

CR05045-2018

## SECURITIES AND EXCHANGE COMMISSION

### SEC FORM 20-IS

#### INFORMATION STATEMENT PURSUANT TO SECTION 17.1(b) OF THE SECURITIES REGULATION CODE

1. Check the appropriate box:  
☐ Preliminary Information Statement  
☒ Definitive Information Statement
2. Name of Registrant as specified in its charter  
 SAN MIGUEL FOOD AND BEVERAGE, INC.
3. Province, country or other jurisdiction of incorporation or organization  
 METRO MANILA, PHILIPPINES
4. SEC Identification Number  
 11840
5. BIR Tax Identification Code  
 000-100-341-000
6. Address of principal office  
 THE JMT CORPORATE CONDOMINIUM, 23/F, ADB AVENUE, ORTIGAS CENTER,  
 PASIG CITY  
 Postal Code  
 1605
7. Registrant's telephone number, including area code  
 (632) 317-5000
8. Date, time and place of the meeting of security holders  
 September 12, 2018, at 2:00 P.M., Executive Dining Room, 2nd Floor, San Miguel Head  
 Office Complex, No. 40 San Miguel Avenue, Mandaluyong City, Metro Manila
9. Approximate date on which the Information Statement is first to be sent or given to security holders  
 Jul 30, 2018
10. In case of Proxy Solicitations:  
  
 Name of Person Filing the Statement/Solicitor  
 N/A  
  
 Address and Telephone No.  
 N/A
11. Securities registered pursuant to Sections 8 and 12 of the Code or Sections 4 and 8 of the RSA  
 (information on number of shares and amount of debt is applicable only to corporate registrants):
 

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
COMMON (FB)	5,909,220,090
PREFERRED (FBP2)	15,000,000
13. Are any or all of registrant's securities listed on a Stock Exchange?  
☒ Yes      ☐ No

If yes, state the name of such stock exchange and the classes of securities listed therein:

PHILIPPINE STOCK EXCHANGE - COMMON AND PREFERRED SHARES

*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. FB

### PSE Disclosure Form 17-5 - Information Statement for Annual or Special Stockholders' Meeting *References: SRC Rule 20 and Section 17.10 of the Revised Disclosure Rules*

<b>Date of Stockholders' Meeting</b>	Sep 12, 2018
<b>Type (Annual or Special)</b>	Special
<b>Time</b>	2:00 P.M.
<b>Venue</b>	Executive Dining Room, 2nd Floor, San Miguel Corporation Head Office Complex, No. 40 San Miguel Avenue, Mandaluyong City, Metro Manila
<b>Record Date</b>	Jul 27, 2018

#### **Inclusive Dates of Closing of Stock Transfer Books**

<b>Start Date</b>	Jul 28, 2018
<b>End date</b>	Jul 31, 2018

#### **Other Relevant Information**

Please see attached Definitive Information Statement of the Company filed with the Securities and Exchange Commission on July 30, 2018.

#### **Filed on behalf by:**

<b>Name</b>	Alexandra Trillana
<b>Designation</b>	Corporate Secretary and Compliance Officer

SEC COPY

COVER SHEET

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S. E. C. Registration Number

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(Company's Full Name)

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(Business Address: No. Street City/Town/Province)

ALEXANDRA B. TRILLANA

Contact Person

(632) 317-5450

Company Telephone Number

Definitive Information Statement

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Month

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Day

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FORM TYPE

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Annual Meeting

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Secondary License Type, If Applicable

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Amended Articles Number/Section

Total Amount of Borrowings

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Total No. of Stockholders

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Domestic

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Foreign

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To be accomplished by SEC Personnel concerned

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SAN MIGUEL FOOD AND BEVERAGE, INC.

**NOTICE OF SPECIAL MEETING  
OF STOCKHOLDERS**

September 12, 2018



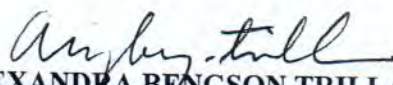
The Special Meeting of the Stockholders of San Miguel Food and Beverage, Inc. will be held on **Wednesday, September 12, 2018, at 2:00 P.M.** at the **Executive Dining Room, 2nd Floor, San Miguel Head Office Complex, No. 40 San Miguel Avenue, Mandaluyong City, Metro Manila.**

The Agenda of the Meeting is as follows:

1. Certification of Notice and Quorum
2. Approval of amendment to Articles of Incorporation to increase number of directors in Sixth Article
3. Approval of amendments to By-laws to set out:
  - (a) the change in date of the annual stockholders' meeting in Article I, Section 1; and
  - (b) the delineation of duties, responsibilities and functions of the Chairman of the Board from the President and Chief Executive Officer in Article IV, Section 4
4. Other Matters
5. Adjournment

The rationale and explanation of each relevant Agenda item requiring shareholder approval may be found in the succeed page of this Notice.

The deadline for submission of proxies is on **August 29, 2018** at the office of the Corporate Secretary. For corporations, proxies must be accompanied by its corporate secretary's certificate setting out the authority of the particular corporate officer to represent the corporation in the meeting. A sample proxy format is included in this notice and is available for download from the Company's website. Proxies need not be notarized. Validation of proxies will be on **September 5, 2018** at 10:00 a.m. at the SMC Stock Transfer Service Corporation Office, 2<sup>nd</sup> Floor, SMC Head Office Complex, No. 40 San Miguel Avenue, Mandaluyong City, Philippines. For your convenience in registering your attendance, please present some form of identification, such as passport, driver's license, or company I.D. Registration will start at 12:00 P.M. and the registration booths will be closed at 2:00 P.M.

