



# **SM** INVESTMENTS

Investor Presentation

May 2023



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# We are SM

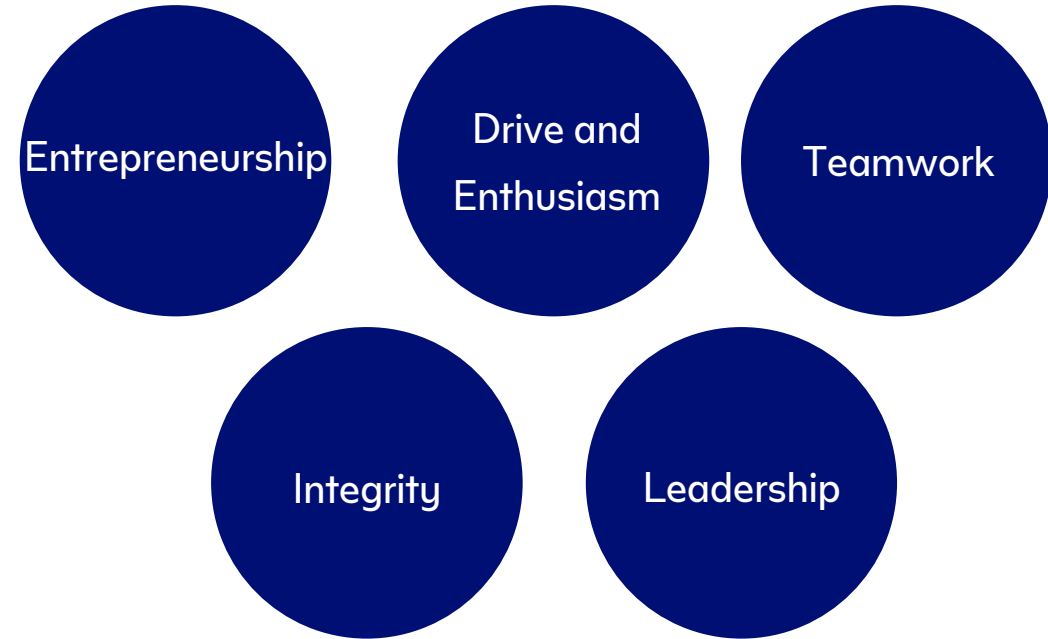
## Our Vision

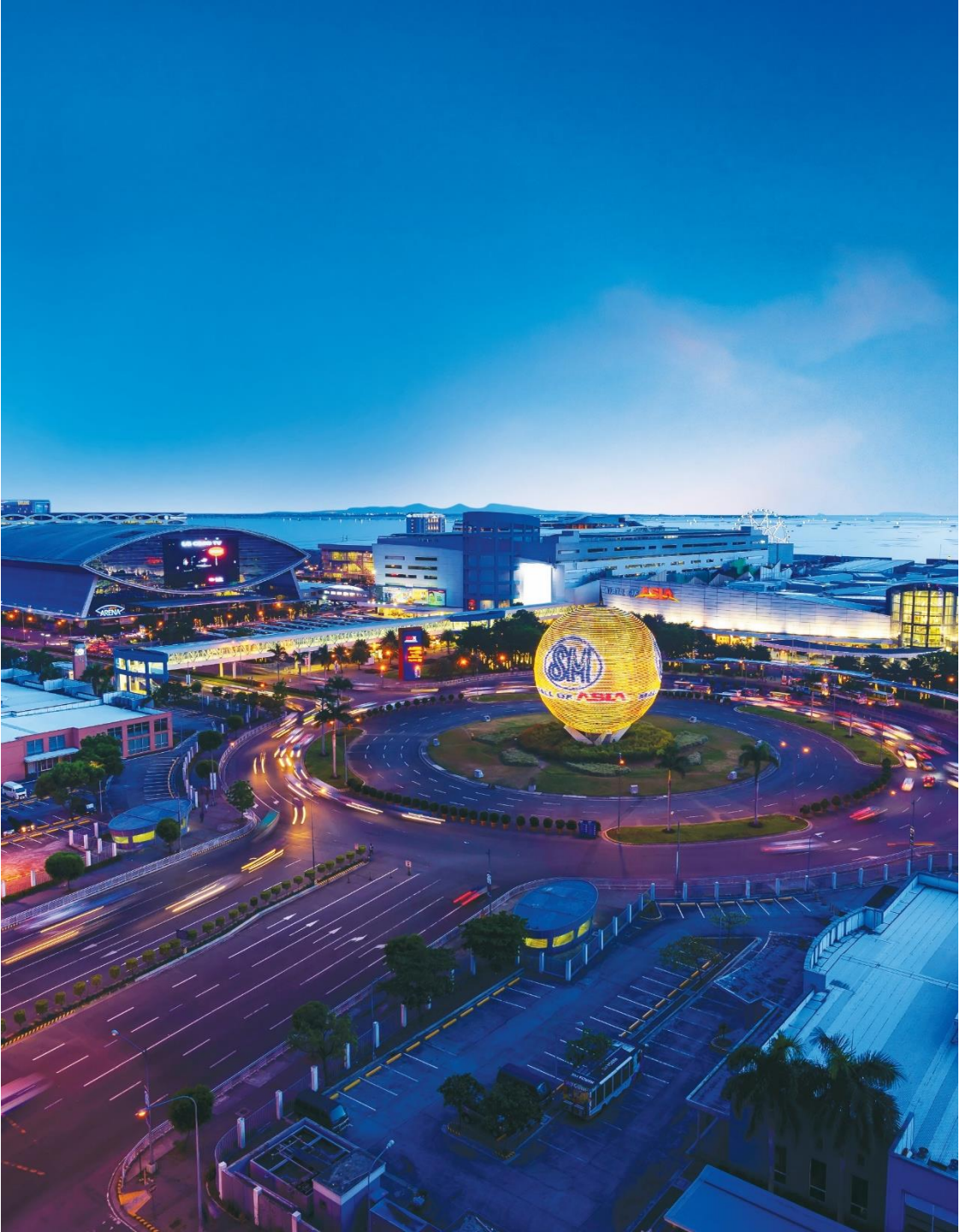
To build an ecosystem of sustainable businesses that are catalysts for responsible development in the communities we serve.

## 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.

## What We Stand For





# About SM Investments

SM Investments is a leading Philippine conglomerate 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 Recovery and Long Term 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 responsible development in the communities we serve
- Environmental responsibility and disaster resilience
- Strong governance and prudent financial management



# Our Businesses

## Retail



77.3%  
SM Retail

## Property



49.7%  
SM Prime

## Portfolio Investments

26.6%  
Belle Corp

34.1%  
Atlas Mining

34.0%  
Neo Associates

95.0%  
Neo Subsidiaries

67.2%  
2GO Group

51.0%  
Airspeed

71.3%  
MyTown

74.1%  
Goldilocks

34.0%  
CityMall

100.0%  
Philippine Geothermal

## Banking



45.3%  
BDO



22.5%  
China Bank

# 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	20.5
Golden MV Holdings	9.7
Ayala Corp	7.8
JG Summit	6.9
Aboitiz Equity	5.7
SMC	4.5
DMCI	2.4
Metro Pacific	2.3
Alliance Global	2.2
LT Group	1.9

Source: Bloomberg;  
As of May 19, 2023

## Philippine Retailers

Total Sales (\$ mn)

SM Retail	6,829
Puregold	3,328
Robinsons	3,229

## Philippine Retailers

Store Count

SM Retail	3,512
Robinsons	2,310
Puregold	525

Source: As of latest available  
company data  
Data as of FY 2022

## Philippine Banks

Total Assets (\$ bn)

BDO	72.5
LBP	57.0
MBT	52.8
BPI	47.4
CHIB	25.7
RCBC	21.5
PNB	21.3
UBP	19.6
DBP	18.9
SECB	15.9

Source: Consolidated statements  
of condition (SOC), Dec 2022

## Property Developers

Market Cap (\$ bn)

SM Prime	17.8
Ayala Land	7.3
Robinsons Land	1.3
Megaworld	1.2
Vistaland	0.4
Filinvest	0.3
Double Dragon	0.3

