



INVESTMENTS
CORPORATION

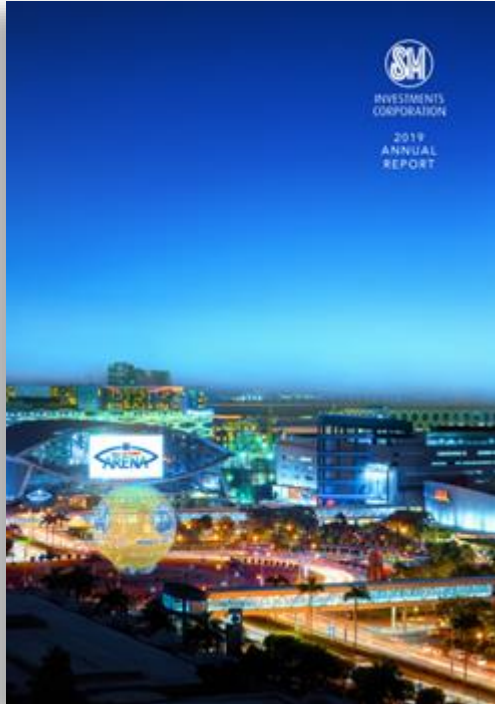
Investor Presentation

March 2021



Learn more about SM Investments

2019 Annual Report



2019 Sustainability Report



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Philippines: Strong Macroeconomic Fundamentals

Young Workforce with Rising Incomes

GDP Growth -9.5%	Per Capita GDP USD3,330	Median Age 23
Consumption Driven 73.7% of GDP	Per Capita GNI USD3,596	Population 105M +1.6% p.a.

Inflation and Interest Rate Environment

- Avg. Inflation rate: **4.5%** (Jan-Feb 2021)
- T-Bills (91-day): **1.0%** (Jan-Feb 2021)
- T-Bills (364-day): **1.5%** (Jan-Feb 2021)

Healthy Fiscal and Monetary System

- Debt/GDP: **54.5%**
- CAR: **17.2%**
- NPLs: **3.2%**

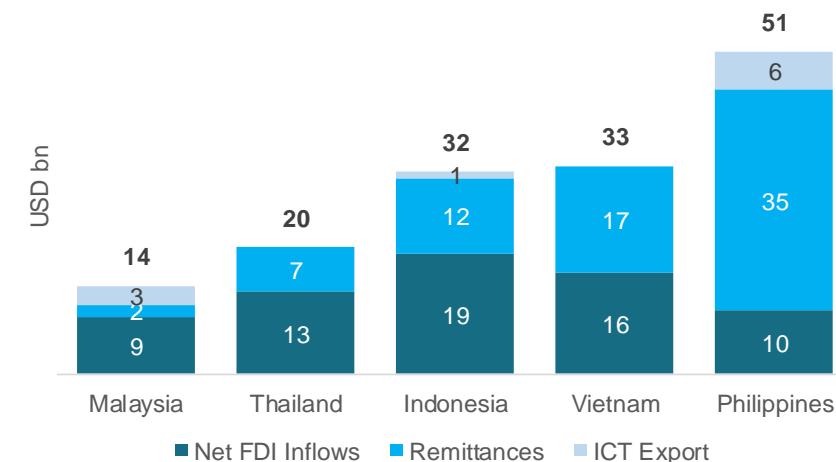
Current Credit Ratings	
S&P	BBB+ Stable
Moody's	Baa2 Stable
Fitch	BBB Stable

Source: BSP Selected Economic and Financial Indicators
Release as of March 31, 2021

Opportunities

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

Net External Inflows and ICT Exports



Source: The World Bank, Most Recent Data (2019)

About SM Investments

SMIC 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

- Catalyst for development in the communities we serve
- Environmental responsibility and disaster resilience
- Strong governance and prudent financial management

Our Investments

Core Investments

Retail

77.3%
SM RETAIL INC.

FOOD
THE SM STORE
JOINT VENTURES
SPECIALTY RETAILERS

Banking

45.3%
BDO
UNIBANK,
INC.

22.6%
CHINA
BANKING
CORP.

Property

49.7%
SM PRIME HOLDINGS, INC.

MALLS
RESIDENTIAL
COMMERCIAL
HOTELS &
CONVENTIONS
LEISURE &
TOURISM

SM Equity Investments

26.4% BELLE CORP
34.1% ATLAS MINING
95.0% NEO SUBSIDIARIES
34.0% NEO ASSOCIATES
34.0% CITYMALL
30.5% 2GO GROUP
63.3% MYTOWN
35.0% AIRSPEED
34.1% GOLDBLOCKS
34.5% GRABPAY

Leading Philippine Conglomerate

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

Philippine Conglos

Market Cap (USD bn)

SMIC	23.8
Ayala Corp	9.6
JG Summit	9.3
SMC	5.8
Aboitiz Equity	4.0
LT Group	3.0
Metro Pacific	2.4
GT Capital	2.3
Alliance Global	2.1
DMCI	1.5

Source: Bloomberg;
Figures as of March 31, 2021

Philippine Retailers

Total Sales (USD mn)

SM Retail	5,838
Robinsons	3,043
Puregold	3,398

Philippine Retailers

Store Count

SM Retail	3,019
Robinsons	2,157
Puregold	469

Source: Company Information, end-2020

Philippine Banks

Total Resources (USD bn)

BDO	69.0
Metrobank	51.3
Landbank	49.3
BPI	46.2
PNB	25.6
DBP	21.8
China Bank	21.6
RCBC	16.1
UBP	16.1
Security Bank	13.6

Source: Consolidated statements of
condition (SOC), end-2020

Property Developers

Market Cap (USD bn)

SMPH	20.8
Ayala Land	10.4
Megaworld	2.4
Robinsons Land	1.9
Vistaland	1.0
Double Dragon	0.6
Filinvest	0.5

Source: Bloomberg;
Figures as of March 31, 2021

Our Business Footprint

Metro Manila (NCR)

- 932 retail outlets
- 23 malls
- 962 bank branches

Luzon (ex-NCR)