  
**ALEXANDRA BENGSON TRILLANA**  
Corporate Secretary



## RATIONALE AND EXPLANATION OF AGENDA ITEMS FOR STOCKHOLDER APPROVAL

### Approval of amendment to the Articles of Incorporation to increase the number of directors

The approval of the stockholders will be sought for the amendment in Article Sixth of the Articles of Incorporation to increase the number of directors of the Company from nine (9) members to fifteen (15) members. In line with the expanded primary purpose of the Company, which now includes the beverage business, the increase in the number of directors will enable the election of directors with the competence and expertise in both the food and beverage businesses. The said amendment is explained in detail in the Definitive Information Statement sent together with this Notice of Meeting (see *Amendment to Charter, By-laws and Other Documents and Number of Directors*).

Stockholders will vote on a resolution approving and ratifying the proposal to increase the number of directors of the Company to fifteen (15) members, and to amend Article Sixth of the Articles of Incorporation accordingly.

### Approval of amendments to the By-laws to set out (a) the change in date of the annual stockholders' meeting in Article I, Section 1; and (b) the delineation of duties, responsibilities and functions of the Chairman of the Board from the President and Chief Executive Officer in Article IV, Section 4

The approval of the stockholders will be sought for the amendments to (a) Article I, Section 1 of the By-laws to change the date of the annual stockholders' meeting from the second Friday of May of every year to the first Wednesday of June of every year, or after the annual stockholders' meetings of San Miguel Brewery Inc. and Ginebra San Miguel, Inc., the new major operating beverage subsidiaries of the Company whose financial statements are to be consolidated in the financial statements of the Company; and (b) Article IV, Section 4 of the By-laws to delineate the duties, responsibilities and functions of the Chairman of the Board from the President and Chief Executive Officer of the Company, consistent with the duties and responsibilities of the said officers as provided in the Company's Manual on Corporate Governance. The proposed amendments are explained in detail in the Definitive Information Statement sent together with this Notice of Meeting (see *Amendment to Charter, By-laws and Other Documents, Date of Annual Stockholders' Meeting and Duties of Corporate Officers*).

Shareholders will vote on two separate resolutions approving and ratifying the proposals to amend the By-laws as follows: (1) change the date of the annual stockholders' meeting of the Company to the first Wednesday of June of every year, and amend Article I, Section 1 accordingly; and (2) delineate the duties, responsibilities and functions of the Chairman of the Board from the President and Chief Executive Officer to align with the corresponding provisions in the Manual on Corporate Governance of the Company, and amend Article IV, Section 4 accordingly.

### Other Matters

The Chairman will open the floor for stockholders to present any other matter or business, for consideration. No resolution, other than the resolutions explained in this Notice of meeting and Definitive Information Statement attached hereto, will be submitted for voting by the shareholders.

Thereafter, the Chairman will entertain a motion to adjourn the meeting.



## PROXY

The undersigned stockholder of SAN MIGUEL FOOD AND BEVERAGE, INC. (the "Company"), hereby appoints \_\_\_\_\_ or in his/her absence, the Chairman of the Meeting, as attorney and proxy, to represent and vote all shares registered in his/her/its name at the special meeting of the stockholders of the Company scheduled on Wednesday, **September 12, 2018, 2:00 p.m.** at the **Executive Dining Room, 2/F San Miguel Head Office Complex, 40 San Miguel Avenue, Mandaluyong City**, Metro Manila, Philippines, and any of its adjournment(s), as fully as the undersigned could do if present and voting in person, ratifying all action taken on matters that may properly come before such meeting or its adjournment(s). The undersigned directs the proxy to vote on the agenda items which have been expressly indicated with "X" below.

PROPOSAL	ACTION			
	FOR	AGAINST	ABSTAIN	FULL DISCRETION OF PROXY
1. Approval of amendment to Articles of Incorporation to increase number of directors in Sixth Article				
2. Approval of amendments to By-laws to set out:				
(a) the change in date of the annual stockholders' meeting in Article I, Section 1; and				
(b) the delineation of duties, responsibilities and functions of the Chairman of the Board from the President and Chief Executive Officer in Article IV, Section 4				

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2018, at \_\_\_\_\_.

\_\_\_\_\_  
PRINTED NAME OF STOCKHOLDER

\_\_\_\_\_  
SIGNATURE OF STOCKHOLDER/  
AUTHORIZED SIGNATORY

THIS PROXY SHOULD BE RECEIVED BY THE CORPORATE SECRETARY ON OR BEFORE **AUGUST 29, 2018**. THIS PROXY, WHEN PROPERLY EXECUTED, WILL BE VOTED IN THE MANNER AS DIRECTED HEREIN BY THE STOCKHOLDER. IF NO DIRECTION IS MADE, THIS PROXY WILL BE VOTED FOR THE APPROVAL OF THE MATTERS STATED ABOVE AND FOR SUCH OTHER MATTERS AS MAY PROPERLY COME BEFORE THE MEETING AS RECOMMENDED BY MANAGEMENT OR THE BOARD OF DIRECTORS. A STOCKHOLDER GIVING A PROXY HAS THE POWER TO REVOKE IT AT ANY TIME BEFORE THE RIGHT GRANTED IS EXERCISED. A PROXY IS ALSO CONSIDERED REVOKED IF THE STOCKHOLDER ATTENDS THE MEETING IN PERSON AND EXPRESSED HIS INTENTION TO VOTE IN PERSON. NOTARIZATION OF THIS PROXY IS NOT REQUIRED.

