

**MINUTES OF THE ANNUAL MEETING
OF THE STOCKHOLDERS OF**

SAN MIGUEL FOOD AND BEVERAGE, INC.

Held on 7 June 2023

The Annual Stockholders' Meeting of the Company was conducted virtually and streamed live through the link accessible from the Company's website www.smfb.com.ph. Stockholders attended the meeting by remote communication and voted through the sending of ballots or by appointing a proxy pursuant to the rules provided in the Notice of Meeting and Definitive Information Statement of the Company.

PRESENT:

Stockholders

See Record of Attendance attached as **Annex "A"** to these minutes.

Directors

RAMON S. ANG – Vice Chairman, President and Chief Executive Officer

FRANCISCO S. ALEJO III – Chief Operating Officer, Food Division

ROBERTO N. HUANG – Chief Operating Officer, Beer Division

EMMANUEL B. MACALALAG – Chief Operating Officer, Spirits Division

FERDINAND K. CONSTANTINO – Treasurer

AURORA T. CALDERON

MENARDO R. JIMENEZ

MA. ROMELA M. BENGZON

FRANCIS H. JARDELEZA

RICARDO C. MARQUEZ

(also Chairman of Board Risk Oversight Committee)

CIRILO P. NOEL

(also Chairman of Audit Committee)

WINSTON A. CHAN

(also Chairman of Related Party Transaction Committee)

AURORA S. LAGMAN

(also Chairman of Corporate Governance Committee)

ESTELA M. PERLAS-BERNABE

IN ATTENDANCE:

ILDEFONSO B. ALINDOGAN – Chief Finance Officer, Chief Strategy Officer

KRISTINA LOWELLA I. GARCIA – Investor Relations Manager, Data Protection Officer

ALEXANDRA B. TRILLANA – Corporate Secretary, Compliance Officer, General Counsel

MA. CELESTE L. RAMOS – Assistant Corporate Secretary

JOHANNA DOMINIQUE ESTEBAN – Internal Audit Head

R.G. MANABAT & CO. (Jose P. Javier, representative)

SMC STOCK TRANSFER SERVICE CORP. (Enrique L. Yusingco, representative)

APOLOGIES:

JOHN PAUL L. ANG

I. CALL TO ORDER

The live stream of the meeting at www.smfb.com.ph started promptly at 2:00 p.m. After the national anthem and invocation, Mr. Ramon S. Ang, Vice

Chairman, President and Chief Executive Officer, acted as Chairman of the meeting, called the meeting to order and presided over the proceedings.

II. CERTIFICATION OF NOTICE AND QUORUM

The Corporate Secretary, Atty. Alexandra B. Trillana, certified that notices were duly sent. She further certified that there was a quorum for the valid transaction of business. There was present in person, by attendance advice emailed to the Company, or by proxy, stockholders representing approximately 88.76% of the outstanding capital stock of the Company.

The total number of shares in attendance was 5,245,360,836. Of this total number of shares, 5,245,117,686 were represented by proxy while 243,150 shares were represented in person. She informed the assembly that the Chairman held proxy for or represented approximately 88.76% of the outstanding capital stock of the Company and that he was voting in favor of all corporate actions in the Agenda submitted for approval in the meeting, or as instructed in the proxies.

Atty. Trillana also acknowledged the attendance of the members of the Board of Directors, as listed above, as well as the Company's key officers, R.G. Manabat & Co./KPMG, the external auditor for the year 2022, and SMC Stock Transfer Service Corporation, the Company's independent stock transfer agent. The attendees who participated in the meeting via video conference are set out in **Annex "B"** hereof, which also states the respective locations they were at, and the devices they used in joining the meeting. All attendees confirmed that they could hear and see each other clearly and that they received in advance all materials for the meeting.

The stockholders were advised that after the Annual Report for 2022, questions and comments, if any, emailed to the dedicated email address for the meeting smfbasm2023@sanmiguel.com.ph will be read and addressed. Questions not answered during the meeting will be replied to by the Office of the Corporate Secretary or Investor Relations Manager.

The full agenda of the meeting was presented. The Corporate Secretary said that the rationale and brief explanation of each item in the agenda were provided in the Notice and the Definitive Information Statement (DIS) for the meeting posted in the Company's website as early as May 10, 2023.

