



Investor Presentation

October 2021



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We are SM

Our Vision

To build an ecosystem of sustainable businesses that are catalysts for responsible development in the communities we serve.

Our Mission

We will provide a consistently high standard of service to our customers, look after the welfare of our employees and deliver sustainable returns to our shareholders, at all times upholding the highest standards of corporate governance and environmental stewardship in all our businesses.





About SM Investments

SM Investments is a leading Philippine company that is invested in market leading businesses in retail, banking and property. It also invests in ventures that can capture high growth opportunities in the emerging Philippine economy

Strong Proxy for Philippine Growth

- Market leading consumer-centric businesses
- Strong brand franchise
- Extensive group synergies

Business Enabler

- Partner of choice
- Access to capital and SM's extensive network of businesses, customers, tenants and suppliers
- Strong management commitment to partner success

Culture of Sustainability

- Creates shared value for all our stakeholders with focus on material UN SDGs
- Catalyst for development in the communities we serve
- Environmental responsibility and disaster resilience
- Strong governance and prudent financial management

Leading Philippine Conglomerate

Our three largest companies – SMIC, SM Prime and BDO – comprise ~30% of the value of the Philippine Index

Philippine Conglos

Market Cap (\$ bn)

| | |
|-----------------|-------------|
| SMIC | 24.1 |
| Ayala Corp | 8.0 |
| JG Summit | 9.7 |
| SMC | 5.8 |
| Aboitiz Equity | 6.0 |
| GT Capital | 5.0 |
| DMCI | 5.7 |
| Metro Pacific | 5.7 |
| LT Group | 7.0 |
| Alliance Global | 6.4 |

Source: Bloomberg;
Figures as of October 14, 2021

Philippine Retailers

Total Sales (\$ mn)

| | |
|------------------|--------------|
| SM Retail | 5,795 |
| Robinsons | 3,020 |
| Puregold | 3,373 |

Philippine Retailers

Store Count

| | |
|------------------|--------------|
| SM Retail | 3,019 |
| Robinsons | 2,157 |
| Puregold | 469 |

Source: Company Information, 1H21

Philippine Banks

Total Assets (\$ bn)

| | |
|-------------------|-------------|
| BDO | 68.0 |
| Landbank | 50.4 |
| Metrobank | 49.6 |
| BPI | 43.3 |
| DBP | 22.8 |
| PNB | 22.2 |
| China Bank | 20.6 |
| RCBC | 17.0 |
| UBP | 14.6 |
| Security Bank | 14.1 |

Source: Consolidated statements
of condition (SOC), June 30, 2021

Property Developers

Market Cap (\$ bn)

| | |
|----------------|-------------|
| SMPH | 21.1 |
| Ayala Land | 8.2 |
| Megaworld | 2.0 |
| Robinsons Land | 1.8 |
| Vistaland | 1.1 |
| Filinvest | 1.1 |
| Double Dragon | 1.2 |

Source: Bloomberg;
Figures as of October 14, 2021

Our Business Footprint

Philippines

3,093 retail outlets
76 malls
2,126 bank branches

Luzon (ex-NCR)

1,759 retail outlets
40 malls
687 bank branches

Metro Manila (NCR)

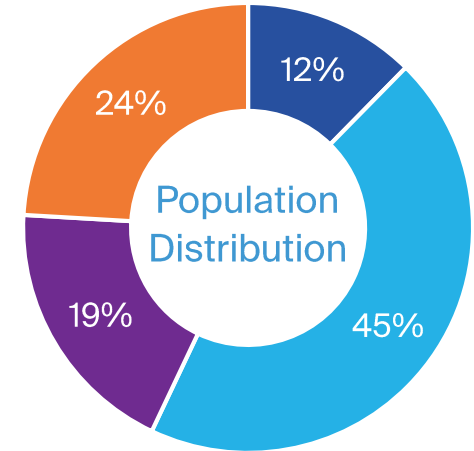
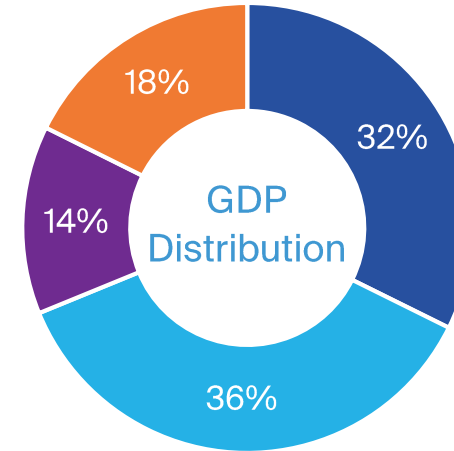
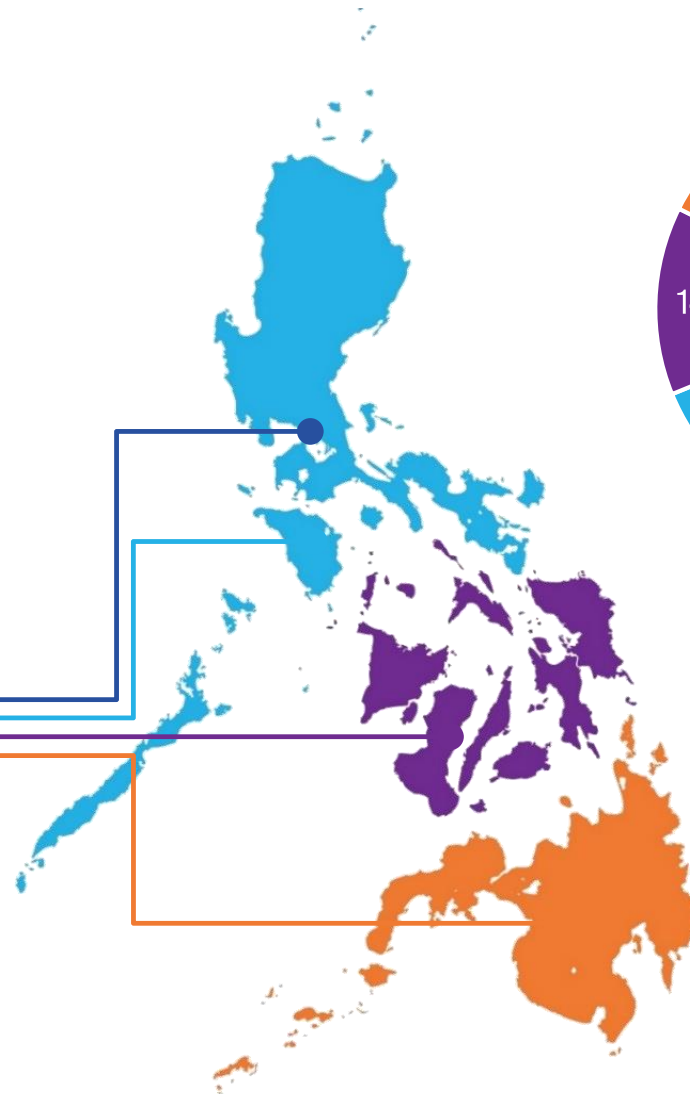
916 retail outlets
23 malls
962 bank branches

Visayas

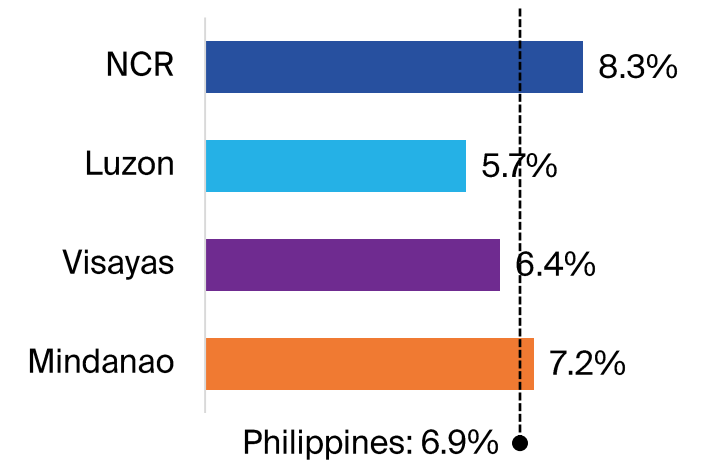
245 retail outlets
6 malls
235 bank branches

Mindanao

173 retail outlets
7 malls
242 bank branches











2018-2019 GDP Growth



Note: Data as of 1H2021

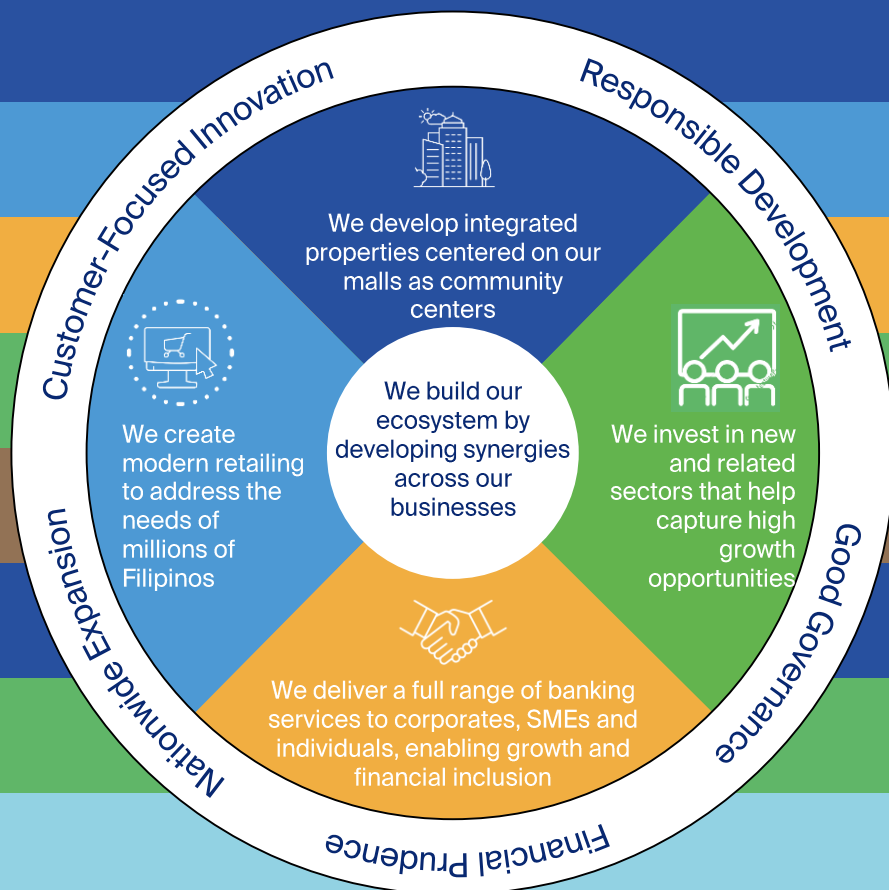
We create shared value for all our stakeholders with focus on material UN SDGs

Our Resources

-  Our Brand
-  Our Relationship with Our Customers
-  Our People
-  Our Developments
-  Our Connection to our Communities
-  Our Supply Chain Partners
-  Our Natural Resources
-  Our Financial Resources

What we do

We are clear and focused about how our businesses work together and create value.