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 20-IS

INFORMATION STATEMENT PURSUANT TO SECTION 20  
OF THE SECURITIES REGULATION CODE

SECURITIES AND EXCHANGE  
COMMISSION



1. Check the appropriate box:

☐ Preliminary Information Sheet  
☒ Definitive Information Sheet

2. Name of Registrant as specified in its charter:

**SAN MIGUEL FOOD AND BEVERAGE, INC.**  
**(formerly SAN MIGUEL PURE FOODS COMPANY INC.)**

3. Province, country and other jurisdiction of incorporation or organization:

**Metro Manila, Philippines**

4. SEC Identification Number: **11840**

5. BIR Tax Identification Code: **000-100-341-000**

6. Address of principal office Postal code

**The JMT Corporate Condominium, 23<sup>rd</sup> Floor**  
**ADB Avenue, Ortigas Center, Pasig City**  
**Metro Manila** **1605**

7. Registrant's telephone number, including area code: **(632) 317-5000**

8. Date, time and place of the meeting of security holders:

Date: **SEPTEMBER 12, 2018, WEDNESDAY**  
Time: **2:00 P.M.**  
Place: **Executive Dining Room, 2<sup>nd</sup> Floor,**  
**San Miguel Head Office Complex,**  
**No. 40 San Miguel Avenue, Mandaluyong City**  
**Metro Manila**

9. Approximate date at which the Information Statement is to be first sent or given to security holders:

**AUGUST 20, 2018**

10. Name of Person Filing the Statement: **San Miguel Food and Beverage, Inc.**  
Address: **The JMT Corporate Condominium, 23<sup>rd</sup> Floor**  
**ADB Avenue, Ortigas Center, Pasig City 1605**  
Telephone Number: **(02) 317-5000**



11. Securities registered pursuant to Sections 8 and 12 of the SRC:

<u>Title of Each Class</u> (As of July 5, 2018)	<u>Issued and Outstanding</u>
Common shares	5,909,220,090
Preferred (series 2) shares	<u>15,000,000</u>
	5,924,220,090

Total Liabilities as of December 31, 2017 (in '000) P 33,726,467

12. Are any or all of Registrant's securities listed on a Stock Exchange?  
☒ Yes ☐ No

If yes, disclose the name of such Stock Exchange and the class of securities listed thereon:

**Philippine Stock Exchange - Common and Preferred (series 2) shares**



## **INFORMATION STATEMENT**

### **A. GENERAL INFORMATION**

#### **Item 1. Date, Time and Place of Special Meeting**

The Special Stockholders' Meeting of San Miguel Food and Beverage, Inc. (the "Company") shall be held as follows:

Date:	September 12, 2018, Wednesday
Time:	2:00 P.M.
Place:	Executive Dining Room, 2 <sup>nd</sup> Floor, San Miguel Head Office Complex, No. 40 San Miguel Avenue, Mandaluyong City, Metro Manila

The complete mailing address of the principal office of the Company is at the 23<sup>rd</sup> Floor, The JMT Corporate Condominium, ADB Avenue, Ortigas Center, Pasig City 1605, Metro Manila, Philippines.

The approximate date on which the Information Statement and form of proxy are first to be sent or given to security holders is on August 20, 2018.

#### **WE ARE NOT ASKING YOU FOR A PROXY AND YOU ARE REQUESTED NOT TO SEND US A PROXY.**

Nevertheless, should you be unable to attend the meeting but would like to be represented thereat, please submit your proxies to the Office of the Corporate Secretary, 22<sup>nd</sup> Floor The JMT Corporate Condominium, ADB Avenue, Ortigas Center, Pasig City 1605. A sample form of a proxy is attached to this report and may also be obtained at the Company's website at [www.sanmiguelpurefoods.com](http://www.sanmiguelpurefoods.com). For stockholders that are partnerships, corporations or associations, please submit with the proxy a sworn certification of your resolutions evidencing authority of your designated proxy and signatories.

The deadline for submission of proxies is on August 29, 2018. Validation of proxies will be on September 5, 2018 at 10:00 a.m. at the SMC Stock Transfer Service Corporation Office, 2<sup>nd</sup> Floor, SMC Head Office Complex, No. 40 San Miguel Ave., Mandaluyong City.

#### **Item 2. Dissenters' Right of Appraisal**

Under Title X of the Corporation Code, stockholders dissenting from and voting against the following corporate actions may demand payment of the fair value of their shares as of the day prior to the date on which the vote was taken for such corporate action: amendment to the corporation's articles and by-laws that has the effect of changing and restricting the rights of any shareholder or class of shares or authorizing preferences in any respect superior to those of outstanding shares of any class; sale, lease, mortgage or other disposition of all or substantially all of the corporation's assets; merger or consolidation; investment of corporate funds in another corporation or business or for any purpose other than its primary purpose; and extension or shortening of term of corporate existence. The stockholders' right of appraisal may be exercised for a period within 30 days from the date on which the vote on the corporate action was taken.

There are no corporate matters or actions for approval at the special stockholders' meeting that will entitle dissenting stockholders to exercise their right of appraisal as provided in Title X and other relevant provisions of the Corporation Code of the Philippines (the "Corporation Code").



### Item 3. Interest of Certain Persons in Matters to be Acted Upon

No director or executive officer of the Company at any time since the beginning of the last fiscal year has had any substantial interest, direct or indirect, by security holdings or otherwise, in any of the matters to be acted upon in the meeting.

None of the incumbent directors has informed the Company in writing of an intention to oppose any action to be taken by the Company at the meeting.

## B. CONTROL AND COMPENSATION INFORMATION

### Item 4. Voting Securities and Principal Holders Thereof

As of July 5, 2018, the Company had the following outstanding shares of stock:

<u>Title of Class</u>	<u>No. of shares issued and outstanding</u>
Common Shares	5,909,220,090
Preferred (series 2) Shares	<u>15,000,000</u>
	5,924,220,090

All stockholders of record as of **July 27, 2018** are entitled to vote at the Special Stockholders' Meeting in accordance with the ***Voting and Vote Tabulation Procedures*** section of this Information Statement. Every shareholder entitled to vote shall be entitled to one (1) vote for each share of stock in his name in the books of the Company, provided the conditions as regards payment subject to which it was issued have been complied with.