As stated in the DIS, the method of voting for all matters submitted to a vote at the meeting is by ballot or by proxy validly submitted by outstanding stockholders of record as of May 8, 2023. A sample ballot/proxy, which enabled stockholders to vote in writing on each item or proposal in the Agenda, was provided in the DIS and made available for download on the Company's website. The Company's independent stock transfer agent was appointed to canvass and validate the votes.

Each stockholder is allowed one vote per share and the election of the Board of Directors is by cumulative voting by the common shareholders.

Where a quorum is present, a simple majority vote of the stockholders holding common shares, by ballot or proxy validly submitted, will be needed for the approval of the minutes of the previous stockholders' meeting, the approval of the annual report and 2022 audited financial statements, the ratification of all acts of the Board of Directors and management since the last annual stockholder's meeting, and the appointment of the external auditor of the Company for 2023.

In the election of directors, the 15 qualified nominees who receive the highest votes shall be deemed duly elected as directors. A stockholder may distribute his votes per share to as many persons as there are directors to be elected, or he may cumulate his shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of shares he has, or he may distribute them on the same principle among as many candidates as he shall see fit; provided, that the total number of votes cast by him shall not exceed the number of shares he owns as shown in the books of the Company multiplied by the whole number of directors to be elected.

Atty. Trillana further informed the stockholders that the vote canvassing results, including the number of votes against the relevant items in the Agenda, as well as those that abstained from voting, will be posted in the Company's website and disclosed in accordance with the requirements of the regulators.

Each proposed resolution for consideration by the stockholders was presented as these were taken up.

III. APPROVAL OF THE MINUTES OF THE 2022 ANNUAL STOCKHOLDERS' MEETING

The Chairman referred to the next item on the Agenda, which is the approval of the minutes of the annual meeting of the stockholders held on June 1, 2022, a copy of which had been attached to the DIS, as well as posted on the Company's website.

Upon motion duly made and seconded by separate stockholders, and there being no objection, the following resolution presented was approved:

Resolution No. 2023-06-07-01

“RESOLVED, That the minutes of the Annual Stockholders' Meeting of the Company held on June 1, 2022 be approved.”

With the vote of the Chairman, majority of the outstanding common shares represented at the meeting had voted in favor of the proposal. The exact number of votes is provided in **Annex “C”** hereof.

IV. PRESENTATION OF ANNUAL REPORT AND APPROVAL OF 2022 AUDITED FINANCIAL STATEMENTS

The audited consolidated financial statements of the Company as at and for the year ended December 31, 2022 had likewise been attached to the DIS for the meeting and posted on the Company's website.

The Annual Report of the Company for the year ended December 31, 2022 in SEC Form 17-A, referred to in the DIS and also posted on the Company's website, sets out the dividends paid to the stockholders in the year 2022. It also provides that in 2022, the Company had no transactions with directors, officers or any principal stockholders (owning at least 10% of the total outstanding shares of the Company) that are not in the ordinary course of business of the Company. There have been no complaints, disputes or problems regarding related party transactions of the Company.

Upon the request of the Chairman, Mr. Ildefonso B. Alindogan, Vice President, Chief Finance Officer and Chief Strategy Officer, delivered the

Company's Annual Report for 2022. He also reported on the financial results of the Company for the first quarter of 2023. A copy of the Report is attached to these minutes as **Annex "D"**.

After the report, Ms. Kristina Garcia, Investor Relations Manager, read a question submitted by a stockholder:

A stockholder inquired on what are the Company's expectations for its Food business for the balance of year, given the high commodity prices.

Mr. Francisco S. Alejo III, Director and Chief Operating Officer of the Food Division, replied that for the balance of year 2023, prices for raw materials specially for commodities are expected to decrease. In fact, in the month of June, some of the raw materials prices are already lower than in previous months, which will significantly improve profitability for the second half of 2023. Likewise, the newly built plants for poultry, feeds and processed meats are delivering better efficiencies, which would translate to better yields and margins. This is in addition to various cost-saving initiatives being implemented. The opening of markets will also give the Food Division opportunity for better sales volume and increased consumer buying. Thus, things are looking up for the Food Division for the balance of year.

There being no other questions submitted in advance of the meeting, upon motion duly made and seconded by separate stockholders, and there being no objection, the following resolution presented was approved:

Resolution No. 2023-06-07-02

"RESOLVED, That the Question-and-Answer session of stockholders be closed, and that the Annual Report of the Company for 2022 as presented, including the 2022 Audited Consolidated Financial Statements of the Company and its subsidiaries, be approved and ratified."