Impact

Our national contributions are an outcome of our value creation process and we lead in advocating private sector participation in global agendas like the UN Global compact and UN Office for Disaster Risk Reduction.

We Provide trusted means to enhance quality of life, while providing a platform to develop other Filipino brands.

We make it convenient and enjoyable for tens of millions of Filipinos to access an extensive range of quality, modern and affordable products and services and we enable their financial inclusion.

As one of the country's largest employers we help the growing population enter the workforce. Through inclusive work practices we develop their well-being, skills and leadership capabilities.

We address the need for sustainable cities and physical infrastructure development, promoting livable spaces, greener and more active lifestyles and disaster preparedness.

We help close the gap for the disadvantaged in our society by providing schools, healthcare centers, social facilities, training and employment opportunities. We provide emergency response in times of need.

We serve as a community, marketplace and partner for MSMEs, working with government to promote opportunities and fair trade practices. We support and promote our partners during periods of crisis.

We protect and rehabilitate land, water and biodiversity as part of the long term development of our assets and we help reduce carbon emissions by funding the national shift to sustainable energy.

We generate value through salaries, taxes, payments to suppliers and partners and by providing sustainable returns to the investment community.



Environment and Sustainability



Task Force on Climate Related Financial Disclosures signatory

50 SUSTAINABILITY & CLIMATE LEADERS

A RACE WE CAN WIN 

Member of the 50 Sustainability and Climate Leaders Coalition
(click the link to learn more)



Signatory to UN ARISE and UNISDR, committing to integrate disaster resilience in our business models and stakeholder engagement

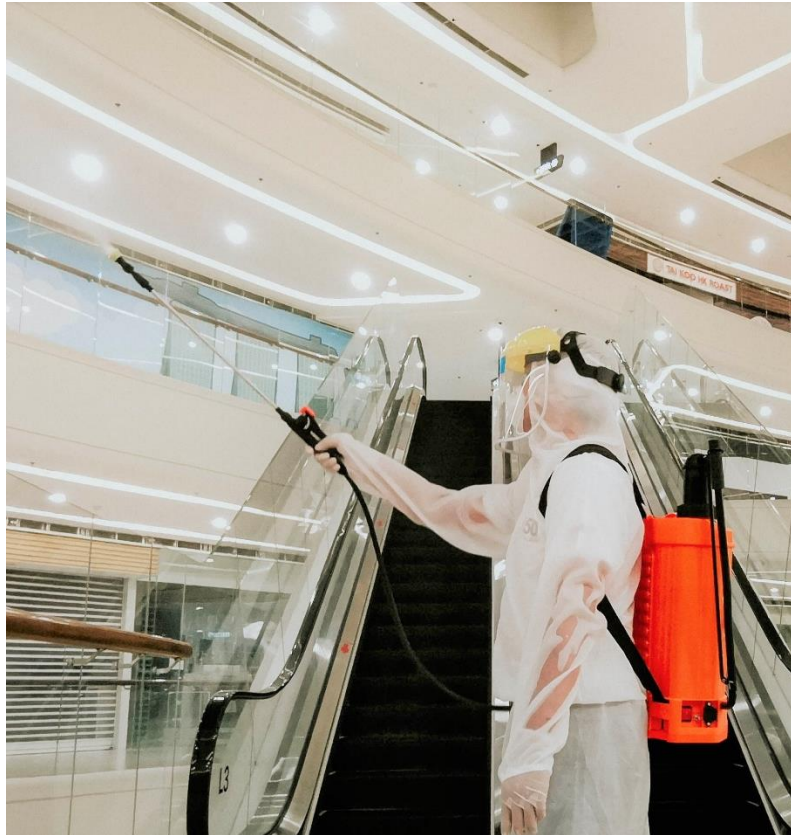


Our group-wide approach to green our ecosystem focused on greening our four pillars: Products and Services, Practices in our Operations, Living for our People and Our Customers.



Our COVID-19 response

Our sustainability thinking, which has been long embedded in our businesses and articulated in our previous reports, enabled us to quickly make focused stakeholder decisions on how to respond to the events that accompanied the evolution of the pandemic.



Safety



Innovation



Resilience

Our COVID-19 response

Workplace Safety

- 96% of eligible employees are fully vaccinated
- Implemented alternative work and logistical arrangements for employees

Customer Safety

- Stringent implementation of safety protocols in our malls and stores

Helping the Community

- 69 malls used as vaccination facilities; over 4mn doses administered
- Donated medical gear, PPEs to 230 hospitals and Institutions

Safety

Digital Transformation

- Ensured convenience via omnichannel retailing through:
 - Call to Deliver: high service and high touch
 - ShopSM
 - Specific Online Stores
 - SM Malls Online
- Online sales contribute 13% of total non-food sales
- Data analytics driven by 4.2mn active member loyalty program

Access to Financial Services

- BDO ATM on wheels
- 41.4mn transactions in BDO Cash-Agad program
- BDO has 12% market share of InstaPay transactions

Innovation

Supporting our Stakeholders

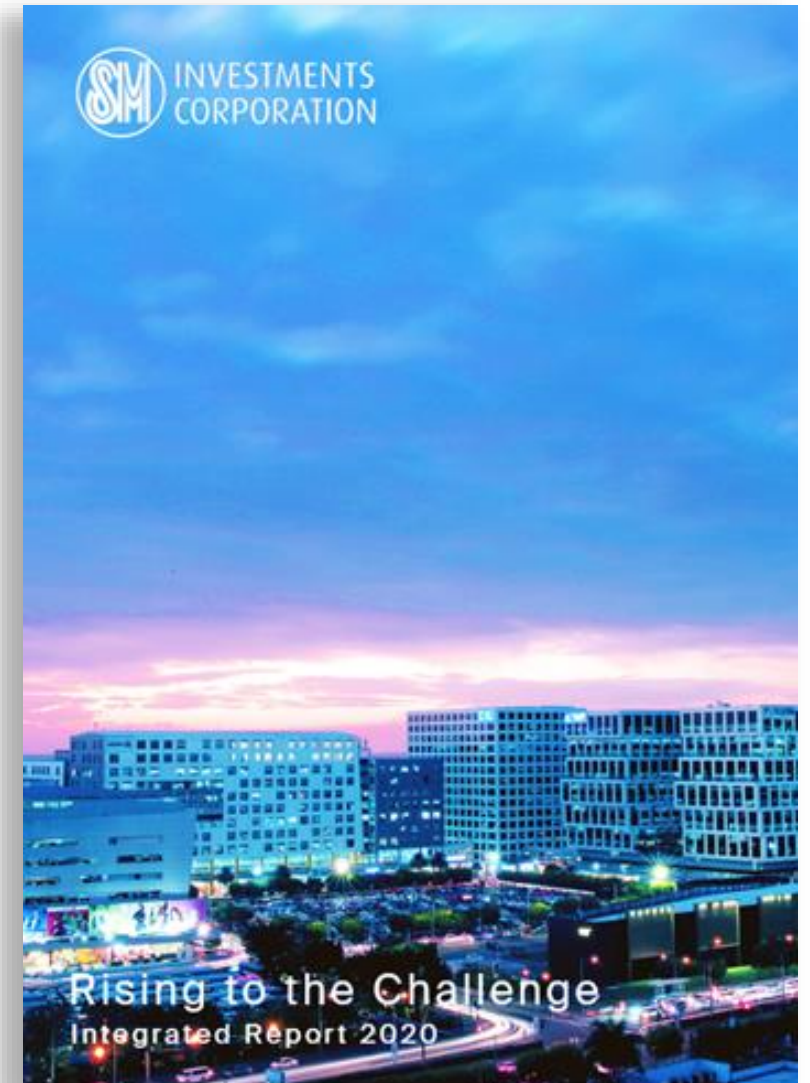
- P30.4bn of support in 2020 in the form of waivers, payments, donations benefitting MSMEs, tenants, suppliers and employees
- Kasama ng SM Campaign: Encouraged customers to support local businesses through mall campaigns
- 2GO introduced unique solutions enabling clients' unhampered flow of goods
- MSMEs support: waived rental fees, inclusion into our digital channels, access to banks through BDO Cash-Agad program

Resilience

Our Integrated Report <IR> 2020

We adopted the Integrated Reporting Framework developed by the International Integrated Reporting Council (IIRC). We ensure that our report presents a balanced reflection of our company's value creation process and also the progress we have made in advancing the United Nations Sustainable Development Goals.

www.sminvestments.com/investors/annual-report



External Recognition



FTSE4Good



Bloomberg Gender Equality Index 2021

We are included in the 2021 Bloomberg Gender-Equality Index along with 380 other companies across a variety of industries in 44 countries and regions

