

**MINUTES OF THE ANNUAL MEETING
OF THE STOCKHOLDERS OF

SAN MIGUEL FOOD AND BEVERAGE, INC.**

Held on 1 June 2022

via live streaming at www.smfb.com.ph

SHAREHOLDERS PRESENT:

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

DIRECTORS PRESENT:

MR. RAMON S. ANG – Vice Chairman, President and Chief Executive Officer
MR. FRANCISCO S. ALEJO III – Chief Operating Officer, Food Division
MR. ROBERTO N. HUANG – Chief Operating Officer, Beer Division
MR. EMMANUEL B. MACALALAG – Chief Operating Officer, Spirits Division
MR. FERDINAND K. CONSTANTINO – Treasurer
MS. AURORA T. CALDERON
MR. JOSEPH N. PINEDA
MR. MENARDO R. JIMENEZ
MS. MA. ROMELA M. BENGZON
JUSTICE FRANCIS H. JARDELEZA
MR. JOHN PAUL L. ANG
GEN. RICARDO C. MARQUEZ
(also Chairman of Board Risk Oversight Committee)
MR. CIRILO P. NOEL
(also Chairman of Audit Committee)
MR. WINSTON A. CHAN
(also Chairman of Related Party Transaction Committee)
JUSTICE AURORA S. LAGMAN
(also Chairman of Corporate Governance Committee)

IN ATTENDANCE:

MR. ILDEFONSO B. ALINDOGAN – Chief Finance Officer, Chief Strategy Officer
MS. KRISTINA LOWELLA I. GARCIA – Investor Relations Manager
ATTY. ALEXANDRA B. TRILLANA – Corporate Secretary, Compliance Officer
ATTY. MA. CELESTE L. RAMOS – Assistant Corporate Secretary
MS. OPHELIA L. FERNANDEZ – Internal Audit Head
R.G. MANABAT & CO. (Mr. Jose P. Javier, representative)
SMC STOCK TRANSFER SERVICE CORP. (Mr. Enrique L. Yusingco, representative)

**I. CALL TO ORDER / CERTIFICATION
OF NOTICE AND QUORUM**

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.

The Corporate Secretary, Atty. Alexandra B. Trillana, 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, 89.89% of the outstanding capital stock of the Company. She informed the assembly that the Chairman held proxies for 89.54% 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 2021, 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 2021, questions and comments, if any, emailed to the dedicated email address for the meeting smfbasm2022@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 April 22, 2022.

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 2, 2022. 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 in 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 2021 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 2022.

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 PREVIOUS MEETING OF STOCKHOLDERS

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 2, 2021, 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. 2022-06-01-01

"RESOLVED, That the minutes of the Annual Stockholders' Meeting of the Company held on June 2, 2021, 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 2021 AUDITED FINANCIAL STATEMENTS

The audited consolidated financial statements of the Company as at and for the year ended December 31, 2021 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, 2021 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 2021. It also provides that in 2021, 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 Annual Report for 2021. A copy of the Annual Report is attached to these minutes as **Annex "D"**.

After the report, Ms. Kristina Garcia, Investor Relations Manager, read the questions submitted by the stockholders:

1. A stockholder inquired whether inflation has affected the cost of raw materials for the food business and how the food business is managing this.

Mr. Francisco S. Alejo III, Director and Chief Operating Officer of the Food Division, replied that the food business is able to minimize the

impact of rising input cost through pricing, the use of alternative raw materials, operational efficiencies and the maximization of company-owned facilities. As part of the San Miguel group, the Food Division is able to leverage on synergies within the group, such as logistics and distribution.

2. A stockholder also asked when beer volumes can be expected to return to pre-pandemic levels.

Mr. Roberto N. Huang, Director and Chief Operating Officer of the Beer Division, replied that after restrictions due to Covid-19 eased, including the lifting of liquor bans, the business saw sequential improvements in beer volumes. While it is difficult to say when volume will actually return to pre-pandemic levels, volume growth has been quite good. More importantly, the profitability of the Beer Division has been maintained.

3. A stockholder noted that Ginebra has done very well in the last few years and inquired if this is sustainable.

Mr. Emmanuel B. Macalalag, Director and Chief Operating Officer of the Spirits Division, replied that the performance of Ginebra San Miguel, Inc. (GSMI) for the first quarter of the year is off to a good start. While there are many factors which can affect performance, net income is higher than in the first quarter of 2021 and sales volume of the company continues to grow due to aggressive selling and marketing campaigns to promote its products.