- 1,670 retail outlets
- 40 malls
- 677 bank branches

Visayas

- 247 retail outlets
- 6 malls
- 229 bank branches

Mindanao

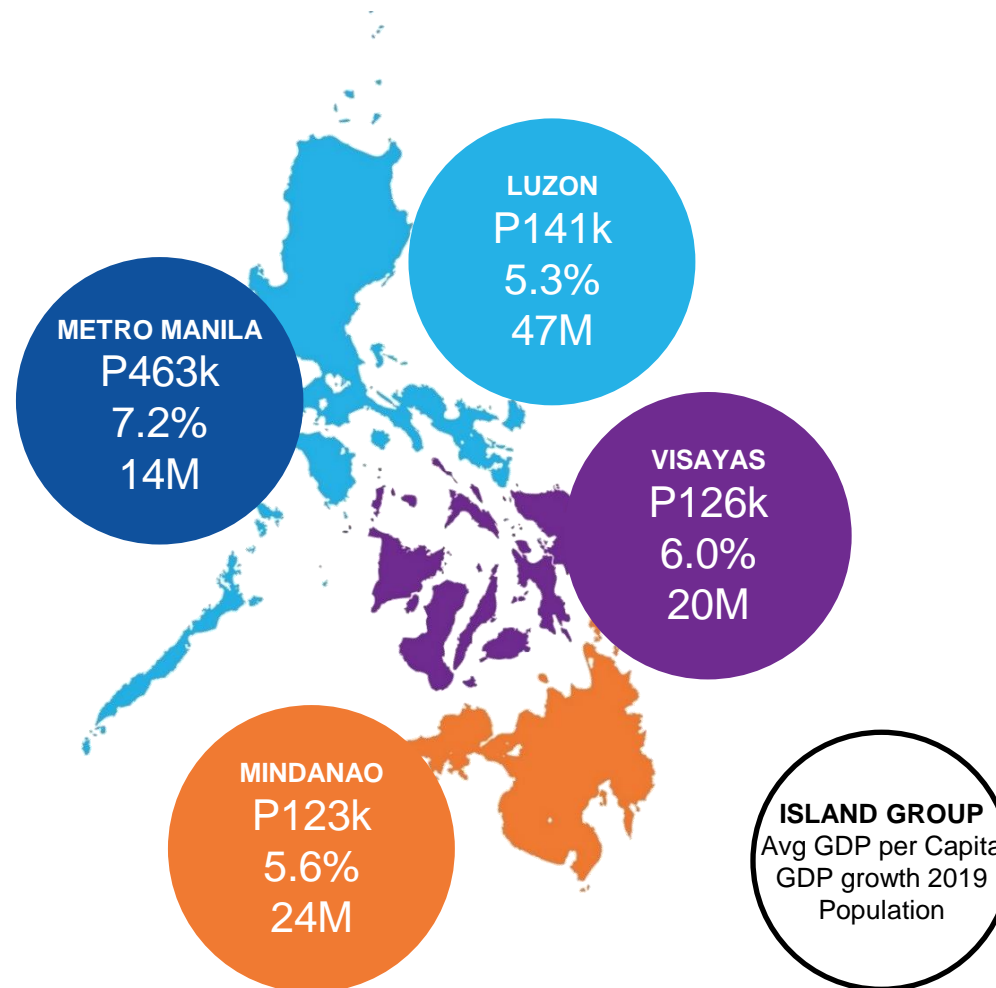
- 170 retail outlets
- 7 malls
- 236 bank branches

Total Philippines

- 3,019 retail outlets
- 76 malls
- 2,104 bank branches

Note: Data as of FY2020

Provincial Penetration Opportunity



Summary of SMIC Recent Performance

Figures in PHP billion except percentages

SM Investments	FY 2020	FY 2019	% Chg	FY 2018
Revenues	394.2	502.0	-21%	449.8
Net Income	23.4	44.6	-48%	37.1
Net Margin (inc-NCI)	8.7%	13.8%	-	13.0%
ROE	6.0%	11.9%	-	10.9%
Net Debt:Equity	37:63	36:64	-	44:56

SM Retail	FY 2020	FY 2019	% Chg	FY 2018
Gross Revenues	296.8	366.8	-19%	335.6
Net Income	4.1	12.5	-67%	11.3
Net Margin (inc-NCI)	1.5%	3.9%	-	3.9%

BDO	FY 2020	FY 2019	% Chg	FY 2018
Net Interest Income	133.7	119.9	12%	98.3
Non Interest Income	55.2	60.1	-8%	49.7
Net Income	28.2	44.2	-36%	32.7

SM Prime	FY 2020	FY 2019	% Chg	FY 2018
Revenues	81.9	118.3	-31%	104.1
Net Income	18.0	38.1	-53%	32.2
Net Margin	22.0%	32.2%	-	30.9%
ROE	6.0%	13.0%	-	12.0%
Net Debt:Equity	44:56	40:60	-	40:60

Recent Events

Parent/Group

- Obtains third Gold award in Asia Sustainability Reporting
- Included in 2021 Bloomberg Gender-Equality Index for 2nd time
- SM Group received Golden Arrow awards on Corporate Governance

Retail

- Opened 2 THE SM STORE, 287 Food and 62 Specialty stores, 83% outside Metro Manila
- Alfamart currently operating over 1,000 stores

Banking

- Sustainability accredits BDO's Sustainable Finance Framework
- BDO Capital earns consistent honors from Investment House Association of the Philippines (IHAP) Awards
- China Bank raises PHP20bn in fixed-rate bonds due in 2024

Property

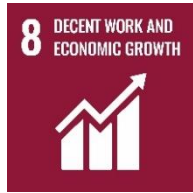
- SMDC 10% increase in residential reservation sales
- Plans to open 3 new shopping malls and expand several existing malls

SM Equity Investments

- 2GO Group launches 2GO Connect which offers fast, reliable and direct service to modern trade points of sales nationwide

Our ESG Culture

We are committed to sustainable growth and alignment with UN Sustainable Development Goals



Provide inclusive economic opportunities

- Job creation
- Inclusive supply chains
- Innovative banking products and services



Facilitate community development

- Public infrastructure building and rehabilitation
- Disaster risk reduction



Promote environmental responsibility

- Responsible consumption
- Conservation and preservation of natural environment and biodiversity
- Green finance



Drive advocacy and awareness

- Signatory to UN Global Compact and UN Arise Philippines
- Prescribe to the GHG Protocol and CDP
- Partnered with GRI for 1st Sustainability Summit in the country

Supporting our Stakeholders

Business growth and social development go hand-in-hand



Positive community impact

- Construction of public health centers with birthing facilities
- Feeding programs and medical missions
- School buildings construction and scholarship programs

Responsible employment practices

- Forbes 2019 Global World's Best Employer - #183
- 350,000 direct and indirect jobs created
- Member of Bloomberg Equality Index

Support for MSMEs

- 80,000+ MSME's engaged
- Financing, market access and business continuity

Anchored on good governance

- ASEAN Corporate Governance Award 2019 - #1 in the Philippines

Benchmark against global best practices

- Forbes 2019 Global Best Regarded Companies - #172

Strong Leadership

Board of Directors



FROM L TO R: **TOMASA H. LIPANA**, Independent Director • **ALFREDO E. PASCUAL**, Independent Director
FREDERIC C. DYBUNCIO, CEO and President • **JOSE T. SIO**, Chairman • **TERESITA T. SY-COSON**, Vice Chairperson
HENRY T. SY, JR., Vice Chairman • **ROBERT G. VERGARA**, Independent Director • **HARLEY T. SY**, Director

Business Leadership

Teresita



BDO and Non-food
Retail

Elizabeth



Hotels and
Convention Centers

Henry Jr.