FTSE4Good

We are a constituent in the FTSE4Good Index Series and FTSE4Good Emerging Index

Sustainalytics ESG Industry Top Rated

We are an ESG Top Rated Company globally in our industry in 2021

The Asset ESG Corporate Awards

Platinum Award: SMIC and BDO were recognized as leaders in corporate sustainability

Other Recognitions:



Frederic C. DyBuncio
President

Tim Daniels
Investor Relations Consultant



NATIONAL CENTER FOR SUSTAINABILITY REPORTING



Our Leadership Team



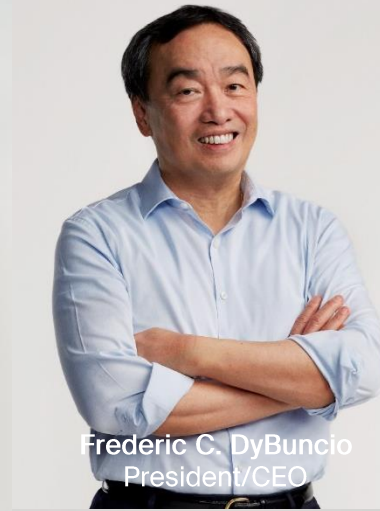
Jose T. Sio
Chairman



Teresita T. Sy
Vice Chairperson



Henry T. Sy, Jr.
Vice Chairman



Frederic C. DyBuncio
President/CEO



Harley T. Sy
Director



Alfredo E. Pascual
Lead Independent Director



Tomasa H. Lipana
Independent Director



Robert G. Vergara
Independent Director

We are a purpose driven company with the fundamental belief that business growth and social development go together. To make this happen, we have established strong governance principles that ensure fairness and transparency in our dealings with third parties and protect the rights of our minority partners.

Summary of SMIC Recent Performance

Figures in PHP billion except percentages

| SM Investments | 1H 2021 | 1H 2020 | % Chg | FY 2020 |
|----------------------|---------|---------|-------|---------|
| Revenues | 193.5 | 185.5 | 4% | 394.2 |
| Net Income | 20.1 | 7.1 | 183% | 23.4 |
| Net Margin (inc-NCI) | 14.3% | 6.8% | - | 8.7% |
| ROE | 9.0% | 6.0% | - | 6.0% |
| Net Debt:Equity | 39:61 | 37:63 | - | 37:63 |

| SM Retail | 1H 2021 | 1H 2020 | % Chg | FY 2020 |
|----------------------|---------|---------|-------|---------|
| Gross Revenues | 138.2 | 139.2 | -1% | 296.8 |
| Net Income | 3.6 | 0.5 | 598% | 4.1 |
| Net Margin (inc-NCI) | 2.9% | 0.3% | - | 1.5% |

| BDO | 1H 2021 | 1H 2020 | % Chg | FY 2020 |
|---------------------|---------|---------|-------|---------|
| Net Interest Income | 64.4 | 66.4 | -3% | 133.7 |
| Non Interest Income | 29.7 | 27.2 | 9% | 55.2 |
| Net Income | 21.4 | 4.3 | 400% | 28.2 |

| SM Prime | 1H 2021 | 1H 2020 | % Chg | FY 2020 |
|-----------------|---------|---------|-------|---------|
| Revenues | 41.1 | 43.7 | -6% | 81.9 |
| Net Income | 11.6 | 10.4 | 12% | 18.0 |
| Net Margin | 28.0% | 24.0% | - | 22.0% |
| ROE | 0.1% | 0.1% | - | 6.0% |
| Net Debt:Equity | 45:55 | 42:58 | - | 44:56 |

Recent Events

Parent/Group

- SM signed up to the Task Force on Climate-related Financials Disclosures (TCFD)
- Fully vaccinated employees reach 96%
- SM, BDO receive highest honors for sustainability from The Asset

Retail

- 81% of new stores opened outside Metro Manila
- Alternative channels contribute 13% of non-food sales
- Alfamart currently operating over 1,100 stores on target to reach 1,300 by year-end

Banking

- BDO reaffirms pledge for low-carbon regime
- Moody's affirmed China Bank to "Baa2" rating

Property

- Over 69 malls being used to help LGU vaccination efforts
- SM Prime to increase renewable energy use to over 50% by 2022
- Launched SM StartUp Package to support Start Up businesses in high growth categories

Equity Investments

- SM acquires additional shares in 2GO and Goldilocks, becoming majority shareholder in both with 52.9% and 74.0% ownership, respectively
- 2GO: adds two advanced vessels to upgrade its fleet

Adapting to Customer Needs and Developing Integrated Channels

We continue to work hard to develop innovative online and offline delivery channels that are integrated into our business and enhance our customer service.

Retail



Malls



Banking



Logistics



Multi-channel Ordering and High Touch Service

Payments

Last Mile

Our Ecosystem of Businesses

RETAIL



77.3%
SM Retail

BANKING



45.3%
BDO Unibank

EQUITY INVESTMENTS

26.4% Belle Corp 34.1% Atlas Mining

34.0% Neo Associates 95.0% Neo Subsidiaries

52.9% 2GO Group 35.0% Airspeed

63.3% MyTown 74.0% Goldilocks

34.0% CityMall 34.5% GrabPay

PROPERTY



49.7%
SM Prime

22.6%
China Banking Corporation





RETAIL

Our group was born out of retailing. With more than 30 brands, both food and non-food, we serve as a platform for local and international brands to be more accessible to the Filipino market.

77.3%
Effective Interest

P138.2bn
Revenues

P3.6bn
Net Income

| | |
|------------------------|-----|
| Store Network | GSA |
| 66 THE SM Store | 818 |
| 1,534 Brand Affiliates | 632 |
| 59 SM Supermarket | 365 |
| 53 SM Hypermarket | 342 |
| 213 Savemore | 564 |
| 71 WalterMart | 184 |
| 1,097 Alfamart | 196 |

Data as of 1H2021, Gross Selling Area (GSA) in '000s sqm





We stand by our tagline, "We've got it all for you". Our brands provide a wide selection for every member of the family easily accessible by all our customers nationwide

Department Stores



Athleisure and Fashion



LifeWear

FOREVER 21 UNDER ARMOUR



Health, Beauty and Wellness



innisfree

LANEIGE



THE BODY SHOP

Philippine Crafts

KULTURA
UNIQUELY FILIPINO

Foot wear

Bata crocs ECCO

Food Retail



WalterMart



Home and Family



supplies station inc.



SM HOME
Crate&Barrel





Food Retail

| Format | Description | SKUs |
|--------------|--|---------|
| Hypermarkets | Stand-alone large format destinations with 50/50 food/non-food mix | > 50k |
| Supermarkets | Large format anchor tenant in SM malls | 45k-50k |
| Savemore | Stand-alone mid-sized format expanding nationwide | 30k-45k |
| WalterMart | Mid-sized format tenant located in WalterMart Malls expanding in Luzon | 30k-45k |
| Alfamart | Minimart format providing supermarket goods and prices in neighborhood locations | <5k |





Non-Food Retail

Department Stores - The SM STORE

- Anchor tenant in SM malls
- Wide range of merchandise and price points
- Targets all customer segments

Specialty Retailers

- Leading local category specialists
- Aspirational but affordable foreign brands
- High margin, high growth
- Key tenants in malls, selective expansion outside malls





We are invested in the banking business with BDO leading as one of the innovators in banking products and service, making financial services more accessible to Filipinos.

45.3%

Effective Interest

Branch Network

1,492 Philippine Branches

2 Foreign Branches

4,442 ATMs

P133.7bn

Net Interest Income

P55.2bn

Non Interest Income

P28.2bn

Net Income



China Bank has a hundred years of banking heritage anchored on good governance. The bank has been instrumental in building generations of enterprises in the country.

22.6%

Effective Interest

Branch Network

636 Philippine Branches

1,038 ATMs

P33.8bn

Net Interest Income

P10.0bn

Non Interest Income

P12.1bn

Net Income

Data as of 1H2021





PRIME

We build integrated lifestyle cities with malls serving as meeting centers, residential developments, hotels, convention centers and office spaces, helping facilitate the rapid urbanization of local communities.

49.7%
Effective Interest

P81.9bn
Revenues

P18.0bn
Net Income

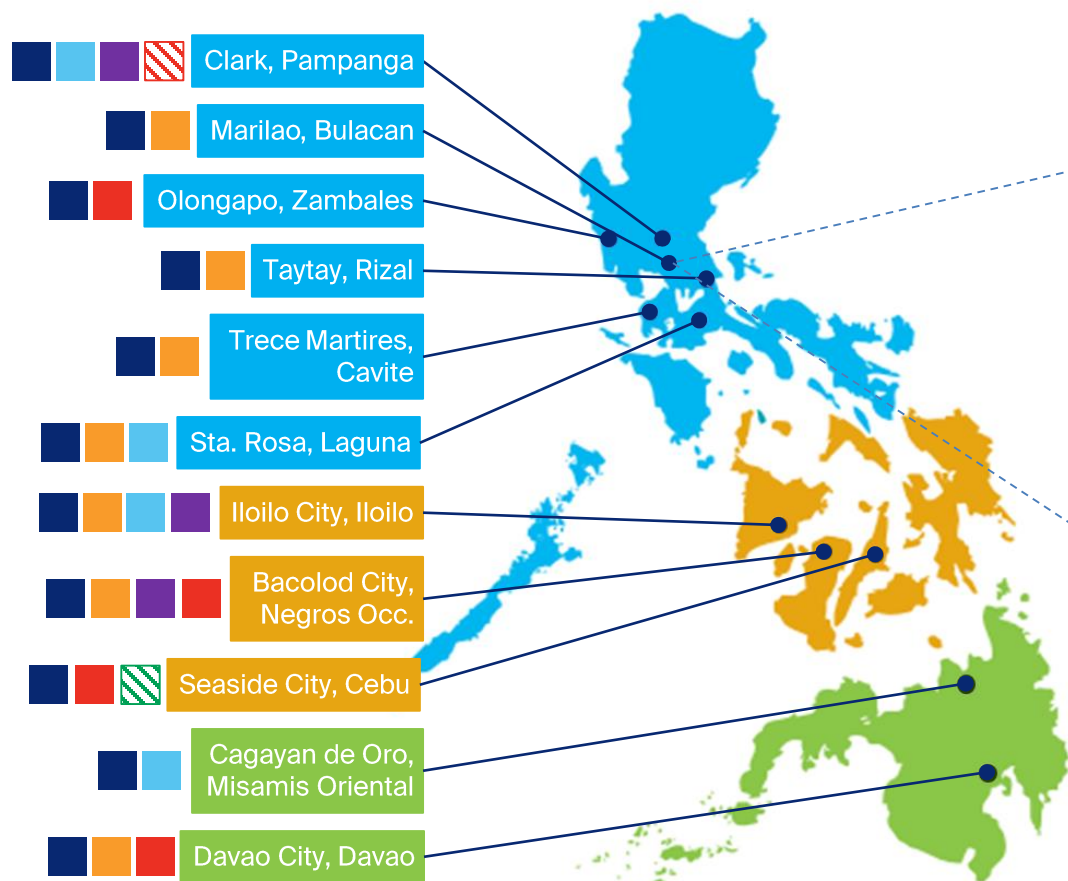
Number of Developments
21 Integrated Lifestyle Cities
76 Malls in the Philippines
7 Malls in China
74 Residential Projects
12 Office Buildings
8 Hotels
5 Convention Centers
2 Trade Halls

