



**SM** INVESTMENTS

# Investor Presentation

FY 2024



# Table of Contents

03	We are SM	50	Annex
11	Recent Developments	51	SMIC 10-Year Performance
17	Our Businesses	52	Financials
18	Retail	60	Our 2023 Integrated Report
24	Property	61	Contact Information
29	Banking		
31	Portfolio Investments		
43	Philippine Macroeconomics		



# We are SM

## Our Vision

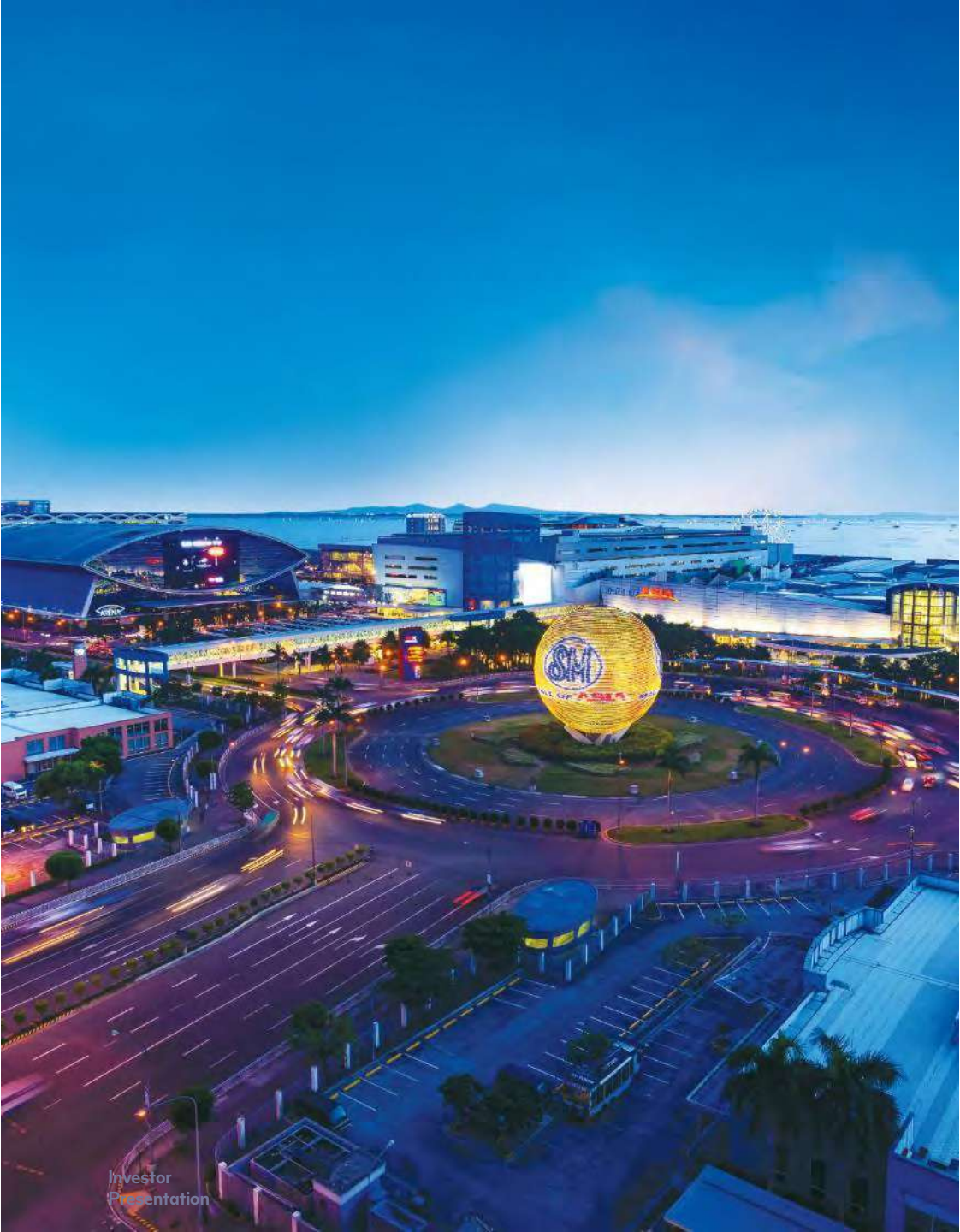
To build an ecosystem of sustainable businesses that are catalysts for responsible development in the communities we serve.

