



SM INVESTMENTS

Investor Presentation

November 2024



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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

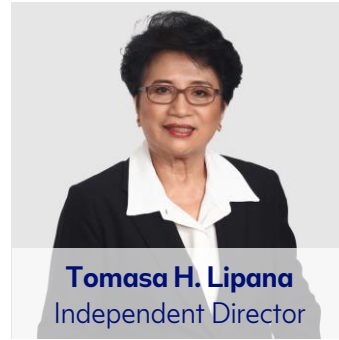
- Market leading consumer-centric businesses
- Strong brand franchise
- Extensive group synergies

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 Leadership Team

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



Our Businesses

Retail



77.3%
SMRETAIL

Property



49.7%
SMPRIME

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

64.1%
Goldilocks

100.0%
**Philippine
Geothermal**

Banking



45.2%
BDO



22.5%
China Bank

Leading Philippine Conglomerate

Our three largest companies – SMIC, SM Prime and BDO – comprise ~28% of the value of the Philippine Index

Philippine Conglos

Market Cap (\$ bn)

Golden MV Holdings	24.3
SMIC	18.7
Ayala Corp	7.0
SMC	3.5
Aboitiz Equity	3.2
JG Summit	2.9
DMCI	2.4
GT Capital	2.4
LT Group	1.9

Source: Bloomberg;
As of Nov 13, 2024

Philippine Retailers

Total Sales (\$ mn)

SM Retail	5,137
Puregold	2,587
RRHI	2,424
Philippine Retailers	
Store Count	
Robinsons	4,344
SM Retail	4,576
Puregold	581

Source: As of latest available company data
*Including TGP

Philippine Banks

Total Assets (\$ bn)

BDO	79.0
MBT	58.1
LBP	57.1
BPI	53.6
CBC	31.4
RCBC	23.7
PNB	21.6
SECB	20.3
UBP	19.3
DBP	16.6

Source: Consolidated statements
of condition (SOC), Sep '24

Property Developers

Market Cap (\$ bn)

SM Prime	13.3
Ayala Land	7.6
Robinsons Land	1.2
Megaworld	1.2
Double Dragon	0.4
Vistaland	0.3
Filinvest	0.3

Source: Bloomberg;
As of Nov 13, 2024



Our Business Footprint

Philippines

4,344 retail outlets
87 malls
2,394 bank branches

Luzon (ex-NCR)

2,849 retail outlets
47 malls
842 bank branches

Metro Manila (NCR)

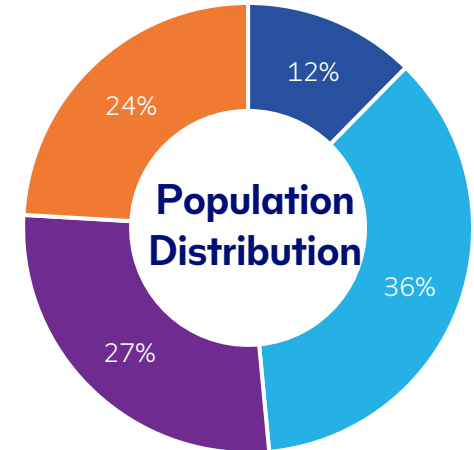
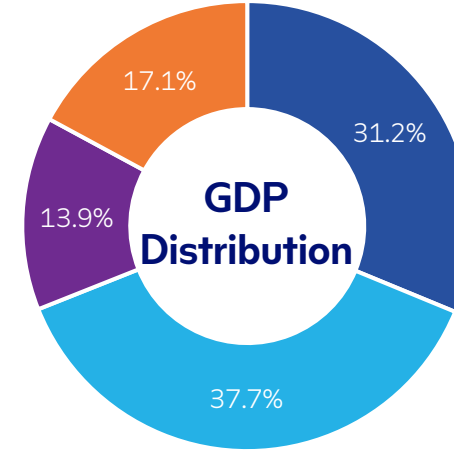
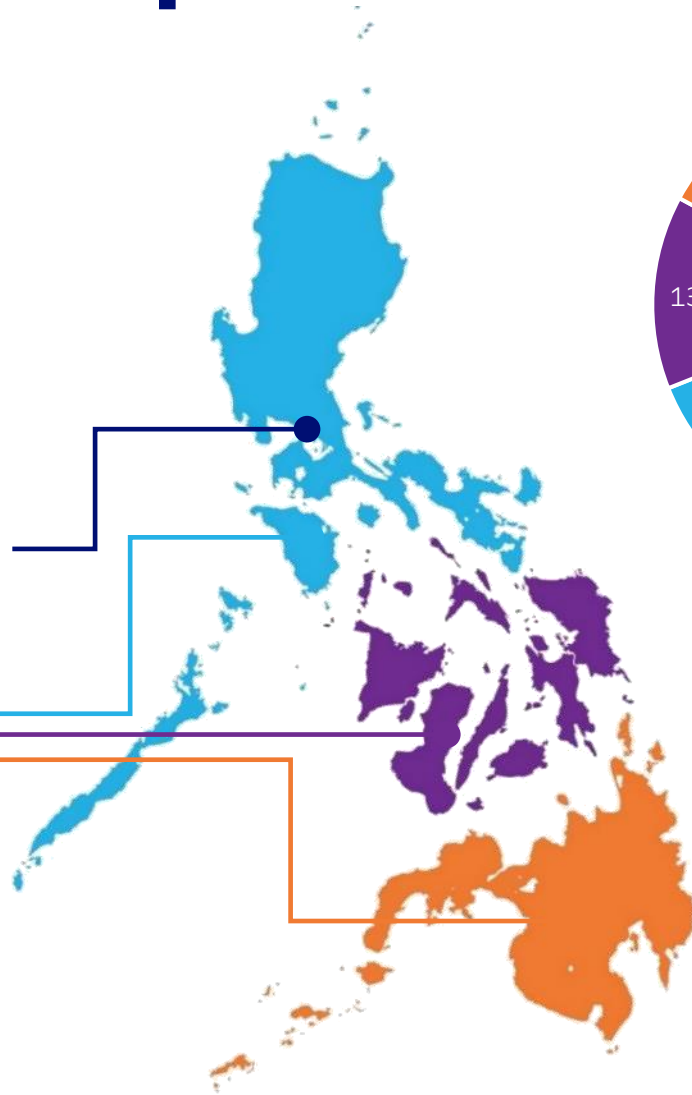
1,029 retail outlets
25 malls
966 bank branches

Visayas

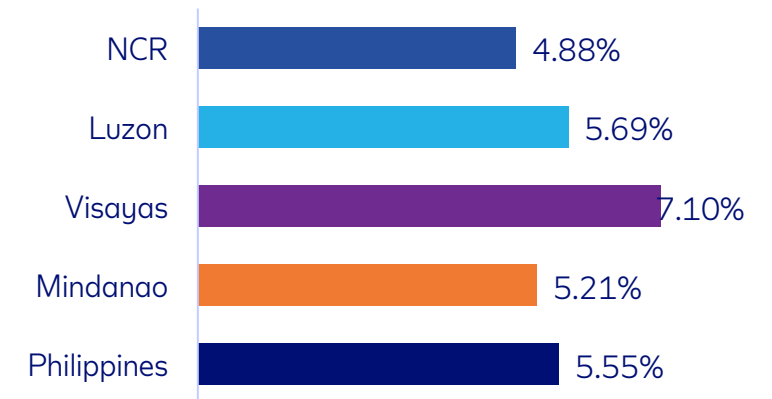
279 retail outlets
8 malls
303 bank branches

Mindanao

187 retail outlets
7 malls
283 bank branches



2023 Regional GDP Growth



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

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 Impact

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



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



Investor Presentation



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 m3
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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- 16 BDO's Sustainable Financing
- 17 Our Businesses



Figures in PHP billion except percentages

SM Investments	9M 2024	9M 2023	% Chg
Revenues	462.5	440.4	5%
Net Income	60.9	55.9	9%
Net Margin (inc-NCI)	18.3%	17.4%	-
ROE	14.3%	14.5%	-
Net Debt:Equity	33 : 67	33 : 67	-

SM Retail	9M 2024	9M 2023	% Chg
Gross Revenues	301.8	290.1	4%
Net Income	12.8	13.7	-7%
Net Margin (inc-NCI)	4.9%	5.4%	-

BDO	9M 2024	9M 2023	% Chg
Net Interest Income	138.3	127.2	9%
Non Interest Income	55.3	47.6	16%
Net Income	60.6	53.9	12%

SM Prime	9M 2024	9M 2023	% Chg
Revenues	99.8	92.6	8%
Net Income	33.9	30.1	12%
Net Margin	34.0%	33.0%	-
ROE	11%	11%	-
Net Debt:Equity	45 : 55	46 : 54	-

Financial Performance

- Retail: Food revenues higher by 7%, SM Store margins normalized and higher than pre-pandemic, Health & Beauty and Fashion remain strong for Specialty
- Banking: Sustained contribution from its core intermediation and fee-based businesses
- Property: Mall revenues grew 8% driven by mall rental income higher by 8%



Portfolio Investments Financials



PHILIPPINE GEOTHERMAL

NEO



goldilocks®

2GO

ATLAS

(As of 9M 2024)

	PHILIPPINE GEOTHERMAL	NEO	goldilocks®	2GO	ATLAS
Revenue (Php Bn)	4.6	3.5	10.1	13.5	15.6
Revenue Change (%)	-16%	13%	3%	14%	7%
Net Income (Php Bn)	2.3	1.7	0.6	0.6	1.1
Net Income Change (%)	-31%	-1%	138%	-9%	29%

Recent Events

Parent/Group

- Amando Tetangco, Jr., two term BSP Governor, appointed as SMIC Independent Chairman
- Appointed Lily K. Gruba as Independent Director, making the board comprised of majority independents, 1/3rd women
- Recognitions from:
 - International Business Awards: Gold Stevies for Company of the Year – Conglomerates, People’s Choice
 - Sustainalytics: Top-Rated ESG Industry and Regional
 - Forbes: World’s Best Employer
 - TIME World’s Best Companies 2024
 - Fortune Southeast Asia 500 2024
- Issued USD500mn as first tranche of USD3bn EMTN Programme, 3.2x oversubscribed

Retail

- Alfamart operating 2.0k+ stores, +341 in 9M, targeting 400+ new stores by year-end
- 478 new stores, over 80% outside of Metro Manila

Property

- Opened SM City J Mall, adding GFA of 123k sqm.
- SMPH committed to Net Zero by 2040, malls power use now over 50% renewable

Banking

BDO

- 9M 2024 ROCE at 15.0%
- Improved asset quality
 - NPL ratio at 1.82%
 - NPL coverage at 178%

China Bank

- Improving metrics:
 - ROE at 15.7%
 - NPL ratio at 1.77% with coverage at 141%
- Rebranded and changed ticker from CHIB to CBC

Portfolio Investments

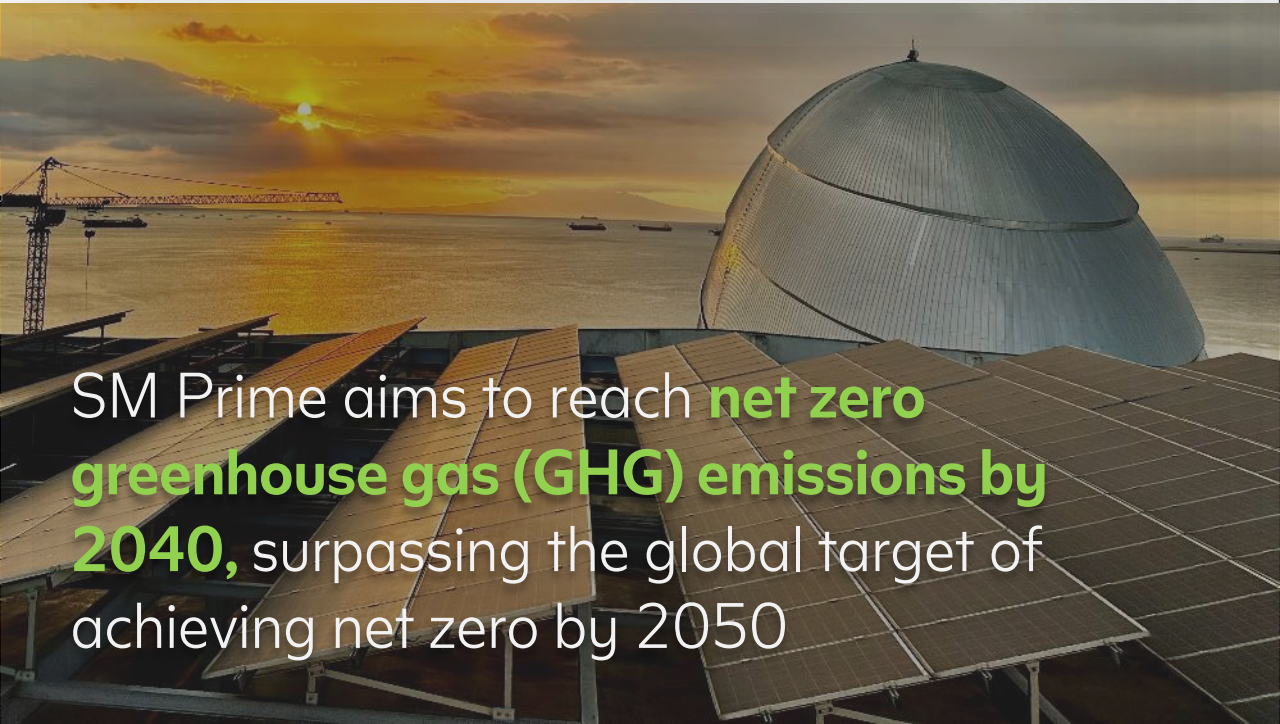
- PGPC exploring 5 new geothermal areas, to add 250–450MW capacity
- 2GO acquired 3 new ROPAX vessels, fleet at 10
- Goldilocks plans to open 60 stores
- Occupancy of NEO at 96% as of 9M2024