Integrated Property
Development and
Residential

Hans



China Bank and
Mall Development

Herbert



Food Retail

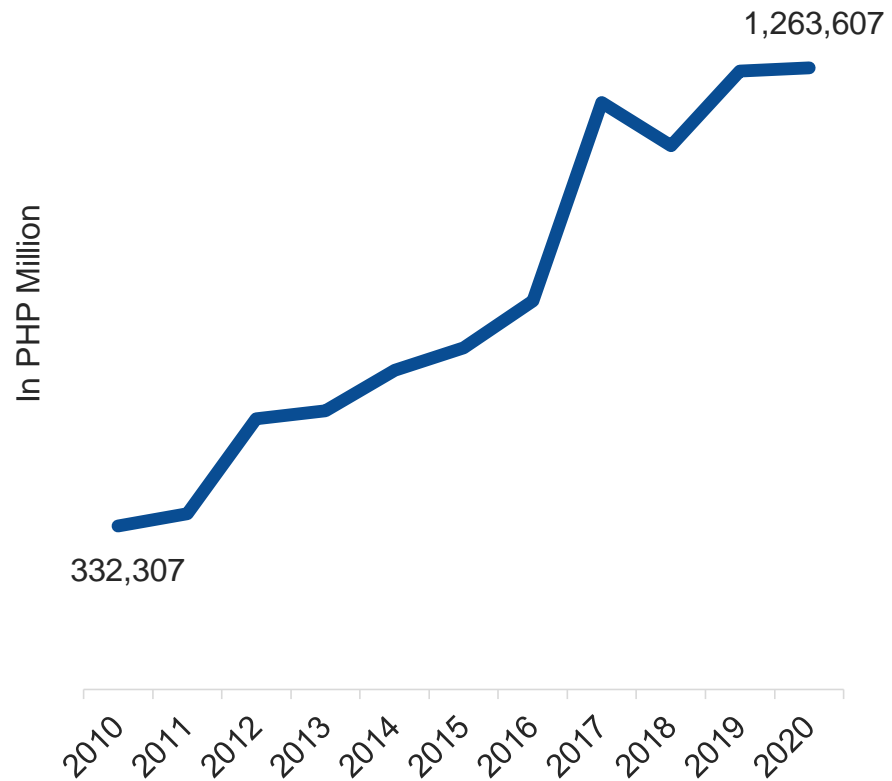
Harley



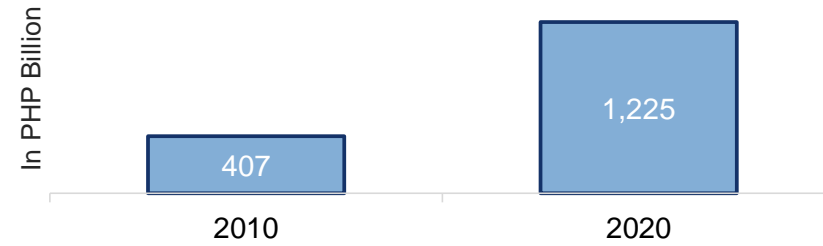
Non-food Retail

10-Year Performance

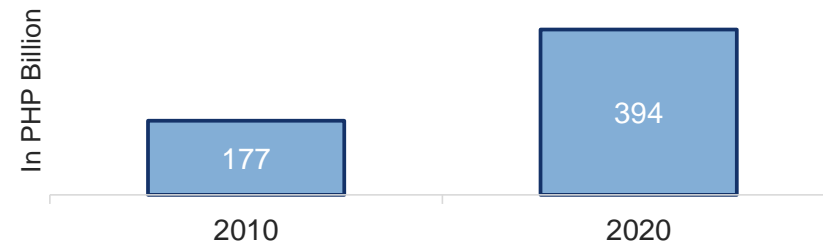
Market Cap grew 14.3% p.a.



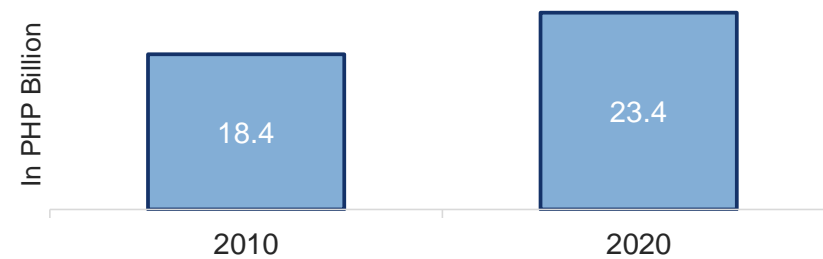
Assets grew at 11.6% p.a.



Revenue grew at 8.3% p.a.

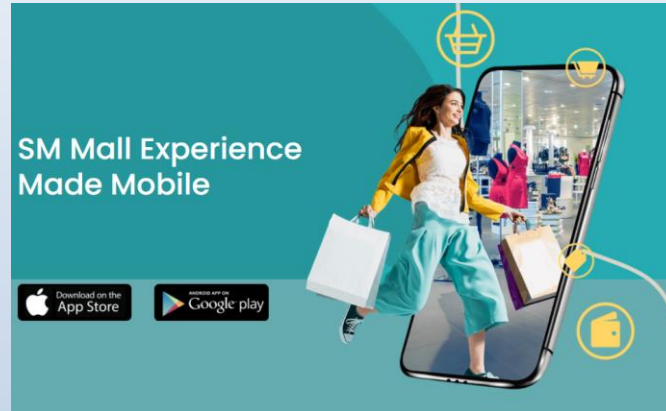


Net Income grew at 2.4% p.a.



What's New In SM?

SM Mall Experience made mobile



Download SM Malls Online Beta to experience your favorite online shopping features in in one app. Currently available for SM Megamall, SM City North Edsa, and SM Mall of Asia, with more malls to come soon.

SM Malls Online is the newest online shopping platform of SM Supermalls, housing your favorite SM Malls brands ranging from food & beverage to general merchandise. Customers can now shop for multiple orders from their favorite SM brands with a single delivery fee at the comfort and safety of their homes.

2GO Connect offers fast, reliable delivery service

Integrated logistics and transportation provider 2GO Group Inc. has come up with a new service innovation that seeks to eliminate inefficiencies in supply chains. Called 2GO Connect, the service offers fast, reliable, and direct service to modern trade points of sales nationwide.

With 2GO Connect, cost of transportation is significantly reduced, and the product quality is safeguarded.



Championing a gender-inclusive workplace

During the launch of its Women at Work pop-up market, SM officially became a signatory of the UN Women's Empowerment Principles (WEPs), making SM the largest homegrown company to sign the commitment to gender equality.

Established by UN Global Compact and UN Women, the WEPs are a set of principles offering guidance to private organizations on how to promote gender equality and women's empowerment in the workplace, marketplace, and community. By signing the WEPs, SM shows its commitment to the gender equality dimensions of the 2030 agenda and the United Nations Sustainable Development Goals.



BDO offers convenient cash withdrawals

An advertisement for BDO's QR-enabled ATM service. The background is blue with the BDO logo in the top right corner. The main headline reads 'Now you can withdraw with just your phone!'. Below this, there is a sub-headline: 'Generate the QR using your BDO Digital Banking app, then use it to withdraw from over 100 QR-enabled ATMs around Makati!'. The visual elements include a smartphone displaying a QR code and an ATM screen showing a QR code and the instruction 'Please take your cash. Your transaction is complete.'

Now you can withdraw with just your phone!

Generate the QR using your BDO Digital Banking app, then use it to withdraw from over 100 QR-enabled ATMs around Makati!

BDO and BDO Network Bank offer clients the most expansive ATM network in the country to continuously perform cash withdrawals anytime, anywhere.

At select ATMs, accountholders can also make card-less cash withdrawals using biometrics (fingerprint and/or facial recognition) or a QR Code generated via the BDO Digital Banking App.

Currently, there are over 4,400 BDO and BDO Network Bank ATMs strategically located all over the Philippines. These ATMs operate 24/7 at accessible locations where people go to or pass by regularly.

COVID-19 response

SM companies continue to lead in supporting employees, customers and communities with financial, medical and operational assistance and donations

Employee care



- Work from home arrangements
- Full remuneration and benefits maintained
- Consistent COVID-19 information campaign
 - how to keep safe and healthy
 - status updates
- Implementation of hygiene and health protocols for returning to work

Helping the community



- Used own procurement team and distribution capability to provide more than Php270m in medical supplies to hospitals nationwide
- Built 7 insulated emergency quarantine facilities (156 beds) for government use
- Events center MOA Arena converted into a DOH swabbing center for testing
- SM Foundation providing meals to military and medical front liners

Core businesses



- Implementation of business continuity plans
- Worked with partner suppliers and coordinated logistics solutions to keep SM markets manned and stocked
- Hazard pay and ensured a safe workplace for front liners
- 60-day grace period on loans
- Cluster bank branch configurations: keeping open to serve the public while keeping safe
- Malls : Rent relief and extended payment terms for tenants nationwide
- Free data back-up storage for all tenants
- Residential : suspension of monthly payments until construction resumes

Equity portfolio

- 2GO : provided 2 ships as quarantine vessels for returning OFWs
- Goldilocks : consistent in giving meals and baked goods to military front liners

Meeting the accelerated online shift

SM continues to focus on its customers, building on its nationwide presence to engage its customers where and when they choose to access our products and services

Non-Food Retail



Food Retail



Shifting E-commerce Landscape

Accelerated roll-out of ecommerce and new delivery channels to meet customer needs

OMNI CHANNEL ASSETS*



* Shown are businesses operating during the quarantine

Increased preference for online retail

- Strengthened online fulfillment capability in SM markets and Waltermart
- Hastened roll out of digital platforms for other retail portfolio brands
- Increased sign ups for BDO and China Bank online and mobile accounts

Enhanced delivery options

- Delivery, pick-up and concierge services for customers
- Logistics solutions offered to mall tenants
- Roll out of click-and-collect options at supermarkets and food retail outlets

Catering to shifts in consumer preference

- Increased product choice in key categories (hygiene products, nutrition supplements, baking items, home office equipment)

Larger basket sizes

- Increased store inventory due to bigger purchases on limited mobility

Adjusting the in-store experience

- Implemented disciplined operational checklists with safety emphasis
- Collaboration with suppliers for inventory replenishment

Adapting to a new normal for our customers

SM malls are supporting customer omnichannel access with multiple shopping and delivery options

MEGA TO-GO
Mall to Home Delivery

BROWSE
Browse through your MEGA favorites on Facebook, Instagram and SM Viber Community.