With the vote of the Chairman, majority of the outstanding common shares represented at the meeting had voted in favor of the proposal. The exact number of votes is provided in **Annex "C"** hereof.

V. RATIFICATION OF ACTS AND PROCEEDINGS OF THE BOARD OF DIRECTORS AND CORPORATE OFFICERS

The Chairman proceeded to the next item on the Agenda, which is the ratification of all acts and proceedings of the Board of Directors and corporate officers since June 1, 2022 until the date of this meeting, June 7, 2023.

The Corporate Secretary explained that the ratification by the stockholders is sought for the acts and resolutions of the Board of Directors, its Committees, as well as acts of officers of the Company taken or adopted since the annual stockholders' meeting on June 1, 2022, until the date of this meeting, June 7, 2023, as approved by the Board during its meetings and/or covered by disclosures to the regulators and posted on the Company's website. The acts of management at the direction of the Company's Board of Directors and officers are those undertaken to implement the resolutions of the Board or its Committees, or conducted in the regular course of business.

A summary of these acts and resolutions, which include the approval of the 2022 Annual Report in SEC Form 17-A containing a discussion that directors

do not receive any compensation or director's fees from the Company other than a reasonable per diem of Php25,000 for every Board meeting attended and Php20,000 for every Board Committee meeting attended, were set out in the DIS and presented at the meeting for reference.

Upon motion duly made and seconded by separate stockholders, and there being no objection, the following resolution presented was approved:

Resolution No. 2023-06-07-03

“RESOLVED, That all acts, resolutions and proceedings of the Board of Directors and Corporate Officers of the Company since the Annual Meeting of the Stockholders on June 1, 2022 until today, June 7, 2023, as set forth in the minutes of the meetings of the Board of Directors, as well as the financial statements and records of the Company, be approved, confirmed and ratified.”

With the vote of the Chairman, majority of the outstanding common shares represented at the meeting had voted in favor of the proposal. The exact number of votes is provided in **Annex “C”** hereof.

VI. APPOINTMENT OF EXTERNAL AUDITOR FOR 2023 AND RATIFICATION OF EXTERNAL AUDITOR FEES

The stockholders proceeded to consider the nomination for the position of external auditor of the Company.

The Corporate Secretary informed the assembly that after evaluation, the Audit Committee recommends (a) the re-appointment of the accounting firm R.G. Manabat & Co./KPMG as the external auditor of the Company for fiscal year 2023, and (b) the ratification of KPMG's fees for the preparation of the 2022 audited parent and consolidated financial statements of the Company in the amount of approximately P1.35 million. The audit plan for 2023 shall be presented to the Audit Committee for approval, while the fees payable to the auditor shall, with the authority of the Audit Committee, be negotiated by management to be in the best interest of the Company. The Chairman of the Audit Committee, Independent Director Cirilo P. Noel, confirmed this.

Upon motion duly made and seconded by separate stockholders, and there being no objection, the following resolutions presented were approved:

Resolution No. 2023-06-07-04

“RESOLVED, That the accounting firm of R.G. Manabat & Co. be appointed as external auditor of the Company for fiscal year 2023.”

Resolution No. 2023-06-07-05

“RESOLVED, That the fees billed by R.G. Manabat & Co for the preparation of the 2022 audited parent and consolidated financial statements of the Company be ratified.”

With the vote of the Chairman, majority of the outstanding common shares represented at the meeting had voted in favor of each proposal. The exact number of votes are provided in **Annex “C”** hereof.

VII. ELECTION OF BOARD OF DIRECTORS

The next item on the Agenda is the election of the members of the Board of Directors of the Company.

The Corporate Secretary informed the assembly that in accordance with the By-laws, Manual on Corporate Governance and rules of the Securities and Exchange Commission (SEC), any stockholder, including minority stockholders, may submit nominations to the Board of Directors of the Company. The Corporate Governance Committee will determine whether the nominees for directors, including nominees for independent directors, have all the qualifications and none of the disqualifications to serve as members of the Board before submitting the nominees for election by the stockholders. The profiles of the nominees to the Board of Directors were provided in the DIS for this meeting, for consideration by the stockholders. This was confirmed by the Chairperson of the Corporate Governance Committee, Independent Director Aurora S. Lagman.