Together against Climate Change



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 2023	No. of Projects	Installed Capacity (MW)
Biodiesel	1	60 ML/Y
Bioethanol	2	44 ML/Y
Solar	16	505
Wind	4	96
Hydro	13	433
Biomass	16	164
Geothermal	6	1,179



2,377 MW

Total installed renewable energy capacity in megawatts



72,466,757

Equivalent tree seedlings grown over 10 years



930,491

Equivalent passenger vehicles taken off roads yearly



4,382,571

Tonnes Carbon dioxide avoided per year



PHP781 bn

Total sustainable finance projects funded to date



59

Renewable Energy projects funded to date

Photo Credit: Sunwest Water and Electric Company, Solar Philippines and Rodel Diaz



Our Businesses

18	Retail
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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

PHP301.8bn

Revenues

PHP12.8bn

Net Income

Store Network

		GSA
75	THE SM Store	903
1,827	Brand Affiliates	675
66	SM Supermarket	387
54	SM Hypermarket	333
217	Savemore	570
88	Waltermart	223
2,019	Alfamart	346
1	MindPro	2

Gross Selling Area (GSA) in '000s sqm



Retail Investment Thesis

Huge Potential for Largely Underpenetrated Retail Sector

- PH GDP is over 70% driven by consumer spending
- Low, conservative household debt-to-GDP at 10%
- Estimates are ~30% of food being sold in a modern retail format
- Areas outside NCR growing faster due to Government-led inclusive growth programs

Market Leader in Philippine Retailing

- Largest footprint with 3.3Mn sqm Gross Selling Area
- Leading grocer with multiple formats to address the market
- Diverse product offerings with over 30 brands within the portfolio
- Growing outside Metro Manila with over 80% of new stores are being opened

Strong Synergies within the SM Ecosystem

- Anchor tenant in the SM malls in the Philippines
- Long leases at market determined rates
- Low operating costs due to SM malls' operational excellence
- Strong membership card program with over 6mn active users



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



Athleisure and Fashion



LifeWear



Philippine Crafts

Foot wear



Health, Beauty and Wellness



innisfree

LANEIGE



THE BODY SHOP

watsons

Food Retail

SM MARKETS



WalterMart



Home and Family



supplies station inc.

dyson

SM HOME
Crate&Barrel



SM MARKETS

Large



SMHYPERMARKET

SMSUPERMARKET

Stand-alone with 60:40 split on food/non-food

Food anchor tenant in SM SUPERMALLS

Store Count, Avg. Size (sqm):

54 Stores, 6.2k

66 Stores, 5.9k

~49-52k SKUs

Medium



Stand-alone grocery expanding nationwide

Anchor tenant in WalterMart Malls

Store Count, Avg. Size (sqm):

217 Stores, 2.6k

88 Stores, 1.8k-2.5k

~44k SKUs

15-20k SKUs

Minimarts



Accessible and convenient neighborhood grocery shopping

Store Count, Avg. Size (sqm):

2,019 Stores, ~172

<5k SKUs

Non-Food Retail

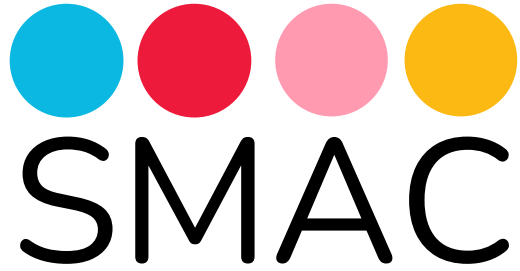
Department Stores – The SM STORE

- 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's homegrown rewards and membership program
- Longest running rewards program in the country since 2004
- Can be used across SM Retail, SM Hotels and partners
- 10mn members with 60% active
 - Members have 3x higher spend vs. non-members
- Can be used in more than 4,000 stores and partner establishments nationwide:



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

PHP99.8bn

Revenues

PHP33.9bn

Net Income

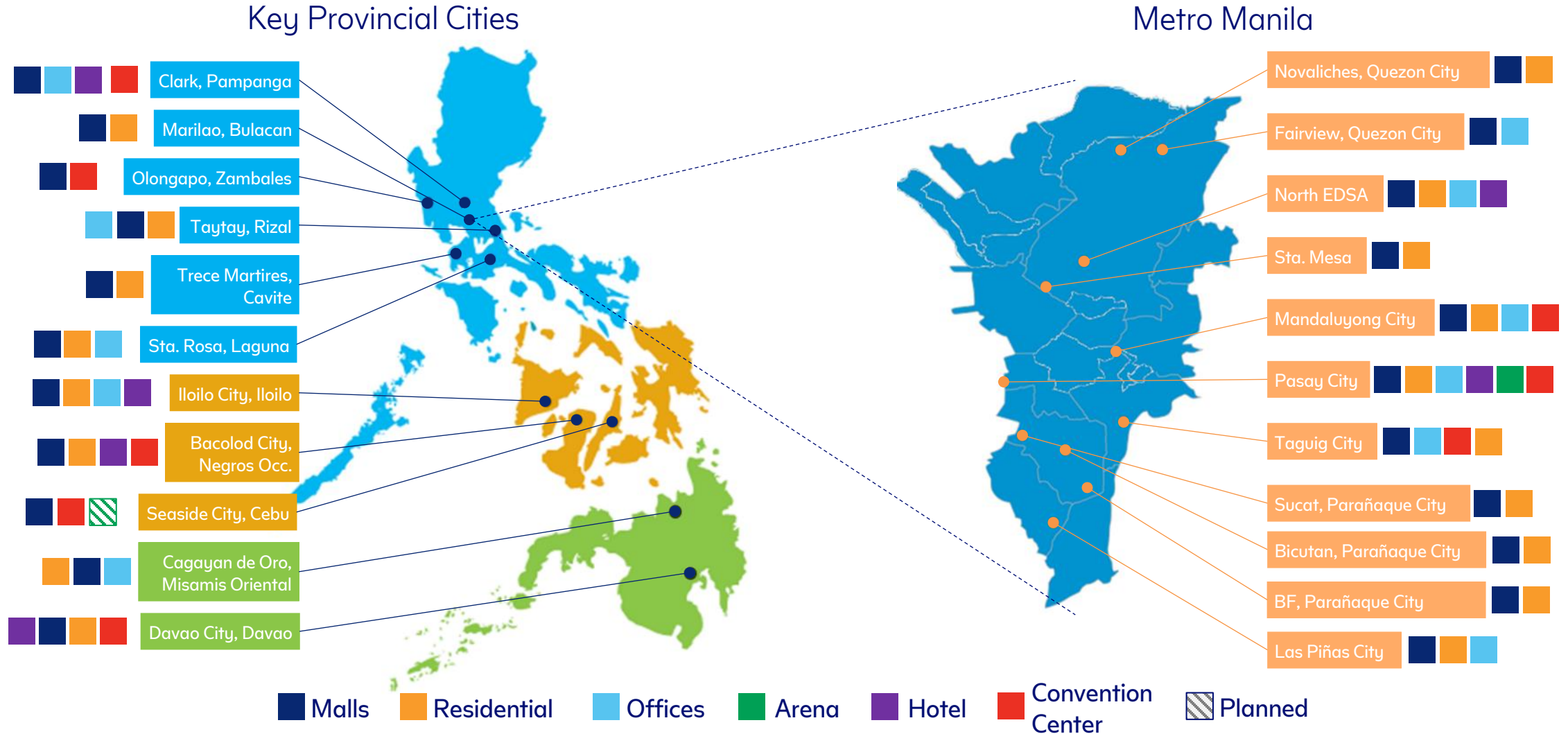
Developments

- 22 Integrated Lifestyle Cities
- 86 Malls in the Philippines
- 8 Malls in China
- 67 Residential Projects
- 22 Office Buildings
- 10 Hotels
- 6 Convention Centers
- 2 Trade Halls



SMPRIME Integrated Lifestyle Cities

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



SM SUPERMALLS

PHILIPPINES

CHINA

86



Malls

8

9.3mn



Total GFA in SQM

1.7mn

23,307



Tenants

2,152

3.7mn



Average Daily
Pedestrian Count

0.3mn

GFA (Gross Floor Area)



*SM Seaside
Cebu*



*SM City
Yangzhou*

- Largest mall operator in the Philippines
- Target to reach 100 malls by 2028, majority of new malls opening outside Metro Manila
- Anchor of SM Prime's Integrated Lifestyle Cities
- Bringing modern retailing and new experiences to cities
- Acts as the town's community center



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 9M 2024)

SMDC Projects to date	67 (47 in NCR)
Inventory (Unsold Units)	26,121
Estimated Inventory Value	P162.83bn
9M 2024 Reservation Sales (Value)	P46.89bn
9M 2024 CAPEX	P15.02bn

Landbank (hectares)

Metro Manila	342
Outside Metro Manila	1,022



Vine Residences



Shore Residences



Lane Residences



SMCOMMERCIAL PROPERTIES



*Four E-com
Center*

Develops modern, green office buildings, focusing on technology-based companies and the growing BPO sector

- 22 office buildings in Makati, Pasay and Quezon City
- 1.6mn sqm of Gross Floor Area
- 2 buildings are LEED certified GOLD

SMHOTELS AND CONVENTION CENTERS



Lanson Place

Operates local and foreign hotel brands in select locations aimed at capturing the growing tourism industry

- Operates 10 hotels with over 2,600 room keys
- Partnered with global brands such as Radisson, Conrad and Lanson Place



SMX Manila

Offers upscale, event venues suitable for meetings, incentives, conventions, and exhibits

- 6 Convention Centers, and 2 Trade Halls with approximately 42,000 sqm of leasable space

BDO Unibank, Inc.



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

45.2%

Effective Interest

PHP138.3bn

Net Interest Income

PHP55.3bn

Other Income

PHP60.6bn

Net Income

1,746

Branches in the Philippines

2

Foreign branches

5,761

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

PHP46.5bn

Net Interest Income

648

Branches

PHP-0.1bn

Other Income

1,082

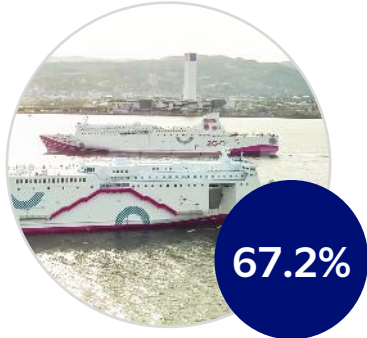
ATMs

PHP18.4bn

Net Income

Portfolio Investments

2GO Group



Airspeed



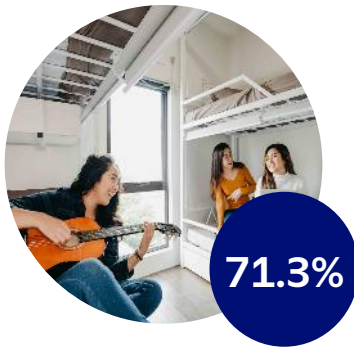
Atlas Mining



Belle Corp.