## 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

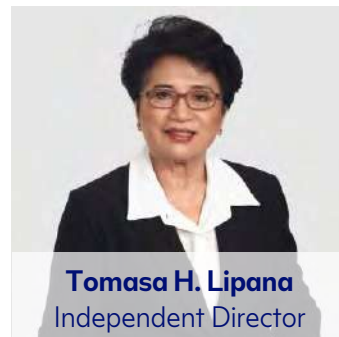
## **Business Enabler**

- 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

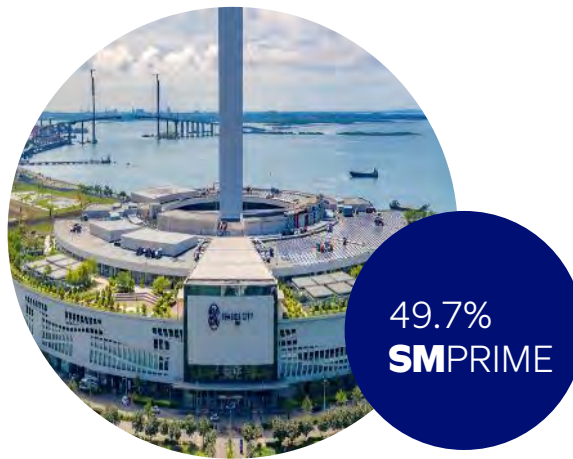
We are a purpose driven company with the fundamental belief that business growth and social development go together. To make this happen, we have established strong governance principles that ensure fairness and transparency in our dealings with third parties and protect the rights of our minority partners

# Our Businesses

## Retail



## Property



## 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



# 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	24.6
<b>SMIC</b>	<b>16.1</b>
Ayala Corp	5.9
SMC	3.5
Aboitiz Equity	3.2
DMCI	2.6
LT Group	2.2
JG Summit	2.1
GT Capital	1.9

Source: Bloomberg;  
As of February 28, 2025

## Philippine Retailers

Total Sales (\$ mn)

<b>SM Retail</b>	<b>7,277</b>
Robinsons	3,434
Puregold	2,620
<b>Philippine Retailers</b>	
Store Count	
Robinsons*	4,568
<b>SM Retail</b>	<b>4,470</b>
Puregold	581

Source: As of latest available company data  
\*Including TGP

## Philippine Banks

Total Assets (\$ bn)

<b>BDO</b>	<b>81.5</b>
LBP	59.1
MBT	58.9
BPI	55.9
<b>CBC</b>	<b>32.9</b>
RCB	24.9
SECB	22.5
PNB	20.8
UBP	19.7
DBP	16.7

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

## Property Developers

Market Cap (\$ bn)

<b>SM Prime</b>	<b>11.1</b>
Ayala Land	5.5
Robinsons Land	1.0
Megaworld	1.0
Double Dragon	0.4
Vistaland	0.3
Filinvest	0.3