A stockholder entitled to vote at the meeting has the right in person or by proxy.

### Security Ownership of Certain Record and Beneficial Owners

Owner of record of more than 5% of Company's voting<sup>1</sup> securities as of July 5, 2018 are as follows:

<b>Title of Class</b>	<b>Name, Address of Record Owner and Relationship with Issuer</b>	<b>Name of Beneficial Owner and Relationship with Record Owner</b>	<b>Citizenship</b>	<b>No. of Shares Held</b>	<b>Percent</b>

<sup>1</sup> The holders of common shares have the right to vote on all matters requiring stockholders' approval. The holders of preferred (series 2) shares shall not be entitled to vote except in matters provided for in the Corporation Code: amendment of articles of incorporation; adoption and amendment of by-laws; sale, lease, exchange, mortgage, pledge, or other disposition of all or substantially all of the corporate property; incurring, creating or increasing bonded indebtedness; increase or decrease of capital stock; merger or consolidation with another corporation; investment of corporate funds in another corporation or business; and dissolution.



<b>Title of Class</b>	<b>Name, Address of Record Owner and Relationship with Issuer</b>	<b>Name of Beneficial Owner and Relationship with Record Owner</b>	<b>Citizenship</b>	<b>No. of Shares Held</b>	<b>Percent</b>
Common	San Miguel Corporation <sup>2</sup> SMC Head Office Complex 40 San Miguel Avenue, Mandaluyong City 1550, intermediate parent company of issuer	San Miguel Corporation	Filipino	5,665,341,800	95.6302%

The following are the number of shares of the Company's capital stock, all of which are voting shares with the exception of the preferred (series 2) shares, owned of record by the Chairman, directors, key officers of the Company and nominees for election as director as of July 5, 2018:

<b>Title of Class</b>	<b>Name of Owner</b>	<b>Amount and Nature of Ownership</b>	<b>Citizenship</b>	<b>Total No. of Shares</b>
Common	Eduardo M. Cojuangco, Jr.	10 (Direct)	Filipino	10 (0.00%)
Common	Ramon S. Ang	10 (Direct)	Filipino	10 (0.00%)
Common	Francisco S. Alejo III	10 (Direct)	Filipino	240,010 (0.00%)
		230,000 (Beneficial)		
Preferred S2		10,000 (Beneficial)		
Common	Menardo R. Jimenez	10 (Direct)	Filipino	10 (0.00%)
Common	Rolando L. Macasaet	10 (Direct)	Filipino	110,580 (0.00%)
		110,570 (Beneficial)		
Common	Romela M. Bengzon	10 (Direct)	Filipino	10 (0.00%)
Common	Carmelo L. Santiago	10 (Direct)	Filipino	10 (0.00%)
Common	Minita V. Chico-Nazario	10 (Direct)	Filipino	10 (0.00%)
Common	Ricardo C. Marquez	10 (Direct)	Filipino	10 (0.00%)
Preferred S2	Ferdinand K. Constantino	8,100 (Beneficial)	Filipino	8,100 (0.00%)
Preferred S2	Alexandra Bengson Trillana	1,000 (Beneficial)	Filipino	1,000 (0.00%)

The aggregate number of shares owned of record by the Chairman, key officers and directors as a group as of July 5, 2018 is 359,700 shares or approximately 0.0061% of the Company's outstanding capital stock.

<sup>2</sup> The Board of Directors of San Miguel Corporation (SMC) authorizes any one Group A signatory or any two Group B signatories to act and vote in person or by proxy, shares held by SMC in other corporations. The Group A signatories of SMC are Eduardo M. Cojuangco, Jr., Ramon S. Ang, Ferdinand K. Constantino, Aurora T. Calderon, Virgilio S. Jacinto, Joseph N. Pineda and Sergio G. Edeza. The Group B signatories of SMC are Bella O. Navarra, Cecile Caroline U. de Ocampo, Manuel M. Agustin, Lorenzo G. Formoso III, Virgilio S. de Guzman, Almira C. Dalusung, Ma. Raquel Paula G. Lichauco and Casiano B. Cabalan Jr.



The aggregate number of shares owned by all officers and directors as a group as of July 5, 2018 is 363,260 shares or approximately 0.0061% of the Company's outstanding capital stock.

The foregoing beneficial or record owners have no right to acquire additional shares within thirty (30) days, from options, warrants, conversion privileges or similar obligations or otherwise.

### **Voting Trust**

There is no person holding more than 5% of the Company's voting securities under a voting trust or similar agreement.

### **Change in Control**

The Company is not aware of any change in control or arrangement that may result in a change in control of the Company since the beginning of its last fiscal year.

### **Market Price of and Dividends on the Company's Common Equity and Related Stockholder Matters**

The Company's common equity is traded in the PSE.