Source: Bloomberg; As of May 19, 2023



# Our Business Footprint

## Philippines

3,590 retail outlets  
82 malls  
2,309 bank branches

### Luzon (ex-NCR)

2,183 retail outlets  
44 malls  
792 bank branches

### Metro Manila (NCR)

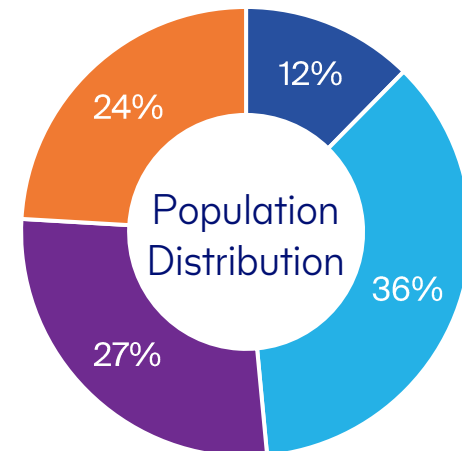
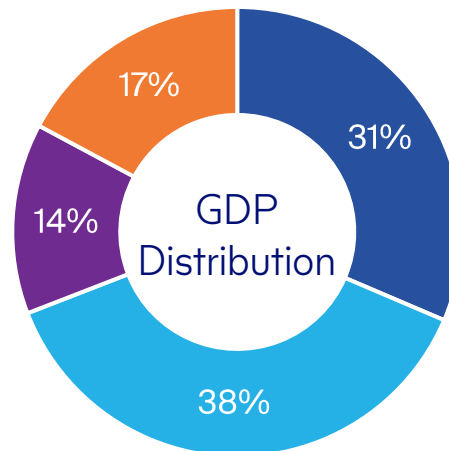
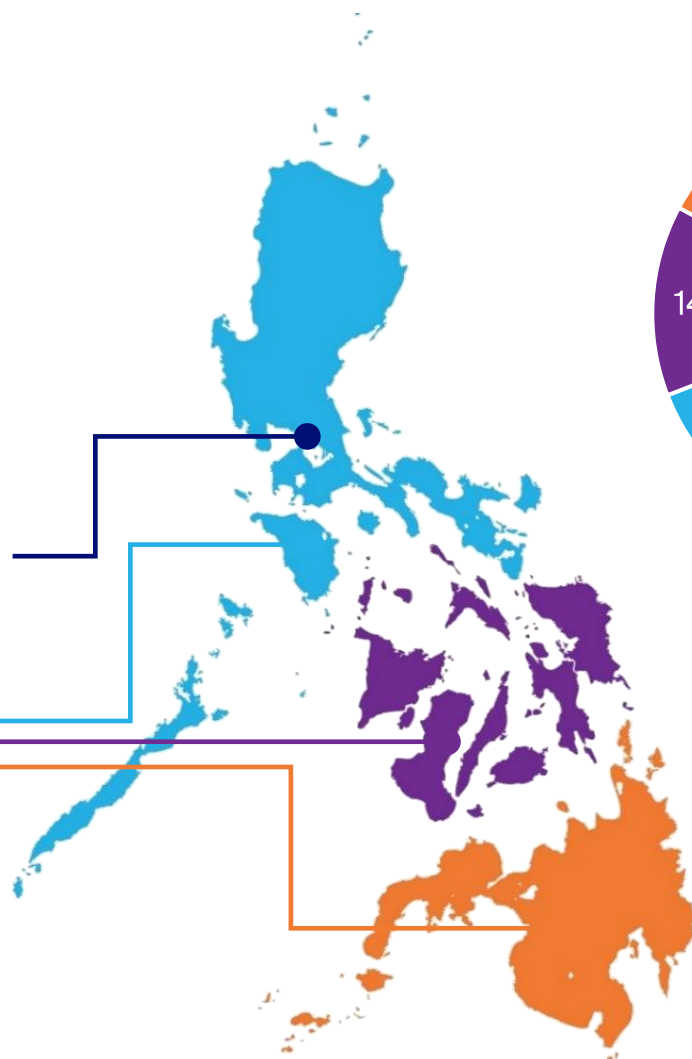
966 retail outlets  
24 malls  
969 bank branches

### Visayas

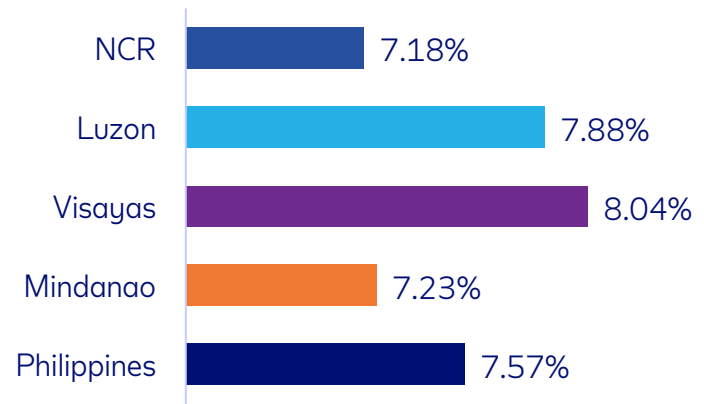
267 retail outlets  
7 malls  
281 bank branches

### Mindanao

174 retail outlets  
7 malls  
267 bank branches



## 2022 Regional GDP Growth



Data as of 3M 2023

# 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



**Ramon M. Lopez**  
Independent  
Director



**Tomasa H. Lipana**  
Lead  
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

# How We Create Shared Value

## + Our Valued Resources

Our ability to operate is based on our access to several capitals that provide our financial, non-financial and critical relationship assets.

## + What We Do

These enable our businesses to work together as an ecosystem of related activities to achieve their collective goals. This makes us quite unique

## + Our Impact

And we think we are having a real impact on our important stakeholders in the following areas

### How we Operate

As a retail centered group, our customer focus is key to our operations. In a high growth market, it's also important we remain focused on our expansion to serve more Filipinos. As a long-term thinking group, financial prudence and good governance are also essential for us to stay the course



Our Brand



Our Connection to Our Customers



Our Empowered the People



Our Integrated Developments



Our Relationship with Our Communities



Our Inclusive Supply Chain Network



Our Natural Resources



Our Financial Resources



### We Create Socio-Economic Opportunities

140,029  
Jobs Created

68%  
Mall Tenants that  
are MSMEs

PHP62.72bn  
Loans Released  
to MSMEs

Diversity  
62% Women

### We Facilitate Responsible Urbanization and Development

3 Marine  
Protected Areas

42.5mm m<sup>3</sup>  
Total Water  
Recycled

58 Renewable  
Projects Funded  
with 2,252 MW  
Capacity

at least 50% of  
SMPH Energy use  
from Renewable  
sources

### We Promote Natural Habitats and Environmental Stewardship

PHP22.7bn  
Payment to the  
government

PHP56.7bn  
BDO financing for  
national projects

WWF x SM  
Climate Summit  
for Climate  
Alliance

UN WEPs signatory

over 2.6mm seedlings  
and trees planted and  
maintained

### We Create Positive Community Impact

11,750  
Scholars to date

317 Health Centers  
and Medical Facilities  
built and renovated to  
date

1.24mm Patients  
served in 1,874  
Medical Missions

10.5mm+ vaccine  
doses administered in  
SM Malls

### We advocate for National Growth and Partnership

10% CapEx for  
Disaster Resiliency &  
Sustainability

84 SMDC  
Residential Units

18  
Office Buildings

22  
Total Integrated  
Lifestyle Cities  
Nationwide

### We Generate Sustained Returns

PHP61.7bn  
Net Income

PHP7.5bn  
Total dividends  
paid in 2022

Awarded Industry  
Top Rated,  
Regional Top  
Rated by  
Sustainalytics

6  
SM companies  
awarded by  
ASEAN CG Awards

# External Recognitions



# Recent Developments

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# 3M 2023 Financial Performance

*Figures in PHP billion except percentages*

<b>SM Investments</b>	<b>3M 2023</b>	<b>3M 2022</b>	<b>% Chg</b>
Revenues	138.2	113.8	21%
Net Income	17.3	13.0	33%
Net Margin (inc-NCI)	17.2%	15.6%	-
ROE	13.6%	13.1%	-
Net Debt:Equity	35 : 65	35 : 65	-

<b>SM Retail</b>	<b>3M 2023</b>	<b>3M 2022</b>	<b>% Chg</b>
Gross Revenues	91.2	74.5	22%
Net Income	3.9	2.6	51%
Net Margin (inc-NCI)	4.9%	3.9%	-

<b>BDO</b>	<b>3M 2023</b>	<b>3M 2022</b>	<b>% Chg</b>
Net Interest Income	43.4	33.9	28%
Non Interest Income	18.9	16.7	13%
Net Income	16.5	11.7	41%

<b>SM Prime</b>	<b>3M 2023</b>	<b>3M 2022</b>	<b>% Chg</b>
Revenues	28.7	23.9	20%
Net Income	9.4	7.4	27%
Net Margin	33.0%	28.0%	-
ROE	10.0%	9.0%	-
Net Debt:Equity	46 : 54	46 : 54	-

- Strong consumer demand momentum carrying over from Q4 2022
- All businesses contributed to growth
- Portfolio Investments contribute 10% of earnings
- Conservative gearing and strong balance sheet maintained
- Optimistic about consumer outlook, while watching macro economic risks