There being no more questions or comments, upon motion duly made and seconded by separate stockholders, and there being no objection, the following resolution presented was approved:

Resolution No. 2022-06-01-02

“RESOLVED, That the Question and Answer session of stockholders be closed, and that the Annual Report of the Company for 2021 as presented, including the 2021 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 2, 2021 until the date of this meeting, June 1, 2022.

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 2, 2021, until the date of this meeting, June 1, 2022, 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 (a) the approval of approximately P1 million in audit fees paid to the external auditor in 2021 as negotiated by management, and (b) the approval of the 2021 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. 2022-06-01-03

"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 2, 2021 until today, June 1, 2022, 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 2022

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

The Chairman of the Audit Committee, Independent Director Cirilo P. Noel, informed the assembly that after evaluation, the Audit Committee recommends the appointment of the accounting firm R.G. Manabat & Co., as the external auditor of the Company for fiscal year 2022. The audit plan for 2022 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.

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

Resolution No. 2022-06-01-04

"RESOLVED, That the accounting firm of R.G. Manabat & Co. be appointed as external auditor of the Company for fiscal year 2022."

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 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 Chairperson of the Corporate Governance Committee, Independent Director Aurora S. Lagman, 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.

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 on the screen.

They are:

Ramon S. Ang
 Francisco S. Alejo III
 Roberto N. Huang
 Emmanuel B. Macalalag
 Ferdinand K. Constantino
 Aurora T. Calderon
 Joseph N. Pineda
 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

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 and Justice Aurora S. Lagman. This is in accordance with the mandatory requirement by the SEC 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. 2022-06-01-05

“RESOLVED, That the following be elected as members of the Board of Directors of the Company, to serve as such beginning June 1, 2022 and until their successors are elected and qualified:

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

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San Miguel Food and Beverage, Inc.
PROXY VOTING MODULE
List of Stockholder Attendees

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BALLOT NUMBER	ATTENDEE NAME	SHARES
	Q - TECH ALLIANCE HOLDINGS, INC.	20,511,400
	ANG*RAMON S.	10
	ANG*JOHN PAUL LIM	10
	JIMENEZ*MENARDO R.	10
	ALEJO*FRANCISCO S.*III	10
	BENGZON*ROMELA M.	10
	MARQUEZ*RICARDO C.	10
	NOEL*CIRILO P.	10
	HUANG*ROBERTO N.	10
	MACALALAG*EMMANUEL B.	10
	CONSTANTINO*FERDINAND K.	10
	CALDERON*AURORA T.	10
	CHAN*WINSTON A.	10
	PINEDA*JOSEPH N.	10
	JARDELEZA*FRANCIS H.	10
	LAGMAN*AURORA S.	10
	BALMES, ANTHONY (UCPB SECURITIES, INC.)	1,000
	DIMAYA, HILDA (UCPB SECURITIES, INC.)	3,340
	ALEJO III, FRANCISCO S. (BA SECURITIES, INC.)	230,000

TOTAL NO. OF ATTENDEES : 19
 TOTAL NO. OF SHARES WITH BALLOT : 0
 TOTAL NO. OF SHARES W/OUT BALLOT : 20,745,890
 TOTAL NO. OF SHARES : 20,745,890

*** END OF REPORT ***

Annex “B”

