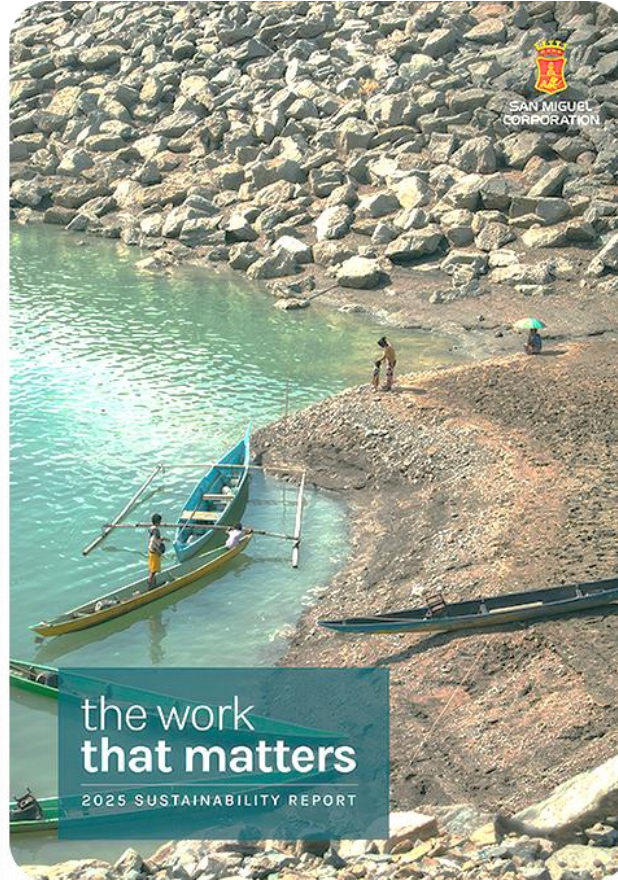
229 KM
Expressway network
supporting national
connectivity

SOCIAL & RELATIONSHIP CAPITAL

200,000+
Individuals reached through volunteer programs

65,415 hours
Contributed by 4,298
employee volunteers

6,642 members
Engaged through
Better World
community centers



NATURAL CAPITAL

8.14 Mn trees
Planted through reforestation programs

58 B liters
Water saved since
2017 through Water
for All initiatives

125%
Increase in number of
bird species visiting
SMAI's Biodiversity
Offset Program (BOP)