CALL TO ORDER
Call to order and pay.

DELIVERY
Our partner courier will deliver straight to your home.

MEGAMALL
POWERED BY: MEGATV, MEGAAPP

MEGA PICK-UP

BROWSE
Browse through your MEGA favorites on Facebook, Instagram and SM Viber Community.

CALL TO ORDER
Call to order and pay.

PICK-UP
Pick up by car or by foot at Mega II, J. Vargas Entrance.

MEGAMALL

MEGA SHOPPER
Personal Shopper Service

POWERED BY: MYKUYA

DOWNLOAD
Download the MyKuya App. Input Mandaluyong City, San Juan City or Ortigas as your location and click on the MEGA Shopper icon.

BOOK
Input how long your task will take and wait to be matched with your MEGA Shopper.

SHOP
Send your order list to your MEGA Shopper.

DELIVERY
Wait for your items to be delivered straight to your doorstep!

MEGAMALL

#SafeMallingAtSM

Illustration of three people wearing face masks and carrying shopping bags.

sm.supermalls.com
SM Supermalls
(02) 8876-1111
SUPERMALLS

MALL OF ASIA
All Other Mall Come Here

WE BRING MOA DIRECTLY TO YOU

MOA ASSISTANCE
Talk to us directly on Facebook Messenger for inquiries and your orders.

MY MOA SHOPPER
Shop from the convenience of your home with your direct personal shoppers and have it delivered to your home.

MOA DRIVE THRU PICK UP
Call or order online. Drive-thru pick up. Direct pick up of orders from the convenience of your car at designated pick-up points at MOA Complex.

ANGKAS
MYKUYA

BUY PINOY WITH SM PICK & GO

Illustration of a woman carrying a shopping bag and a car with a shopping bag on the roof rack.

SM
SUPERMALLS

SM Retail: Most Diversified Retail Portfolio



- **Leading player in creating Philippine modern retailing**
 - Food - multiple formats from 200 to 14,000 sqm GFA
 - Non-food - Department stores, Specialty retailing
- **Service-led - SM is the most trusted brand in the Philippines**
 - Serving all customer segments
 - Diversified portfolio of leading domestic and foreign brands
- **Nationwide expansion strategy - faster market penetration and promote regional growth**
 - Low market penetration today
 - 83% of new stores opened outside Metro Manila
 - Partnerships accelerate expansion
- **Scalable, competitively advantaged operations**
 - Extensive synergies with SM Malls
 - Strong distribution network
 - 'Click & Collect' Ecommerce opportunity

SM Retail: Food Retailing



Supermarkets

Large format anchor tenant in SM malls

Hypermarkets

Stand-alone large format destinations with 50/50 food/non-food mix

Savemore

Stand-alone mid-sized format expanding nationwide

WalterMart

Mid-sized format tenant located in WalterMart Malls expanding in Luzon

Alfamart

Minimart format, JV with Indonesian partner providing supermarket goods and prices in neighborhood locations

SM Retail: Non-Food Retailing

The SM STORE



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

Specialty Retailing

SM Appliance	Homeworld
Ace Hardware	Watsons
Toy Kingdom	Kultura
Baby Company	Sports Central
Our Home	Pet Express
Crate & Barrel	Body Shop
Forever 21	Uniqlo
Miniso	Bata
Under Armour	Dyson

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

Alfamart

- JV with Alfamart Indonesia
- Everyday grocery products, including fresh and frozen, plus ready-to-eat options
- Supermarket pricing
- Currently operating over 1,000 stores, located in residential areas outside Metro Manila
- Utilizes own distribution system, leveraging synergies with the SM Group
 - Supplier network
 - SM Bills Payment
 - SM Advantage Card
 - Watson's Pharmacy
 - BDO and China Bank ATM



SM Retail: Footprint Expansion Opportunity

Department Stores	Stores	GSA (sqm)	Average
The SM STORE	66	816,958	12,378

Food	Stores	GSA (sqm)	Average
SM Supermarket	59	364,624	6,180
SM Hypermarket	52	337,020	6,481
Savemore	209	558,608	2,673
WalterMart	71	184,433	2,598
Alfamart	1,012	181,482	179

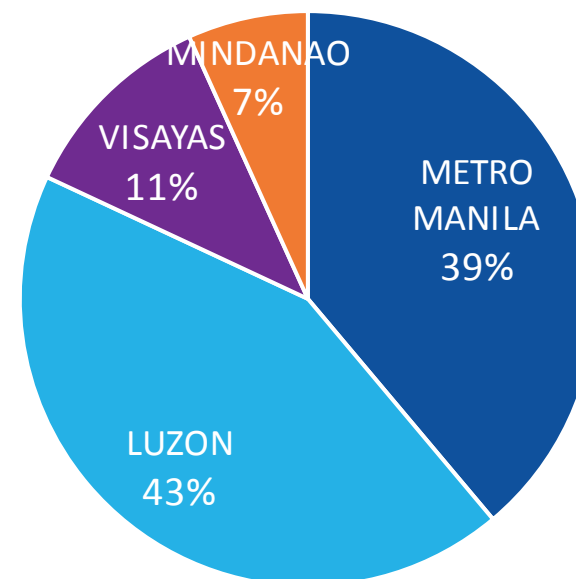
Specialty Stores*	Outlets	GSA (sqm)	Average
Ace Hardware	206	169,581	823
Homeworld	97	137,283	1,415
Toy Kingdom	138	55,736	404
SM Appliances	87	94,551	1,087
Miniso	113	28,091	249
Others	909	150,625	166

	Stores/Outlets	GSA (sqm)
Total	3,019	3,078,994

*Some outlets located in SM Stores/Food stores

Note: Data as of FY2020

SM Retail Footprint (GSA)



Banking: Strategic Initiatives

BDO



- **Diversified and sustainable earning stream**
 - Client acquisition through branch expansion
 - Drive provincial lending and deposit taking initiatives
 - Expand fee income
- **Operating leverage**
 - Set up operating platform to support future growth
 - Implement digital strategy
- **Prudent balance sheet management**
 - Conservative provisioning for risk assets
 - Complement current funding with long term
 - Ensure sufficient capital to support growth

China Bank



- **Accelerate Expansion**
- **Grow Revenue Lines**
 - Solidify presence in corporate market
 - Defend market share for commercial/middle market/SMEs
 - Expand menu of consumer products
- **Continue diversification of fee-based businesses**
- **Intensify branding and differentiation**

Banking: BDO



Market-leading position:

- #1 in terms of assets, loans, deposits and assets under management
- Leader in investment banking, private banking, rural banking, remittances, credit cards and insurance brokerage

Full-service universal bank with a complete product and service menu

Focused coverage of target markets and customer-centric culture

Strong deposit franchise

- Highest CASA ratio among private commercial banks
- Lowest funding cost

Widest distribution network

- Over 1,400 branches
- Extended banking hours and seven-day banking in mall branches
- Over 4,400 ATMs nationwide