MyTown



Neo Group



Philippine Geothermal



Goldilocks



Portfolio Investments Strategy

SMINVESTMENTS makes investments in ventures that capture high growth opportunities in the emerging Philippine economy, looking for market leaders that offer synergies, attractive returns and cash flows

Invest in New
and Related
High Growth
Sectors

Build Market
Leaders through
Synergies

Access to the
SM Ecosystem

Ensure Global
Best Practices in
Operations and
Governance





The largest and broadest transportation solutions provider with complete end-to-end assets

Sea Solutions

- Reliable 10 vessel fleet focused on ROPAX that carries passengers and freight, serving 19 ports of call

Special Containers and Project Logistics

- Sizeable fleet of temperature-controlled container vans, and isotanks to handle special liquids

Express, Forwarding and Logistics

- 46 warehouse facilities nationwide
- Multi-modal transport capabilities via sea, land and air
 - Forwarding: LCL and FCL domestic forwarding
 - Express: Courier and Last-mile delivery
- Close to 3,000 own stores and agency network

FedEx's local partner in the Philippines





Enables the Movement of Goods and People throughout the Philippines
Largest end-to-end Transportation and Logistics Solutions Provider in the Country

Largest, most modern ROPAX Operator with defined schedules and speed of service

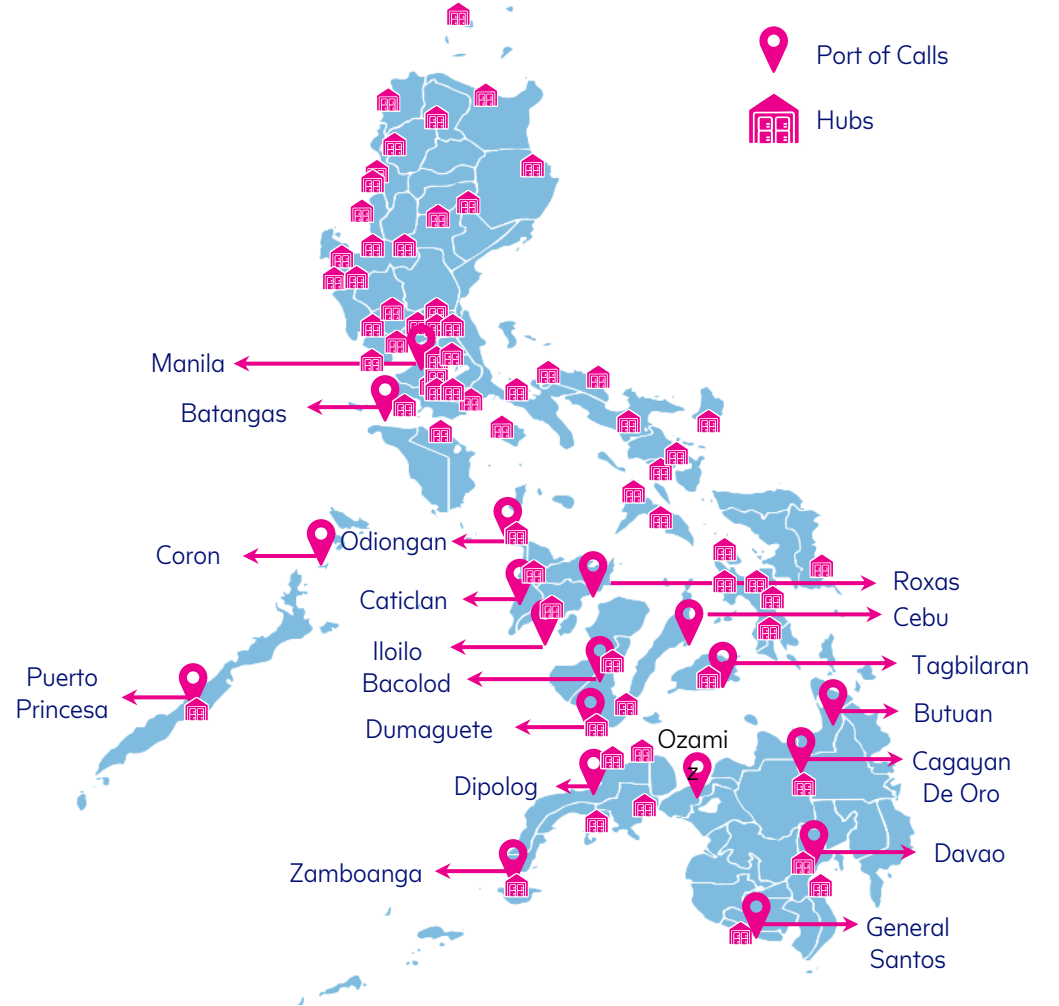
19 Major Ports of Call	9 ROPAX vessels for Freight and Travel	1 Freighter vessel
14,000+ TEU Containers	600+ Reefers avg. age 6 years	200+ ISO tanks avg. age 6 years

Express and Forwarding for Time Definite Deliveries covering B2B, B2C and C2C

33,000+ Actively Serviced Barangays	Last Mile e-Commerce	3,000+ Retail Network Owned and partner locations
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Warehouse, Crossdock, and Trucking Direct to Stores

Nationwide Warehouse Coverage	Case pick and piece pick capability	LTL and FTL trucking services
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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 **9M 2024**

Daily Milling Avg <i>(In dmt per day)</i>	50,122
Ore Grade	0.222%
Cu Metal Gross <i>(In mn lbs)</i>	58.04
Shipped Cu Concentrate <i>(in '000s dmt)</i>	123

*2.67 Mn
saplings planted
To date*



*Mahogany
Plantation at
Lower Danawan,
Biga*



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





*City of Dreams
Manila*



*Tagaytay
Highlands*

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

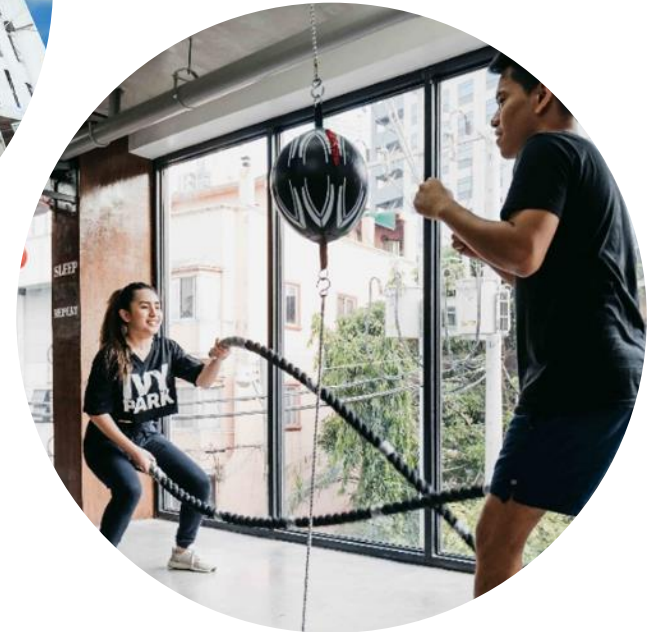
Goldilocks is a well-loved Filipino heritage brand trusted by customers for over 57 years

- 11 manufacturing facilities serving an extensive retail footprint of over 900 company owned and franchise stores in the Philippines
- Product innovations contributed towards a dynamic and fresh brand for customers
- Product and service delivery innovations contributed towards a dynamic and fresh brand for customers
- Efficiencies via Mechanization and better Material use
- 60 planned store openings

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





*One/NEO,
Bonifacio
Global City*



*Seven/NEO,
Bonifacio
Global City*



*Six/NEO,
Bonifacio
Global City*

NEO Buildings

Consists 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.



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
Total	256,707



Philippine Geothermal Production Company (PGPC)

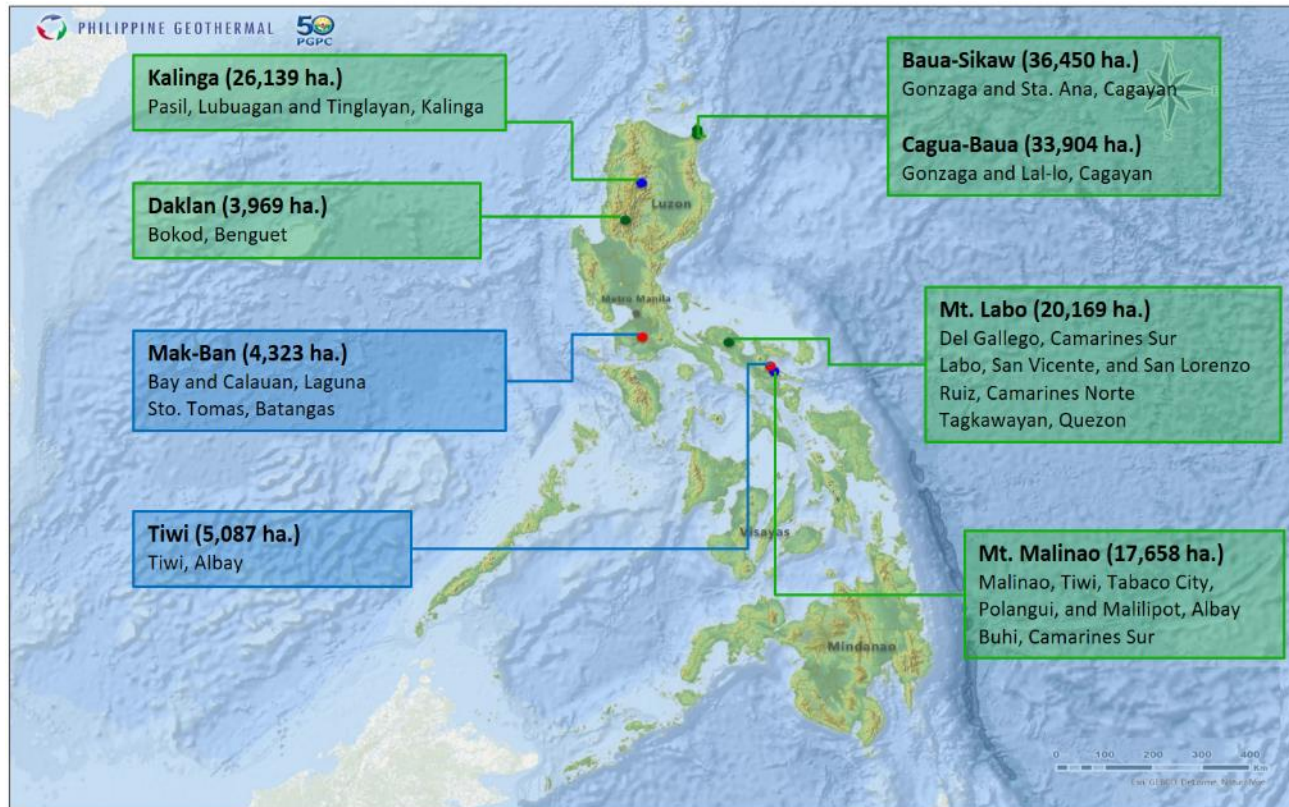


PGPC operates the Tiwi and Mak-Ban steam fields, in operation since 1979 and has the rights until 2038, generating geothermal steam sufficient to produce c.300MW of electricity. PGPC also has several other greenfield concession areas for geothermal steam development

PGPC Generation



Philippine Geothermal Production Company



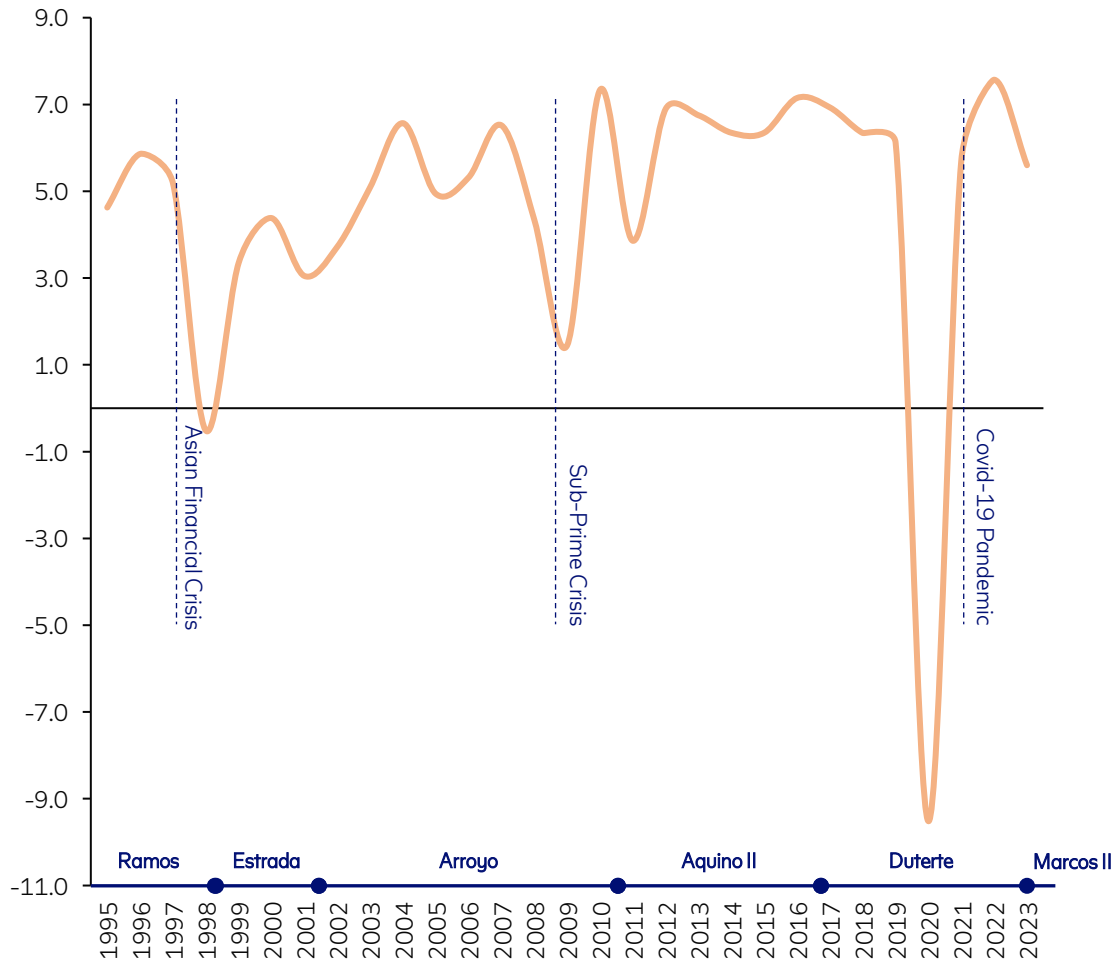
- PGPC has rights to operate the Tiwi & Mak-Ban steam fields until 2038
- PGPC targets to reach as much as **~420MW** of dependable capacity from its operated Tiwi and Mak-Ban steam fields currently in the next five years
 - Recent Steam Production Enhancement Campaign (SPEC) realized an additional **94.7MW** total incremental steam capacity and reached record-breaking well depths while utilizing new technology applications and well designs
- Ongoing exploration activities in five new geothermal contract areas can add up to 250-400 MW of capacity