# Recent Events

## Parent/Group

- ESG recognitions from:
  - Sustainalytics: Top-Rated ESG Industry and Regional Performer
  - Forbes: World's Best Employer
- Cash dividends issued at PHP7.50 for 2023 vs. PHP6.25 in 2022

## Retail

- Alfamart operating over 1,400 stores, celebrating 8 years
- 89 new stores, over 80% outside of Metro Manila
- New channels contribute ~9% of non-food sales

## Banking

- Cash dividends increased to PHP0.75 starting 2023 vs. PHP0.30/share previously
- Double digit ROE achieved at 14.5%
- Healthy asset quality
  - NPL ratio dipping at 1.98%
  - NPL coverage at 170%

## Property

- Weekend foot traffic above 100% of pre-covid level, operational occupancy at ~92%, average tenant sales at 120%
- SMPH committed to Net Zero by 2040, malls renewable power use over 50% today
- Pasay reclamation underway, island A 60 hectares visible

## Portfolio Investments

- PGPC merged with SMIC
- Increased Air Speed stake to 51%
- 2GO delivered financial turnaround in 2022 with Php 312 Bn in profits
- 2GO taken private by SMIC through a tender offer
  - Increased 2GO stake to 67.2%



# 2GO Tender Offer

SMIC as the majority shareholder will provide greater exposure to long-term growth and financial success of 2GO

- 352.7 million or 14.3% of 2GO common outstanding shares issued to SMIC
  - SMIC ownership at 67.2%
- Archipelago Capital stake at 31.7%
- Payment and settlement: May 10, 2023



# Together against Climate Change



Leading in financing **58**  
renewable energy projects

No new coal loans policy - reduce  
exposure by **50% by 2033**



SM Prime aims to reach **net zero**  
**greenhouse gas (GHG) emissions by**  
**2040**, surpassing the global target of  
achieving net zero by 2050




**50 SUSTAINABILITY & CLIMATE LEADERS**  
A RACE WE CAN WIN 




# BDO's Sustainable Financing




As of 2022	No. of Projects	Installed Capacity (MW)
Biodiesel	1	60 ML/Y
Bioethanol	2	4.1 ML/Y
Solar	16	380
Wind	4	96
Hydro	13	433
Biomass	16	169
Geothermal	6	1,179




**2,252 MW**  
Total installed renewable energy capacity in megawatts



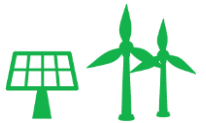
**71,142,786**  
Equivalent tree seedlings grown over 10 years




**913,491**  
Equivalent passenger vehicles taken off roads yearly



**4,302,786**  
Tonnes Carbon dioxide avoided per year



**PHP781 bn**  
Total sustainable finance projects funded to date



**58**  
Renewable Energy projects funded to date



# Digital Innovations

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



Multi-channel Ordering and High Touch Service

Malls



Banking



Payments

Logistics



Last Mile

# Using Our Channels

## SM'S GOT EVERYTHING YOU NEED!

We're just a tap or call away.

### THE SM STORE

FOR YOUR HOME

VIA CALL



#143SM

VIA APP

**ShopSM**

ShopSM Mobile App

### SM MARKETS

FOR YOUR PANTRY

VIA WEBSITE



MARKETS  
ONLINE

smmarkets.ph

### SM MALLS

FOR YOUR LIFE ESSENTIALS

VIA CALL



FOR DELIVERY AND PICK UP AT SM

VIA APP



MALLS  
ONLINE

SM Malls Online App

\*Multiple stores, one delivery. Currently available  
in SM Megamall, North EDSA, and Mall of Asia.

Our enhanced digital platforms complement our expansion, getting us even closer to our customers

# Our Businesses

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# SM 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

PHP91.2bn

Revenues

PHP3.9bn

Net Income

Store Network	GSA
72 THE SM Store	844
1,633 Brand Affiliates	659
63 SM Supermarket	377
54 SM Hypermarket	340
216 Savemore	566
82 Waltermart	212
1,469 Alfamart	256
1 MindPro	2



Data as of 3M 2023, Gross Selling Area (GSA) in '000s sqm



# Our Retail Brands

We stand by our tagline, “We’ve got it all for you”. Our brands provide a wide selection of best local products and in-demand global brands for every member of the family

## Department Stores



SM STORE

## Athleisure and Fashion



LifeWear

FOREVER 21® UNDER ARMOUR



## Philippine Crafts

KULTURA  
UNIQUELY FILIPINO

## Foot wear

crocs™ ECCO®

## Health, Beauty and Wellness



watsons

innisfree

LANEIGE



THE BODY SHOP

## Food Retail



WalterMart

Alfamart



SM MARKETS

## Home and Family



ACE  
Hardware



dyson

SM HOME  
Crate&Barrel



# Food Retail

Format	Description	SKUs
Supermarkets	Large format anchor tenant in SM malls	>50k
Hypermarkets	Stand-alone large format destinations with 60/40 food/non-food mix	45k-50k
WalterMart	Mid-sized format tenant located in WalterMart Malls expanding in Luzon	30k-45k
Savemore	Stand-alone mid-sized format expanding nationwide	30k-45k
Savemore Express	Stand-alone small format neighborhood supermarket	4k-9k
Alfamart	Minimart format providing supermarket goods and prices in neighborhood locations	<5k



# Non-Food Retail



## Department Stores – The SM STORE

- Anchor tenants in SM malls
- Wide range of merchandise and price points
- Targets all customer segments
- Pioneering digital shopping platforms

## Specialty Retailers

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





# SM 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

PHP28.7bn

Revenues

PHP9.4bn

Net Income

## Developments

- 22 Integrated Lifestyle Cities
- 82 Malls in the Philippines
- 7 Malls in China
- 64 Residential Projects
- 18 Office Buildings
- 9 Hotels
- 6 Convention Centers
- 2 Trade Halls

# SM Malls

PHILIPPINES

CHINA



SM City Zibo,  
China



SM City Cebu



SM City  
Sorsogon



82



Malls

7

9.0mn



Total GFA in SQM

1.4mn

19,690



Tenants

1,883

3.3mn



Average Daily  
Pedestrian Count

0.2mn

Data as of 3M 2023, GFA (Gross Floor Area)

# SM Malls Philippines

- In terms of GFA, Metro Manila malls account for 42%, Luzon (ex NCR) is 38%, Visayas is 12% and Mindanao is 8%
- SMPH mall expansion is geared towards the provinces. The focus is to cover most of Northern Luzon, Visayas and the progressive cities in Mindanao



*SM CDO  
Downtown*



*SM Aura*



*SM City  
Tanza*



# SM Malls China



*SM City, Zibo*

- Operating in China since 2001 and became part of SM Prime in 2007
- Operates 7 malls with a total GFA of 1.4m sqm



*SM Tianjin*



*SM City, Zibo*



# 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 3M 2023)

SMDC Projects to date	64 (46 in NCR)
Ready-for-Occupancy (RFO) (Unsold Units)	4,832
Ongoing Construction (Unsold Units)	14,732
Estimated Inventory Value	P127.87bn
3M 2023 Reservation Sales (Value)	P35.80bn
3M 2023 CAPEX	P4.01bn

## Landbank (hectares)

Metro Manila	94
Outside Metro Manila	1,294



*Shore Residences*

*Vine Residences*



*Lane Residences*



# SM Commercial Properties

*Three E-com  
Center*



*ICE Tower*



*Four E-com  
Center*



- Have 18 office buildings with a combined GFA of almost 1.5 sqm
- Five of these 18 offices are located in the Mall of Asia Complex in Pasay City, which provide a combined GFA of 627,000 sqm
- Have an available landbank of 135 hectares for future development



# SM Hotels and Convention Centers

- Operating 9 hotels with over 2,200 rooms; 6 Convention Centers, and 2 Trade Halls with approximately 49,000 sqm of leasable space as of December 2022

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	SMX Clark	10,963
Conrad Manila, Pasay	348	Olongapo City Convention Center	2,043
Park Inn, Iloilo	200	Megatrade Hall	4,226
Park Inn, North EDSA	239	SM Seaside Skyhall	1,857
Park Inn, Bacolod	150	Mall of Asia Arena	20,000 seats
<b>Total</b>	<b>2,211</b>	<b>Total</b>	<b>48,864</b>