Banking: China Bank



One of the leading private universal banks in the Philippines with total assets of P1,038 Bn (USD21.6 Bn)

Strong presence in the entrepreneur, middle market and business segments

Longest relationship with Chinese-Filipinos, serving this community up to the 4th generation

Offers a comprehensive suite of products and services

Nationwide network:

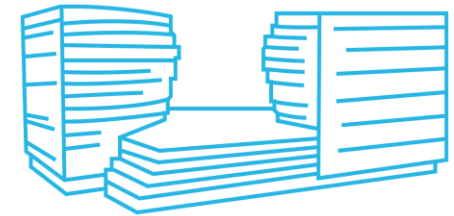
- 634 branches
- Over 1,000 ATMs nationwide

About SM Prime

- Developer of large scale, integrated “Lifestyle cities” anchored on world-class malls
- The largest property developer in Southeast Asia by market capitalization
- Core businesses include Malls, Residential, Commercial, Hotels and Conventions Centers
- Focus on Philippine provincial footprint expansion - Malls and Residential
- Recurring revenues of ~70%
- Extensive landbank and ongoing landbanking activities - plus reclamation plans
- Consistently cited for excellence in corporate governance, property development, environmental consciousness and service



Malls



Commercial



Residential



Hotels

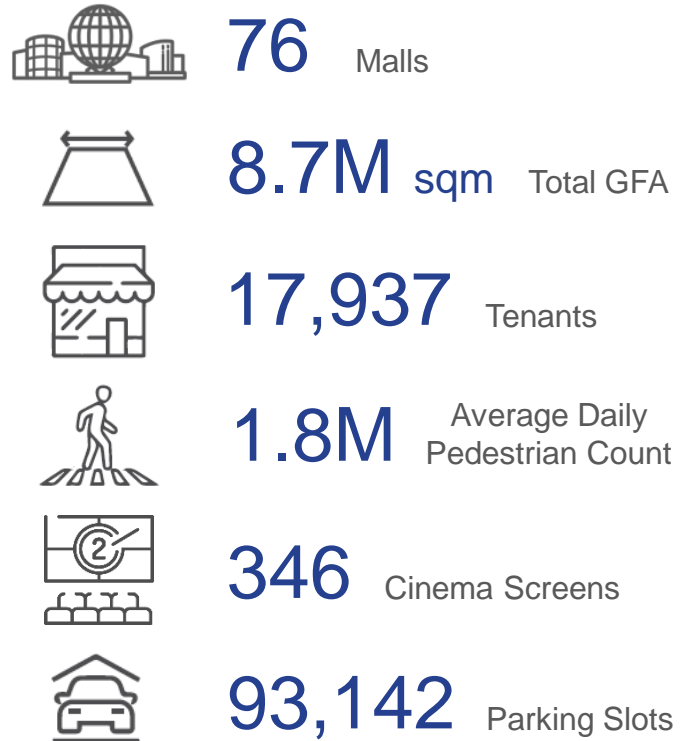
SM Prime: An Integrated Property Developer

The Mall of Asia Complex

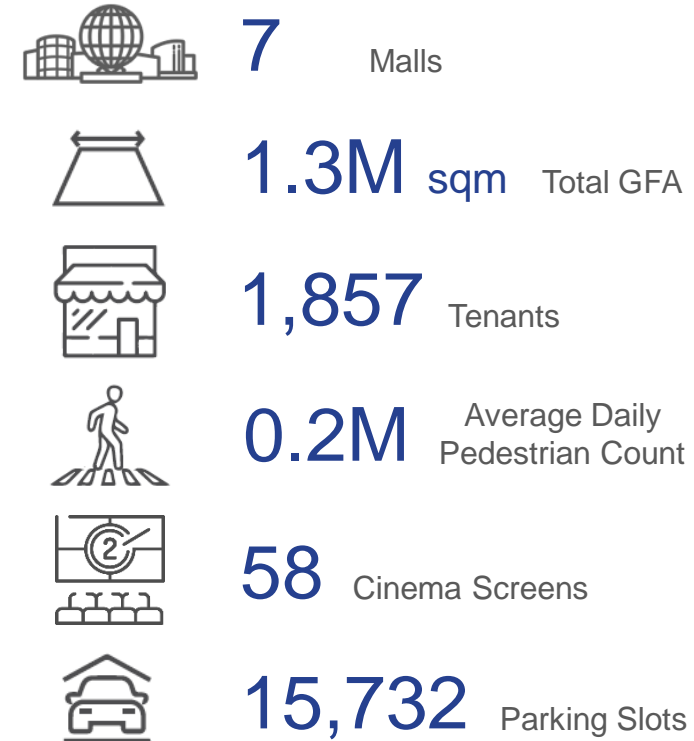


SM Malls: Overview

PHILIPPINES



CHINA



SM Prime is the largest mall operator/developer in the Philippines.

Note: Data as of FY2020

SM Malls: Philippines

Mall Distribution	Malls	GFA*	% of Total
Metro Manila (NCR)	23	3,570	41%
Luzon (ex-NCR)	40	3,208	37%
Visayas	6	1,128	13%
Mindanao	7	746	9%
Total	76	8,652	100%

New Malls	Opened	GFA*
SM City Baguio	Expansion	+32
SM City Butuan	Nov 2020	48
SM Mindpro Citimall	Nov 2020	38

Upcoming Malls	GFA*
SM City Daet	47
SM City Grand Central	85
SM City Roxas	41

Note: Data as of FY2020
*GFA in thousand sqm



SM Malls: China



Existing	Date Opened	GFA*
Xiamen	2001 December	238
Jinjiang	2005 November	168
Chengdu	2006 October	167
Suzhou	2011 September	73
Chongqing	2012 December	149
Zibo	2015 September	152
Tianjin (partial)	2016 December	338
Total		1,284

Note: Data as of FY2020
*GFA in thousand sqm

SM Chongqing



SM Zibo



SM Residences

- A leading residential developer of high-rise buildings, mid-rise buildings and single-detached house and lots
- Extensive amenities and SM Retail facilities
- Over 150,000 units launched to date
- National housing backlog of over 5 million homes

Projects Overview	FY 2020	FY 2019
Reservation Sales (PHP B)	98.95	89.98

Future Plans	
2020 Planned launches (units)	15,000-20,000
2020 CAPEX	PHP18.3bn

SMDC Land bank	Hectares
Metro Manila	92
Outside Metro Manila	1,238

Style Residences



SM Residences: Affordable Modern Condo Living



SM Hotels and Convention Centers

- Growing tourism opportunity
- **SM Hotels' planned expansions will complement existing Mall, Commercial and Residential developments**
 - Iloilo
 - SM North Edsa, Metro Manila
 - San Fernando, Pampanga
 - SM Seaside City, Cebu

Mall of Asia Arena



Conrad Manila



SMX Convention Center

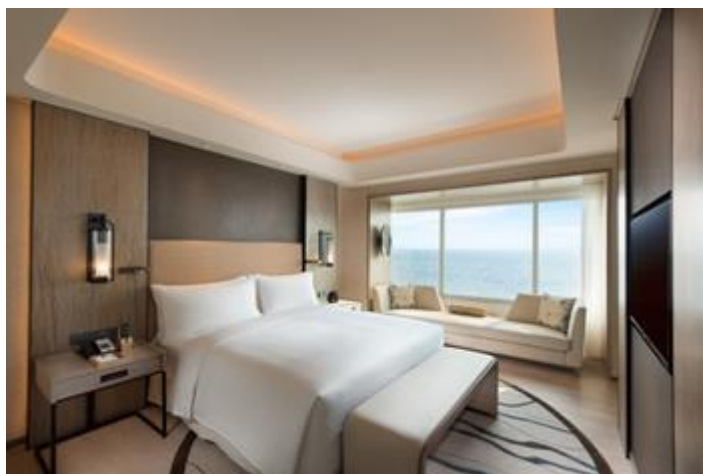


SM Hotels and Convention Centers

Conrad Manila Lobby



Conrad Manila Diplomatic Suite



Hotel	Opened	Rooms
Taal Vista, Tagaytay	2003	261
Radisson Blu, Cebu	2010	400
Pico Sands, Hamilo Coast	2011	154
Park Inn, Davao	2013	204
Park Inn, Clark	2015	155
Conrad Manila, Pasay	2016	348
Park Inn, Iloilo	2019	200
Park Inn, North EDSA	2019	239
Total		1,961