The Company's high and low prices for each quarter of the last two fiscal years, as well as the first two quarters of 2018, are as follows (in Philippine Pesos):

Quarter	2017		2017		2016		2016	
	Common		Preferred Series 2		Common		Preferred Series 2	
	High	Low	High	Low	High	Low	High	Low
1 <sup>st</sup>	288.00	225.00	1,037.00	1,010.00	174.00	112.10	1,048.00	1,006.00
2 <sup>nd</sup>	321.00	287.20	1,025.00	1,008.00	250.00	173.00	1,038.00	1,008.00
3 <sup>rd</sup>	317.80	300.60	1,025.00	1,010.00	232.00	207.80	1,045.00	1,010.00
4 <sup>th</sup>	640.00	306.00	1,020.00	1,000.00	235.00	215.00	1,040.00	1,015.00

Quarter	2018		2018	
	Common		Preferred Series 2	
	High	Low	High	Low
1 <sup>st</sup>	660.00	510.00	1,009.00	957.00
2 <sup>nd</sup>	71.90	57.75	1,009.00	920.00

The closing prices as of the latest practicable trading date are:

Common shares	P 62.00	July 5, 2018
Preferred shares (series 2)	P985.00	July 5, 2018

The approximate numbers of shareholders of the Company as of July 5, 2018, are as follows:

Common shareholders	131
Preferred shareholders (series 2)	109



The Company's top 20 stockholders of record<sup>3</sup> of (a) common shares, (b) preferred (series 2) shares, and (c) combined common and preferred (series 2) shares, as of July 5, 2018 are as follows:

(a) Common shares

Rank	Stockholder Name	Total Common Shares	% of Outstanding Common Shares
1	San Miguel Corporation	5,665,341,800	95.872919%
2	PCD Nominee Corporation (Filipino)	143,835,154	2.434080%
3	PCD Nominee Corporation (Non-Filipino)	74,031,010	1.252805%
4	Q – Tech Alliance Holdings, Inc.	20,511,400	0.347108%
5	Saturn Cement Marketing Corporation	4,167,200	0.070520%
6	PFC ESOP/ESOWN Account	271,100	0.004588%
7	Cecille Y. Ortigas	228,610	0.003869%
8	Ramon L. Chua	77,140	0.001305%
9	Jorge Ramos	62,316	0.001055%
10	Ana Maria De Olondriz Ortigas	55,310	0.000936%
11	Pacifico de Ocampo	43,240	0.000732%
12	William Pendarvis	29,370	0.000497%
13	Teodoro Quijano	14,130	0.000239%
14	Principe P. Reyes	14,130	0.000239%
15	Maxima A. Senga	13,050	0.000221%
16	Francis Fernan	12,240	0.000207%
17	John T. Lao	12,000	0.000203%
18	Honesto B. Buendia	11,760	0.000199%
19	Jose Avellana	9,800	0.000166%
20	Peter Metcalf	7,410	0.000125%

(b) Preferred shares (series 2)

Rank	Stockholder Name	Total Preferred Shares S2	% of Outstanding Preferred Shares S2
1	PCD Nominee Corporation (Filipino)	14,101,071	94.007140%
2	San Miguel Corporation Retirement Plan-FIP	200,000	1.333333%
3	San Miguel Brewery Inc. Retirement Plan	200,000	1.333333%
4	PCD Nominee Corporation (Non-Filipino)	89,725	0.598167%
5	Knights of Columbus Fraternal Organization Philippines Inc.	50,000	0.333333%
6	San Miguel Yamamura Packaging Corporation Retirement Plan	50,000	0.333333%
7	First Life Financial Company, Inc.	40,000	0.266667%
8	Antonette S. Rosca or Anthony R. De Zuzuarregui	40,000	0.266667%
9	San Miguel Corporation Retirement Plan-STP	21,500	0.143333%
10	Jayson E. Cayabyab or Jessica E. Cayabyab	10,500	0.070000%

<sup>3</sup> Excluding the beneficial shares held by Company's key officers lodged with PCD Nominee Corp. (Filipino).



11	Anthony R. De Zuzuarregui or Krizia Katrina T. De Zuzuarregui	10,000	0.066667%
12	Buenaventura P. Quijano or Sofie P. Quijano	10,000	0.066667%
13	Ma. Teresa Q. Lim or Wilson B. Quimpo or Manuel B. Quimpo or Merly Q. Banting or Myrna Q. Ng	10,000	0.066667%
14	Leo F. Hernandez or Sylvia B. Hernandez	10,000	0.066667%
15	John T. Cua	9,000	0.060000%
16	Teresita L. Pe or Jinky P. Tobiano or Julio C. Tobiano	7,000	0.046667%
17	Ma. Concepcion D.G. Asuncion or Mon Eduardo D.G. Asuncion or Martha Elaine D.G. Asuncion or Miguel Enrico D.G. Asuncion or Marco Evelio D.G. Asuncion	6,500	0.043333%
18	Rowena A. Ganibo	6,000	0.040000%
19	Enrique LI Yusingco	5,250	0.035000%
20	Perla P. Dazon or Conrado D. G. De Gracia	5,000	0.033333%

(c) Combined Common and Preferred (series 2) shares

Rank	Stockholder Name	No. of Shares			% vs
		Common	Preferred S2	Total	Outstanding Shares
1	San Miguel Corporation	5,665,341,800	0	5,665,341,800	95.6302%
2	PCD Nominee Corporation (Filipino)	143,835,154	14,101,071	157,936,225	2.6659%
3	PCD Nominee Corporation (Non-Filipino)	74,031,010	89,725	74,120,735	1.2511%
4	Q-Tech Alliance Holdings, Inc.	20,511,400	0	20,511,400	0.3462%
5	Saturn Cement Marketing Corporation	4,167,200	0	4,167,200	0.0703%
6	PFC ESOP/ESOWN Account	271,100	0	271,100	0.0046%
7	Cecille Y. Ortigas	228,610	0	228,610	0.0039%
8	San Miguel Corporation Retirement Plan-FIP	0	200,000	200,000	0.0034%
9	San Miguel Brewery Inc. Retirement Plan	0	200,000	200,000	0.0034%
10	Ramon L. Chua	77,140	0	77,140	0.0013%
11	Jorge Ramos	62,316	0	62,316	0.0011%
12	Ana Maria De Olondriz Ortigas	55,310	0	55,310	0.0009%
13	San Miguel Yamamura Packaging Corp. Retirement Plan	0	50,000	50,000	0.0008%
14	Knights of Columbus Fraternal Association of the Philippines, Inc.	0	50,000	50,000	0.0008%
15	Pacifico de Ocampo	43,240	0	43,240	0.0007%
16	Antonette S. Rosca or Anthony R. De Zuzuarregui	0	40,000	40,000	0.0007%
17	First Life Financial Co., Inc.	0	40,000	40,000	0.0007%
18	William Pendarvis	29,370	0	29,370	0.0005%
19	San Miguel Corporation Retirement Plan-STP	0	21,500	21,500	0.0004%