Philippine Macroeconomics

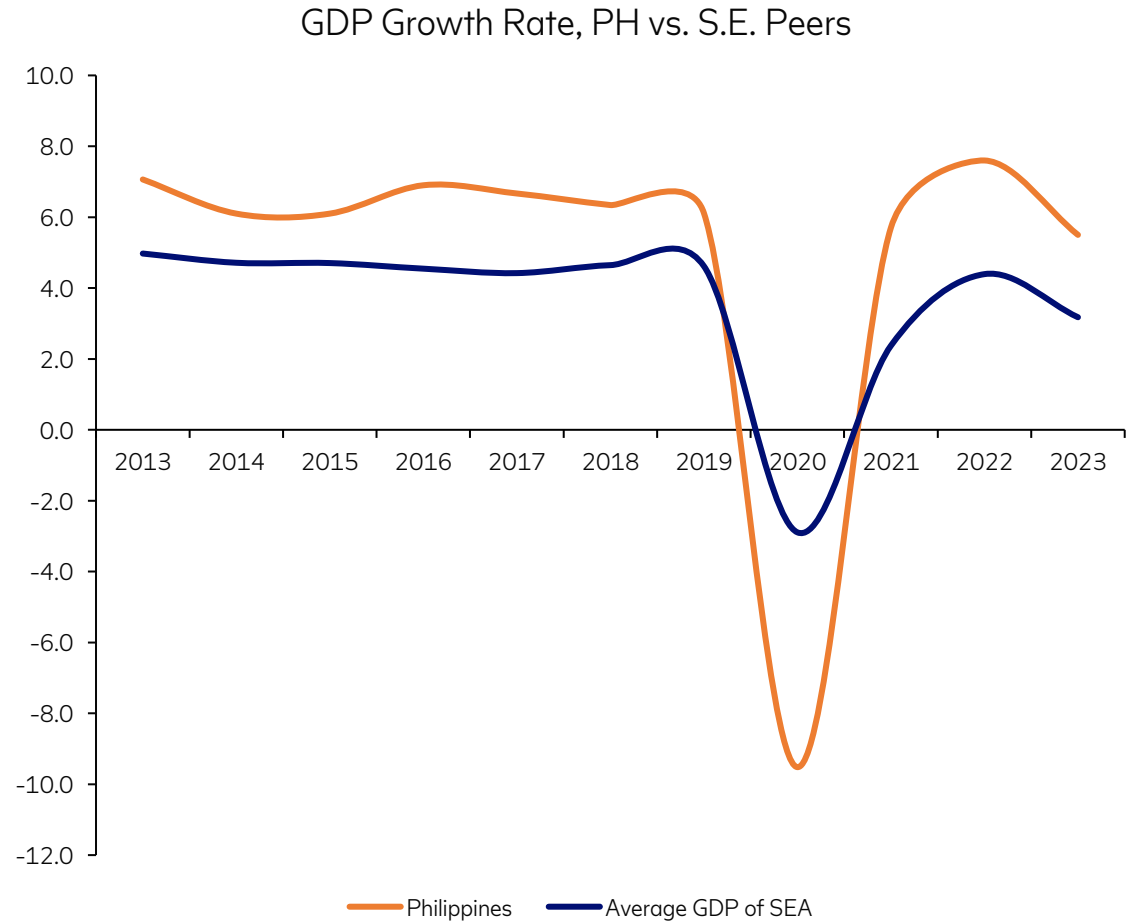


Philippine Growth Consistently Among Highest in SE Asia

GDP growth consistently 4.5% - 7.0%



GDP growth exceeds regional average



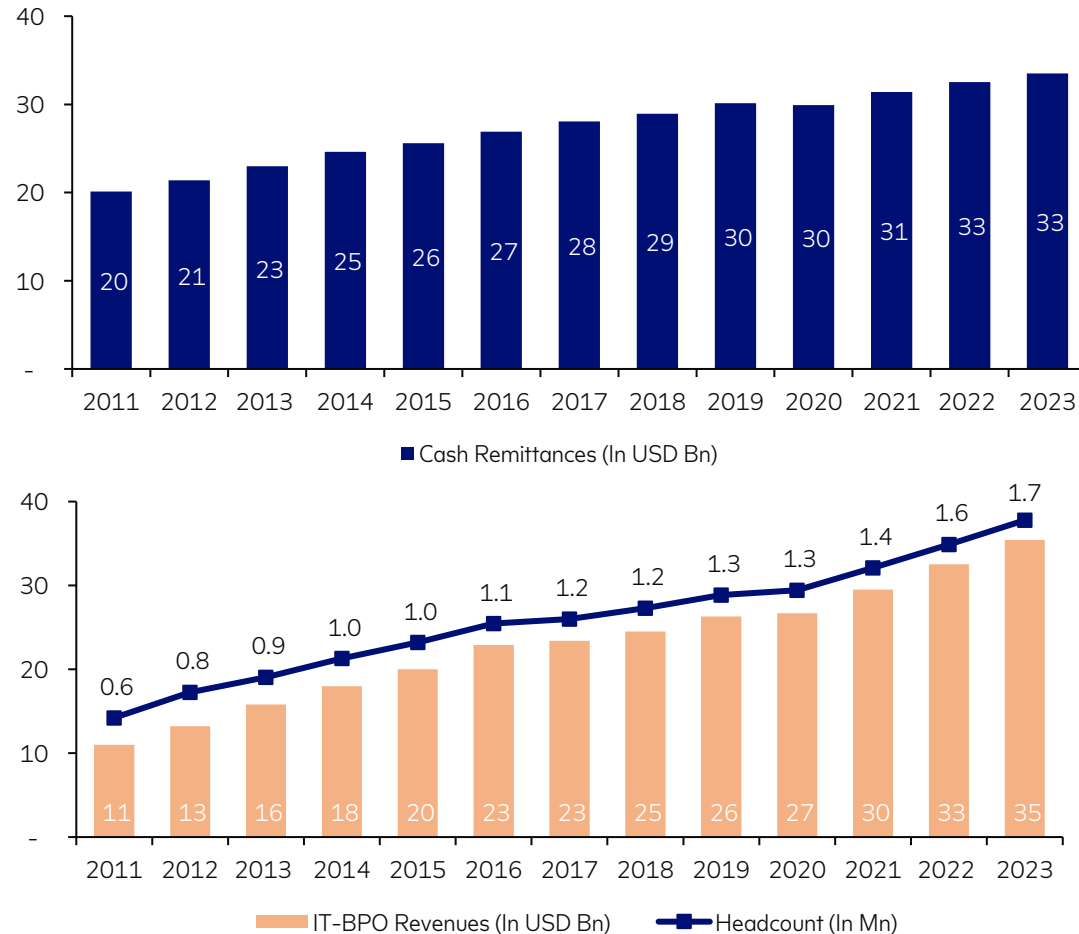
Southeast Asia: Brunei, Cambodia, Indonesia, Laos, Malaysia, Philippines, Singapore, Thailand, Timor-Leste, Vietnam

Source: PSA, BSP, Bloomberg, World Bank and ADB

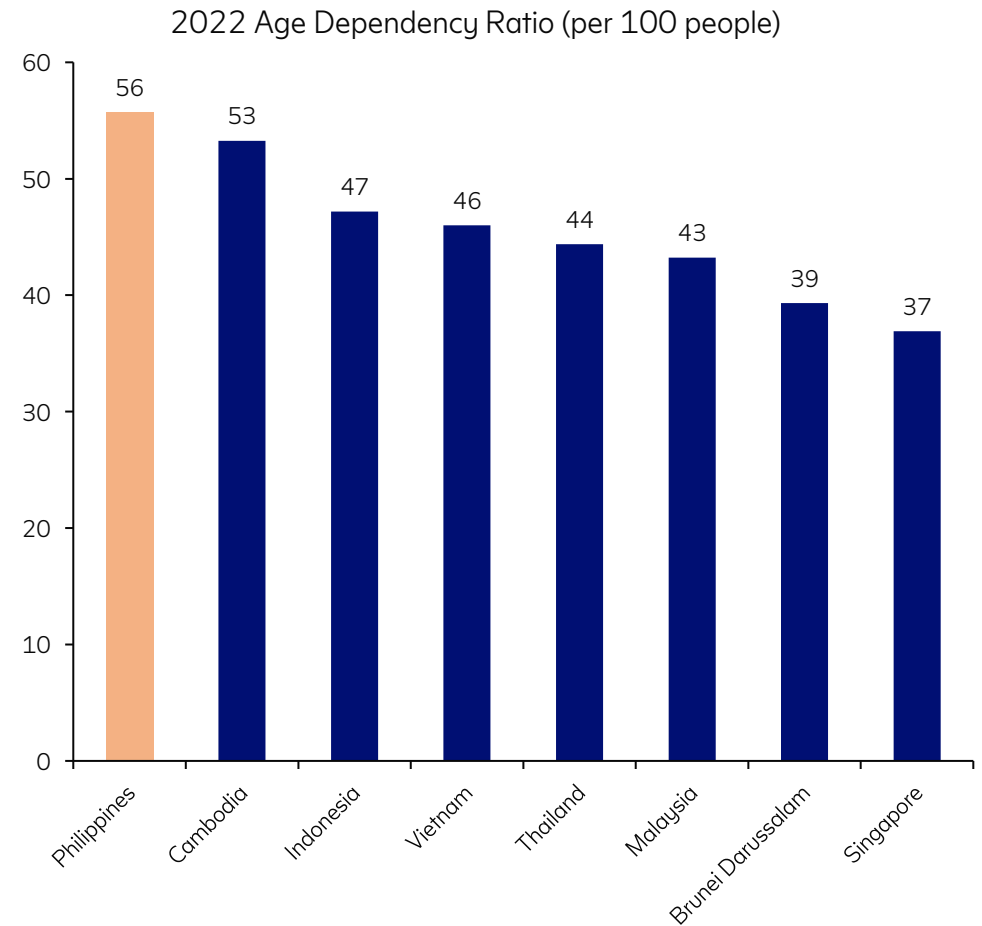


Long Term Economic Growth Drivers

OFW Remittances & IT BPO revenues continue to grow



Highest % of population in the workforce in ASEAN (Average Age 26, Unemployment 3.9%)



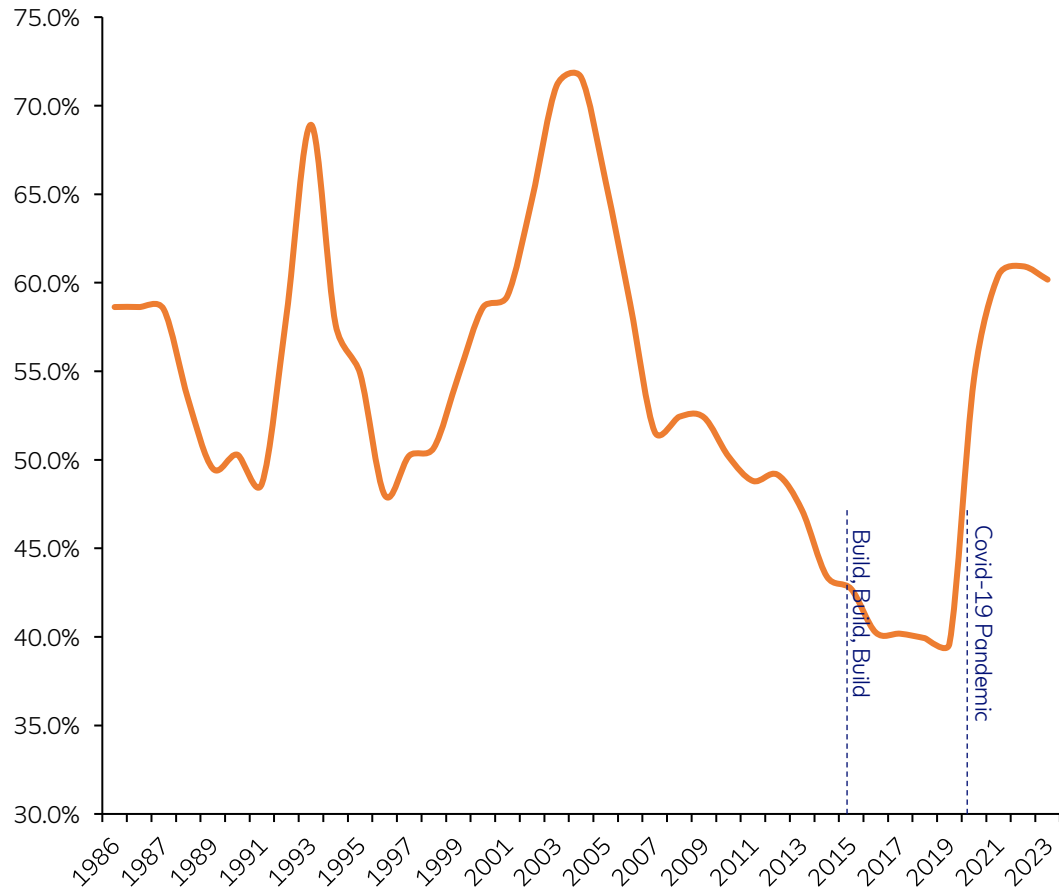
Source: PSA, BSP, Bloomberg, World Bank and BPAP