*Conrad Manila*

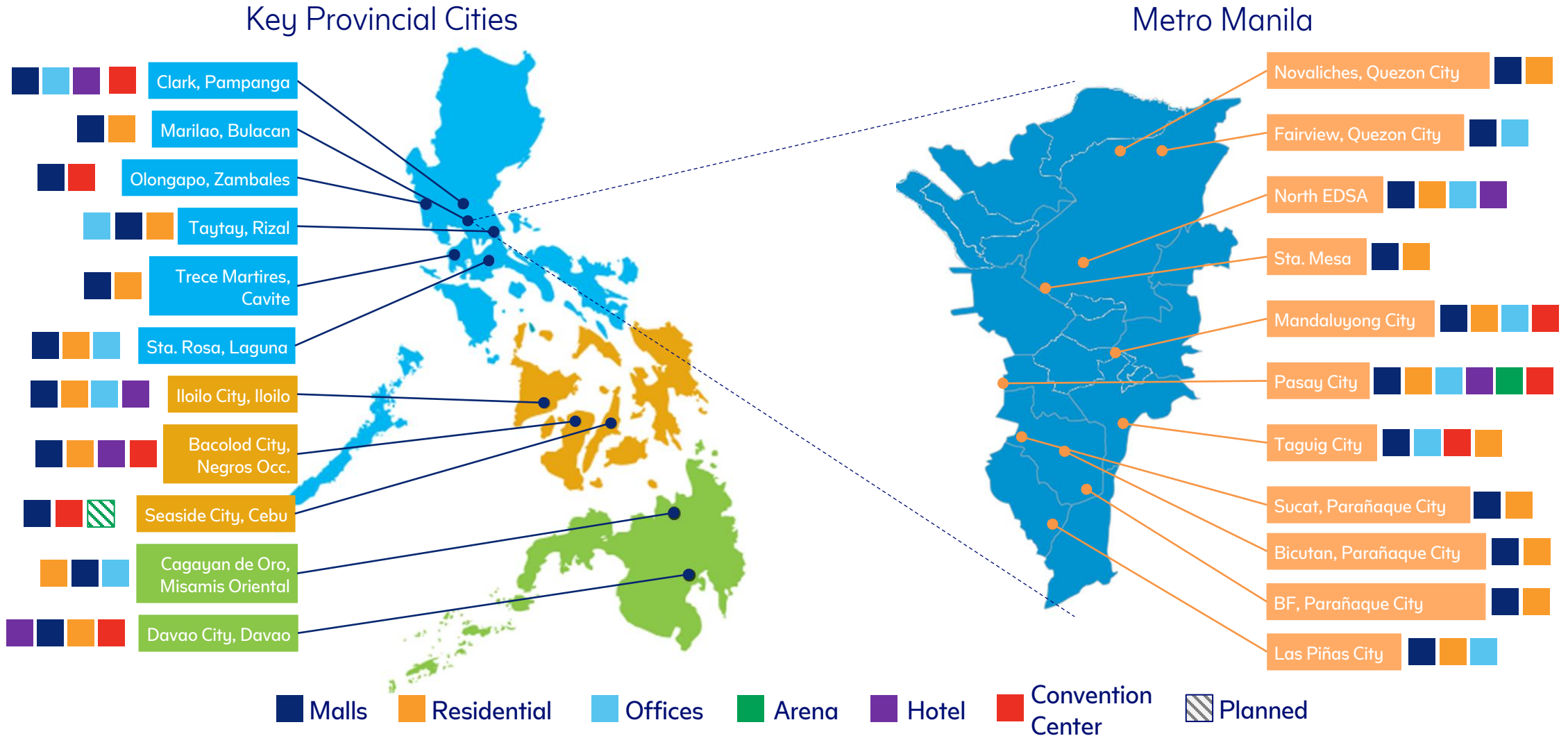
*SMX Manila, Pasay City*

*Conrad Manila, Main Lobby*



# SM Prime Integrated Lifestyle Cities

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



# Pico de Loro Development, Batangas



- 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
- 90 minutes from the Mall of Asia Complex

# BDO Unibank, Inc.



BDO is a leader and investor in banking products and services, making financial services more accessible to Filipinos

**45.3%**

Effective Interest

**PHP43.4bn**

Net Interest Income

**PHP18.9bn**

Other Income

**PHP16.5bn**

Net Income

**1,670**

Branches in the Philippines

**2**

Foreign branches

**4,690**

ATMs



# China Banking Corporation



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

**22.5%**

Effective Interest

**PHP12.7bn**

Net Interest Income

**641**

Branches

**PHP0.5bn**

Other Income

**1,047**

ATMs

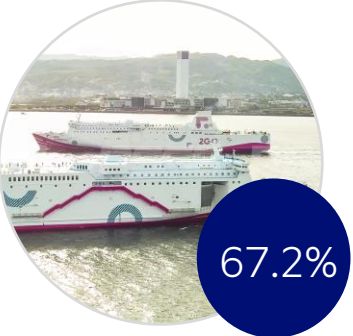
**PHP5.0bn**

Net Income



# Portfolio Investments

2GO Group



Airspeed



Atlas Mining



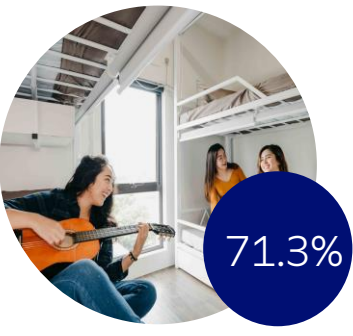
Belle Corp.



Goldilocks



MyTown



Neo Group



Philippine Geothermal



- We invest in new and related sectors that help capture high growth opportunities in the Philippines
- We build market leaders through access to the synergies and expertise of our SM ecosystem
- We ensure global best practices in their operations and corporate governance

# 2GO Group

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

## Shipping

- Efficient and reliable 9 vessel fleet
- Serving 17 ports of call

## Express and Logistics

- 48 warehouse facilities nationwide
- Sea, land and air-freight express services
- Largest reefer and leading isotank provider
- 3,000 own stores and agency network
- Courier and last mile delivery services
- FedEx's local partner in the Philippines

## Distribution

- 2,124 Retail Stores Served
- 1,923 Pharmacies
- 295 Food Service Establishments



# Airspeed

Airspeed is a reliable end-to-end logistics solutions and express courier. Aiming to provide support to help clients build and grow their businesses

- Tailor fit services that are based on the client's logistics needs so that their shipment will be transported without any issue.
- Operating in 90+ countries, 80+ local partners, and over 200 vehicles
- Over 20 offices, hubs, warehouse facilities in the Philippines



# 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 3M 2023

Daily Milling Avg <i>(In dmt per day)</i>	46,464
Ore Grade	25.6%
Cu Metal Gross <i>(In mn lbs)</i>	19.88
Shipped Cu concentrate <i>(in '000s dmt)</i>	35



*Mahogany  
Plantation at  
Lower Danawan,  
Biga*



*2.67 Mn  
saplings planted  
To date*



*Biga Pit  
51% of water  
consumed per  
year is  
recycled*





# Belle Corporation

Belle Corporation is a developer of premium resort destinations and leisure properties

## 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
- ~2,333 electronic gaming tables and 295 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





# Goldilocks

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

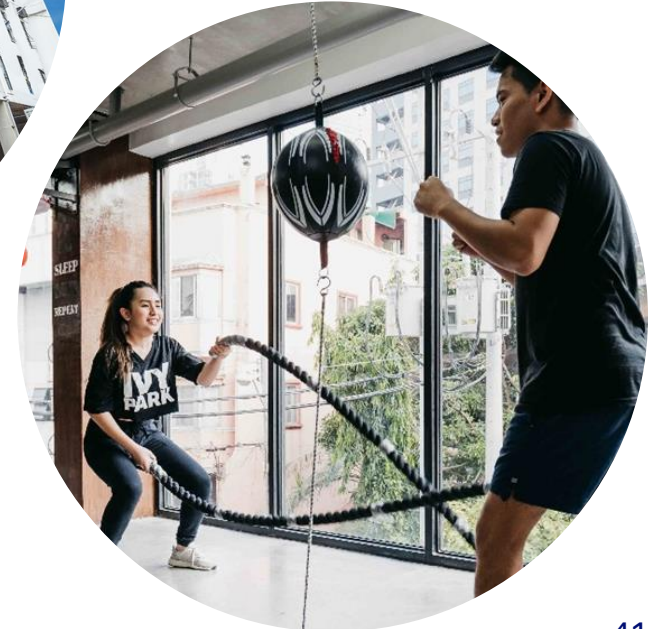
- 11 manufacturing facilities serving an extensive retail footprint of over 800 company owned and franchise stores in the Philippines
- Resilient amidst the pandemic, Goldilocks pivoted to cater to changing customer needs by expanding sales channels online and through aggregator partnerships and be where the customers are
- Product and service delivery innovations contributed towards a dynamic and fresh brand for customers



# 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 3,341 beds to date
- Plans for more than 4,784 beds by 2022



# 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

- NEO is the first commercial property portfolio in the world to be certified as **Carbon Net Zero** under the EDGE program of the IFC.