20	Teodoro Quijano	14,130	0	14,130	0.0002%
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Dividends may be declared at the discretion of the Board and will depend upon the Company's future results of operations and general financial condition, capital requirements, its ability to receive dividends and other distributions and payments from its subsidiaries, foreign exchange rates, legal, regulatory and contractual restrictions, loan obligations both at the parent and subsidiary level and other factors the Board may deem relevant.

Since March 30, 2010, the cash dividend policy of the Company has been to distribute cash dividends to the holders of its common shares in an amount equivalent to approximately 70% of the prior year's recurring net income. Recurring net income is net income calculated without respect to extraordinary events that are not expected to recur. The Company expects that the dividend distributions shall be made over the four quarters of the year, subject to the applicable laws and regulations and based on the recommendation of the Board. In considering dividend declarations for each quarter, the Board has in the past and will in the future, take into consideration dividend payments on the preferred shares, and other factors, such as the implementation of business plans, debt service requirements, debt covenant restrictions, funding of new investments, major capital expenditure requirements, appropriate reserves and working capital, among others.

Under the terms of the preferred shares offer of the Company in February 2011 (the "PFP Shares"), as and if dividends are declared by the Board, dividends on the preferred shares shall be at a fixed rate of 8.0% per annum applicable up to the fifth anniversary of the issue date of such shares. The Company redeemed all outstanding PFP Shares in March 2015.

Under the terms of the perpetual series 2 preferred shares offer of the Company in February 2015 (the "PFP2 Shares"), as and if dividends are declared by the Board, dividends on the PFP2 Shares shall be at a fixed rate of 5.6569% per annum applicable up to the fifth anniversary of the issue date of such shares.

In accordance with the foregoing, the Company paid out cash dividends as follows:

<u>Fiscal Year</u>	<u>Stock Type</u>	<u>Aggregate Amount (per share)</u>
2018 (as of July 5, 2018)	Common	P 2.20
	FBP2	P28.2845
2017	Common	P 6.00
	FBP2	P56.56900
2016	Common	P 5.70
	FBP2	P56.56900
2015	Common	P 4.80
	FBP	P20.00
	FBP2	P42.42675

There were no securities sold by the Company within the past three (3) years that were not registered under the Securities Regulation Code.

In January 2011, the SEC approved the Company's Registration Statement covering the registration of 15,000,000 PFP Shares with a par value of P10.00 per share, and the PSE approved, subject to certain conditions, the application of the Company to list the PFP Shares to cover the Company's follow-on preferred shares offering at an offer price of P1,000.00 per share. In February 2011, on the basis of the SEC order for the registration of the Company's PFP Shares and Certificate of Permit to Offer Securities for Sale, the Company



offered for subscription by the public the PFP Shares with 5-year maturity at an offer price of P1,000.00 per share. The dividend rate was set at 8% per annum. The offering was fully subscribed and the PFP Shares were issued on March 3, 2011, its listing date on the PSE.

On November 23, 2012, San Miguel Corporation (SMC) completed the secondary offering of a portion of its common shares in the Company following the crossing of the shares at the PSE on November 21, 2012. The offer consisted of 25,000,000 common shares, inclusive of an over-allotment of 2,500,000 common shares, at a price of P240.00 per share. The completion of the secondary offering resulted in the increase of the Company's public float to more than 10%, in compliance with the minimum public ownership requirement of the PSE for listed companies.

On February 3, 2015, the Board of Directors of the Company approved the redemption of the PFP Shares issued by the Company on March 3, 2011 at the redemption price of P1,000.00 per share. The redemption price and all accumulated unpaid cash dividends were paid on March 3, 2015 to the preferred stockholders of record as of February 17, 2015, in accordance with the Notice of Redemption, including guidelines for the payment of the redemption proceeds issued by the Company for the purpose.

Later in the same month of February 2015, the SEC approved the Company's Registration Statement covering the registration of 15,000,000 PFP2 Shares with a par value of P10.00 per share, and the PSE approved, subject to certain conditions, the application of the Company to list the PFP2 Shares to cover the Company's preferred shares offering at an offer price of P1,000.00 per share. On the basis of the SEC order for the registration of the Company's PFP2 Shares and Certificate of Permit to Offer Securities for Sale, the Company offered for subscription by the public the PFP2 Shares with 5-year maturity at an offer price of P1,000.00 per share. The dividend rate was set at 5.6569% per annum. The offering was fully subscribed and the PFP2 Shares were issued on March 12, 2015, its listing date on the PSE.

On January 18, 2018, in line with the consolidation of the food and beverage businesses of SMC under the Company, the stockholders approved the following amendments to the Company's Articles of Incorporation: (a) the expansion of the primary purpose in the Second Article to include the engagement in the alcoholic and non-alcoholic beverage business, (b) the change of the corporate name in the First Article to "San Miguel Food and Beverage, Inc., (c) the reduction of par value of common shares in the Seventh Article to P1.00 per share, and (d) the denial of pre-emptive rights for issuances or dispositions of all common shares in the Seventh Article (collectively, the "First Amendments").