Data as of 1H2021

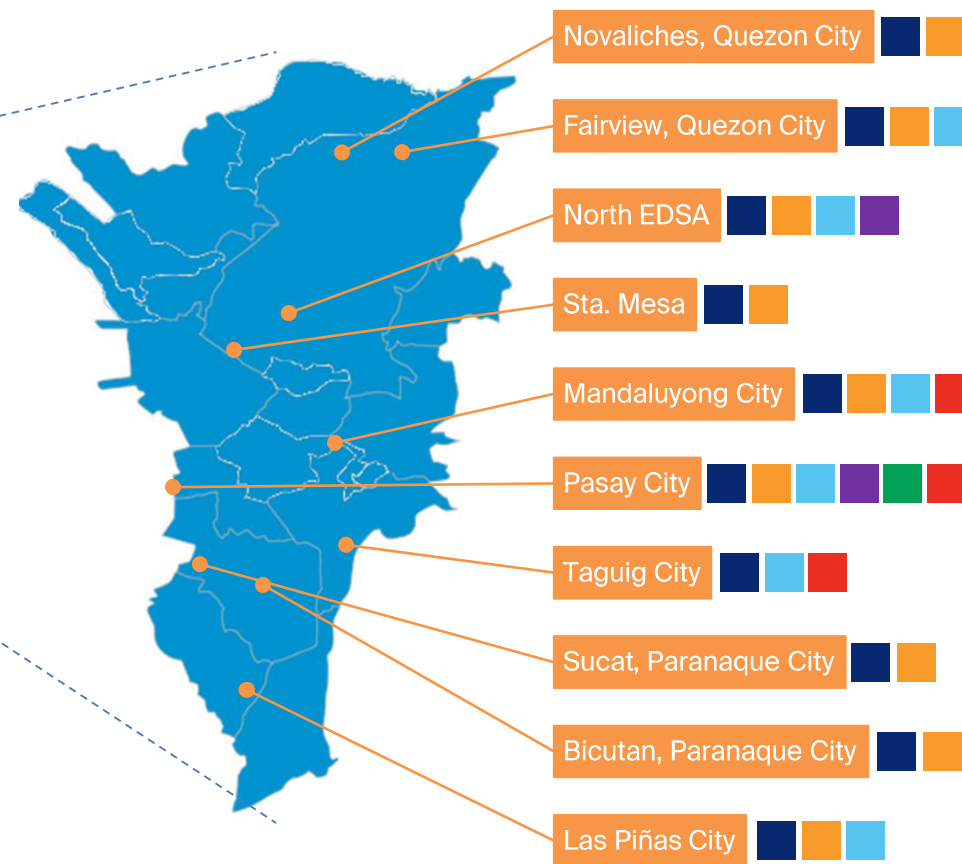
SM Prime Integrated Lifestyle Cities

SM Prime has integrated property developments in Metro Manila and in key provincial cities in the Philippines

Key Provincial Cities



Metro Manila



SM Malls



PHILIPPINES

CHINA

76



Malls

7

8.7mn



Total GFA in SQM

1.3mn

17,369



Tenants

1,882

1.1mn



Average Daily
Pedestrian Count

0.2mn

Data as of 1H2021, GFA (Gross Floor Area)

SM Residences

A leading residential developer of high-rise buildings (HRBs), mid-rise buildings (MRBs) and single-detached house and lots

Projects Overview (as of 1H2021)

SMDC Projects to date 55, 43 in NCR

Ready-for-Occupancy (RFO)
(Unsold Units) 3,266

Ongoing Construction
(Unsold Units) 19,787

Estimated Inventory Value P135.74bn

1H2021 Reservation Sales P55.07bn

1H2021 CAPEX P18.87bn

Landbank (hectares)

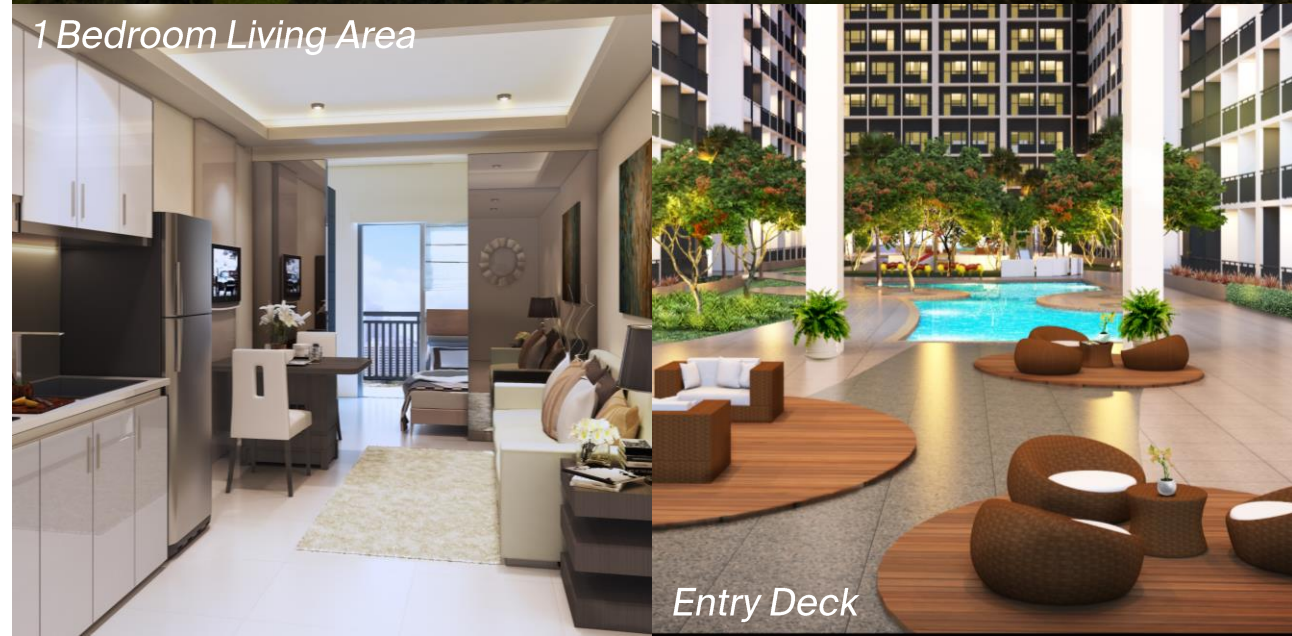
Metro Manila 96

Outside Metro Manila 1,491

Shore Residences



1 Bedroom Living Area



Entry Deck



SM Commercial Properties

12 office buildings with a combined GFA of more than 700,000 sqm, with an available landbank of 71 hectares for future development

| Location | GFA |
|-------------------|---------|
| Clark, Pampanga | 67,036 |
| Las Pinas City | 32,578 |
| Makati City | 38,112 |
| Pasay City | 468,727 |
| Quezon City | 41,203 |
| Sta. Rosa, Laguna | 23,275 |
| Taguig City | 52,837 |
| Taytay, Rizal | 11,520 |
| Total | 736,288 |

SM Hotels and Convention Centers

Operating 8 hotels with over 2,000 rooms, 5 Convention Centers and 2 Trade Halls with approximately 38,000 sqm of leasable space as of 1H2021

| Hotels | Rooms | Convention Centers | GLA (sqm) |
|--------------------------|--------------|---------------------------------|---------------|
| Taal Vista, Tagaytay | 261 | SMX Manila | 17,170 |
| Radisson Blu, Cebu | 400 | SMX Davao | 5,200 |
| Pico Sands, Hamilo Coast | 154 | SMX Aura Premier | 3,136 |
| Park Inn, Davao | 204 | SMX Bacolod | 4,269 |
| Park Inn, Clark | 255 | Olongapo City Convention Center | 4,219 |
| Conrad Manila, | 348 | Megatrade Hall | 4,226 |
| Park Inn, Iloilo | 200 | SM Seaside Skyhall | 1,857 |
| Park Inn, North | 239 | Mall of Asia Arena | 20,000 seats |
| Total | 2,061 | Total | 40,077 |



SMX Manila, Pasay City



Pico de Loro Development, Batangas



- 90 minutes from the Mall of Asia Complex
- Sprawling seaside sanctuary flanked by the sea on the West, mountain ranges in the East, with thirteen coves, three of which are Marine Protected Areas

Equity Investments

We invest in high growth sectors that have synergies with our existing core businesses. We look for potential or current market leaders.

We add value financially and operationally, providing capital, skills, management expertise and access to our SM ecosystem. We integrate global best practices into their operations and corporate governance.