The names of the nominees to the Company's Board of Directors as endorsed by the Corporate Governance Committee, all of whom were determined to possess the qualifications and none of the disqualifications under the Company's By-laws and Manual on Corporate Governance, were presented.

They are:

Ramon S. Ang
 Francisco S. Alejo III
 Roberto N. Huang
 Emmanuel B. Macalalag
 Ferdinand K. Constantino
 Aurora T. Calderon
 Menardo R. Jimenez
 Ma. Romela M. Bengzon
 Francis H. Jardeleza
 John Paul L. Ang
 Ricardo C. Marquez
 Cirilo P. Noel
 Winston A. Chan
 Aurora S. Lagman
 Estela M. Perlas-Bernabe

The Corporate Secretary said that the nominees for independent directors as identified in the DIS for the meeting, are Gen. Ricardo C. Marquez, Mr. Cirilo P. Noel, Mr. Winston A. Chan, Justice Aurora S. Lagman and Justice Estela M. Perlas-Bernabe. This is in accordance with the SEC requirement of electing independent directors.

A stockholder moved for the election of the 15 nominees as members of the Board of Directors of the Company, and that the votes of the common shareholders present and represented by proxies or who submitted ballots be recorded accordingly. The motion was duly seconded by another stockholder.

There being no objection to the motion, the following resolution presented was approved:

Resolution No. 2023-06-07-06

“RESOLVED, That the following be elected as members of the Board of Directors of the Company, to serve as such beginning June

7, 2023 for a term of one (1) year and until their successors are elected and qualified:

Ramon S. Ang
 Francisco S. Alejo III
 Roberto N. Huang
 Emmanuel B. Macalalag
 Ferdinand K. Constantino
 Aurora T. Calderon
 Menardo R. Jimenez
 Ma. Romela M. Bengzon
 Francis H. Jardeleza
 John Paul L. Ang
 Ricardo C. Marquez (Independent)
 Cirilo P. Noel (Independent)
 Winston A. Chan (Independent)
 Aurora S. Lagman (Independent)
 Estela M. Perlas-Bernabe (Independent).”

Accordingly, the Chairman declared the nominees as duly elected members of the Board of Directors of the Company. On behalf of management, the Chairman welcomed the newly elected Board of Directors and thanked the stockholders for their vote of confidence.

VIII. ANNOUNCEMENT OF RESULTS

The vote canvassing results stating the number of votes for and against the relevant items in the Agenda, as well as those that abstained from voting, and including the votes garnered by each nominee to the Board of Directors (as earlier posted in the Company’s website), is attached to these minutes as **Annex “C”**. With regard to the election of the Board of Directors, the Chairman distributed his votes equally for all nominees, unless otherwise instructed in the proxies held by him.

IX. OTHER MATTERS / ADJOURNMENT

The Chairman asked if there were any other matters that any stockholder wished to bring up to the assembly.

There being no other matters, the Chairman entertained a motion for adjournment. A stockholder moved to adjourn the meeting, which motion was duly seconded by another stockholder. No objection being made, the Chairman adjourned the meeting and thanked all stockholders for their attendance and participation.

ATTESTED BY:

RAMON S. ANG

Vice Chairman and Chairman of the Meeting

Certified Correct:

ALEXANDRA BENGSON TRILLANA

Corporate Secretary

San Miguel Food and Beverage, Inc.