Source: Bloomberg;  
As of February 28, 2025

# Our Business Footprint

## Philippines

4,470 retail outlets  
87 malls  
2,441 bank branches

### Luzon (ex-NCR)

2,927 retail outlets  
47 malls  
869 bank branches

### Metro Manila (NCR)

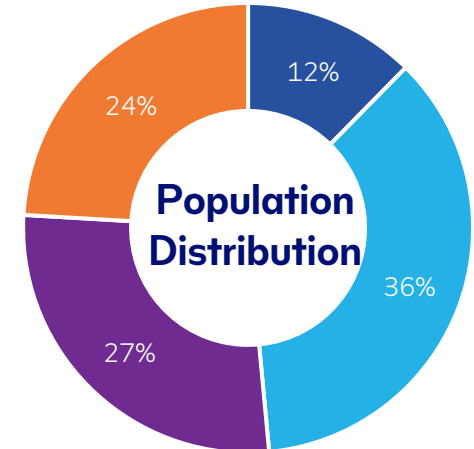
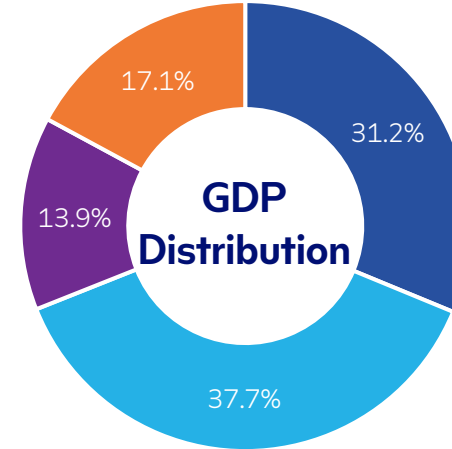
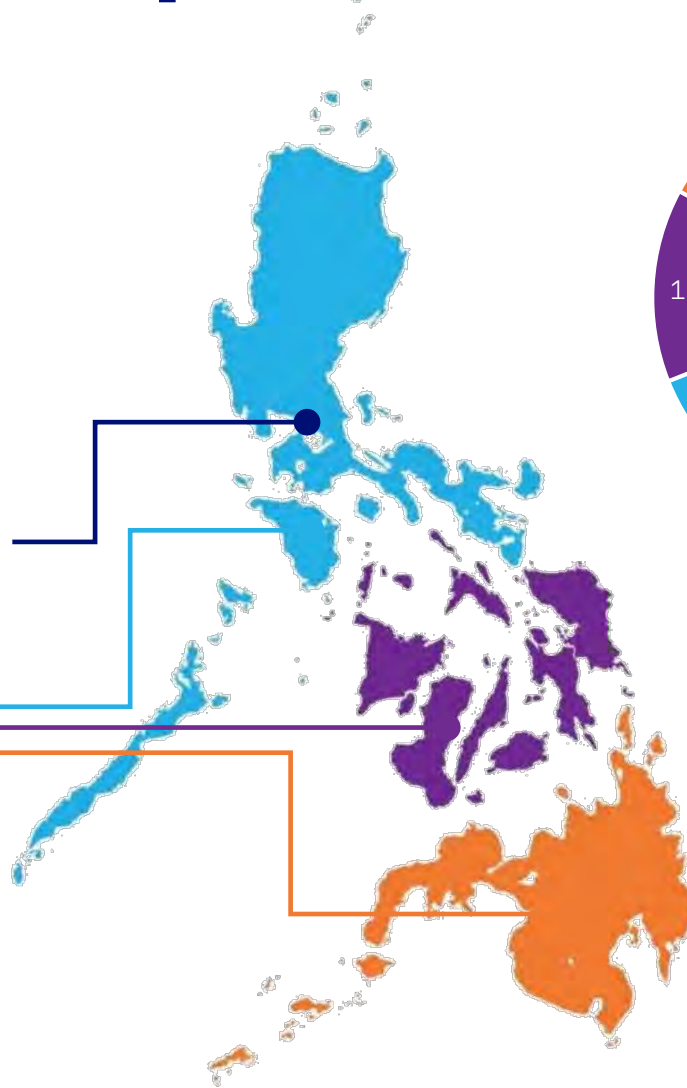
1,053 retail outlets  
25 malls  
967 bank branches

### Visayas

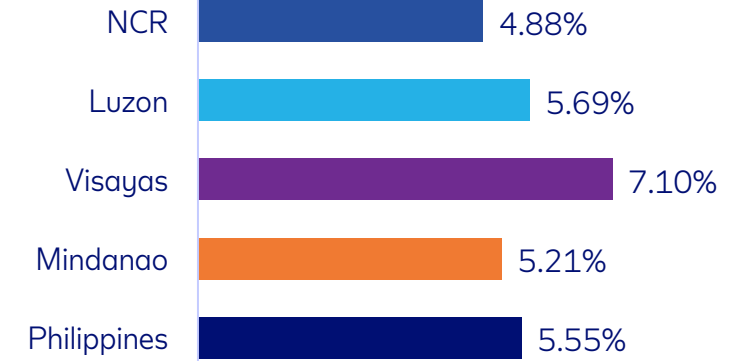
300 retail outlets  
8 malls  
316 bank branches

### Mindanao

190 retail outlets  
7 malls  
289 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

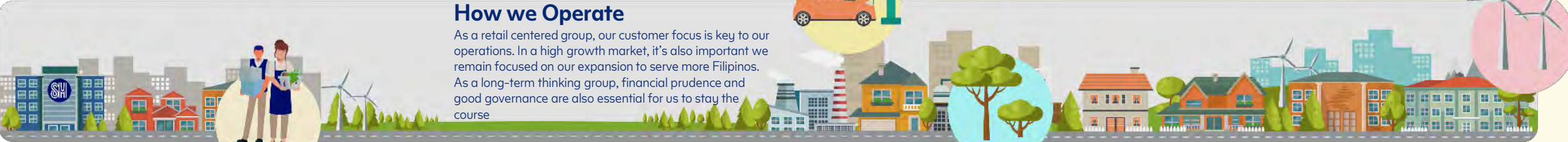
These enable our businesses to work together as an ecosystem of related activities to achieve their collective goals. This makes us quite unique