Effective Interest

26.4%
Belle Corporation

34.1%
Atlas Mining

34.5%
GrabPay

35.0%
AirSpeed

95.0%
NEO Subsidiaries

52.9%
2GO Group, Inc.

63.3%
MyTown (PULS)

34.0%
CityMall

74.0%
Goldilocks

34.0%
NEO Associates



Tagaytay Highlands

Belle Corporation

Belle Corporation is a developer of premium tourism and leisure destinations

City of Dreams Manila

- Award-winning integrated resort operated by partner, Melco
- Total gross floor area: 315,531 sqm
- Gaming floor area: 21,324 sqm
- ~2,070 slot machines, 310 electronic gaming tables and 320 gaming tables
- Three hotel brands with 940 rooms: NÜWA Manila, Nobu Manila and Hyatt Regency

Tagaytay Highlands

- Award-winning luxury mountain resort
- 25 year history of developing and operating a 1,564 ha. complex of exclusive themed residential communities, golf courses and clubs
- Amenities include restaurants, sports venues, and facilities for outdoor activities

Atlas Consolidated Mining

Atlas Mining is one of the largest copper concentrate producers in the Philippines

- Copper mine with 22 years mine life
- Over 408m tonnes of proven and probable reserves

| Operating Information | 2020 |
|-----------------------|------|
|-----------------------|------|

| | |
|--|--------|
| Daily Milling Avg <i>(In dmt per day)</i> | 50,196 |
|--|--------|

| | |
|-----------|--------|
| Ore Grade | 0.304% |
|-----------|--------|

| | |
|--------------------------------------|--------|
| Cu Metal Gross <i>(In mn lbs)</i> | 107.09 |
|--------------------------------------|--------|

| | |
|---|-----|
| Shipped Cu concentrate <i>(in '000s dmt)</i> | 180 |
|---|-----|



Reforested Area, Carmen Copper Corporation, Toledo City, Cebu



Biga Pit



Neo Buildings

The Neo Buildings consist of 7 office buildings located within the largest and only PEZA certified IT park in Bonifacio Global City, Metro Manila

| Office Building | GFA (sqm) |
|-----------------|----------------|
| One Neo | 14,358 |
| Two Neo | 18,687 |
| Three Neo | 20,000 |
| Four Neo | 38,767 |
| Five Neo | 55,651 |
| Six Neo | 55,300 |
| Seven Neo | 65,000 |
| Total | 267,763 |

2GO Group

The largest and broadest logistics and transportation solutions provider integrating Shipping, Logistics and Distribution

Shipping

- Efficient and reliable 10 vessel fleet
- Serving 15 ports of call covering all major cities

Express and Logistics

- 41 warehouse facilities nationwide
- Sea, land and air-freight express services
- Largest reefer and leading isotank provider
- 3,000 own stores and agency network

Distribution

- 2,094 Retail Stores Served
- 2,078 Pharmacies
- 3,093 Food Establishments



MV Maligaya



MyTown (PULS)

A leading developer and operator of purpose-built co-living communities providing housing solutions for young urban professionals and corporations

- Pioneered the concept of urban dormitories as communities with amenities
- Scalable solution to metro traffic and lack of affordable housing
- Operating 16 buildings offering more than 3,340 beds to date
- Plans for more than 4,780 beds by 2022



Goldilocks

Goldilocks is a well-loved Filipino heritage brand trusted by customers for over 55 years

- Extensive retail footprint of over 880 stores in the Philippines
- Resilient amidst the pandemic, Goldilocks pivoted to cater to changing customer needs by expanding sales channels online and through aggregator partnerships and be where the customers are
- Product and service delivery innovations contributed towards a dynamic and fresh brand for customers



这里接受
Accepted Here



The BDO, BDO Unibank, and other BDO-related trademarks are owned by BDO Unibank, Inc.



GrabPay

Electronic wallet anchored on the Grab network

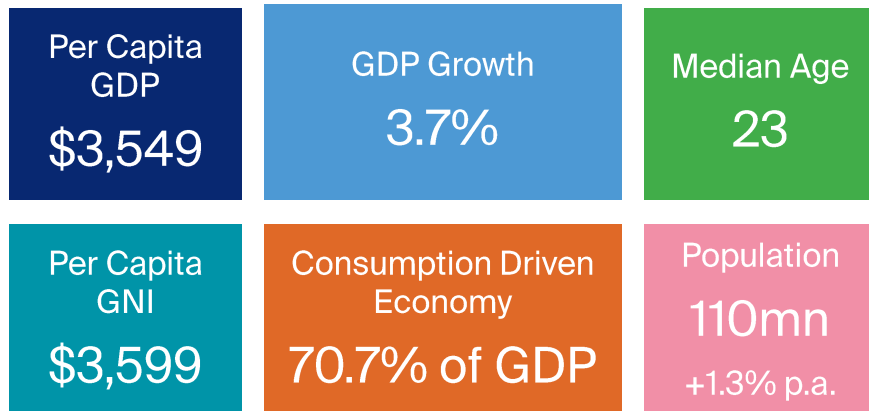
- Wide range of use cases:
 - On-demand delivery and transportation services
 - Bills payment and prepaid telco top-up
 - Accepted as payment option in major retailers in SM Malls
- Greater convenience for customers with expanding network of top-up channels
- Enhanced customer benefits through dedicated lanes and express checkout counters

Annex

- 39 About the Philippines
- 40 SMIC 10-Year Performance
- 41 Financials and Other Details
 - SM Investments
 - SM Prime
 - BDO
 - China Bank

Philippines: Strong Macroeconomic Fundamentals

Young Workforce with Rising Incomes



Opportunities

- Improved Infrastructure development
- Provincial growth – Luzon, Visayas, Mindanao
- Job creation and inclusive growth
- Agriculture, Manufacturing, Services
- Foreign Direct Investments

Inflation and Interest Rate Environment

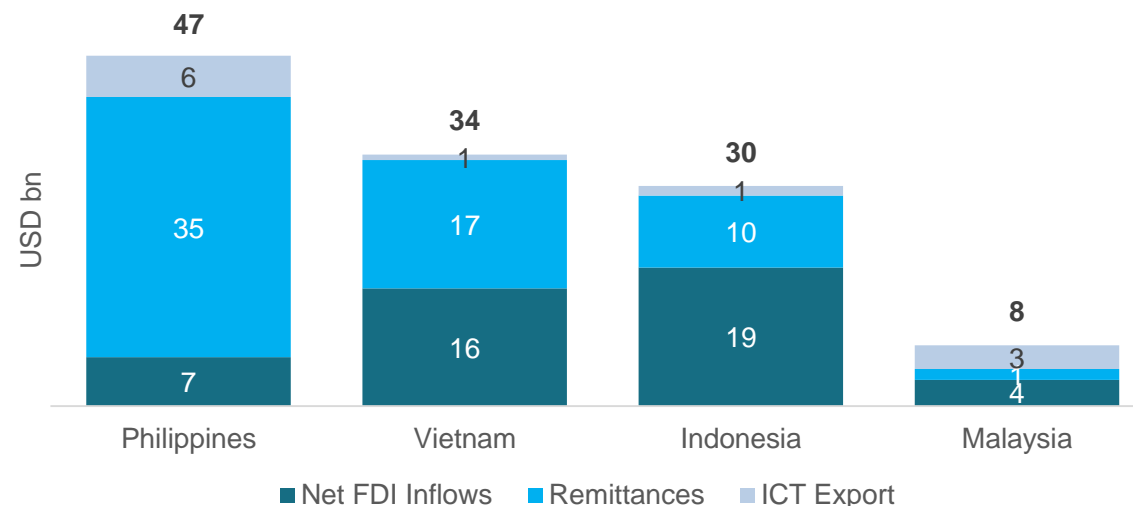
- Avg. Inflation rate: 4.5% (Jan-Sep 2021)
- T-Bills (91-day): 1.085% (Oct 4, 2021)
- T-Bills (364-day): 1.584% Oct 4, 2021)

Healthy Fiscal and Monetary System

- Debt/GDP: 60.4%
- CAR: 17.6%
- NPLs: 4.1%

| Current Credit Ratings | |
|------------------------|-------------|
| S&P | BBB+ Stable |
| Moody's | Baa2 Stable |
| Fitch | BBB Stable |

Net External Inflows and ICT Exports

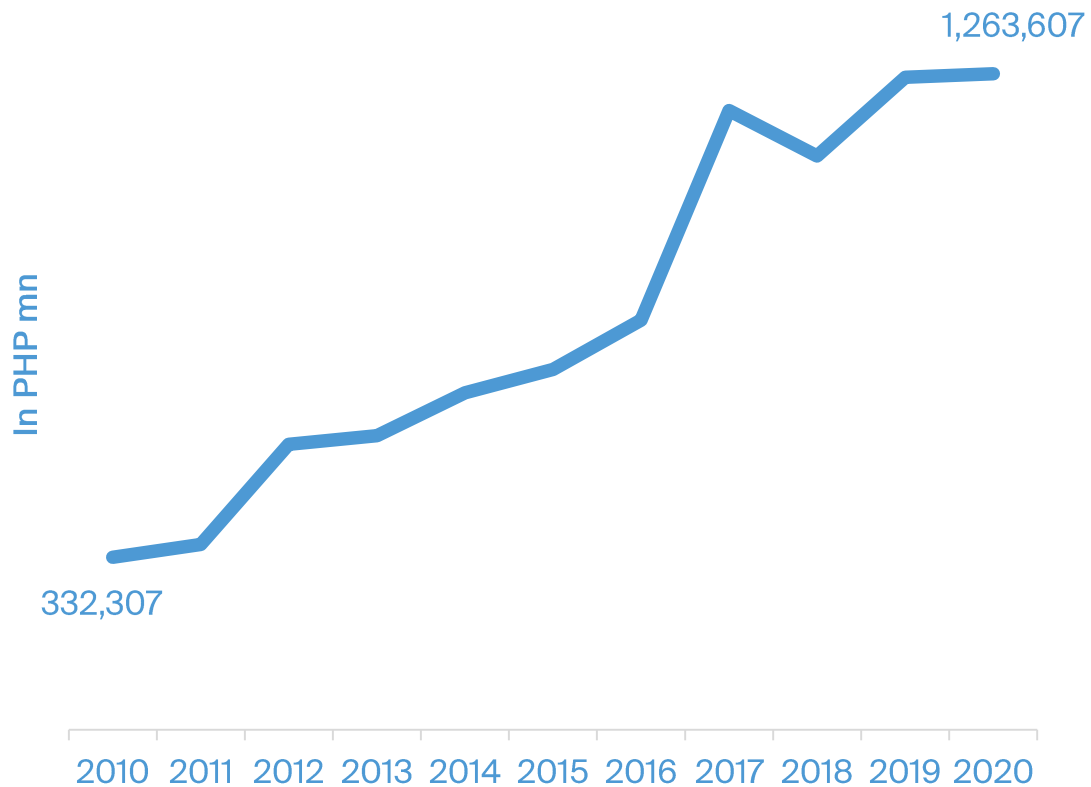


Source: BSP Selected Economic and Financial Indicators, Most Recent

Source: The World Bank, ASEAN Statistics Division, Most Recent Data (2020)