Stockholders' Meeting - June 7, 2023

Proxy and Registration Report

| Stockholder Name | No. Of Common Shares | % VS O/S (Common) |
|---|-------------------------|----------------------|
| With Proxy | | |
| San Miguel Corporation | 5,245,082,440 | 88.76% |
| Deutsche Bank AG Manila Branch | 35,246 | 0.00% |
| HSBC | 0 | 0.00% |
| Citibank | 0 | 0.00% |
| Standard Chartered Bank | 0 | 0.00% |
| WITH PROXY TOTAL | 5,245,117,686 | 88.76% |
| ATTENDING IN PERSON | | |
| Directors: | | |
| Ramon S. Ang | 10 | 0.00% |
| Francisco S. Alejo III | 230,010 | 0.00% |
| Roberto N. Huang | 10 | 0.00% |
| Emmanuel B. Macalalag | 10 | 0.00% |
| Ferdinand K. Constantino | 10 | 0.00% |
| Aurora T. Calderon | 10 | 0.00% |
| Menardo R. Jimenez | 10 | 0.00% |
| Ma. Romela M. Bengzon | 10 | 0.00% |
| Francis H. Jardeleza | 10 | 0.00% |
| John Paul L. Ang | 10 | 0.00% |
| Ricardo C. Marquez | 10 | 0.00% |
| Cirilo P. Noel | 10 | 0.00% |
| Winston A. Chan | 10 | 0.00% |
| Aurora S. Lagman | 10 | 0.00% |
| Estela M. Perlas-Bernabe | 3,010 | 0.00% |
| Officers: | | |
| Kristina Lowella I. Garcia | 10,000 | 0.00% |
| IN PERSON TOTAL | 243,150 | 0.00% |
| TOTAL ATTENDING STOCKHOLDERS IN PERSON OR BY PROXY | 5,245,360,836 | 88.76% |
| Others (without proxy or registration) | 663,859,254 | 11.24% |
| Total Outstanding Shares | 5,909,220,090 | 100.00% |

Annex "B"

| | Location | Device Used |
|---------------------------------|---|--------------------|
| RAMON S. ANG | San Miguel Corporation, Head Office Complex, Mandaluyong City | |
| FRANCISCO S. ALEJO III | San Miguel Corporation, Head Office Complex, Mandaluyong City | |
| ROBERTO N. HUANG | San Miguel Corporation, Head Office Complex, Mandaluyong City | Macbook |
| EMMANUEL B. MACALALAG | SMPC Building, St. Francis St., Mandaluyong City | Laptop |
| FERDINAND K. CONSTANTINO | San Miguel Corporation, Head Office Complex, Mandaluyong City | Ipad pro |
| AURORA T. CALDERON | San Miguel Corporation, Head Office Complex, Mandaluyong City | Laptop |
| MENARDO R. JIMENEZ | No. 2 Banaba Circle, South Forbes Park, Makati City | Ipad Pro Mac |
| MA. ROMELA M. BENGZON | 1 Bluewaterhill Westport, Connecticut, USA | Apple iMac |
| FRANCIS H. JARDELEZA | La Vista, Quezon City | Ipad |
| RICARDO C. MARQUEZ | Maragundon, Cavite | Laptop |
| CIRILO P. NOEL | Security Bank Head Office, Makati City | Laptop |
| WINSTON A. CHAN | Sonria Condominium Industry St. corner Securities St., Madrigal Business Park, Ayala Alabang, Muntinlupa City | Ipad pro |
| AURORA S. LAGMAN | 38 Samar Ave., South Triangle, Quezon City | Ipad |
| ESTELA M. PERLAS-BERNABE | No. 6 Columbia St., North East Greenhills, San Juan City | iPad |
| ILDEFONSO B. ALINDOGAN | San Miguel Corporation, Head Office Complex, Mandaluyong City | |
| KRISTINA I. GARCIA | San Miguel Corporation, Head Office Complex, Mandaluyong City | |
| ALEXANDRA B. TRILLANA | San Miguel Corporation, Head Office Complex, Mandaluyong City | |
| MA. CELESTE L. RAMOS | San Miguel Corporation, Head Office Complex, Mandaluyong City | |
| JOHANNA DOMINIQUE G. ESTEBAN | 100 E. Rodriguez Jr. Ave. (C5 Road), Brgy. Ugong, Pasig City | Laptop |
| JOSE P. JAVIER, JR. | Switzerland | Laptop |
| ENRIQUE L. YUSINGCO | San Miguel Corporation, Head Office Complex, Mandaluyong City | |

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San Miguel Food and Beverage, Inc.
PROXY VOTING MODULE
Stockholders' Meeting Vote Canvassing Results