On the same date, the stockholders approved the increase in authorized capital stock of the Company, to be filed with the SEC after the latter's approval of the First Amendments, which increase shall be P9,540,000,000 comprised of 9,540,000,000 common shares with a par value of P1.00 per share (the "Increase"), including the amendment of the Seventh Article to reflect the Increase. From the Increase, approximately 44% thereof or 4,242,549,130 common shares with a par value of P1.00 per share (the "New Shares") will be subscribed by SMC. As a result of the Increase, the Company's authorized capital stock will be P12,000,000,000 divided into 11,600,000,000 common shares with a par value of P1.00 per share, and 40,000,000 preferred shares with a par value of P10.00 per share.

Likewise on the same date, the stockholders approved the acquisition by the Company of SMC's common shares in San Miguel Brewery, Inc. and Ginebra San Miguel, Inc. (the "Exchange Shares"), with the combined value of P336,349,294,992.60, as consideration for the issuance by the Company of the New Shares from the Increase.

Finally, also on the same date, the stockholders approved the listing on the PSE of the additional issued common shares resulting from the reduction of par value of shares, as well as the New Shares to be issued to SMC.

All the foregoing items approved by the stockholders at its special meeting on January 18, 2018, were earlier approved by the Board of Directors at its special meeting on November 3, 2017.



On March 23, 2018, the SEC approved the First Amendments.

On April 5, 2018, SMC and the Company signed a Deed of Exchange of Shares pursuant to which SMC agreed to transfer to the Company the Exchange Shares in consideration for the New Shares to be issued by the Company out of the Increase.

On June 29, 2018, the SEC approved the Increase, completing the consolidation of the food and beverage businesses of SMC under the Company.

#### **Item 5. Directors, Including Independent Directors and Nominees, and Executive Officers**

There is no action to be taken at the special stockholders' meeting with respect to the election of directors.

#### **Item 6. Compensation of Directors and Executive Officers**

There is no action to be taken at the special stockholders' meeting with respect to the election of directors; or any bonus, profit sharing or other compensation plan, contract or arrangement in which any director or executive officer of the Company will participate; or any pension or retirement plan in which any such person will participate; or the granting or extension to any such person of any option, warrant or right to purchase any securities.

#### **Item 7. Independent Public Accountants**

There is no action to be taken at the special stockholders' meeting with respect to the election, approval or ratification of the Company's independent public accountant.

#### **Item 8. Compensation Plans**

There is no action to be taken at the special stockholders' meeting with respect to any plan pursuant to which cash or non-cash compensation may be paid or distributed.

### **C. ISSUANCE AND EXCHANGE OF SECURITIES**

#### **Item 9. Authorization or Issuance of Securities Other than for Exchange**

There is no action to be taken at the special stockholders' meeting with respect to the authorization or issuance of any securities otherwise than for exchange for outstanding securities of the Company.

#### **Item 10. Modification or Exchange of Securities**

There is no action to be taken at the special stockholders' meeting with respect to the modification of any class of securities of the Company, or the issuance or authorization of one class of securities of the Company in exchange for outstanding securities of another class.



**Item 11. Financial and Other Information**

There is no action to be taken at the special stockholders' meeting with respect to any matter specified in Items 9 or 10.

**Item 12. Mergers, Consolidations, Acquisitions and Similar Matters**

There is no action to be taken at the special stockholders' meeting with respect to any transaction involving mergers, consolidations, acquisitions and similar matters.

**Item 13. Acquisition or Disposition of Property**

There is no action to be taken at the special stockholders' meeting with respect to the acquisition or disposition of any property.

**Item 14. Restatement of Accounts**

There is no action to be taken at the special stockholders' meeting with respect to the restatement of any asset, capital or surplus account of the Company.

**D. OTHER MATTERS****Item 15. Action with Respect to Reports**

There is no action to be taken at the special stockholders' meeting with respect to any report of the Company or any of its directors, officers or committees or minute of any meeting of its security holders.

**Item 16. Matters Not Required to be Submitted**

There is no action to be taken at the special stockholders' meeting with respect to any matter which is not required to be submitted to a vote of security holders.

**Item 17. Amendment of Charter, By-laws or Other Documents****(i) Number of Directors**

Article Sixth of the Articles of Incorporation provides that the number of directors of the Company shall be nine (9). In view of the expanded primary purpose of the Company, which now includes the beverage business, as well as the consolidation of the food and beverage businesses of SMC under the Company effective upon SEC approval of the increase in authorized capital stock of the Company as of June 29, 2018, the Board of Directors unanimously approved at its special meeting on July 5, 2018, the increase in the number of directors of the Company to fifteen (15).

The amendment will allow the Company to expand its Board membership to include directors competent in the beverage businesses of SMC, so that the Company's Board will have a collective working knowledge, experience or expertise that is relevant to the food and beverage industry in which the Company participates.



This will enable the Board to better fulfill its roles and responsibilities, and respond to the needs of the organization based on the evolving business environment and strategic direction of the Company.

The Company is thus seeking the approval of the shareholders to amend the Articles of Incorporation, to reflect the increase in its number of directors to fifteen (15) persons, in Article Sixth thereof, as follows (amendment underscored):

SIXTH: - That the number of directors of said Corporation shall be fifteen (15) xxx

There will be no change in the rights of stockholders of the Company as an effect of the approval of the proposal.

#### **(ii) Date of Annual Stockholders' Meeting**

Article I, Section 1 of the By-laws provides that the annual meeting of the stockholders of the Company for the election of directors and for the transaction of other business as may be proper shall be held in Metro Manila, on the second Friday of May of every year. Likewise considering the consolidation of the food and beverage businesses of SMC under the Company resulting in SMB and GSMI becoming operating subsidiaries of the Company, the Board of Directors unanimously approved at its special meeting on July 5, 2018, the change in the date of the Company's annual stockholders' meeting (ASM) to the first Wednesday of June of every year as determined by the Board of Directors. The move will allow the Company to hold its ASM after the holding of the ASMs of SMB and GSMI, whose annual audited financial statements are to be consolidated in the annual audited financial statements of the Company.