Venue	Location	GLA (sqm)
SMX Manila	MOA Complex	17,170
SMX Davao	SM Lanang	5,200
SMX Aura Premier	SM Aura	3,136
SMX Bacolod	Bacolod	4,269
Olongapo City Convention Center	Zambales	4,219
Megatrade Hall	Megamall	4,226
Cebu Trade Hall	Cebu	1,499
SM Seaside Skyhall	Cebu	1,857
Mall of Asia Arena	MOA Complex	20,000 seats
Total		41,576

SM Commercial Properties

Location	GFA (sqm)
Clark in Pampanga	67,000
Las Piñas City	27,000
Makati City	39,100
Pasay City	435,700
Quezon City	41,200
Sta. Rosa in Laguna	23,300
Taguig City	52,800
Taytay in Rizal	11,500
Total Leasable Area	697,600

ThreeE-Com Center



NU Tower



FourE-Com Center (2020)



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

SM Equity Investments

Investments in ventures to capture the high growth of the emerging Philippine economy

Logistics



Gaming & Leisure



Food Manufacturing



Natural Resources



Dormitories



Office Property



Quality Investments:

- Growth Sectors
 - Market Leaders
 - Synergies
 - Attractive Returns and Cash Flows
-

SM Partnership:

- Access to our Network
- Capital
- Skills and Support
- Governance

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: 300,100 sqm
- Gaming floor area: 20,268 sqm
- Approximately 2,300 slot machines, 1,200 electronic gaming tables and 380 gaming tables
- Three hotel brands with 950 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
- 2020 operating results

Production

Daily milling average (<i>dmt per day</i>)	50,196
Ore grade	0.304%
Copper metal gross (<i>in million lbs</i>)	107.09

Shipment

Number of shipments	36
Copper concentrate (<i>'000 dmt</i>)	180

Neo Buildings

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

Buildings	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

One Neo (95%)



Two Neo (95%)



Three Neo (95%)



Four Neo (95%)



Five Neo (95%)



Six Neo (34%)



Seven Neo (34%)



2GO Group

2GO is the largest end-to-end logistics solutions provider in the Philippines

2GO
SHIPPING



2GO
LOGISTICS



2GO
DISTRIBUTION



2GO
RETAIL



Experienced and established in the Philippine Shipping and Logistics sector

- Manages warehousing and inventory requirements of several multinational companies
- Local partner of FedEx in the Philippines
- Trusted partner of the US Embassy and other foreign embassies

Integrated Businesses

- Close coordination allows greater flexibility in multiple types of moves
- Priority berthing in all ports due to its passage business allowing faster deliveries

Focused on Governance

- Published its maiden ESG report in 2019
- Rationalized the corporate structure by merging 2GO Group, Inc. and its Parent company, Negros Navigation

MyTown

MyTown is 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 2021



Goldilocks

Goldilocks is a leading Filipino bakeshop heritage brand trusted by Filipino consumers for over 50 years



- Opened its first store in 1966
- Extensive retail footprint of over 800 stores in the Philippines
- With overseas operations in the US, Canada and Thailand
- Concurrently owns & operates the Philippine franchise for Domino's Pizza
- Products and services include:
 - Greeting Cakes, Premium Cakes, breads and snacks
 - Iconic Filipino food favorites
 - Products catering to airlines, shipping lines, institutional and corporate accounts

GrabPay

SM's joint venture with GrabPay will focus on electronic wallet and payment development in the Philippines, building out our digital capabilities and supporting financial inclusion



Large user base

Robust and scalable technology platform



Extensive mall footprint and retail presence nationwide



Largest bank with over 1,400 branches and more than 4,400 ATMs

- Universal acceptance of GrabPay wallet at malls, stores and banks across the country
- Greater convenience for customers with expanding network of top-up channels
- Enhanced customer benefits through dedicated lanes and express checkout counters



SM Group CAPEX

2020 CAPEX	PHP bn	Allocation/Projects
Retail	5	New stores / Renovations
Banks	9 – 12	Branch expansion, IT enhancements
Property*	47	Integrated Lifestyle Developments
Malls	~43%	New SM malls and expansions in Philippines
Residential	~39%	High-rise, mid-rise projects, and Leisure Homes
Others	~18%	FourE-Com; Addition of new hotels and convention centers
Parent and Others	< 1	
Total	61 – 65	

*Most Recent Data, approximate allocation of SMPH CAPEX

Financials

Financials: SMIC

FY 2020 Consolidated Results

In PHP Billion

Particulars	FY 2020	FY 2019	% Chg	FY 2018	FY 2017	FY2016
Revenue	394.2	502.0	-21.5%	449.8	398.0	365.2
Net Income to Parent	23.4	44.6	-47.5%	37.1	32.9	31.2
Net Margin (inc-NCI)	8.7%	13.8%	-	13.0%	12.9%	13.1%
Return on Equity	6.0%	11.9%	-	10.9%	10.4%	10.7%

Total Capital	FY 2020	FY 2019	% Chg	FY 2018	FY 2017	FY2016
Counterpart investments	78.2	76.7	1.9%	105.8	113.3	145.1
Net Debt	336.8	298.4	12.8%	280.1	243.7	174.8
Equity attrib to Parent	403.8	382.6	5.5%	353.4	330.0	300.5
Net Debt:Equity	37:63	36:64	-	44:56	42:58	37:63

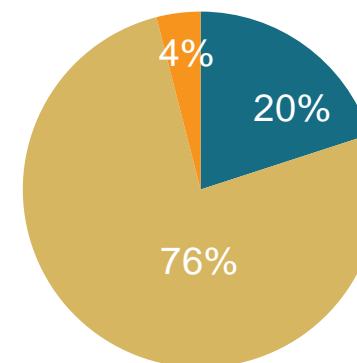
SMIC Parent Debt

Net Debt to Equity	49 : 51	Average Cost of Debt	5.17%
Peso-Foreign Currency Mix	62 : 38	Average Debt Tenure	2.76 years

Recent Bond Offerings

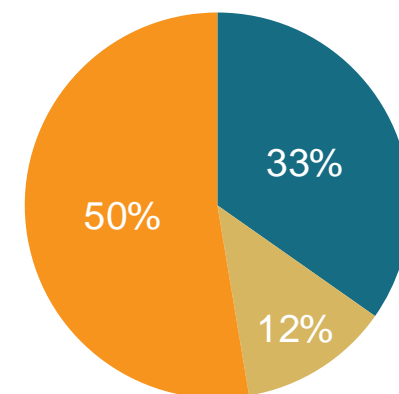
Issued	Amount	Currency	Due Date	Coupon Rate
October 2, 2020	10 bn	Philippine Peso	April 2024	3.316%
July 22, 2020	5.6 bn	Philippine Peso	January 2022	2.875%
December 9, 2016	20 bn	Philippine Peso	December 2023	5.159%
June 10, 2014	350 mn	US Dollar	June 2024	4.875%
May 19, 2014	15 bn	Philippine Peso	May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