PAGE 1

| NOM. NO. | NOMINEE | VOTES |
|--|--------------------------|----------------|
| 1 | RAMON S. ANG | 5,245,117,686 |
| 2 | FRANCISCO S. ALEJO III | 5,245,117,686 |
| 3 | ROBERTO N. HUANG | 5,245,117,686 |
| 4 | EMMANUEL B. MACALALAG | 5,245,117,686 |
| 5 | FERDINAND K. CONSTANTINO | 5,245,117,686 |
| 6 | AURORA T. CALDERON | 5,245,082,440 |
| 7 | MENARDO R. JIMENEZ | 5,245,117,686 |
| 8 | MA. ROMELA M. BENGZON | 5,245,117,686 |
| 9 | FRANCIS H. JARDELEZA | 5,245,117,686 |
| 10 | JOHN PAUL L. ANG | 5,245,117,686 |
| 11 | RICARDO C. MARQUEZ | 5,245,117,686 |
| 12 | CIRILO P. NOEL | 5,245,117,686 |
| 13 | WINSTON A. CHAN | 5,245,117,686 |
| 14 | AURORA S. LAGMAN | 5,245,117,686 |
| 15 | ESTELA M. PERLAS-BERNABE | 5,245,117,686 |
| Total votes registered | | 78,676,765,290 |
| Total votes counted for election of board nominees | | 78,676,730,044 |
| Total uncast votes for election of board nominees | | 35,246 |

| RES. NO. | RESOLUTION | SHARES VOTED | % TO TOTAL O.S. |
|----------|--|-----------------|-----------------|
| 2 | Approval of the Minutes of the 2022 Annual Stockholders' Meeting on June 1, 2022 | 5,245,117,686 | 88.762% |
| | For | 5,245,117,686 - | 88.762% |
| | Against | 0 - | 0.000% |
| | Abstain | 0 - | 0.000% |
| 3 | Approval of the Annual Report and Audited Financial Statements of the Company for the year ended December 31, 2022 | 5,245,117,686 | 88.762% |
| | For | 5,245,117,686 - | 88.762% |
| | Against | 0 - | 0.000% |
| | Abstain | 0 - | 0.000% |
| 4 | Ratification of all the acts of the Board of Directors and Officers since the 2022 Annual Stockholders' Meeting | 5,245,117,686 | 88.762% |
| | For | 5,245,117,686 - | 88.762% |
| | Against | 0 - | 0.000% |
| | Abstain | 0 - | 0.000% |
| 5 | Appointment of R.G. Manabat & Co. as external auditor of the Company for fiscal year 2023 | 5,245,117,686 | 88.762% |
| | For | 5,245,117,686 - | 88.762% |
| | Against | 0 - | 0.000% |
| | Abstain | 0 - | 0.000% |
| 6 | Ratification of external auditor fees billed by R.G. Manabat & Co. to the Company for fiscal year 2022 | 5,245,117,686 | 88.762% |
| | For | 5,245,117,686 - | 88.762% |
| | Against | 0 - | 0.000% |
| | Abstain | 0 - | 0.000% |

SUMMARY REPORT

% TO
TOTAL O.S.

| | | |
|---|---------------|---------|
| OUTSTANDING COMMON SHARES | 5,909,220,090 | |
| OUTSTANDING PREFERRED SHARES | 0 | |
| ----- | | |
| TOTAL OUTSTANDING SHARES AS OF RECORD DATE | 5,909,220,090 | |
| | | |
| TOTAL SHARES IN ATTENDANCE : | | |
| Attending proxy assignees | 5,245,117,686 | |
| Attending stockholders | 288,250 | |
| ----- | | |
| | 5,245,405,936 | 88.766% |
| | | |
| LESS : | | |
| Invalidated / knocked-off / Uncast shares - Proxy Assignees | 0 | |
| Knock-off by attending stockholder | 0 | |
| Invalidated shares - Stockholders | 0 | |
| Uncast shares of stockholders | 288,250 | |
| ----- | | |
| TOTAL SHARES/VOTES COUNTED | 5,245,117,686 | 88.762% |
| ===== | | |

NOTE:

Total no. of stockholders in attendance 19
Total no. of stockholder with ballots 0

*** END OF REPORT ***

June 7, 2023

ANNUAL REPORT

2022 turned out to be an exceptional year. As the Philippines transitioned from two years of lockdowns and social distancing to a reopening of the economy and continued lifting of pandemic-era restrictions.

Despite our collective challenges, the Philippine economy rebounded strongly, with GDP expanding by 7.6% in full year 2022, surpassing government projections. Improvements in labor market conditions, increased tourism, revenge and holiday spending, and resumption of face-to-face classes, among others, supported growth, with the Company able to withstand tighter monetary policy and macroeconomic uncertainties.

Against this backdrop, San Miguel Food and Beverage, Inc. (SMFB) delivered strong results in 2022, posting its highest level of earnings since its consolidation four years ago.