Conservative Debt Levels

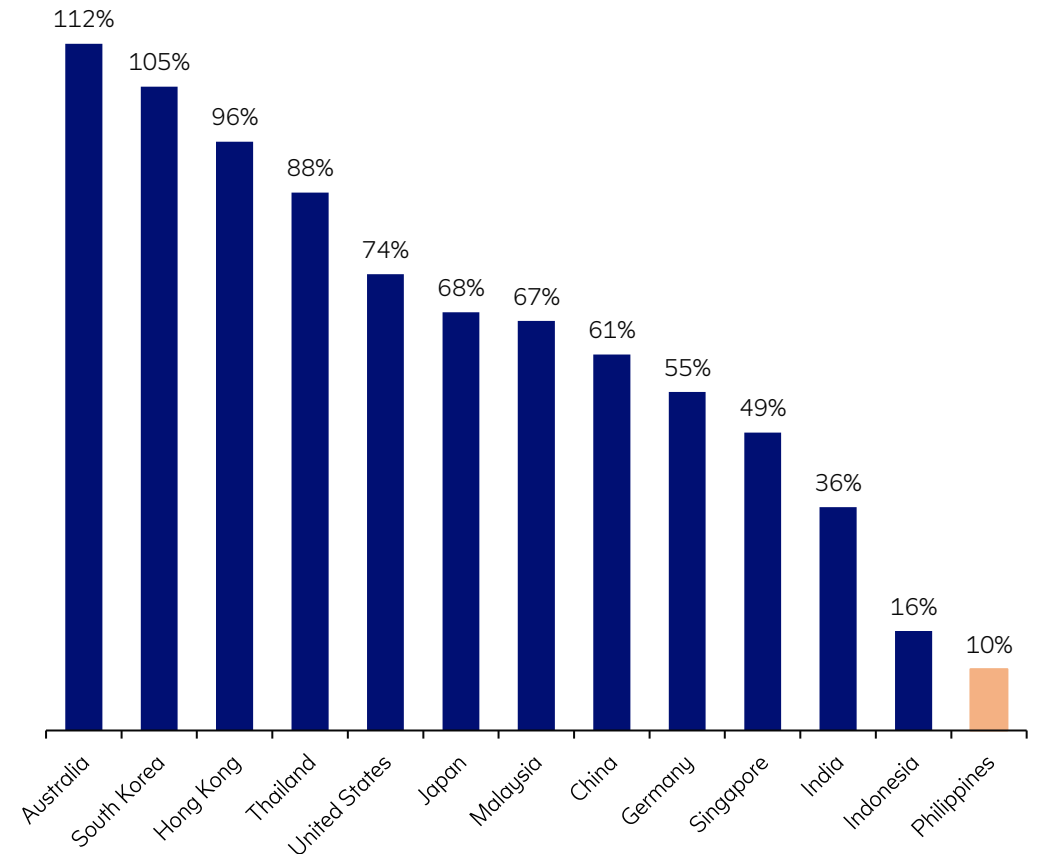
Low Government Debt-to-GDP

Debt-to-GDP Ratio



Low Household Debt

Household Debt-to-GDP Ratio

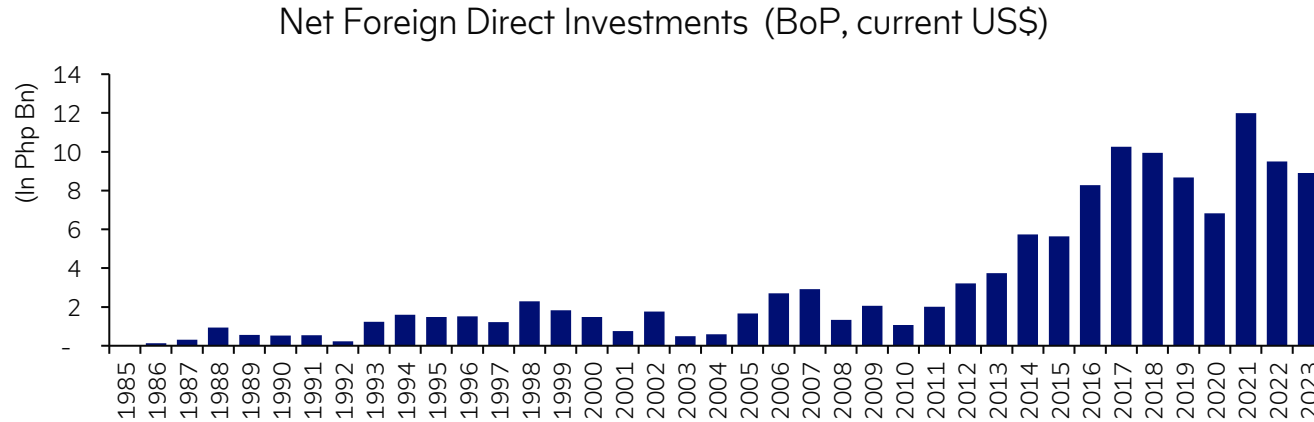


Source: PSA, BSP, Bloomberg, Trading Economics and CEIC

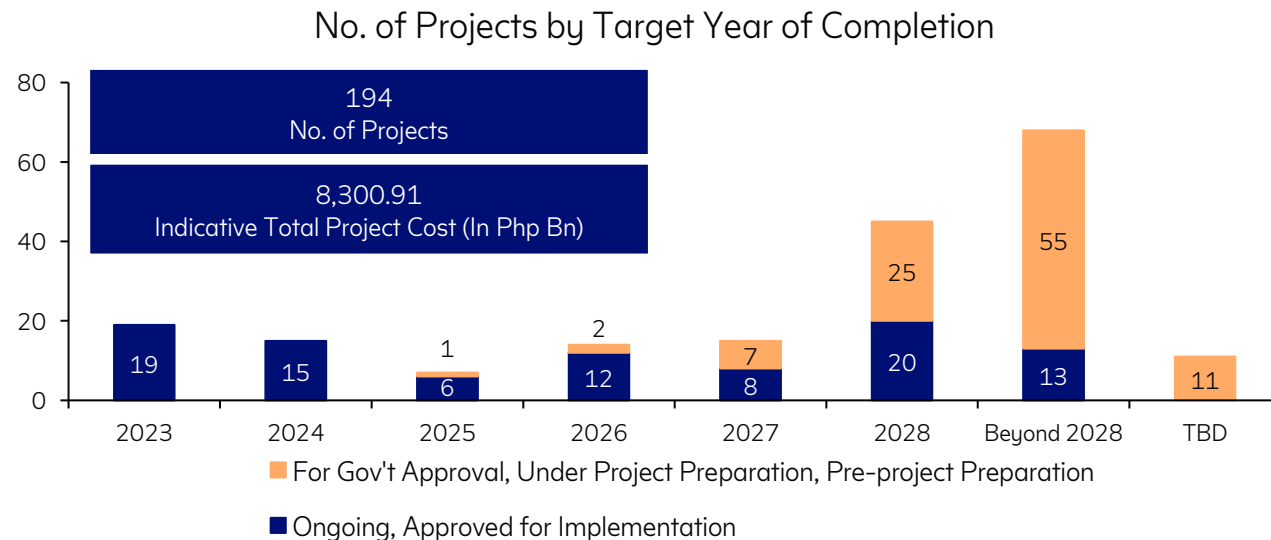


Growing Infrastructure Spending and Record Level FDIs

Rising FDIs



Strong Pipeline for Infrastructure Projects



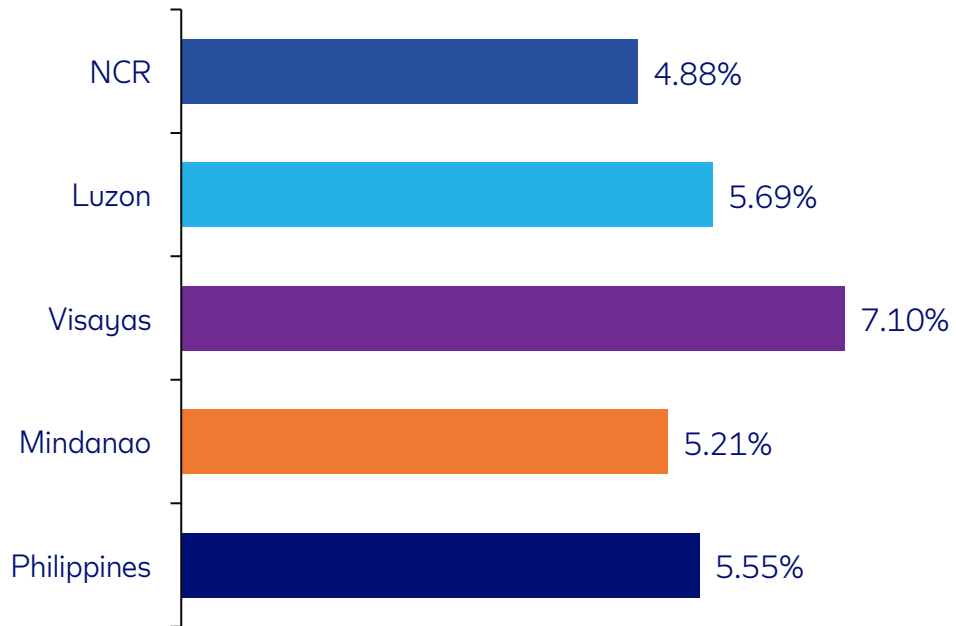
Sectors

	Physical Connectivity	134
	Water Resources	29
	Agriculture	9
	Health	5
	Digital Connectivity	3
	Power and Energy	1
	Education	1
	Other Infra	4

Government Spending Supports Regional Growth

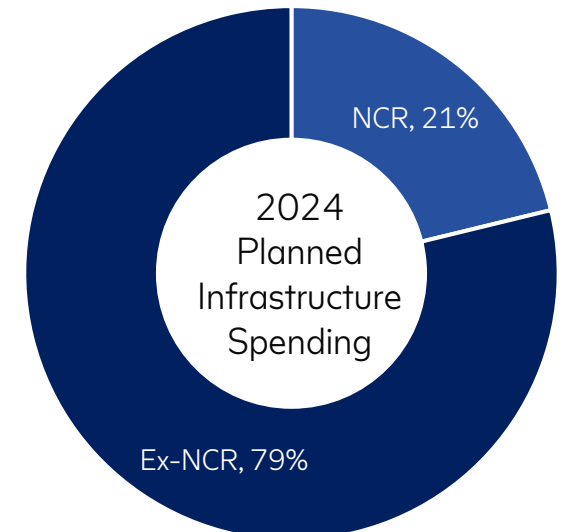
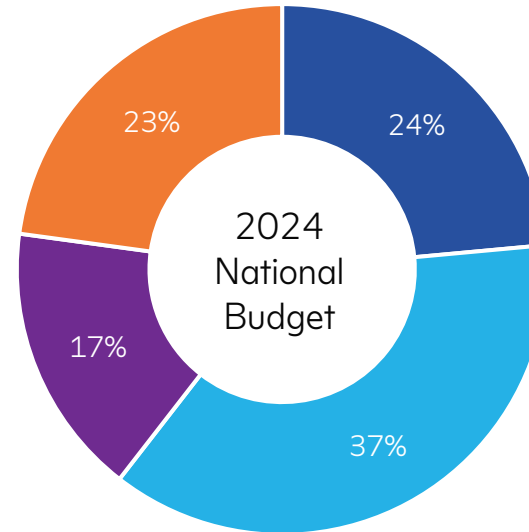
Economic growth faster outside the NCR