Revenue Contribution



Banking business not consolidated

Earnings Contribution



■ Property ■ Retail ■ Banking

Financials: SM Prime

FY 2020 Results

In PHP Billion

Consolidated	FY 2020	FY 2019	% Chg	FY 2018
Revenues	81.9	118.3	-31%	104.1
Net Income	18.0	38.1	-53%	32.2
Net Margin	22.0%	32.2%	-	30.9%
Return on Equity	6.0%	13.0%	-	12.0%

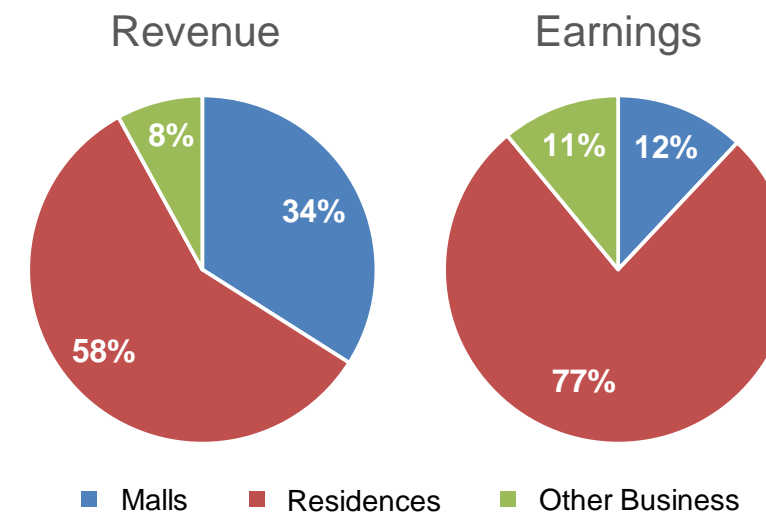
Malls Group	FY 2020	FY 2019	% Chg	FY 2018
Revenues	28.3	63.6	-56%	59.3
Operating Income	6.8	34.9	-81%	32.3

Philippines	FY 2020	FY 2019	% Chg	FY 2018
Revenues	23.6	57.8	-59%	53.5
Operating Income	5.1	32.3	-84%	29.8
EBITDA	12.3	39.5	-69%	36.0
EBITDA margin	52.0%	68.3%	-	67.3%

China	FY 2020	FY 2019	% Chg	FY 2018
Revenues	4.7	5.8	-19%	5.8
Operating Income	1.7	2.6	-35%	2.5

Residences	FY 2020	FY 2019	% Chg	FY 2018
Revenues	46.5	43.7	6%	36.5
Operating Income	19.7	17.0	16%	12.3
EBITDA	19.8	17.1	16%	12.5
EBITDA margin	42.6%	39.2%	-	34.2%

Other Businesses	FY 2020	FY 2019	% Chg	FY 2018
Revenues	6.4	9.7	-34%	8.4
Operating Income	3.0	4.9	-38%	4.0
EBITDA	4.3	6.1	-29%	5.0
EBITDA margin	68.1%	62.8%	-	59.5%



Financials: BDO

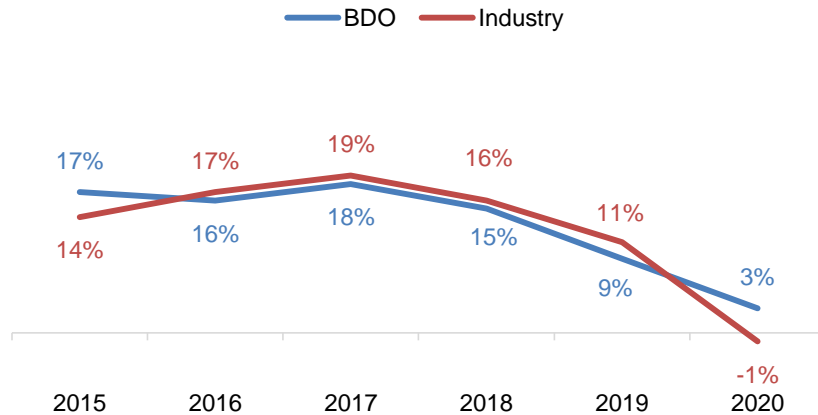
Financial Highlights (In PHP Bn)	FY 2020	FY 2019	% Chg	FY 2018
Net Interest Income	133.7	119.9	11.5%	98.3
Other Income	55.2	60.1	-8.2%	49.7
Net Income ¹	28.2	44.2	-36.1%	32.7
Assets	3,374.9	3,188.9	5.8%	3,022.2
Deposits	2,610.2	2,485.2	5.0%	2,420.0
Gross Customer Loans	2,263.7	2,208.1	2.5%	2,020.1
Net Interest Margin	4.36%	4.15%	--	3.64%
Cost to Income Ratio	59.6%	63.7%	--	66.3%
Return on Ave. Common Equity ²	7.6%	12.8%	--	10.7%
Gross Loans to Deposits Ratio	86.7%	88.8%	--	83.5%
Gross NPL Ratio ³	2.7%	1.1%	--	1.0%
Total CAR ⁴	14.4%	14.2%	--	13.7%
Tier 1 Ratio	13.4%	12.8%	--	12.3%
CET1	13.2%	12.6%	--	12.1%

Notes:

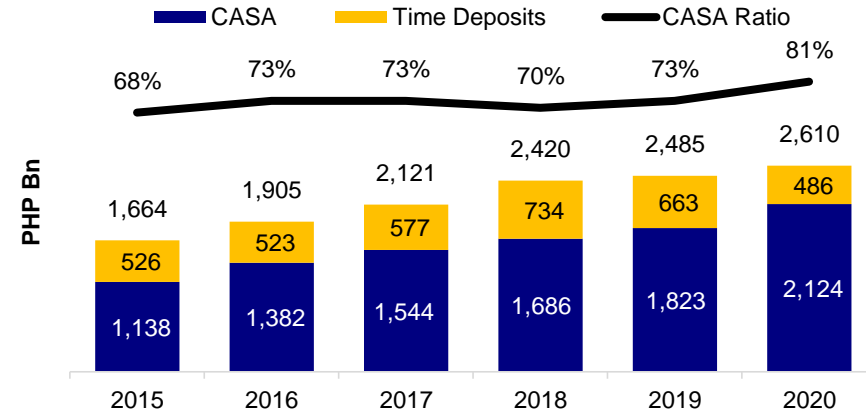
1. Excludes net income attributable to minority interest
2. Return on Ave. Common Equity, defined as annualized NI to parent shareholders less preferred dividends / ave. common equity
3. Per BSP Circular 941
4. Per BSP, consolidated basis, as seen in the published statements of condition

