



February 19, 2024

**MR. ANTONINO A. NAKPIL**  
President & CEO  
Philippine Dealing & Exchange Corp.  
29th Floor, BDO Equitable Tower  
8751 Paseo de Roxas, Makati City 1226

Re: Clarification of News Report  
Entitled: San Miguel consortium wins bid  
to rehabilitate NAIA

Gentlemen:

Please see attached disclosure of the Company.

Very truly yours,



**MARY ROSE S. TAN**  
Assistant Corporate Secretary



February 19, 2024

**The Philippine Stock Exchange, Inc.**  
Disclosure Department  
6<sup>th</sup> Floor, Philippine Stock Exchange Tower  
28<sup>th</sup> Street, corner 5<sup>th</sup> Avenue  
Bonifacio Global City, Taguig City

Attention: **Ms. Alexandra D. Tom Wong**  
Manager, Disclosure Department

Gentlemen:

We reply with respect to the news article entitled "San Miguel consortium wins bid to rehabilitate NAIA" posted in abs-cbn.com on February 16, 2024, which reported in part that:

"The Department of Transportation on Friday announced that the San Miguel-led consortium won the bidding for the Ninoy Aquino International Airport rehabilitation project worth around P170 billion.

The consortium said it plans to transform NAIA into a world-class airport. The San Miguel group consists of San Miguel Holdings, RMM Asian Logistics, RLW Aviation Development, and Incheon International Airport Corporation.

....

The concession agreement will be signed within 30 days, then the San Miguel group can already operate the airport in 3 to 6 months time.

....

But aside from the passengers, the government itself will profit from this agreement. Batan said the government stands to get about P900 billion during the 25-year period, which includes the extended 10 years if service is good.

'Capex estimate is P122.3 [billion]. Payment to government consists of 3 things - the P30 billion upfront payment, P2 billion annuity, and the 82% revenues. Add those 3 up that's a total of P900 billion for the duration. (JC) That's P36 billion per year going to government (sic) compared that to the dividends (sic) of MIAA from 2010-2023 na P23.3 billion,' said Batan.

.... "



By way of response to the Exchange, and based on the information requested from and provided by SMC SAP & Company Consortium (the "Consortium") to San Miguel Corporation ("SMC"), set forth below are the responses to the questions of the Exchange.

1. The operation of the Ninoy Aquino International Airport is expected to be turned-over by the Manila International Airport Authority (the "Authority") to the Consortium six (6) months after the execution of the Concession Agreement by and among the Department of Transportation, the Authority and the Consortium, which is tentatively scheduled to be held on March 15, 2024.

2. From the documents submitted by the Consortium to the Department of Transportation as part of its bid, the estimated capital expenditure for the rehabilitation of the airport reached approximately P122.3 Billion Pesos for the first six (6) years of the Concession Agreement.

3. The payments committed by the Consortium to the Government are as follows, namely:

- (i) up front payment – P30 Billion Pesos, simultaneously with the execution of the Concession Agreement;
- (ii) annual payment – P2 Billion Pesos; and
- (iii) 82% of the revenues during the term of the Concession Agreement.

The total amount due to the Government is projected to be approximately P900 Billion Pesos.

We shall inform the Exchange of the execution of the Concession Agreement as mentioned above and other subsequent material and relevant developments.

Very truly yours,

  
**FERDINAND K. CONSTANTINO**  
Corporate Information Officer