The Company is thus seeking the approval of the shareholders to amend the By-laws, to reflect the change in the date of the ASM of the Company to the first Wednesday of June of every year, in Article I, Section 1 thereof, as follows (amendment underscored):

#### **Article I (Meeting of Stockholders)**

Section 1. The annual meeting of the stockholders for the election of directors and for the transaction of other business as may be proper shall be held in Metro Manila, on the first Wednesday of June of every year as determined by the Board of Directors. xxx

There will be no change in the rights of stockholders of the Company as an effect of the approval of the proposal.

#### **(iii) Duties of Corporate Officers**

Article IV, Section 4 of the By-laws sets out the duties of the officers of the Company. In order to delineate the duties, responsibilities and functions of the Chairman of the Board from the President and Chief Executive Officer of the Company and align such duties and responsibilities of the said officers as enumerated in the Company's Manual on Corporate Governance, the Board of Directors unanimously approved at its special meeting on July 5, 2018, the proposed changes including the express mention of the following responsibilities of the President and Chief Executive Officer, which are to:

- a. Determine the Corporation's strategic direction and formulate and implement its strategic plan on the direction of the business;
- b. Oversee the operations and business affairs of the Corporation and manage human and financial resources, as well as property of the Corporation, in accordance with the strategic plan; and



- c. Ensure that the administrative and operational policies of the Corporation are carried out under his supervision and control.

The Company is thus seeking the approval of the shareholders to amend the By-laws, to reflect the changes in the duties of the Chairman of the Board and the President and Chief Executive Officer of the Company, in Article IV, Section 4 thereof, as follows (amendments stricken-out and underscored, as the case may be):

Article IV (Officers of the Corporation)

xxx

Section 4. The duties of the officers of the corporation shall be as follows:

The Chairman of the Board of Directors shall preside at all meetings of the stockholders and of the Directors; ~~exercise general supervision over the affairs of the corporation;~~ and perform such other duties, responsibilities and functions as contained in the Company's Manual on Corporate Governance and other equivalent constitutive documents, if any, and as the Board of Directors may from time to time fix or delegate.

The President and Chief Executive Officer shall in the absence of the Chairman, preside at all meetings of the stockholders and of the Directors; shall see to it that all orders and resolutions of the Board of Directors are carried into effect; sign all certificates of stock; execute such contracts and instruments in writing as may be authorized by the Board of Directors; and perform such other duties, responsibilities and functions as contained in the Company's Manual on Corporate Governance and other equivalent constitutive documents, if any, and as the Board of Directors may from time to time fix or delegate, including but not limited to the following:

- a. Determine the Corporation's strategic direction and formulate and implement its strategic plan on the direction of the business;
- b. Oversee the operations and business affairs of the Corporation and manage human and financial resources, as well as property of the Corporation, in accordance with the strategic plan; and
- c. Ensure that the administrative and operational policies of the Corporation are carried out under his supervision and control.

There will be no change in the rights of stockholders of the Company as an effect of the approval of the proposal.

**Item 18. Other Proposed Action**

There is no action to be taken at the special stockholders' meeting with respect to any matter not specifically referred to above.

**Item 19. Voting and Vote Tabulation Procedures**

The affirmative vote of stockholders holding at least two-thirds (2/3) of the outstanding common and preferred shares present or represented by proxy at the meeting is necessary for the approval of the proposals to (1) amend



Article Sixth of the Articles of Incorporation to reflect the increase in number of directors; (2) amend Article I, Section 1 of the By-laws to move the date of the ASM of the Company; and (3) amend Article IV, Section 4 of the By-laws to delineate the duties, functions and responsibilities of the Chairman of the Board from the President and Chief Executive Officer of the Company. .

#### Method of Voting

The method of voting for all of the proposals or matters submitted to a vote at the meeting will be by poll. Upon registration at the special stockholders' meeting, each stockholder will be given a ballot to enable him/her to vote in writing on each item or proposal in the Agenda. Nevertheless, shareholders may vote *viva voce* or by a show of hands.

The Corporate Secretary and Assistant Corporate Secretary, with the assistance of SMC Stock Transfer Service Corporation, the Company's stock transfer agent, shall count and tabulate all votes cast during the meeting. The method of counting the votes shall be in accordance with the general provisions of the Corporation Code of the Philippines.

In all proposals or matters for approval, each share of stock entitles its registered owner (who is entitled to vote on such particular matter) to one vote.

No director, executive officer, nominee or associate of the nominees has any substantial interest, direct or indirect by security holdings or otherwise, in any way, of the matters to be taken up during the meeting. The Company has not received any information that an officer, director or stockholder intends to oppose any action to be taken at the special stockholders' meeting.

#### **UNDERTAKING**

Upon the written request of the stockholder, the Company shall furnish such stockholder a copy of SEC Form 17-A free of charge. Such written request for a copy of SEC Form 17-A shall be addressed to:

**SMC Stock Transfer Service Corporation  
2/F, San Miguel Corporation  
No. 40 San Miguel Avenue, Mandaluyong City,  
1550 Metro Manila, Philippines**

#### **SIGNATURE**

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete and correct. This report is signed in the City of Pasig on July 27, 2018.

**SAN MIGUEL FOOD AND BEVERAGE, INC.**  
By:

  
**ALEXANDRA BENGSON TRILLANA**  
Corporate Secretary