*One/NEO,  
Bonifacio  
Global City*



*Seven/NEO,  
Bonifacio  
Global City*



*Six/NEO,  
Bonifacio  
Global City*



Office Building	GFA (sqm)
One/Neo	14,787
Two/Neo	18,258
Three/Neo	19,240
Four/Neo	36,000
Five/Neo	52,090
Six/Neo	53,367
Seven/Neo	62,965
<b>Total</b>	<b>256,707</b>

# Philippine Geothermal Production Company (PGPC)



PGPC operates the Tiwi and Mak-Ban steam fields, in operation since 1979, generating geothermal steam sufficient to produce c.300MW of electricity. PGPC also has several other greenfield concession areas for geothermal steam development

- Total consideration paid for 81% of Allfirst, parent of PGPC, is P15.76bn
- Issuance of 17.4 million new shares, equivalent to 1.4% of shares outstanding in SMIC
- In 2021, PGPC revenues were equivalent to 1.2% of SMIC revenues and 5.5% accretive to SMIC Net Income



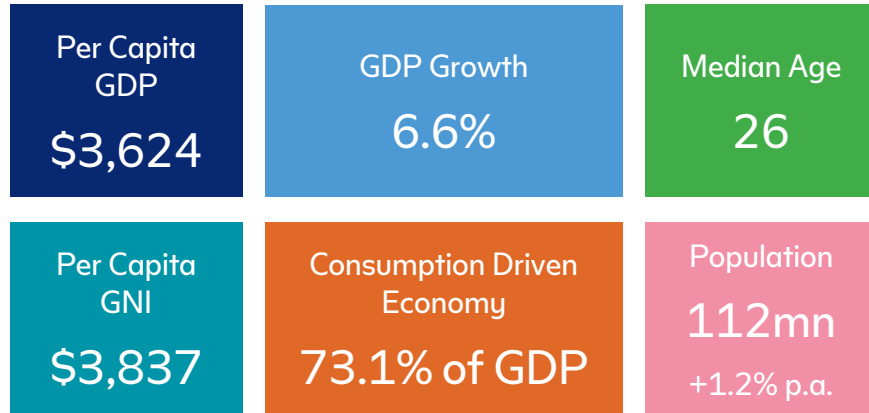
# Annex

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# Philippines: Strong Macroeconomic Fundamentals

## Young Workforce with Rising Incomes



## Inflation and Interest Rate Environment

- Avg. Inflation rate: 7.9% (Jan - Apr, 2023)
- T-Bills (91-day): 6.00% (May, 2023)
- T-Bills (364-day): 6.25% (May, 2023)

## Fiscal and Monetary System

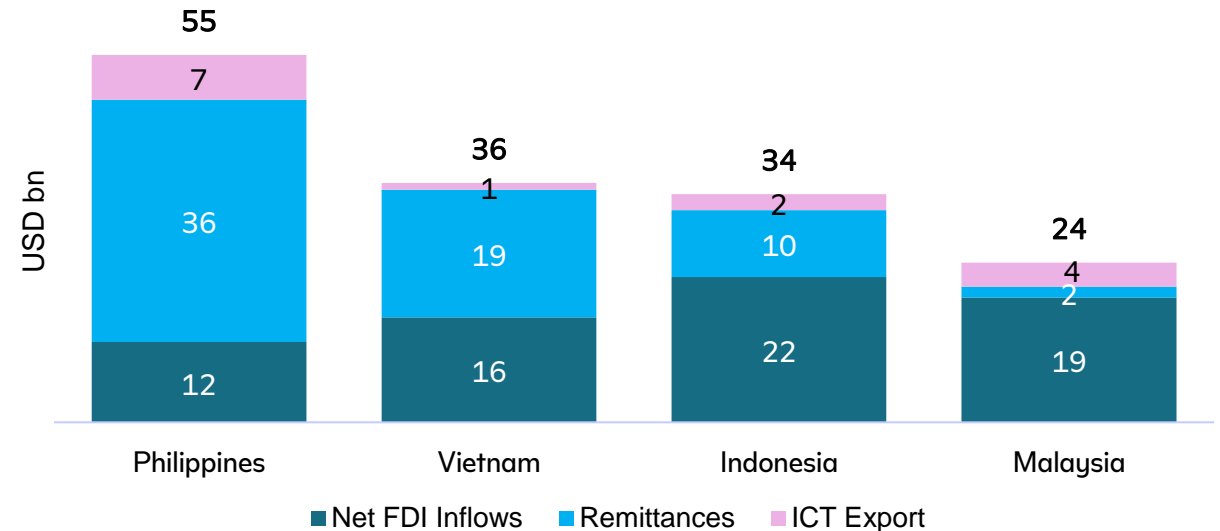
- Debt/GDP: 60.9%
- CAR: 16.1%
- NPLs: 3.0%