	Location	Device Used
RAMON S. ANG	San Miguel Corporation, Head Office, Mandaluyong City	Laptop
FRANCISCO S. ALEJO III	San Miguel Corporation, Head Office, Mandaluyong City	Laptop
ROBERTO N. HUANG	San Miguel Corporation, Head Office, Mandaluyong City	Macbook
EMMANUEL B. MACALALAG	SMPC Building, St. Francis St., Mandaluyong City	Laptop
FERDINAND K. CONSTANTINO	San Miguel Corporation, Head Office, Mandaluyong City	Ipad pro
AURORA T. CALDERON	San Miguel Corporation, Head Office, Mandaluyong City	Laptop
JOSEPH N. PINEDA	San Miguel Corporation, Head Office, Mandaluyong City	Laptop
MENARDO R. JIMENEZ	No. 2 Banaba Circle, South Forbes Park, Makati City	Ipad
MA. ROMELA M. BENGZON	1 Bluewaterhill Westport, Connecticut, USA	Apple Mac pro
FRANCIS H. JARDELEZA	La Vista Subdivision, Quezon City	Laptop
JOHN PAUL L. ANG	Eagle Cement Head Office, Mandaluyong City	Desktop
RICARDO C. MARQUEZ	Maragundon Cavite	Laptop
CIRILO P. NOEL	St. Luke’s BGC, Board room	Laptop
WINSTON A. CHAN	Sonria Condominium Industry St. corner Securities St. Madrigal Buisness Park, Ayala Alabang, Muntinlupa City	IPadpro
AURORA S. LAGMAN	38 Samar Ave., South Triangle, Quezon City	Apple tablet
ILDEFONSO B. ALINDOGAN	San Miguel Corporation, Head Office, Mandaluyong City	Laptop
KRISTINA I. GARCIA	San Miguel Corporation, Head Office, Mandaluyong City	Laptop
ALEXANDRA B. TRILLANA	San Miguel Corporation, Head Office, Mandaluyong City	Laptop
MA. CELESTE L. RAMOS	San Miguel Corporation, Head Office, Mandaluyong City	Laptop
OPHELIA L. FERNANDEZ	100 E. Rodriguez Jr. Ave. (C5 Road), Brgy. Ugong, Pasig City	Laptop
ENRIQUE L. YUSINGCO	San Miguel Corporation, Head Office, Mandaluyong City	Laptop
JOSE P. JAVIER, JR.	Sta. Rosa, Laguna	Laptop

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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	5,287,920,330
2	FRANCISCO S. ALEJO III	5,262,864,957
3	ROBERTO N. HUANG	5,263,367,367
4	EMMANUEL B. MACALALAG	5,263,367,367
5	FERDINAND K. CONSTANTINO	5,260,298,458
6	AURORA T. CALDERON	5,260,574,050
7	JOSEPH N. PINEDA	5,261,714,029
8	MENARDO R. JIMENEZ	5,261,714,029
9	MA. ROMELA M. BENGZON	5,261,712,614
10	FRANCIS H. JARDELEZA	5,261,714,029
11	JOHN PAUL L. ANG	5,260,531,130
12	RICARDO C. MARQUEZ	5,288,926,114
13	CIRILO P. NOEL	5,287,912,435
14	WINSTON A. CHAN	5,290,747,628
15	AURORA S. LAGMAN	5,289,602,584
Total votes registered		79,365,266,220
Total votes counted for election of board nominees		79,062,967,121
Total uncast votes for election of board nominees		302,299,099

RES. NO.	RESOLUTION	SHARES VOTED	% TO TOTAL O.S.
2	Approval of the Minutes of the Annual Stockholders' Meeting on June 2, 2021	5,291,017,748	89.538%
	For	5,291,017,748 -	89.538%
	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, 2021	5,291,017,748	89.538%
	For	5,289,397,618 -	89.511%
	Against	1,620,130 -	0.027%
	Abstain	0 -	0.000%
4	Ratification of all the acts of the Board of Directors and Officers since the 2021 Annual Stockholders' Meeting	5,291,017,748	89.538%
	For	5,291,017,748 -	89.538%
	Against	0 -	0.000%
	Abstain	0 -	0.000%
5	Appointment of R.G. Manabat & Co. as external auditor of the Company for fiscal year 2022	5,291,017,748	89.538%
	For	5,291,017,748 -	89.538%
	Against	0 -	0.000%
	Abstain	0 -	0.000%

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

PAGE 2

SUMMARY REPORT

% TO
TOTAL O.S.

OUTSTANDING COMMON SHARES	5,909,220,090	
OUTSTANDING PREFERRED SHARES	0	
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TOTAL OUTSTANDING SHARES AS OF RECORD DATE	5,909,220,090	
TOTAL SHARES IN ATTENDANCE :		
Attending proxy assignees	5,291,017,748	
Attending stockholders	20,745,890	
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	5,311,763,638	89.889%
LESS :		
Invalidated / knocked-off / Uncast shares - Proxy Assignees	0	
Knock-off by attending stockholder	0	
Invalidated shares - Stockholders	0	
Uncast shares of stockholders	20,745,890	
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TOTAL SHARES/VOTES COUNTED	5,291,017,748	89.538%
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NOTE:

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

*** END OF REPORT ***

MESSAGE TO SHAREHOLDERS TO BE READ DURING THE ASM
The Strength to Serve

Thank you, Mr. Chairman.