8.95 Mn MT
Silt and waste
removed from Pasig
and other major rivers

36%
Increase in renewable
energy use year on
year

HUMAN CAPITAL

59,117
SMC's growing workforce, with 1,689 new jobs
generated in 2025

GOVERNANCE CAPITAL

100%
Directors & officers who took corporate governance training

282
Internationally
recognized
certifications

199 Suppliers
Screened for ESG
profile and
performance

Better Rivers Program: Advancing Climate Resilience

Waste & Silt collected

9,247,632 m³

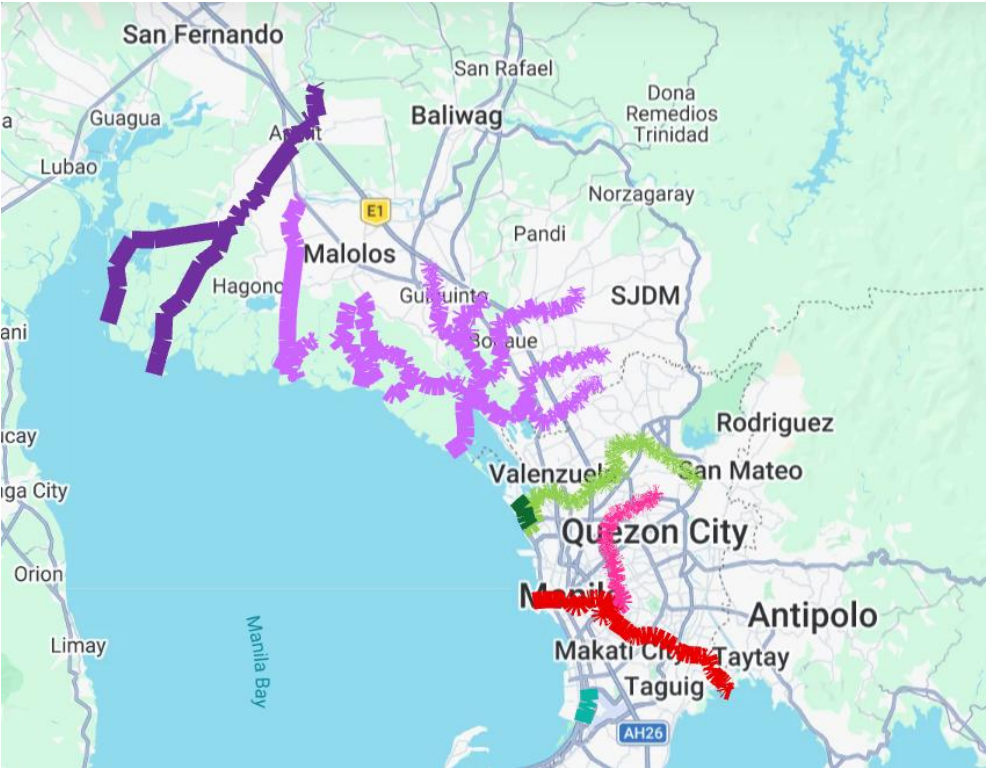
AS OF JUNE 28, 2026

Total distance covered

199.01 kilometers

AS OF JUNE 28, 2026

-  **Bulacan Rivers**
-  **Tullahan River**
-  **San Juan River**
-  **Pasig River**
-  **Navotas Channel Straightening**
-  **NAIA Rivers**
-  **Pampanga River**
-  **San Isidro River (San Pedro, Laguna)**
-  **Biñan River**



Sustainability Recognitions



3G Excellence in Sustainable Development Award and the 3G Community Development and Philanthropy Award.



**Eagle Cement
Green Leadership category:
Waste Heat Recovery System
Social Empowerment category:
Wealth on Waste Program**

Internal Culture & Awareness Development



Let's minimize our landfill waste
by properly segregating our trash



COMPOSTING OF
BIODEGRADABLE WASTE

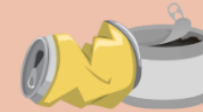
RECYCLABLES - RED BINS



Glass bottles



Plastic bottles



Metal cans



DRY PAPER - GREEN BINS



Office paper



Cardboard boxes



Scrap paper and receipts



Paper bags



RESIDUALS - BLACK BINS



Food packaging



Disposable drink cups



Candy and snack wrappers



Disposable utensils



2026 Progress: Advancing Sustainability Goals

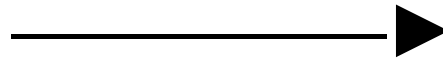
FOUNDATION

Climate Risk Assessment

Net Zero Roadmap

Uplifting People

Sustainability Reporting



INTEGRATION

- Evaluate individual facilities' resilience and develop mitigation plans relative to each one's physical climate risk assessment
- Integrate climate risk with ERM across the Group
- Embed ESG risk evaluation in major capex projects
- Advance hydro and solar projects of Global Power, CME plant construction for Petron and co-processing initiatives for Cement
- Push for intermediate targets for the sustainability goals in each business
- Track impact metrics of social projects
- Gearing up for IFRS S1 & S2 compliance

1H2026 Business Updates & Outlook

- » SMC's recent P30 billion preferred shares follow-on offering was 3.27x oversubscribed, reflecting strong investor confidence in the Group's long-term growth strategy and its continued investments in infrastructure and nation-building projects.
- » SMFB's capacity expansion is progressing across its Food and Beverage businesses. Key projects include GSMI's Lucena washing facility, commissioned in March, and its Cabuyao production line targeted for November; Beer's Lucanin Malt Terminal; and additional food manufacturing, feedmill, cold storage, and grain-handling capacities.
- » SMGP remains committed to its energy transition strategy through its Hydro and Solar projects, with plant development, construction, and solar panel importation currently in progress.
- » Key infrastructure projects continue to advance, with ongoing toll road construction and improvements, sustained progress on MRT-7 and MIA, and significant operational improvements and upgrades at NAIA to enhance capacity and passenger experience.
- » SMC's diversified portfolio, scale, and operational resilience continue to support stable performance amid a more challenging operating environment. With a disciplined approach to operations, capital allocation, and risk management, the Company remains well-positioned to pursue long-term growth opportunities while maintaining financial strength and adaptability across economic cycles.



Q&A





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