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

## Opportunities

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

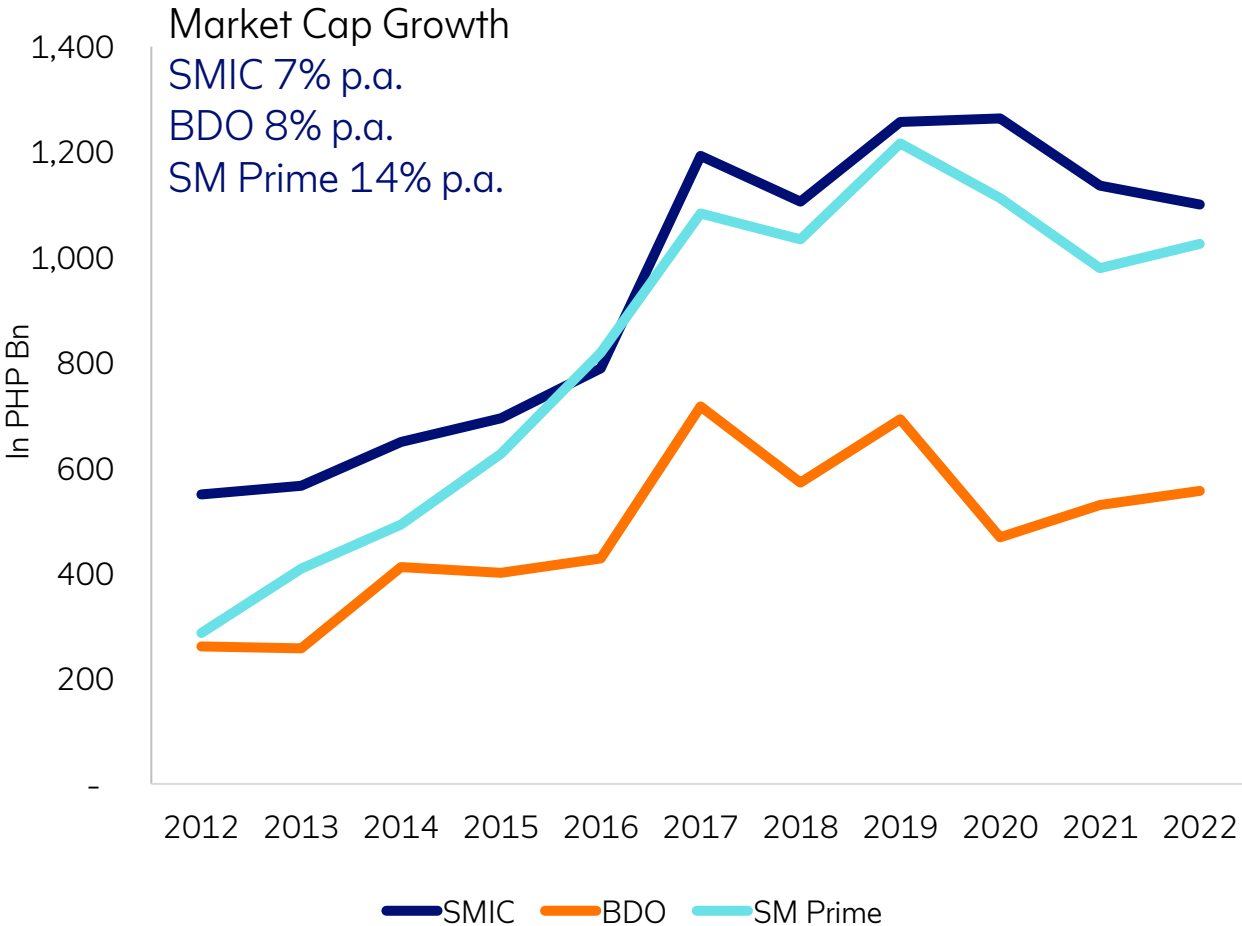
## Net External Inflows and ICT Exports



Source: BSP Selected Economic and Financial Indicators, Most Recent

Source: The World Bank, ASEAN Statistics Division, Most Recent Data Available

# SM Investments' 10-Year Performance



Growth rates expressed in CAGR



Growth rates expressed in CAGR

# SM Investments Corporation

## 3M 2023 Consolidated Results

In PHP Billion

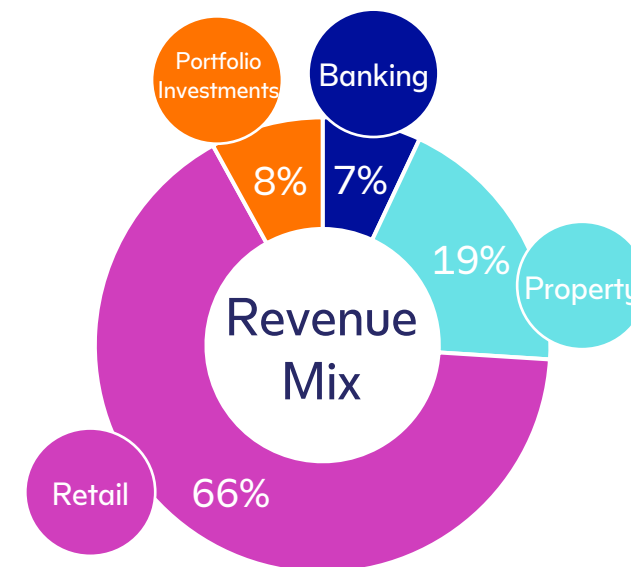
Particulars	3M 2023	3M 2022	% Chg	FY 2022	FY 2021	FY 2020	FY 2019
Revenue	138.2	113.8	21.4%	553.8	432.4	394.2	501.7
Net Income to Parent	17.3	13.0	33.1%	61.7	40.4	23.4	44.6
Net Margin (inc-NCI)	17.2%	15.6%	-	0.2	0.2	8.7%	13.8%
Return on Equity	13.6%	13.1%	-	13.1%	-	6.0%	11.9%

Total Capital	3M 2023	3M 2022	% Chg	FY 2022	FY 2021	FY 2020	FY 2019
Counterpart investments	89.4	137.5	-34.9%	137.5	91.8	78.2	76.7
Net Debt	387.3	368.2	5.2%	368.2	380.7	336.8	298.4
Equity attrib to Parent	513.0	496.9	3.2%	496.9	447.6	403.8	382.6
Net Debt:Equity	35 : 65	35 : 65	-	35 : 65	38 : 62	37:63	36:64

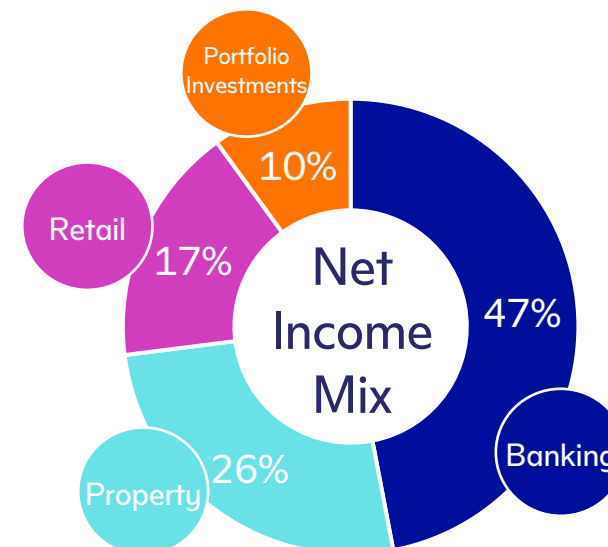
### SMIC Parent Debt

Net Debt to Equity	396: 64	Average Cost of Debt	4.23%
Peso-Foreign Currency Mix	65: 35	Average Debt Tenure	2.59 years

Bonds Issued	Amount	Currency	Due Date	Coupon Rate
February 18, 2022	15 bn	PHP	Feb 2025/Feb 2027	3.5915%/4.7713%
October 2, 2020	10 bn	PHP	April 2024	3.3163%
June 10, 2014	350 mn	USD	June 2024	4.8750%



*Banking business not consolidated*



# SM Retail Consolidated

Financials	3M 2023	3M 2022	Chg
Revenue	91.2	74.5	22%
SSSG	18.9%	4.4%	
EBIT Margin	6.8%	6.1%	
Net Income	3.9	2.6	51%

*Figures in PHP B except percentages*

Profile			
Store Count	3,590	3,278	10%
Selling Area	3.26	3.07	6%

*Gross Selling Area in M sqm.*

- Strong consumer demand boosted by improving employment, drove revenues
- Net income grew by 51% driven by Non-Food sales, both in SM Store and Specialty Stores
- Non-food sales through other channels at 9.0%, led by Call-to-Deliver



# SM Retail – The SM Store

Financials	3M 2023	3M 2022	Chg
Revenue	23.2	15.8	46%
SSSG	44.3%	24.8%	
EBIT Margin	4.2%	0.7%	
Net Income	0.7	0.0	3217%

*Figures in PHP B except percentages*

## Profile

Store Count	72	68	6%
Selling Area	0.84	0.79	7%

*Gross Selling Area in M sqm.*

- Broad based growth across categories in the SM Store
- Net income and margins positive as sales grew 46%

*Data as of 3M 2023*



# SM Retail – Food Group

Financials	3M 2023	3M 2022	Chg
Revenue	53.6	47.0	14%
SSSG	10.0%	-2.2%	
EBIT Margin	6.0%	5.9%	
Net Income	2.2	1.7	28%

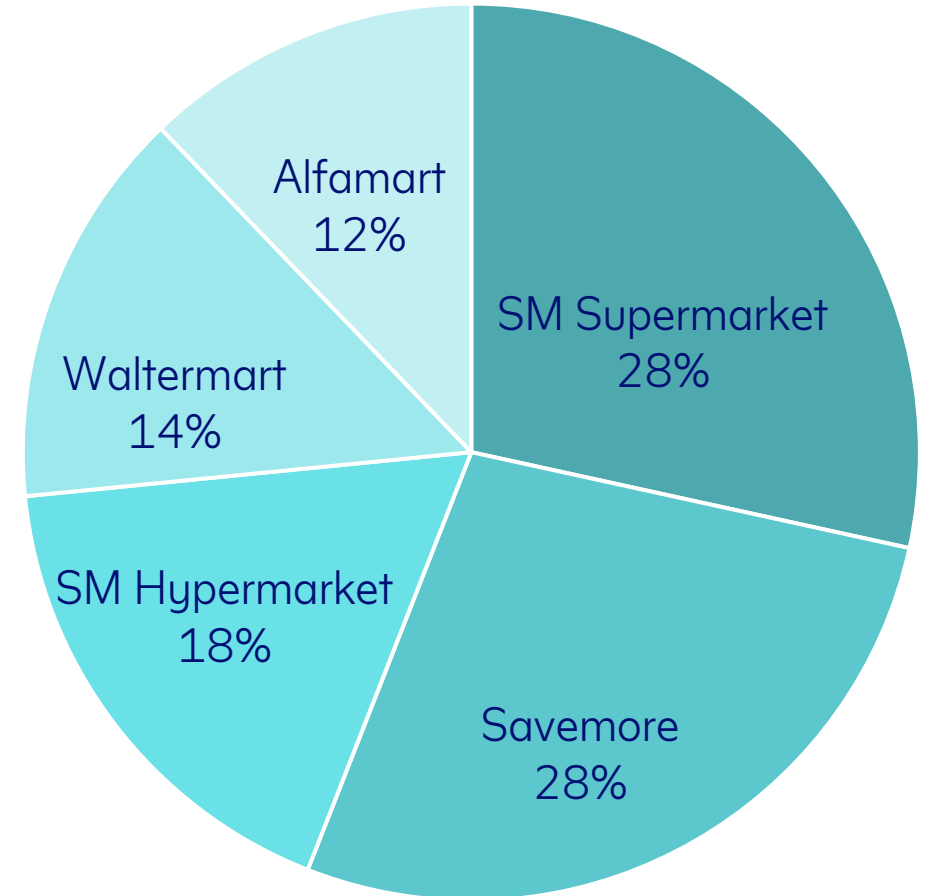
*Figures in PHP B except percentages*

## Profile

Store Count	1,885	1,669	13%
Selling Area	1.75	1.64	7%

*Gross Selling Area in M sqm.*

Revenue by Format



*Data as of 3M 2023*

# SM Retail – Specialty

Financials	3M 2023	3M 2022	Chg
Revenue	20.7	16.3	27%
SSSG	20.8%	8.9%	
EBIT Margin	11.1%	9.8%	
Net Income	1.7	1.1	56%