After a year of much uncertainty in 2020, we ushered in 2021 brimming with hope. The rollout of the government's vaccination program earlier in the year, coupled with the calibrated relaxation of quarantine restrictions and protocols, were instrumental in improving sentiment and mobility. This led to a pick-up in economic activity, which bode well for consumer companies such as ours.

Despite assumptions of a slowdown in global economic growth, the Philippines exhibited signs of resilience and enhanced activity in 2021, which led to a full-year growth of 5.6%.

Against this improved backdrop, San Miguel Food and Beverage, Inc. rebounded strongly, delivering outstanding results even in an unprecedented environment where COVID-19 remained a concern, further compounded by inflationary pressures and supply chain tensions.

Throughout the year, our Beer, Food, and Spirits businesses quickly implemented plans to drive sales growth and focused on what we could control to offset the impact of the pandemic and macroeconomic volatility.

As a result, consolidated revenues in 2021 grew 11% to P309.8 billion propelled by higher volumes, market share gains, and better pricing across SMFB's businesses.

Consolidated EBITDA for 2021 rose 20% to P56.2 billion, while consolidated operating income jumped 31% to P43.7 billion. The Company's productivity improvements, distribution efficiencies, and cost containment initiatives, coupled with our efforts to further grow revenues, helped operating margins expand 100 basis points last year.

As a result of all the foregoing, consolidated net income jumped 40% to P31.4 billion, moving closer towards our pre-pandemic financial performance. We delivered earnings per share growth of 61% and a 4% increase in dividends paid.

Our results reflect the dedication and motivation of our teams across our businesses, that remain focused on delivering value for all our stakeholders.

The COVID-19 pandemic has taught us, as an organization, some very important lessons.

First, the need to keep our employees, families, and communities safe, which we have been doing since our early days as a company but have ramped up our efforts since early 2020. While we had many initiatives last year, perhaps the most monumental is the rollout of San Miguel Corporation's P1 billion nationwide vaccination drive, which benefitted our employees, families, and extended workforce. In addition, we continue to be vigilant about testing so that interventions can immediately be done to further prevent the potential spread of the virus in our offices and workspaces.

Second, the need to support our communities. For a company of our scale, we have a special responsibility to be a true force for good for the greatest number of people.

Apart from philanthropic activities, SMFB recognizes that jobs are at the core of economic development and in building strong communities. Through our businesses, we engage with communities to create jobs through various programs.

Third, agility and resilience are keys to navigating disruptions and shifts in our operating environment, such as the pandemic, and this helped SMFB bounce back stronger than ever.

With the consolidation of our food and beverage businesses, SMFB’s business model remains on solid footing with a healthy balance sheet, supported by a robust and diversified product portfolio.

We are almost half-way through 2022 and many macro uncertainties have emerged including accelerating inflation. Across our businesses, we have implemented cost and pricing initiatives to successfully counter these challenges so that we are in a better position to deliver value for all our stakeholders.

In the first quarter of 2022 consolidated revenues grew 9% to P83.1 billion. This was driven by a combination of volume growth and better pricing across multiple categories in our spirits and food businesses, even as the COVID-19 Omicron variant interrupted an already improving trend seen in the latter part of 2021.

As with other consumer goods companies, SMFB was faced with rising input costs on raw materials and utilities, squeezing profits and moderating the gains from volume growth compared to the same period in 2021.

Nonetheless, consolidated EBITDA and consolidated income from operations still managed to grow by 1% to P15.7 billion and P12.7 billion, respectively.

Excluding non-recurring benefits in the first quarter of 2021 related to the CREATE law, the company’s net income for the 1st quarter of 2022 was up by 1% to P9.2 billion.

We remain optimistic about our ability to deliver growth moving forward. We are confident that the strategic pivots we’ve made in the last couple of years will keep us on solid footing. We are fortunate that our financial strength enables us to continue pursuing expansion projects that will enable us to further capitalize on the country’s continued recovery. We are confident that, we will emerge as an even stronger and more resilient company with the strength to help serve the needs of our country.

That ends my report, Mr. Chairman.