For the full year 2022, consolidated revenues rose 16% year-on-year to P358.9 billion, generally driven by good volume growth across its beer, spirits, and food divisions. The company, likewise, implemented price increases across its product portfolio to help offset the rise in direct costs.

Consolidated EBITDA grew 12% to P62.7 billion, while consolidated income from operations rose 11% to P48.7 billion. Consolidated net income, likewise, increased 10% from the same period last year to P34.7 billion, demonstrating the strength and resilience of SMFB's brands.

Our business performance confirms the success of the strategies we employed since our consolidation in 2018. Since then, we have focused on deploying our capital as efficiently as possible and leveraging on our strengths to help reduce volatility in our businesses as a result of changes in our operating environment.

As we continue to face uncertainties in the market, we will continue to deliver operational excellence and invest in growth to drive long-term value for our shareholders while, at the same time, ensure that our products are within reach of every Filipino.

As a Company of our scale and reach, however, we believe that we must go beyond just delivering strong financial results. While creating value for all of our stakeholders remains to be our top priority, we fully recognize the importance of doing this in a sustainable manner. With the needs and welfare of future generations top of mind, we recognize that as one of the largest food and beverage companies in the Philippines with 132 years of rich heritage, we can make a substantial, positive impact in society by upholding our corporate responsibility through our environmental, social, and governance commitments.

In line with our aspiration to leave our world a better place for future generations, we have identified climate-related risk as a potentially dominant risk moving into the future. As a Group, we pledge to minimize our negative environment impact from our operations with clear initiatives to reduce energy, water consumption, carbon dioxide emissions, coupled with continued efforts towards biodiversity protection.

We recognize that a significant part our growth is attributable to our people. We are cognizant of the belief that people work for companies that share in their values. Therefore, we strive to provide a working environment of inclusion, diversity, and equality. Our group, likewise,

strongly believes in providing development opportunities for people to realize their full potential and support career development.

We continue to make substantial impacts in the communities where we operate, as well as sectors of society that need the most support. For example, our Food business has purchased over 1.3 million metric tons of corn amounting to P23.9 billion from farmers nationwide since 2020. Local sourcing of corn is part of the Food business' broader initiative to source raw materials for its food products directly from local growers to boost farm incomes, reduce dependence on imports, and help the country achieve food self-sufficiency.

We believe that strong corporate governance is an important element to achieving long-term sustainable growth. Since its consolidation in 2018, SMFB has consistently been recognized by the Institute of Corporate Directors (ICD) for its conformance with the Philippine Code of Corporate Governance, as well as internationally recommended corporate governance practices as espoused by the ASEAN Corporate Governance Scorecard. Last year, the Group received the 3 golden arrow recognition from the ICD. We commit to striving harder and will continue to provide our employees with CG-related annual trainings, including those related to anti-corruption, human rights, and data protection and privacy to further improve our governance scores.

In our view, especially in the current complex macroeconomic environment, sustainability can be our lever to further build resilience, reduce costs, and create value. Rest assured that we will continue to make the right choices and prudent investments that will shape the future and ensure continued success that last through many generations.

Moving on to the first quarter this year, our economy continued to be resilient as it grew year-over-year, supported by still robust household consumption. Analysts, however, advise caution given the continued macroeconomic headwinds and potential environmental challenges, such as El Niño, which can affect the manufacturing sector.

During this period, SMFB maintained its growth momentum even as it faced multiple headwinds from inflationary pressures, excise tax increases and continuing geopolitical uncertainties, among others.

Consolidated revenue rose 12% to P93.2 billion, driven by strong volume growth from its key businesses. Consolidated EBITDA was 10% better than the same period last year at P17.2 billion with overall EBITDA margins sustained at 19%. Consolidated net income increased 8% to P9.9 billion.

Despite the challenging environment, SMFB's brands remain top-of-mind of consumers and we intend to sustain this momentum by investing further in brand-building efforts and innovation to further drive growth. We are also focused on optimizing our resources and processes for better efficiency to sustainably manage our current businesses for long-term profitability.

We would like to extend our appreciation to all our shareholders for your continued support and confidence in SMFB. As we look to the future, we will ensure that our house remains very strong to ensure that it can weather any challenges and fully maximize the opportunities that are in front of us.

We look forward to accomplishing more in 2023, to lay the foundation for future generations, and make a difference in the lives of even more Filipinos.