2023 Regional GDP Growth



Source: PSA, NEDA and BSP

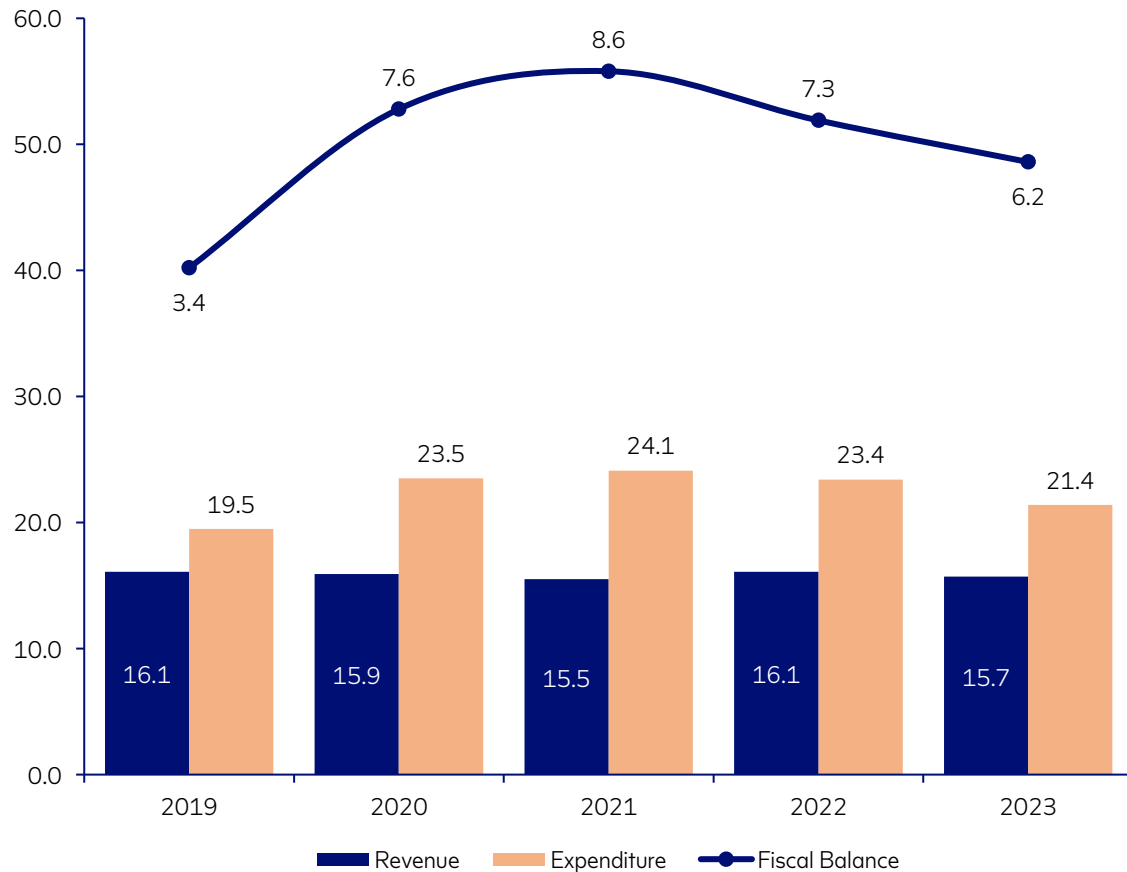
Budget and plans skewed toward provincial development



Government Balance Sheet Improving

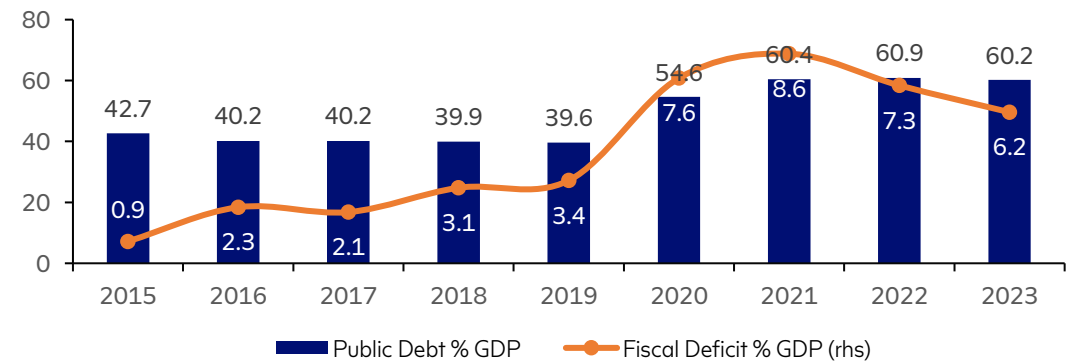
Fiscal Position Recovery Underway

Revenues, Expenditure and Fiscal Balance (as % of GDP)

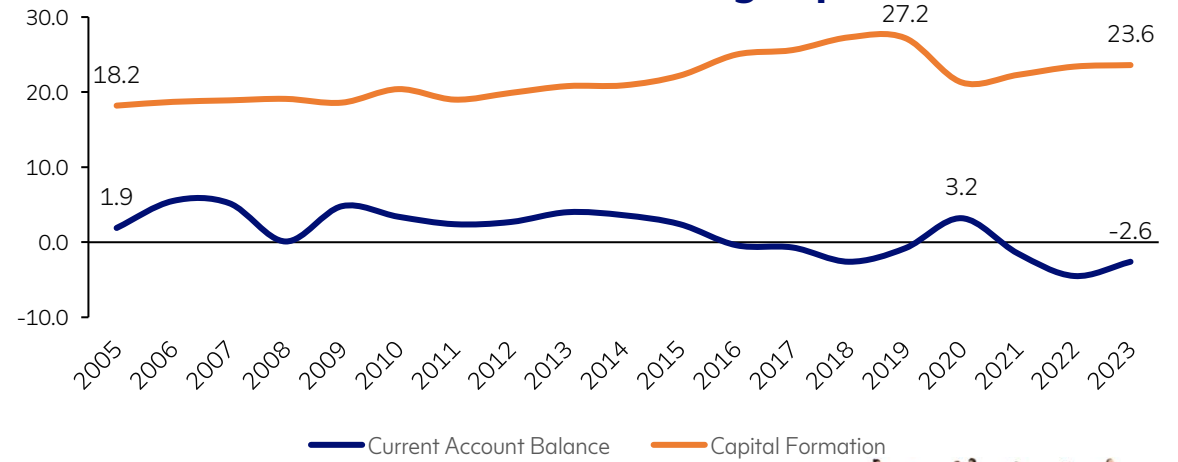


Public debt, fiscal deficit temporarily rose during the pandemic

Public Debt, fiscal deficit rose during the pandemic



Current account deficit driven by capital formation



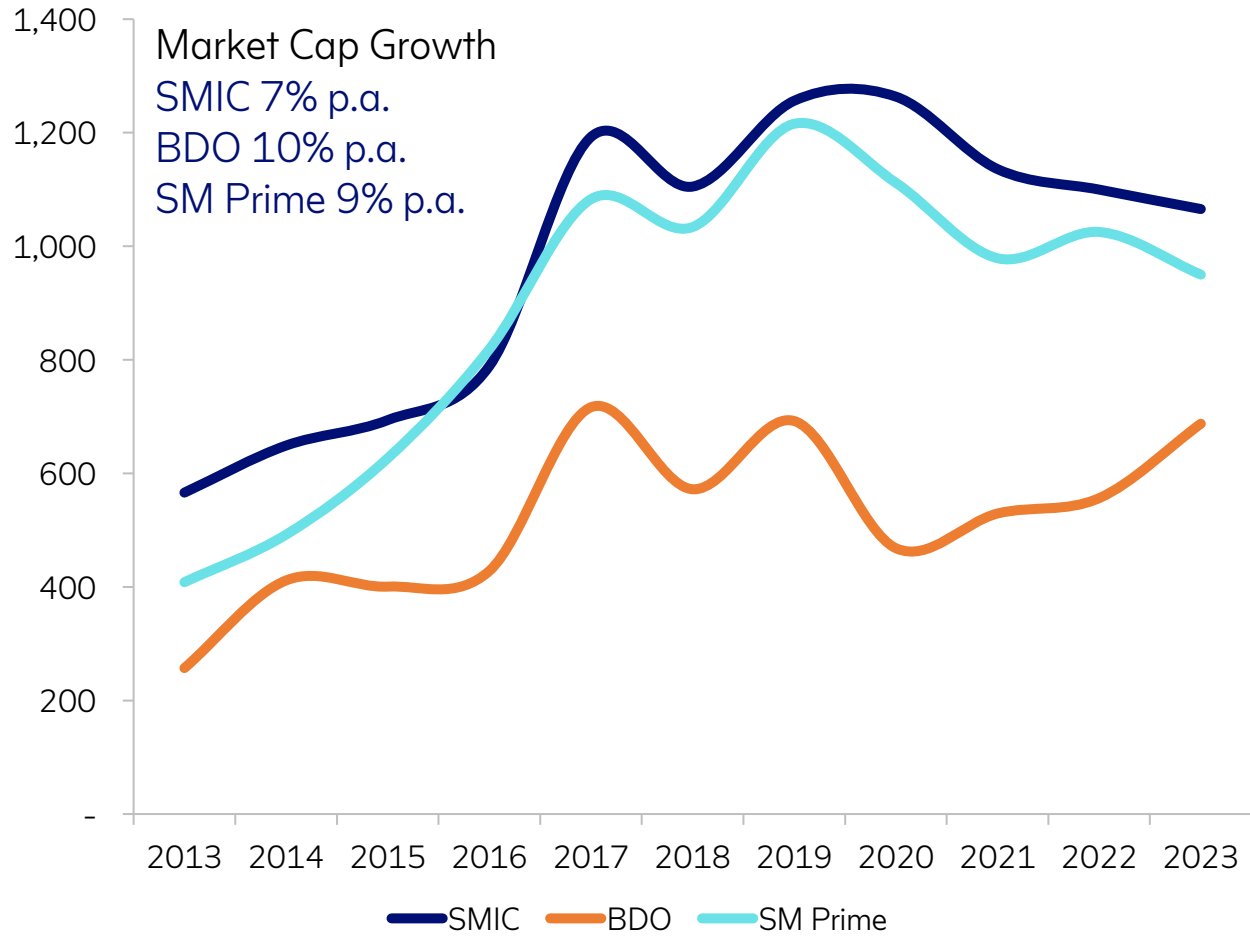
Source: PSA, BTr, BSP, Bloomberg, World Bank and ADB



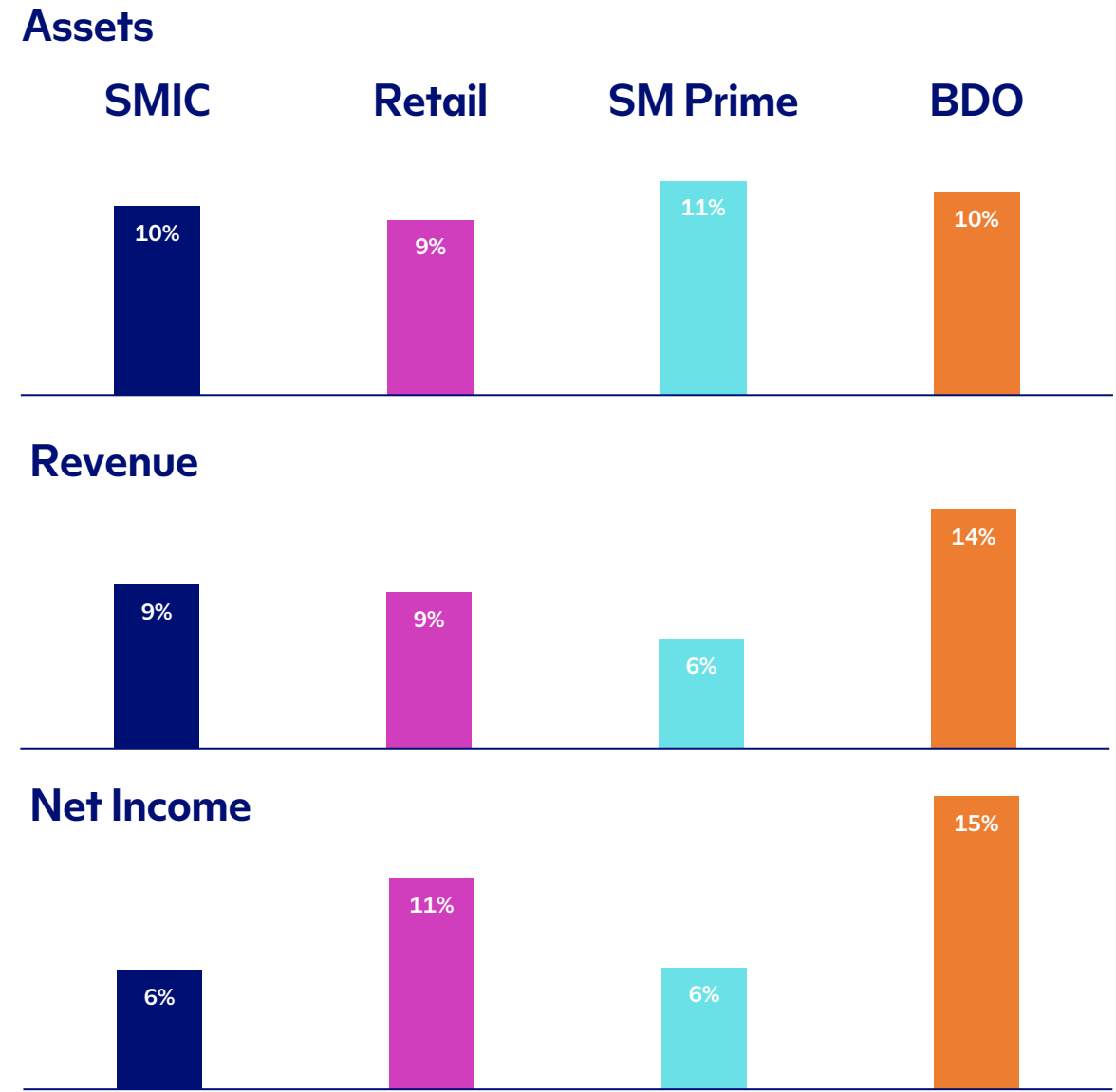
Annex

- 51 SMIC 10-Year Performance
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 - Portfolio Investments
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 - Retail
 - BDO
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SM INVESTMENTS' 10-Year Performance