Financials: BDO

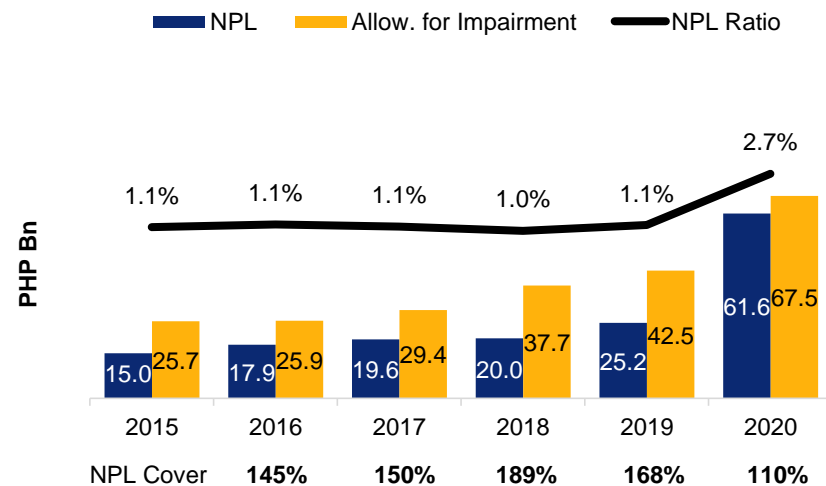
Focused quality loan growth



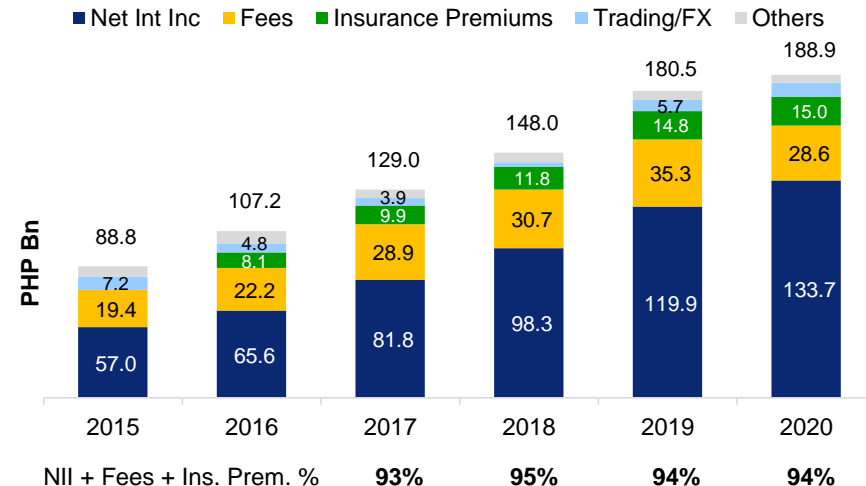
Deposit franchise: Highest CASA ratio



Stable asset quality & high NPL cover



Diversified & sustainable sources of income



Financials: China Bank

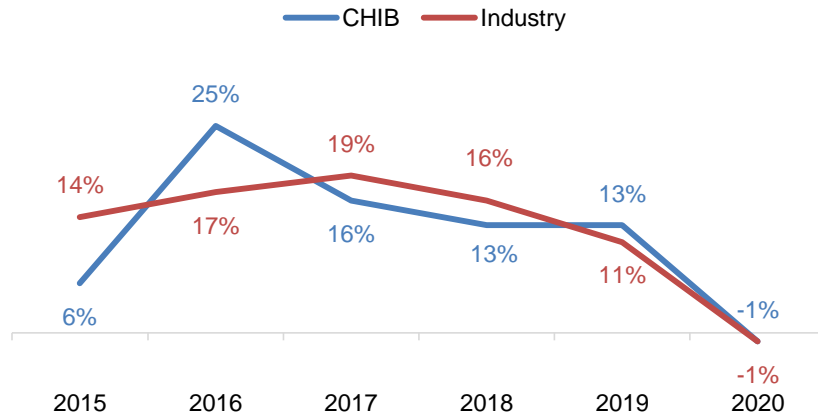
Financial Highlights (In PHP Bn)	FY 2020	FY 2019	% Chg	FY 2018
Net Interest Income	33.8	26.1	29.5%	22.9
Other Income	10.0	8.4	19.0%	5.7
Net Income ¹	12.1	10.1	19.8%	8.1
Assets	1,036.0	962.2	7.7%	866.1
Deposits	835.2	775.4	7.7%	722.1
Gross Customer Loans	572.0	577.5	-1.0%	512.9
Net Interest Margin	3.9%	3.4%	--	3.1%
Cost to Income Ratio	49.0%	59.0%	--	63.2%
Return on Ave. Common Equity ²	12.1%	11.0%	--	9.5%
Gross Loans to Deposits Ratio	68.5%	74.5%	--	70.0%
Gross NPL Ratio ³	2.3%	1.5%	--	1.2%
Total CAR ⁴	14.7%	13.7%	--	13.1%
CET 1	13.8%	12.8%	--	12.2%

Notes:

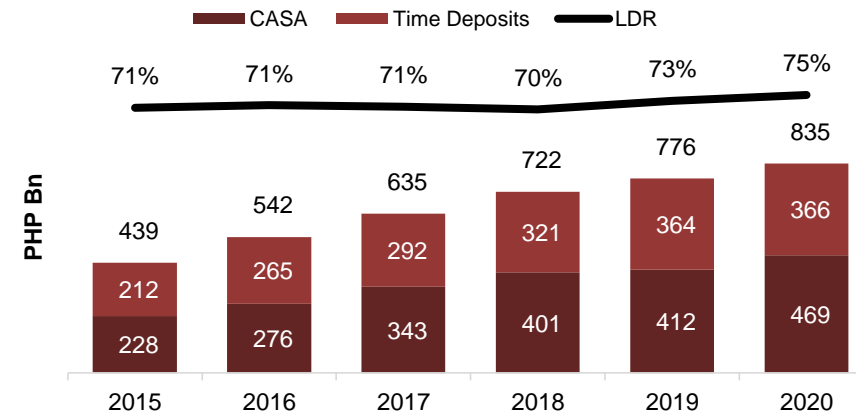
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Financials: China Bank

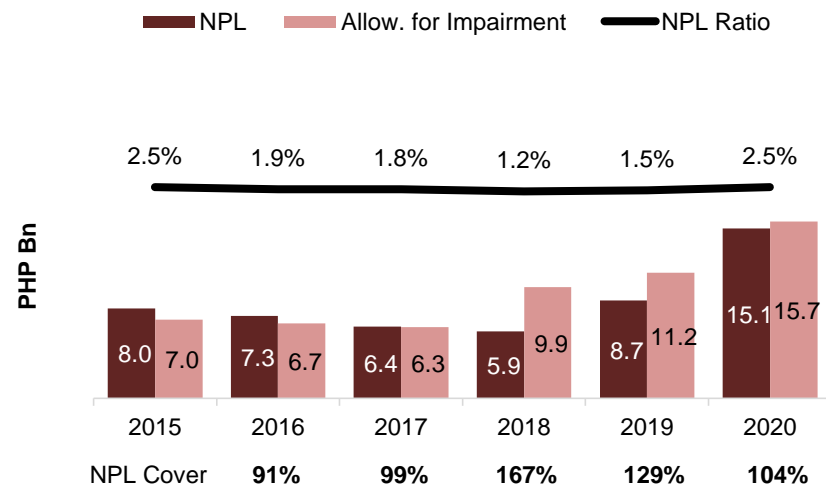
Strong loan growth



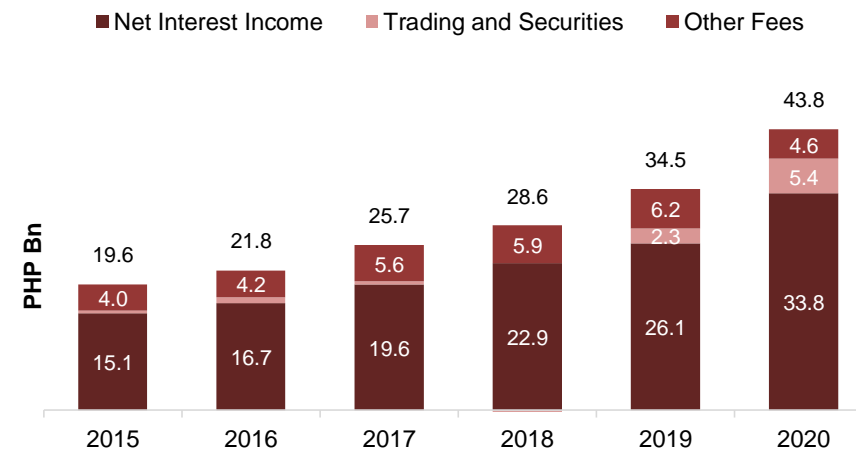
Strong retail funding base



Improving asset quality



Well diversified revenue stream



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