

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

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

1. Date of Report (Date of earliest event reported)
Jul 24, 2020
2. SEC Identification Number
11840
3. BIR Tax Identification No.
000-100-341-000
4. Exact name of issuer as specified in its charter
SAN MIGUEL FOOD AND BEVERAGE, INC.
5. Province, country or other jurisdiction of incorporation
PHILIPPINES
6. Industry Classification Code(SEC Use Only)
7. Address of principal office
100 E. Rodriguez Jr. Avenue (C-5 Road), Barangay Ugong, Pasig City, Metro Manila
Postal Code
1604
8. Issuer's telephone number, including area code
(632) 5317-5000
9. Former name or former address, if changed since last report
N/A
10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
COMMON (FB)	5,909,220,090
SERIES A BONDS DUE MARCH 2025 (IN PESO)	8,000,000,000.00
SERIES B BONDS DUE MARCH 2027 (IN PESO)	7,000,000,000.00
TOTAL DEBT as of Mar. 31, 2020 (IN MIL PESO-CONSO)	135,432

11. Indicate the item numbers reported herein
ITEM 9. OTHER EVENTS

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SAN MIGUEL
FOOD AND BEVERAGE, INC.

San Miguel Food and Beverage, Inc.
FB

PSE Disclosure Form 4-31 - Press Release
References: SRC Rule 17 (SEC Form 17-C)
Section 4.4 of the Revised Disclosure Rules

Subject of the Disclosure

Press release entitled "SMC's food, beverage businesses recovering well as government rebuilds better in the midst of COVID-19".

Background/Description of the Disclosure

Please see attached.

Other Relevant Information

None.

Filed on behalf by:

Name	Alexandra Trillana
Designation	Corporate Secretary and Compliance Officer

SMC's food, beverage businesses recovering well as government rebuilds better in the midst of COVID-19

San Miguel Corporation's (SMC) food and beverage businesses have started to recover due largely to government efforts to re-open and boost the economy.

"With the government's easing of restrictions on transportation, the operation of business establishments, and consumption of alcoholic beverages, we've been recovering a lot of lost ground," said SMC president and chief operating officer Ramon S. Ang. "Recovery started around second half of May to June, when government gradually restarted our economy and kept it going," Ang added.

Ang credited moves by President Rodrigo Duterte and his economic team, led by Finance Secretary Carlos Dominguez III, to get businesses back up and running, even with limitations, saying that for San Miguel, this has had a "domino effect" on smaller businesses in its supply chain.

"With consumption up, many of our own employees and those of our partners, dealers, suppliers, contract growers, and service providers are working again. On top of that, nationwide, a lot of micro, small, to medium enterprises—from sari-sari stores, retailers, bottle collectors, haulers, and the like—are also able to resume their business and livelihood. This helps ensure that more Filipinos won't go hungry and are more resilient to the impact of this crisis," Ang said.

SMC's food and beverage businesses under San Miguel Food and Beverage, Inc. (SMFB) has interests in beer and non-alcoholic beverages, food, and spirits.

San Miguel Brewery Inc. (SMB), the country's top beer manufacturer, said it was looking at better business performance entering the second half of 2020.

Since the transition to lower quarantine levels, SMB has restarted operations at production facilities nationwide, as well as the transport and distribution of its products, while strictly observing modified liquor ban guidelines in specific cities and municipalities.

The easing of restrictions has also allowed SMB's business partners and outlets to operate on a limited scale, following DOH health standards and social distancing protocols.

Through parent SMC, SMB played a significant role in responding to the crisis, helping fund donations to disadvantaged communities, local government units, medical facilities, and civic organizations.

San Miguel Foods Inc. (SMFI), has also seen improvements in its revenues starting June. While the company was able to maintain essential food production throughout the ECQ, it was still affected by the closure of many food service and retail establishments and decreased foot traffic in markets.

However, it was able to implement various programs to address consumer demand and increase food availability and sufficiency. These include the rollout of mobile stores, community selling in barangays and villages, mobilizing a network of community resellers, and utilization of online ordering platforms and home delivery.

Throughout the quarantine, SMFI helped SMC mount the largest food donation drive in its history and perhaps, the country's, totaling P511.1 million as of June 25.

SMFB liquor unit Ginebra San Miguel Inc.'s (GSMI) volumes have also increased since more areas transitioned to modified ECQ to general ECQ. From practically zero business activity in April, it was able to turn in record monthly volumes in June.

While the company temporarily ceased business activities, it reconfigured its operations to produce disinfectant alcohol, which SMC donated to hospitals and vital installations nationwide. GSMI produced and donated 1.3 million liters of alcohol, estimated at P97.1 million, as of June 25.

"It's not just our food and beverage businesses that are starting to recover. Even Power, Infrastructure, Fuels, have started seeing improvements in their industries," said Ang.

Ang however added that until there is a cure for the virus, there will always be uncertainty for businesses.

“For some businesses, recovery has been strong, for others, gradual. For some, it’s slower. I think this goes for all businesses and various industries. However, we recognize that the threat of the pandemic is still here. We cannot go all out in terms of operations and activities. As companies, we need to be accountable and responsible for ensuring the safety of our employees and customers,” he said.

“That is why we commend President Duterte’s economic team, led by Sec. Dominguez, for striving to strike a delicate balance between the need to keep the economy going, and the need to protect our people. That’s a very difficult job, but we have a very capable economic team,” he added.

Ang said that for its part, SMC was fully committed to helping boost the economy. Earlier, he announced that all of SMC’s major investments in manufacturing capacity expansion and infrastructure would continue, despite the crisis.

“Right now, the most important contribution we can make to our economy is to ensure continued operations and not hold back on new investments, particularly in manufacturing capacities and infrastructure. These will generate jobs and boost both the local and national economies, making more Filipinos resilient through crises,” Ang said.

Under Ang, SMC has led private sector efforts to help government, the medical sector, and disadvantaged communities, cope with the impacts of COVID-19.

It has spent over P13 billion in response efforts, including advance tax and concession payments to government to make funds available for COVID-19 response; continuous compensation to employees and third-party providers, as well as aid in the form of life-saving medical equipment, supplies, food, and alcohol, among others.