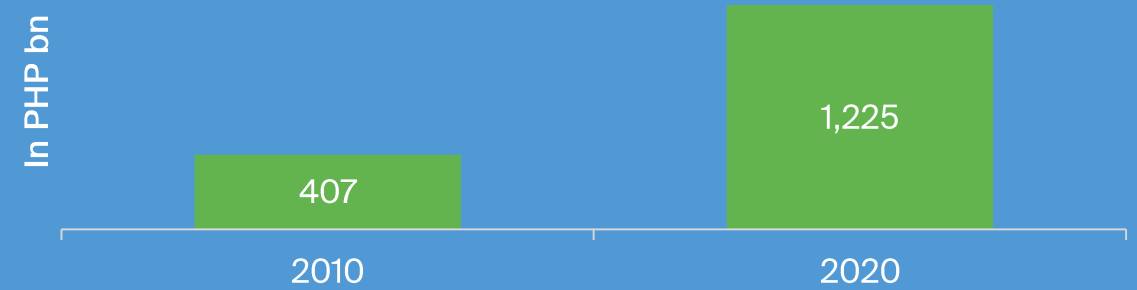
SM Investments' 10-Year Performance

Market Cap grew 14.3% p.a.

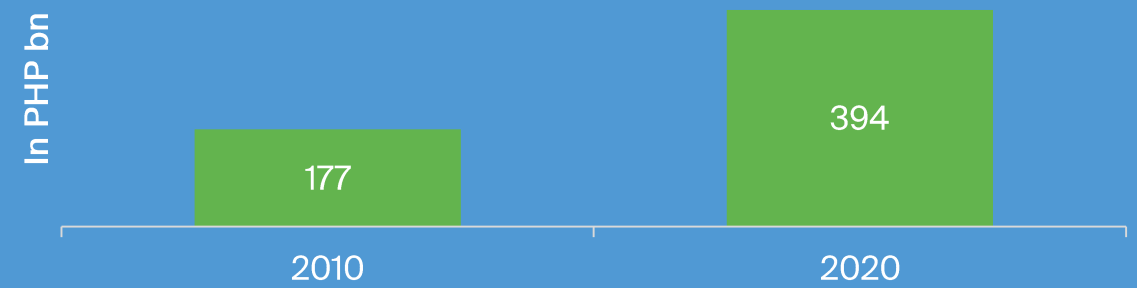


Growth rates expressed in CAGR

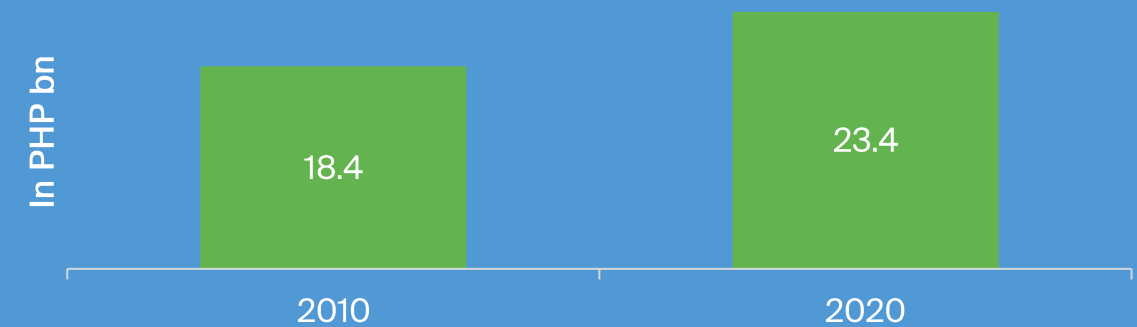
Assets grew at 11.6% p.a.



















Revenue grew at 8.3% p.a.



Net Income grew at 2.4% p.a.



Creating Shared Value

| Our Resources | Input Our businesses are rooted in an ecosystem of strong relationships and assets. | Output In 2020 we created broad value for all our stakeholders and helped them respond to COVID-19 | Impact Our national contributions are an outcome of our value creation process and we lead in advocating private sector participation in global agendas like the UN Global compact and UN Office for Disaster Risk Reduction. |
|---|--|--|--|
|  Our Brand | One of the most recognized brands in the Philippines More than 60 years of SM brand more than 30 retail brands carried | Sustainability ESG Industry Top Rated Award Bloomberg Gender-Equality Index Constituent FTSE4Good Index Series Constituent ACES Top Community Care Companies in Asia 2020 Award | SM Prime – ‘Organization of the Year’ 2020 Grand Stevie Award SMDC – ‘Best Developer’ in 8 th Property Guru Awards BDO – ‘Best Bank in the Philippines’ The Asset Triple A Country Awards 2020 We Provide trusted means to enhance quality of life, while providing a platform to develop other Filipino brands. |
|  Our Relationship with Our Customers | We serve Filipinos of all generations and economic classes  4.56mn SMAC holders 1.8mn Daily Average Foot Traffic 20.9mn Bank customers | PHP394.2bn Revenues 7% of non-grocery sales in new digital formats | 1.3mn New checking and savings account holders 41.4mn Transactions using BDO Cash Agad to date We make it convenient and enjoyable for tens of millions of Filipinos to access an extensive range of quality, modern and affordable products and services and we enable their financial inclusion. |
|  Our People | A team of diverse, creative and dedicated employees 130,421 Co-workers  1:1.86 Male-to-Female Ratio | 1.6mn Training Hours 93% of Eligible employees were appraised | PHP26.2bn Employee wages and benefits As one of the country’s largest employers we help the growing population enter the workforce. Through inclusive work practices we develop their well-being, skills and leadership capabilities. |
|  Our Developments | Strategic lifestyle cities with a mix of retail, commercial, residential and social amenities 3,019 Retail Stores 76 Malls in the Philippines 2,106 Bank Branches 71 Residential Projects 21 Integrated Lifestyle Cities in the PH | 2 New Malls 351 New Retail Stores 39 New Bank Branches | 1 New Residential project 155,524 SMDC residential units launched to date 2 cities supported through Adopt-a-City Program We address the need for sustainable cities and physical infrastructure development, promoting livable spaces, greener and more active lifestyles and disaster preparedness. |
|  Our Connection to our Communities | Deep relationships with our host communities enhanced by our social programs  CARES  FOUNDATION  Disaster Relief Program | 90,579 PPE 65 Ventilators Donated to 230 Hospitals and Institutions 8,279 Patients served through medical missions | 22 Schools built & refurbished 1,214 Current college Scholars 1,274 Farmers trained We help close the gap for the disadvantaged in our society by providing schools, healthcare centers, social facilities, training and employment opportunities. We provide emergency response in times of need. |
|  Our Supply Chain Partners | An extensive network of diverse local and international partners Over 80,000 MSMEs 17,937 Mall tenants in the Philippines 10,000 Retail Suppliers | PHP300bn Payment to Suppliers | PHP19bn Waived rental fees and other charges* Kasama ng SM marketing campaign We serve as a community, marketplace and partner for MSMEs, working with government to promote opportunities and fair trade practices. We support and promote our partners during periods of crisis. |
|  Our Natural Resources | A nationwide footprint of urban and untouched natural environments  1,533mn kWh Electricity Consumption 9.2MW Capacity of Solar Panels installed in SM Supermalls 31mn m ³ Water Withdrawn 2,310 hectares of Landbank in the PH |  3 Marine Protected Areas  10 hectares of Mangroves Protected | 28.9mn m ³ Water Recycled 50 Renewable energy projects funded by BDO with 2,184MW capacity to date We protect and rehabilitate land, water and biodiversity as part of the long term development of our assets and we help reduce carbon emissions by funding the national shift to sustainable energy. |
|  Our Financial Resources | A strong, conservative balance sheet and access to financial Capital PHP1,224.5bn Assets PHP1,263.6bn Market Capitalization 37:63 Net Debt : Total Equity | PHP30.4bn COVID-19 Response* PHP23.4b Net Income PHP15.7bn Payments to government | PHP5.1bn Dividends Paid 12.74% Share price increase (5-year CAGR) We generate value through salaries, taxes, payments to suppliers and partners and by providing sustainable returns to the investment community. |

*excluding waived rental fees and charges for SM affiliates

SM Investments Corporation

1H 2021 Consolidated Results

In PHP Billion

| Particulars | 1H 2021 | 1H 2020 | % Chg | FY 2020 | FY 2019 | FY 2018 |
|----------------------|---------|---------|--------|---------|---------|---------|
| Revenue | 193.5 | 185.5 | 4.3% | 394.2 | 502.0 | 449.8 |
| Net Income to Parent | 20.1 | 7.1 | 183.4% | 23.4 | 44.6 | 37.1 |
| Net Margin (inc-NCI) | 14.3% | 6.8% | - | 8.7% | 13.8% | 13.0% |
| Return on Equity | 9.0% | - | - | 6.0% | 11.9% | 10.9% |