Growth rates expressed in CAGR



Growth rates expressed in CAGR



SM INVESTMENTS

9M 2024 Consolidated Results

In PHP Billion

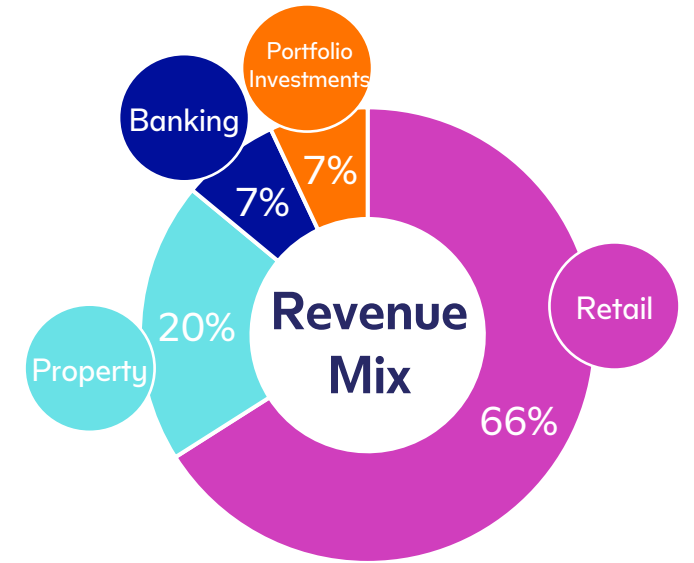
Particulars	9M 2024	9M 2023	% Chg	FY 2023	FY 2022	FY 2021
Revenue	462.5	440.4	5%	616.3	553.8	432.4
Net Income to Parent	60.9	55.9	9%	77.0	61.7	40.4
Net Margin (inc-NCI)	18.3%	17.4%	-	17.2%	17.2%	15.6%
Return on Equity	14.3%	14.5%	-	14.5%	13.1%	-

Total Capital	9M 2024	FY 2023	% Chg	FY 2022	FY 2021
Counterpart investments	105.6	124.6	-15%	137.5	91.8
Net Debt	396.9	377.1	5%	368.2	380.7
Equity attrib to Parent	610.6	556.6	10%	496.9	447.6
Net Debt:Equity	33 : 67	33 : 67	-	35 : 65	38 : 62

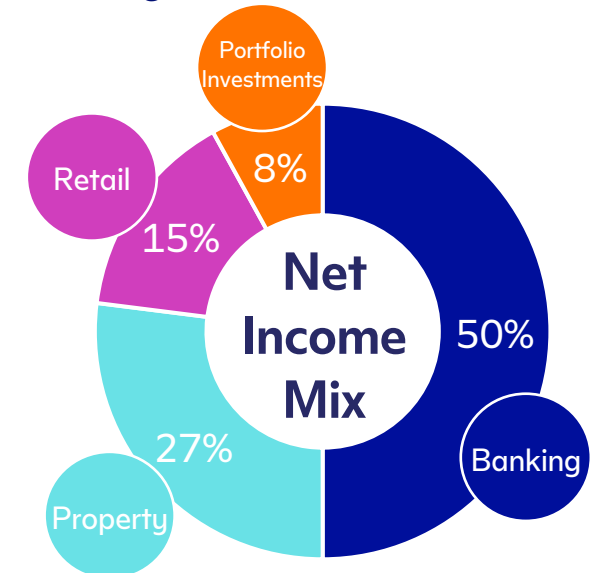
SMIC Parent Debt

Net Debt to Equity	32 : 68	Average Cost of Debt	5.15%
Peso-Foreign Currency Mix	61 : 39	Average Debt Tenure	4.82 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



SMPRIME

9M 2024 Results

In PHP Billion

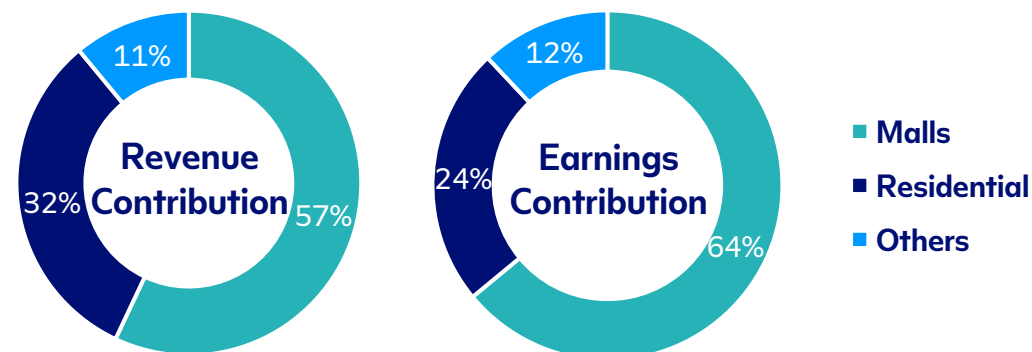
Consolidated	9M 2024	9M 2023	%Chg
Revenues	99.8	92.6	8%
Net Income	33.9	30.1	12%
Operating Income	47.7	44.5	7%
Return on Equity	11%	11%	-

Philippine Malls	9M 2024	9M 2023	% Chg
Revenues	51.5	47.9	8%
Operating Income	28.3	26.0	9%
EBITDA	35.0	32.3	8%
<i>EBITDA margin</i>	69%	69%	-

China Malls (In RMB Bn)	9M 2024	9M 2023	% Chg
Revenues	0.64	0.61	6%
Operating Income	0.252	0.259	-3%

Residences	9M 2024	9M 2023	% Chg
Revenues	32.3	30.1	7%
Operating Income	13.2	12.4	6%
EBITDA	13.2	12.5	6%
<i>EBITDA margin</i>	41%	41%	-

Other Businesses	9M 2024	9M 2023	% Chg
Revenues	11.0	9.9	11%
Operating Income	4.7	4.5	5%
EBITDA	6.7	6.2	9%
<i>EBITDA margin</i>	61%	62%	-



SMRETAIL Consolidated

Financials	9M 2024	9M 2023	Chg
Revenue	301.8	289.9	4%
SSSG	0.6%	9.0%	
EBIT Margin	6.5%	7.4%	
Net Income	12.8	13.7	-7%

Figures in PHP B except percentages

Profile	9M 2024	FY 2023	Chg
Store Count	4,344	3,853	13%
Selling Area	3.44	3.36	2%

Gross Selling Area in M sqm.

- Store expansion and volume growth drove Food revenues higher by 7%
- SM Store margins normalized, remain higher than pre-pandemic
- Specialty store growth strong in Health & Beauty and Fashion
- 85% of store openings outside Metro Manila

SMRETAIL – The SMSTORE

Financials	9M 2024	9M 2023	Chg
Revenue	75.3	76.6	-2%
SSSG	-3.3%	18.4%	
EBIT Margin	3.6%	4.8%	
Net Income	1.9	2.7	-27%

Figures in PHP B except percentages

Profile	9M 2024	FY 2023	Chg
Store Count	75	74	1%
Selling Area	0.90	0.89	1%

Gross Selling Area in M sqm.

- Margins normalized, remain above pre-pandemic levels
- Health & Beauty remains strong

SMRETAIL – Food Group

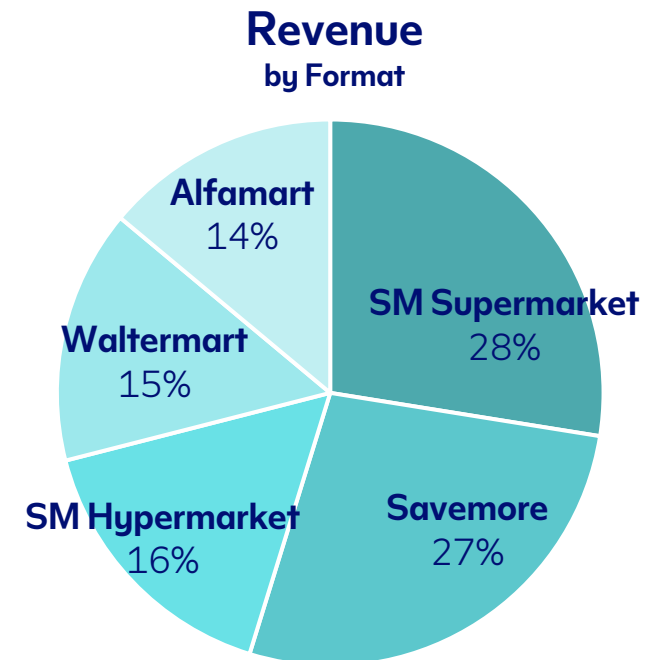
Financials	9M 2024	9M 2023	Chg
Revenue	179.5	167.4	7%
SSSG	3.2%	5.1%	
EBIT Margin	5.9%	6.4%	
Net Income	7.5	7.4	1%

Figures in PHP B except percentages

Profile	9M 2024	FY 2023	Chg
Store Count	2,445	2,119	15%
Selling Area	1.86	1.80	3%

Gross Selling Area in M sqm.

- Expansion and volume growth in Food
- Alfamart opened 341 stores YTD, opened 2,000th store in 3Q



SMRETAIL – Specialty

Financials	9M 2024	9M 2023	Chg
Revenue	66.5	65.9	1%
SSSG	-1.6%	9.2%	
EBIT Margin	10.0%	11.0%	
Net Income	5.0	5.3	-6%

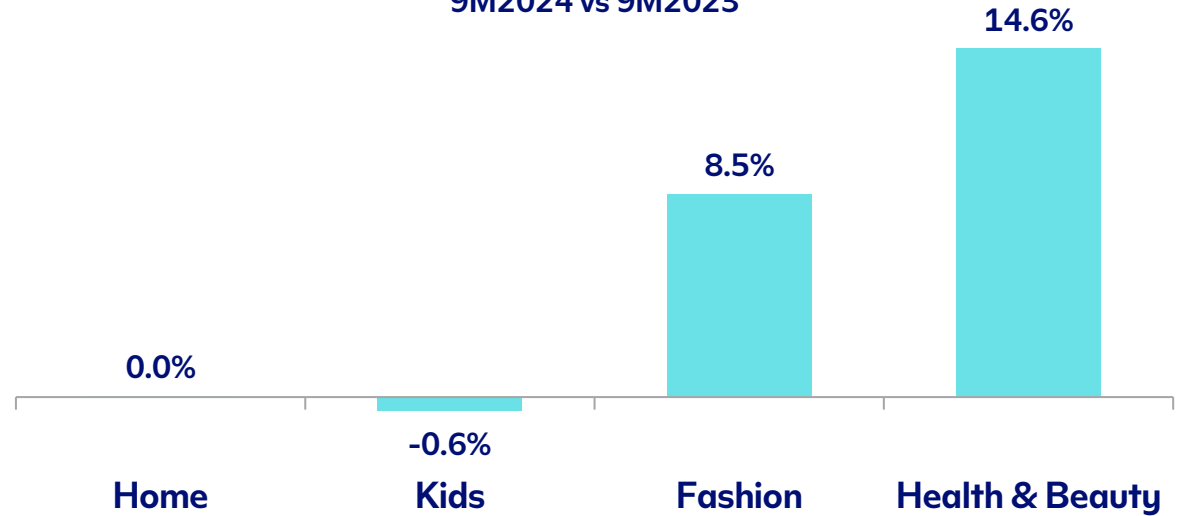
Figures in PHP B except percentages

Profile	9M 2024	FY 2023	Chg
Store Count	1,824	1,660	10%
Selling Area	0.67	0.66	3%

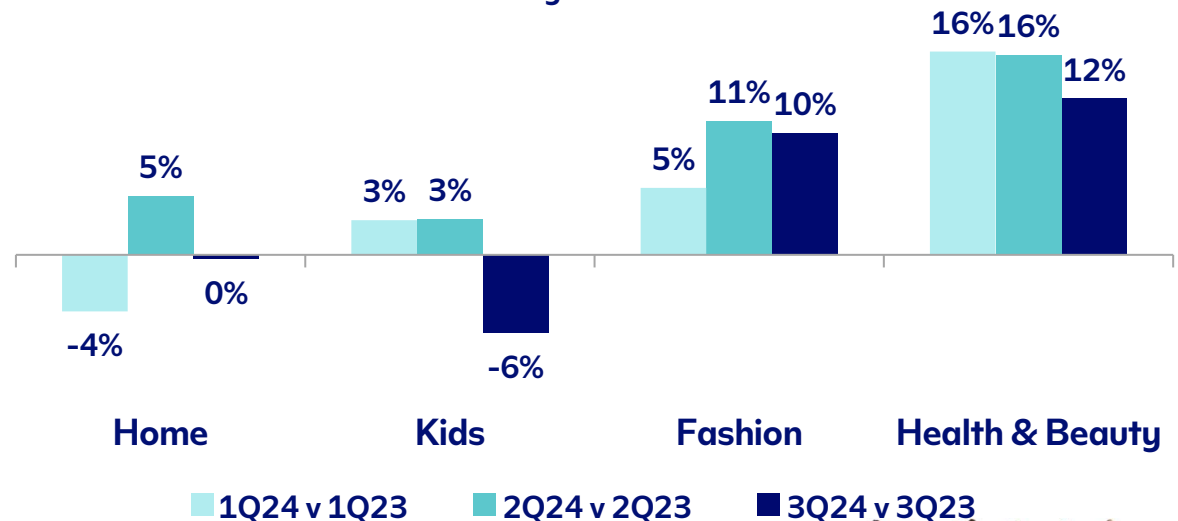
Gross Selling Area in M sqm.