*Figures in PHP B except percentages*

## Profile

Store Count	1,633	1,541	6%
Selling Area	0.66	0.63	4%

*Gross Selling Area in M sqm.*

- Healthy growth across specialty categories:
  - Kultura – Locally made goods for tourists
  - Toy Kingdom
  - Miniso
  - Sports Central
- Net income grew by 56%



# SM Prime

## 3M 2023 Results

*In PHP Billion*

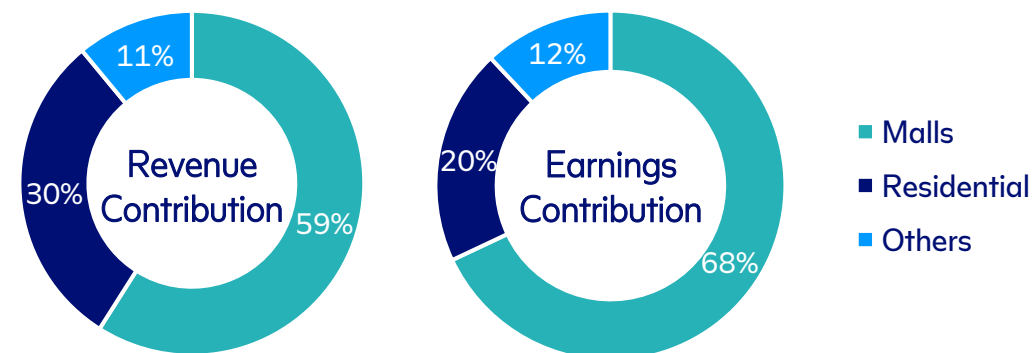
Consolidated	3M 2023	3M 2022	%Chg
Revenues	28.7	23.9	20%
Net Income	9.4	7.4	27%
Operating Income	13.9	10.7	30%
Return on Equity	10%	9%	-

Philippine Malls	3M 2023	3M 2022	% Chg
Revenues	15.4	8.2	88%
Operating Income	8.9	3.8	131%
EBITDA	11.0	5.7	91%
<i>EBITDA margin</i>	<i>71%</i>	<i>70%</i>	-

China Malls <i>(In RMB Bn)</i>	3M 2023	3M 2022	% Chg
Revenues	0.2	0.2	-2%
Operating Income	0.1	0.2	-11%

Residences	3M 2023	3M 2022	% Chg
Revenues	8.5	12.0	-29%
Operating Income	3.3	5.1	-35%
EBITDA	3.4	5.2	-35%
<i>EBITDA margin</i>	<i>39%</i>	<i>43%</i>	-

Other Businesses	3M 2023	3M 2022	% Chg
Revenues	3.2	2.0	59%
Operating Income	1.5	1.0	57%
EBITDA	2.0	1.4	48%
<i>EBITDA margin</i>	<i>64%</i>	<i>68%</i>	-



# BDO

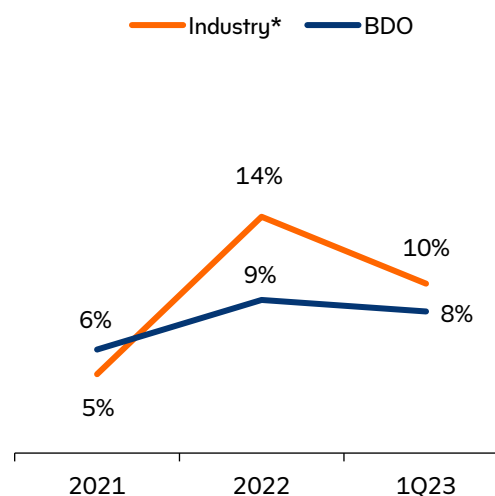
## Financial Highlights (In PHP Bn)

	3M 2023	3M 2022	% Chg
Net Interest Income	43.4	33.9	28.0%
Other Income	18.9	16.7	13.4%
Net Income <sup>1</sup>	16.5	11.7	40.6%
Assets	4,086.8	3,670.5	11.3%
Deposits	3,222.0	2,817.8	14.3%
Gross Customer Loans	2,579.1	2,383.0	8.2%
Net Interest Margin	4.6%	4.0%	-
Cost to Income Ratio	60.1%	63.0%	-
Return on Ave. Common Equity <sup>2</sup>	14.5%	11.1%	-
Gross Loans to Deposits Ratio	80.0%	84.6%	-
Gross NPL Ratio <sup>3</sup>	1.98%	2.72%	-
Total CAR <sup>4</sup>	14.8%	14.6%	-
Tier 1 Ratio	13.9%	13.7%	-
CET1	13.7%	13.5%	-

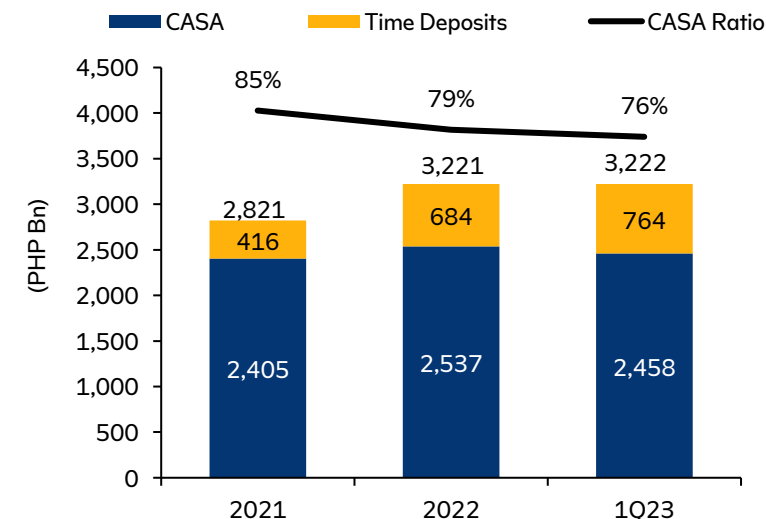
### Notes:

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

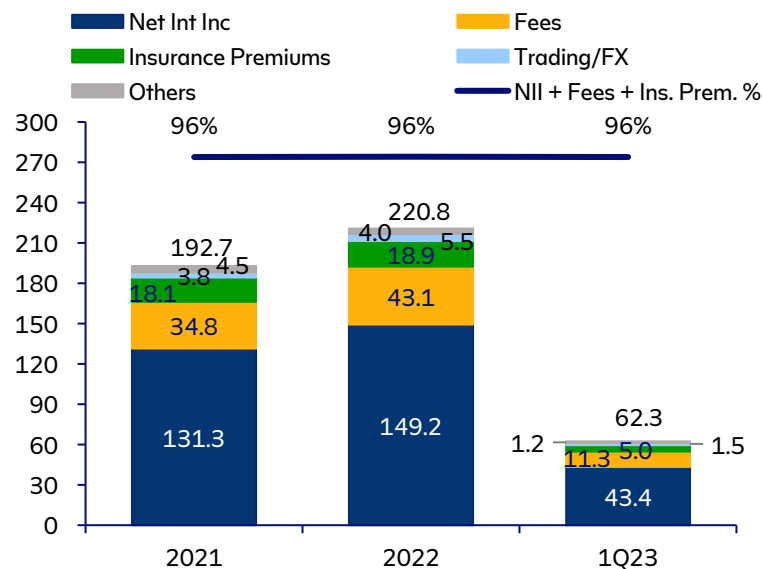
## Loans Growth



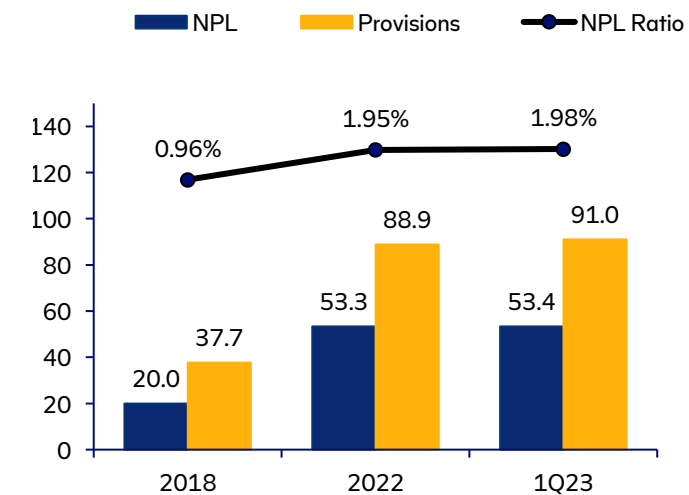
## Deposits



## Operating Income



## Asset Quality



# China Bank

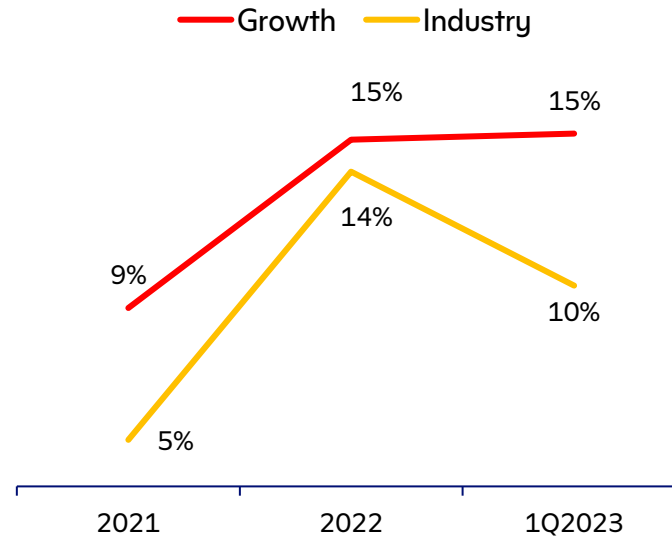
## Financial Highlights (In PHP Bn)