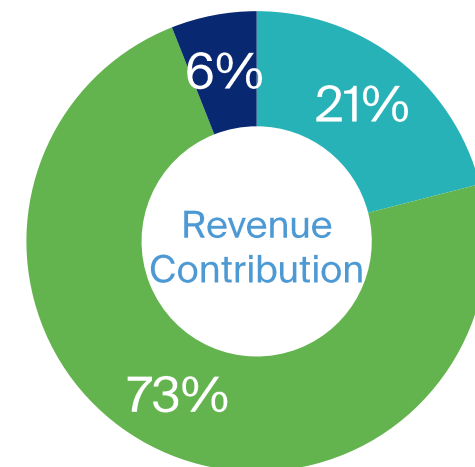
| Total Capital | 1H 2021 | FY 2020 | % Chg | FY 2020 | FY 2019 | FY 2018 |
|-------------------------|---------|---------|--------|---------|---------|---------|
| Counterpart investments | 54.8 | 78.2 | -29.9% | 78.2 | 76.7 | 105.8 |
| Net Debt | 379.9 | 336.8 | 12.8% | 336.8 | 298.4 | 280.1 |
| Equity attrib to Parent | 418.2 | 403.8 | 3.6% | 403.8 | 382.6 | 353.4 |
| Net Debt:Equity | 39 : 61 | 37:63 | - | 37:63 | 36:64 | 44:56 |

SMIC Parent Debt

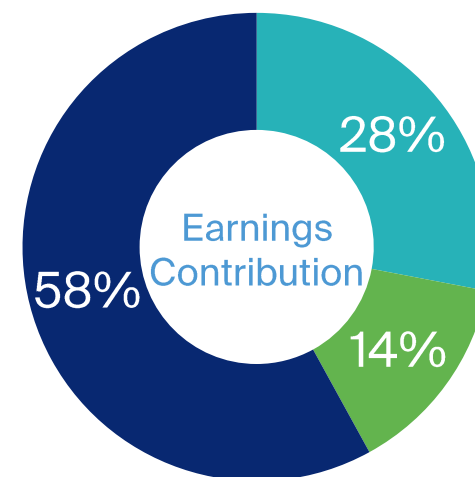
| | | | |
|---------------------------|---------|----------------------|------------|
| Net Debt to Equity | 47 : 53 | Average Cost of Debt | 4.69% |
| Peso-Foreign Currency Mix | 65 : 35 | Average Debt Tenure | 3.04 years |

Recent Bond Offerings

| Issued | Amount | Currency | Due Date | Coupon Rate |
|------------------|--------|----------|-------------------|-----------------|
| October 2, 2020 | 10 bn | PHP | April 2024 | 3.316% |
| July 22, 2020 | 5.6 bn | PHP | January 2022 | 2.875% |
| December 9, 2016 | 20 bn | PHP | December 2023 | 5.159% |
| June 10, 2014 | 350 mn | USD | June 2024 | 4.875% |
| May 19, 2014 | 15 bn | PHP | May 2021/May 2024 | 5.2958%/5.6125% |
| July 16, 2012 | 15 bn | PHP | Jul 2019/Jul 2022 | 6.0%/6.9442% |



Banking business not consolidated



■ Property ■ Retail ■ Banking

SM Prime

1H 2021 Results

In PHP Billion

| Consolidated | 1H2021 | 1H2020 | %Chg | FY2020 |
|------------------|--------|--------|------|--------|
| Revenues | 41.1 | 43.7 | -19% | 81.9 |
| Net Income | 11.6 | 10.4 | -22% | 18.0 |
| Net Margin | 28.0% | 24.0% | - | 22.0% |
| Return on Equity | 0.1% | 0.1% | - | 6.0% |

| Philippine Malls | 1H2021 | 1H2020 | % Chg | FY 2020 |
|----------------------|--------------|--------------|-------|--------------|
| Revenues | 10.7 | 14.4 | -48% | 23.6 |
| Operating Income | 2.8 | 4.3 | -64% | 5.1 |
| EBITDA | 6.5 | 8.2 | -49% | 12.3 |
| <i>EBITDA margin</i> | <i>60.4%</i> | <i>56.7%</i> | - | <i>52.0%</i> |

China Malls

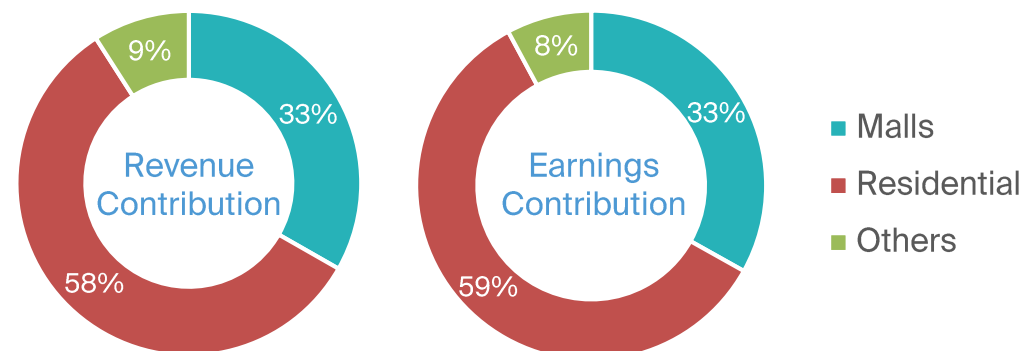
(In RMB mn)

| | 1H2021 | 1H2020 | % Chg | FY 2020 |
|------------------|--------|--------|-------|---------|
| Revenues | 0.4 | 0.3 | 43% | 4.7 |
| Operating Income | 0.2 | 0.1 | 109% | 1.7 |

| Residences | 1H2021 | 1H2020 | % Chg | FY 2020 |
|----------------------|--------------|--------------|-------|--------------|
| Revenues | 24.5 | 23.7 | 3% | 46.5 |
| Operating Income | 10.4 | 9.7 | 8% | 19.7 |
| EBITDA | 10.5 | 9.8 | 7% | 19.8 |
| <i>EBITDA margin</i> | <i>42.8%</i> | <i>41.2%</i> | - | <i>42.6%</i> |

Other

| Businesses | 1H2021 | 1H2020 | % Chg | FY 2020 |
|----------------------|--------------|--------------|-------|--------------|
| Revenues | 3.1 | 3.6 | -16% | 6.4 |
| Operating Income | 1.6 | 1.9 | -15% | 3.0 |
| EBITDA | 2.3 | 2.5 | -9% | 4.3 |
| <i>EBITDA margin</i> | <i>74.8%</i> | <i>69.1%</i> | - | <i>68.1%</i> |





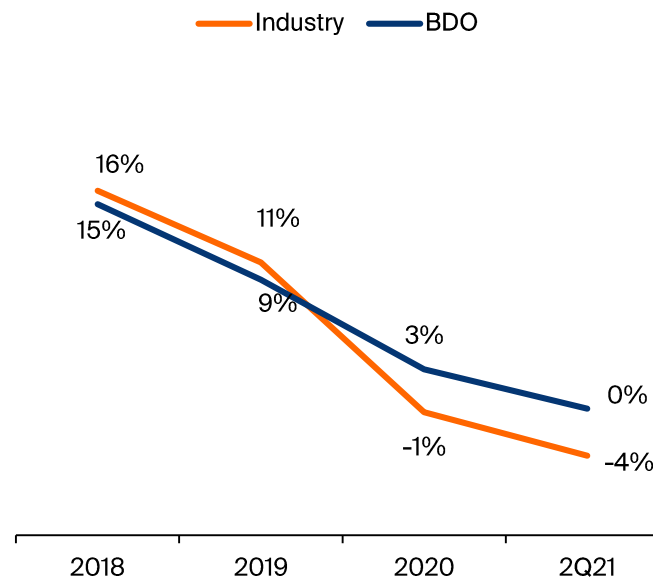
Financial Highlights (In PHP Bn)

| | 1H 2021 | 1H 2020 | % Chg | FY 2020 |
|---|---------|---------|--------|---------|
| Net Interest Income | 64.4 | 66.4 | -3.0% | 133.7 |
| Other Income | 29.7 | 27.2 | 9.2% | 55.2 |
| Net Income ¹ | 21.4 | 4.3 | 400.0% | 28.2 |
| Assets | 3,462.5 | 3,317.7 | 4.4% | 3,374.9 |
| Deposits | 2,681.2 | 2,607.4 | 2.8% | 2,610.2 |
| Gross Customer Loans | 2,250.9 | 2,260.8 | -0.4% | 2,263.7 |
| Net Interest Margin | 4.10% | 4.40% | -- | 4.36% |
| Cost to Income Ratio | 64.8% | 62.4% | -- | 59.6% |
| Return on Ave. Common Equity ² | 10.8% | 2.3% | -- | 7.6% |
| Gross Loans to Deposits Ratio | 84.0% | 86.7% | -- | 86.7% |
| Gross NPL Ratio ³ | 3.1% | 1.9% | -- | 2.7% |
| Total CAR ⁴ | 15.0% | 13.8% | -- | 14.4% |
| Tier 1 Ratio | 14.1% | 12.9% | -- | 13.4% |
| CET1 | 13.9% | 12.7% | -- | 13.2% |