- Health & Beauty, Fashion leading

Revenue Change
9M2024 vs 9M2023



Revenue
by Trends





Financial Highlights

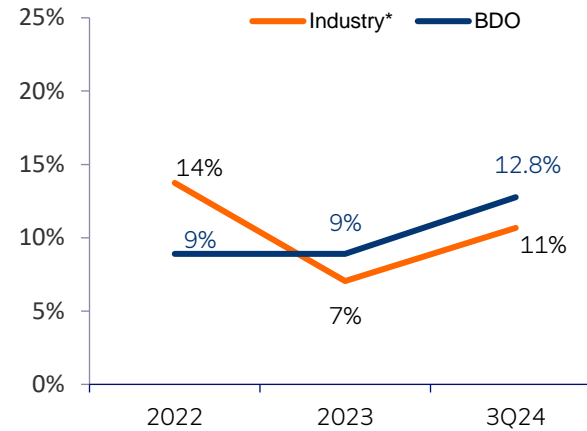
(In PHP Bn)

	9M 2024	9M 2023	% Chg
Net Interest Income	138.3	127.2	8.7%
Non-Interest Inc.	55.3	47.6	16.1%
Net Income ¹	60.6	53.9	12.5%
Assets	4,802.6	4,288.3	12.0%
Deposits	3,740.1	3,408.1	9.7%
Gross Customer Loans	3,067.6	2,720.4	12.8%
Net Interest Margin	4.3%	4.4%	-
Cost to Income Ratio	55.3%	53.9%	-
Return on Ave. Common Equity ²	15.0%	15.1%	-
Gross Loans to Deposits Ratio	82.0%	79.8%	-
Gross NPL Ratio ³	1.82%	1.99%	-
Total CAR ⁴	15.2%	15.6%	-
Tier 1 Ratio	14.3%	14.7%	-
CET1	14.1%	14.5%	-

Notes:

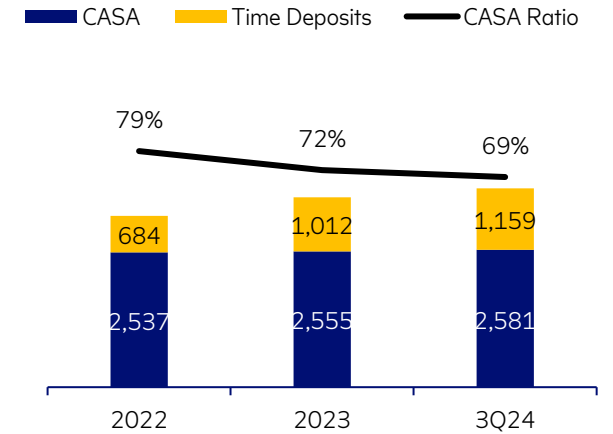
1. Excludes net income attributable to minority interest
2. Return on Ave. Common Equity, defined as annualized NI to parent shareholders less preferred dividends / ave common
3. Per BSP Circular 941
4. Per BSP, consolidated basis, as seen in the published statements of condition

Loans Growth

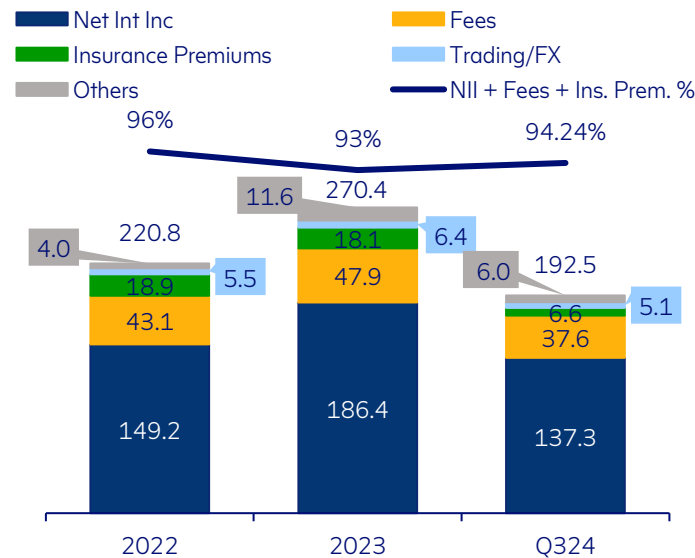


Note: U/KBs as of May 2022

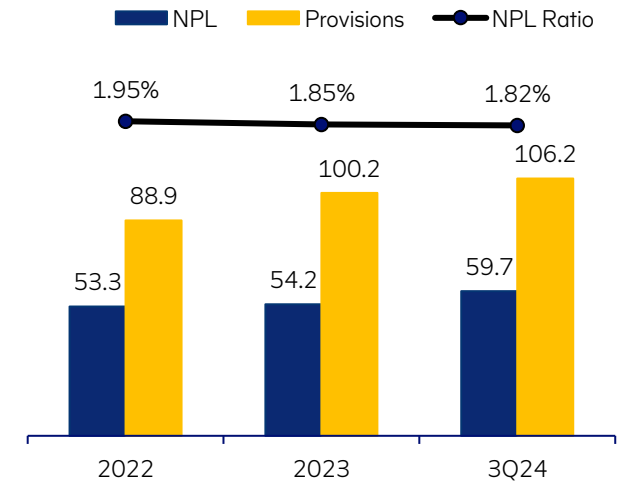
Deposits



Operating Income



Asset Quality



China Bank

Financial Highlights

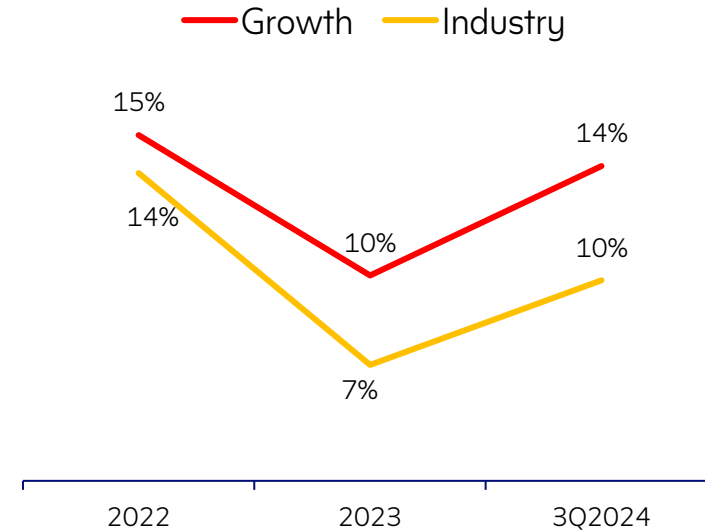
(In PHP Bn)

	9M 2024	9M 2023	% Chg
Net Interest Income	46.5	39.2	18.6%
Non-Interest Inc.	-0.1	1.4	-110.8%
Net Income ¹	18.4	16.2	13.4%
Assets	1,595.3	1,410.9	13.1%
Deposits	1,297.7	1,144.8	13.3%
Gross Customer Loans	872.0	765.0	14.0%
Net Interest Margin	4.4%	4.2%	-
Cost to Income Ratio	52.0%	46.0%	-
Return on Ave. Common Equity ²	15.7%	15.6%	-
Gross Loans to Deposits Ratio	67.2%	66.8%	-
Gross NPL Ratio ³	1.8%	2.2%	-
Total CAR ⁴	0.0%	0.0%	-
CET 1	14.8%	14.9%	-

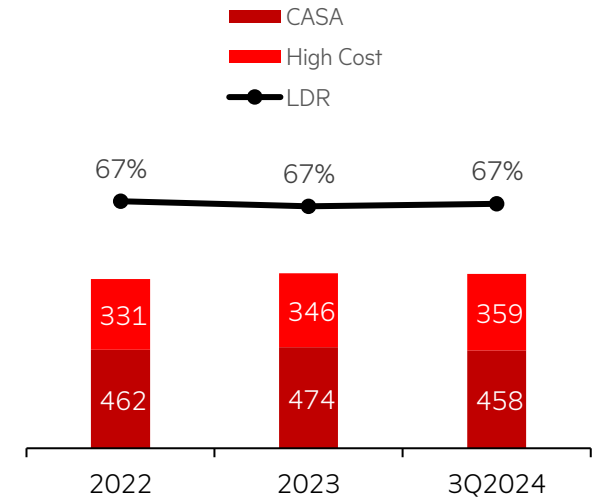
Notes:

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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

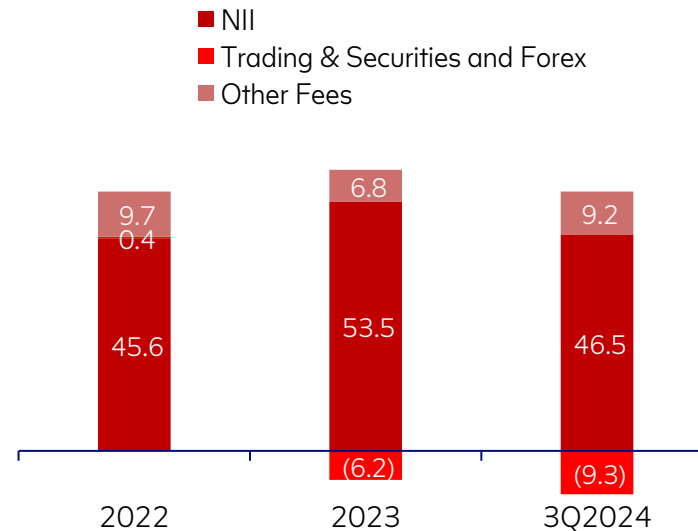
Loans Growth



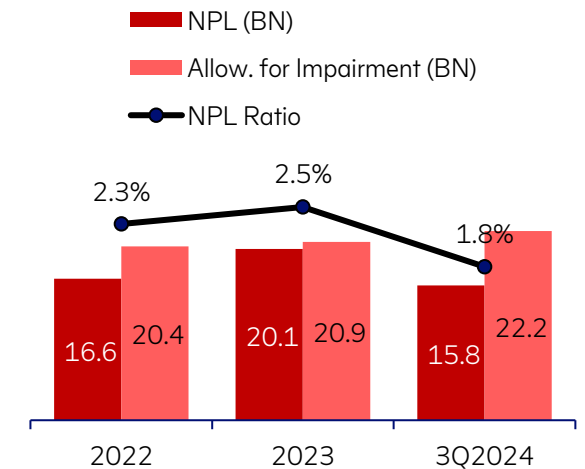
Deposits



Operating Income



Asset Quality



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

“Committed to Our Customers”, the theme of our 2023 report, emphasizes how service customers has been at the heart of our business for 65 years. We are where we are today because of them.

Our success is based on understanding out customers’ wishes and then meeting their every expectation. SM’s many stores, wide range of products and dedicated staff all strive to live up to this standard.

The report discloses our performance and actions on how we affect the daily lives of our customers. We never take our customers’ loyalty lightly. Instead, we do everything we can to earn it.



Our 2023 Integrated Report is now available for download!



Scan the QR code below and gain valuable insights into our company's performance and progress in the past year.



Committed to
Our **Customers**



SM INVESTMENTS

Contact Information and Disclaimer

Investor Relations Office

Office Number: +63 2 8857-0100
Email Address: ir@sminvestments.com
Official Facebook Account: <https://www.facebook.com/sminvestmentscorp>
Official Twitter Account: [@SM_INVESTMENTS](https://twitter.com/SM_INVESTMENTS)

PSE Ticker: SM
Bloomberg Ticker: SM PM Equity
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