	3M 2023	3M 2022	% Chg
Net Interest Income	12.7	10.8	18.0%
Other Income	0.5	1.7	-71.7%
Net Income <sup>1</sup>	5.0	4.9	2.6%
Assets	1,352.0	1,127.0	20.0%
Deposits	1,086.0	879.3	23.5%
Gross Customer Loans	727.0	632.0	15.0%
Net Interest Margin	4.2%	4.3%	-
Cost to Income Ratio	52.0%	46.0%	-
Return on Ave. Common Equity <sup>2</sup>	14.7%	16.0%	-
Gross Loans to Deposits Ratio	66.9%	71.9%	-
Gross NPL Ratio <sup>3</sup>	2.3%	2.4%	-
Total CAR <sup>4</sup>	16.3%	16.3%	-
CET 1	15.4%	15.5%	-

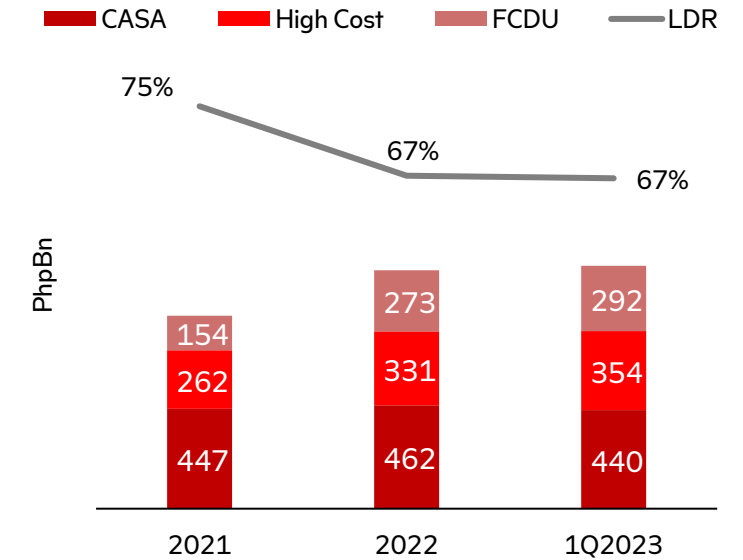
### Notes:

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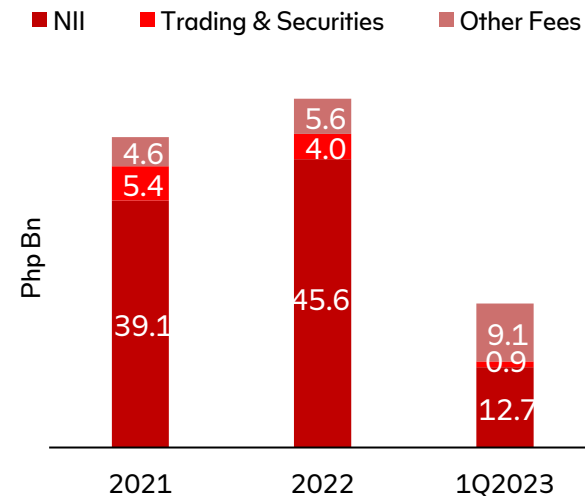
## Loans Growth



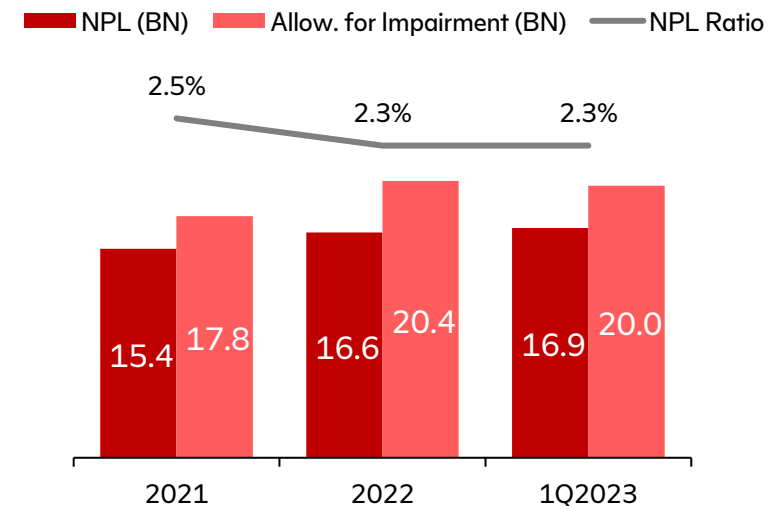
## Deposits



## Operating Income



## Asset Quality



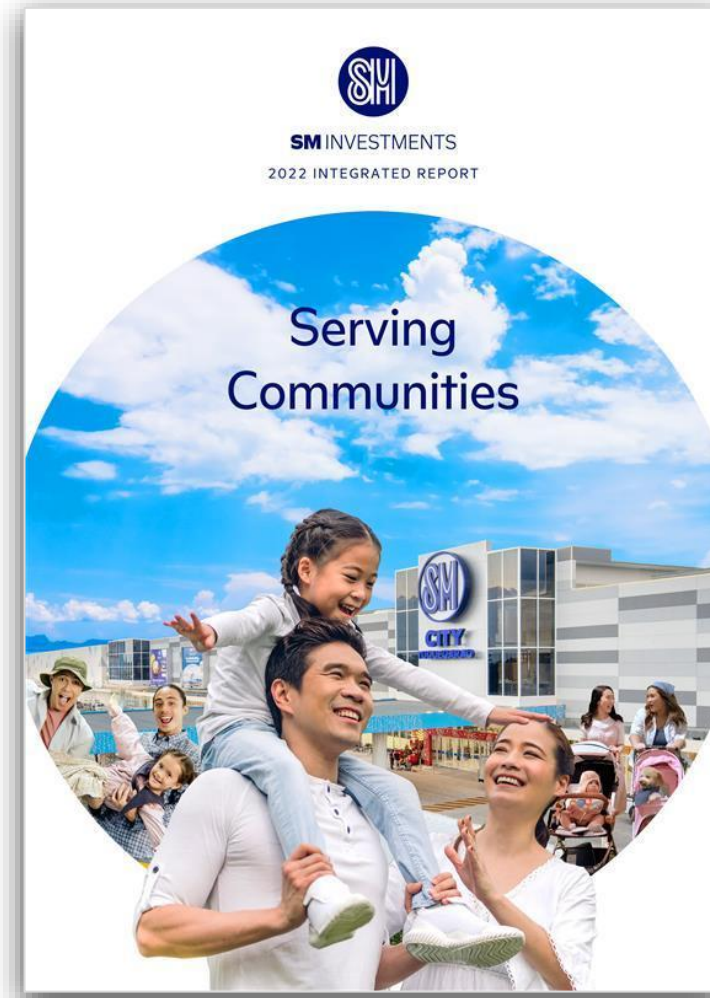
# Our Integrated Report <IR> 2022

In 2020, SMIC adopted the Integrated Reporting Framework developed by the International Integrated Reporting Council (IIRC)

“Serving Communities”, the theme of our 2022 report, underscores our unwavering support to helping develop local economies through providing inclusive economic opportunities, while creating positive social impact.

From education, healthcare, and agriculture, to addressing the urgent need of the marginalized sectors, the report contains stories that highlight innovation, community support and our commitment to disaster resilience and sustainability

The report discloses our performance and actions on how we affect the commercial, social and environmental context within the areas where we operate



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