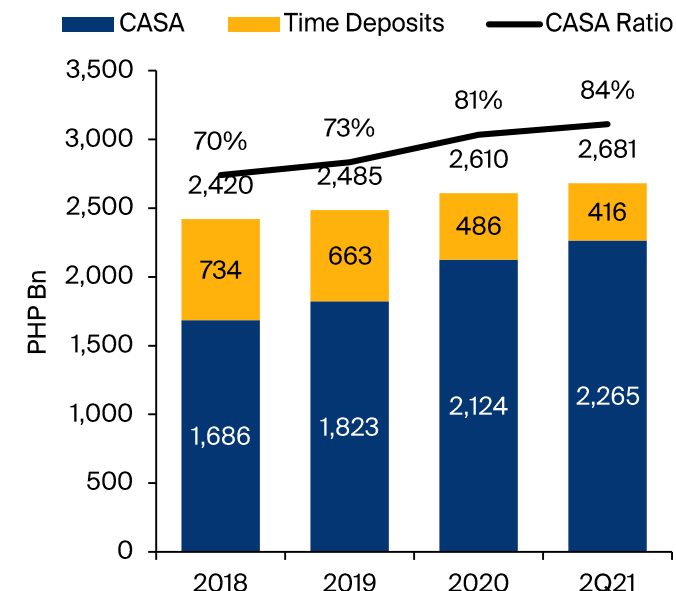
Notes:

1. Excludes net income attributable to minority interest
2. Return on Ave. Common Equity, defined as annualized NI to parent shareholders less preferred dividends / ave common equity
3. Per BSP Circular 941
4. Per BSP, consolidated basis, as seen in the published statements of condition

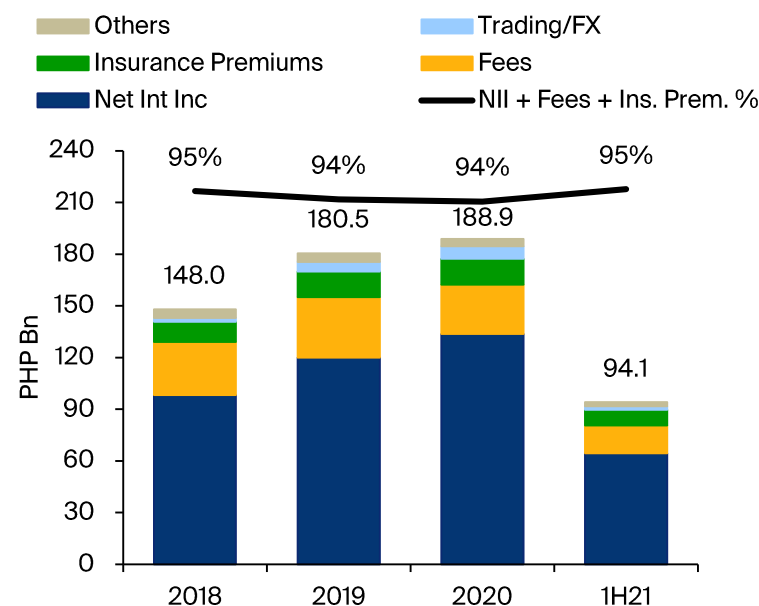
Loans Growth



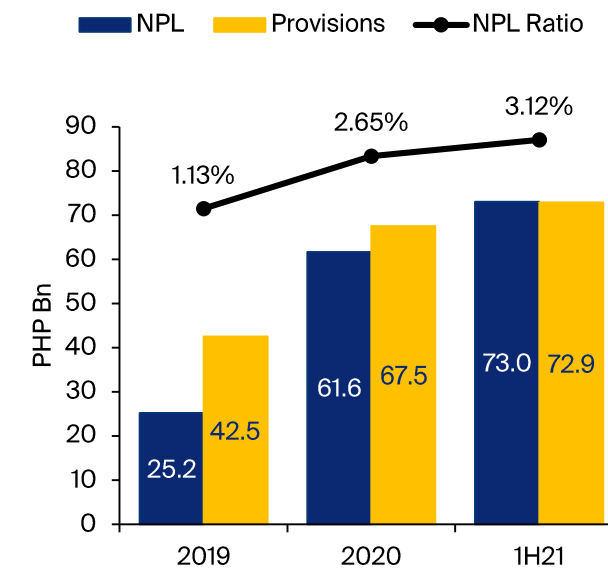
Deposits



Operating Income



Asset Quality



China Bank

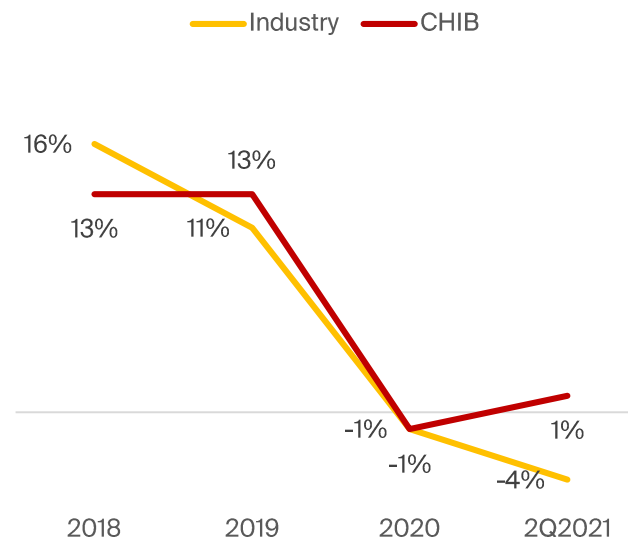
Financial Highlights (In PHP Bn)

| | 1H 2021 | 1H 2020 | % Chg | FY 2020 |
|---|---------|---------|-------|---------|
| Net Interest Income | 18.6 | 16.2 | 14.8% | 33.8 |
| Other Income | 6.3 | 4.7 | 32.3% | 10.0 |
| Net Income ¹ | 7.3 | 5.2 | 39.0% | 12.1 |
| Assets | 1,027.3 | 982.3 | 4.6% | 1,036.0 |
| Deposits | 827.0 | 772.7 | 7.0% | 835.2 |
| Gross Customer Loans | 595.5 | 592.7 | 0.5% | 572.0 |
| Net Interest Margin | 4.2% | 3.8% | -- | 3.9% |
| Cost to Income Ratio | 45.0% | 49.6% | -- | 49.0% |
| Return on Ave. Common Equity ² | 13.4% | 10.6% | -- | 12.1% |
| Gross Loans to Deposits Ratio | 72.0% | 76.7% | -- | 68.5% |
| Gross NPL Ratio ³ | 3.5% | 1.6% | -- | 2.3% |
| Total CAR ⁴ | 15.1% | 12.8% | -- | 14.7% |
| CET 1 | 14.2% | 13.7% | -- | 13.8% |

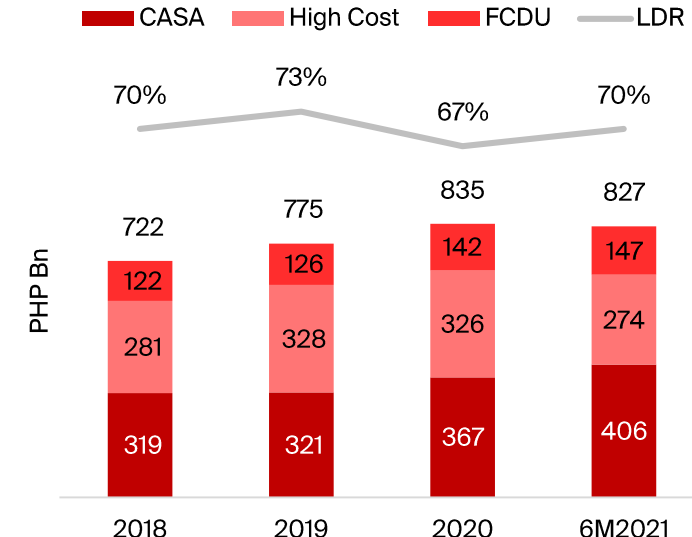
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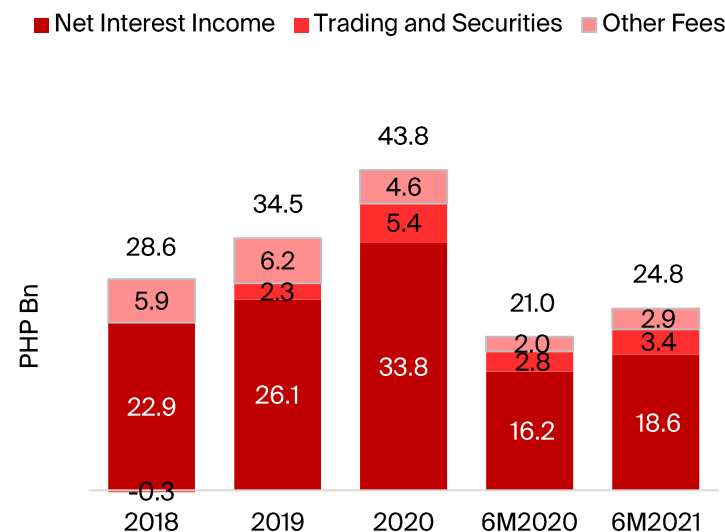
Loans



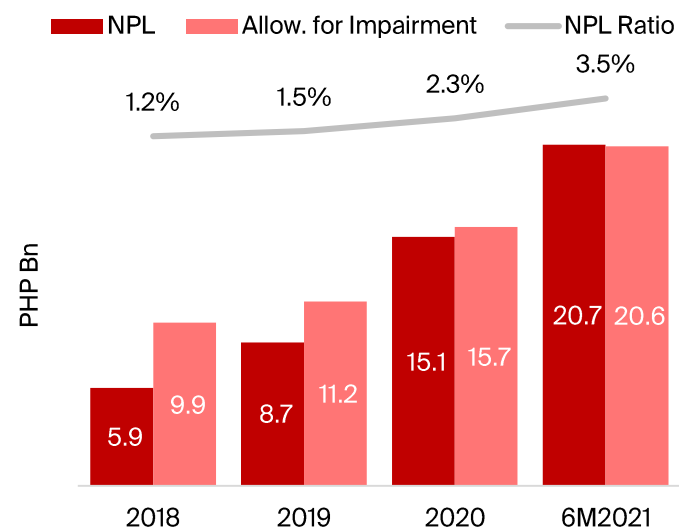
Deposits



Operating Income



Asset Quality



Contact Information and Disclaimer

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