## + 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



Investor Presentation



### We Create Socio-Economic Opportunities

**140,029** Jobs Created  
**68%** Mall Tenants that are MSMEs

**PHP62.72bn** Loans Released to MSMEs  
**62% Women** Diversity

### We Facilitate Responsible Urbanization and Development

**3** Marine Protected Areas  
**42.5mn 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

- 12 FY 2024 Financial Performance
- 13 Portfolio Investments Financials
- 14 Recent Events
- 15 Together against Climate Change
- 16 BDO's Sustainable Financing
- 17 Our Businesses

Figures in PHP billion except percentages

<b>SM Investments</b>	<b>FY 2024</b>	<b>FY 2023</b>	<b>% Chg</b>
Revenues	654.8	616.3	6%
Net Income	82.6	77.0	7%
Net Margin (inc-NCI)	17.5%	17.2%	-
ROE	13.8%	14.5%	-
Net Debt:Equity	31 : 69	33 : 67	-
<b>SM Retail</b>	<b>FY 2024</b>	<b>FY 2023</b>	<b>% Chg</b>
Gross Revenues	434.5	412.9	5%
Net Income	20.9	19.9	5%
Net Margin (inc-NCI)	5.4%	5.5%	-
<b>BDO</b>	<b>FY 2024</b>	<b>FY 2023</b>	<b>% Chg</b>
Net Interest Income	186.6	172.4	8%
Non Interest Income	77.7	71.7	8%
Net Income	82.0	73.4	12%
<b>SM Prime</b>	<b>FY 2024</b>	<b>FY 2023</b>	<b>% Chg</b>
Revenues	140.4	128.1	10%
Net Income	45.6	40.0	14%
Net Margin	33.0%	30.0%	-
ROE	11.0%	9.0%	-
Net Debt:Equity	46 : 54	47 : 53	-

# Financial Performance

- **Retail:** Revenue growth across all formats, strong holiday spending in Q4, led by Food retail.
- **Banking:** Sustained contribution from its core intermediation and fee-based businesses
- **Property:** Mall revenues grew 9% driven by mall rental income higher by 8%

# Portfolio Investments Financials



PHILIPPINE GEOTHERMAL

NEO



2GO



(As of FY 2024)

	PHILIPPINE GEOTHERMAL	NEO	goldilocks	2GO	ATLAS
Revenue (Php Bn)	5.7	4.8	14.0	18.0	18.8
Revenue Change (%)	-18%	9%	2%	13%	-6%
Net Income (Php Bn)	2.9	2.3	0.8	0.8	-0.2
Net Income Change (%)	-26%	-4%	88%	-13%	-125%



# 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, 1/3<sup>rd</sup> women
- Received two awards in 2025: The Asset Triple A Award for Best Bond – Corporate and IFR Asia Country Award for Philippine Capital Market Deal of the Year
- Received 25 awards in 2024, in recognition of the company's ESG efforts and its overall performance from: TIME Magazine, Fortune SEA, IBA's Stevie®, Sustainalytics, Alpha Southeast Asia
- Issued USD500mn as first tranche of USD3bn EMTN Programme, 3.2x oversubscribed

## Retail

- Alfamart operating 2,092 stores as of FY 2024
- 618 new stores, over 84% outside of Metro Manila

## Property

- Opened SM City J Mall in Oct 2024, adding GFA of 123k sqm
- SMPH committed to Net Zero by 2040, malls power use now over 50% renewable

## Banking BDO

- Achieved record P82.0B net income in FY 2024, grew 12% YoY
- FY 2024 ROCE at 15.1%
- Improved asset quality
  - NPL ratio at 1.83%
  - NPL coverage at 145%

## China Bank

- Hit record P24.8B net income in FY 2024, up 13% YoY
- Improving metrics:
  - ROE at 15.6%
  - NPL ratio at 1.6% with coverage at 139%
- Rebranded and changed ticker from CHIB to CBC
- PSE Index inclusion as of February 3, 2025

## Portfolio Investments

- PGPC exploring 5 new geothermal areas, to add 250-450MW
- 2GO acquired 3 new ROPAX vessels, fleet at 10
- Goldilocks plans to open 70 stores
- Occupancy of NEO at 96% as of FY 2024

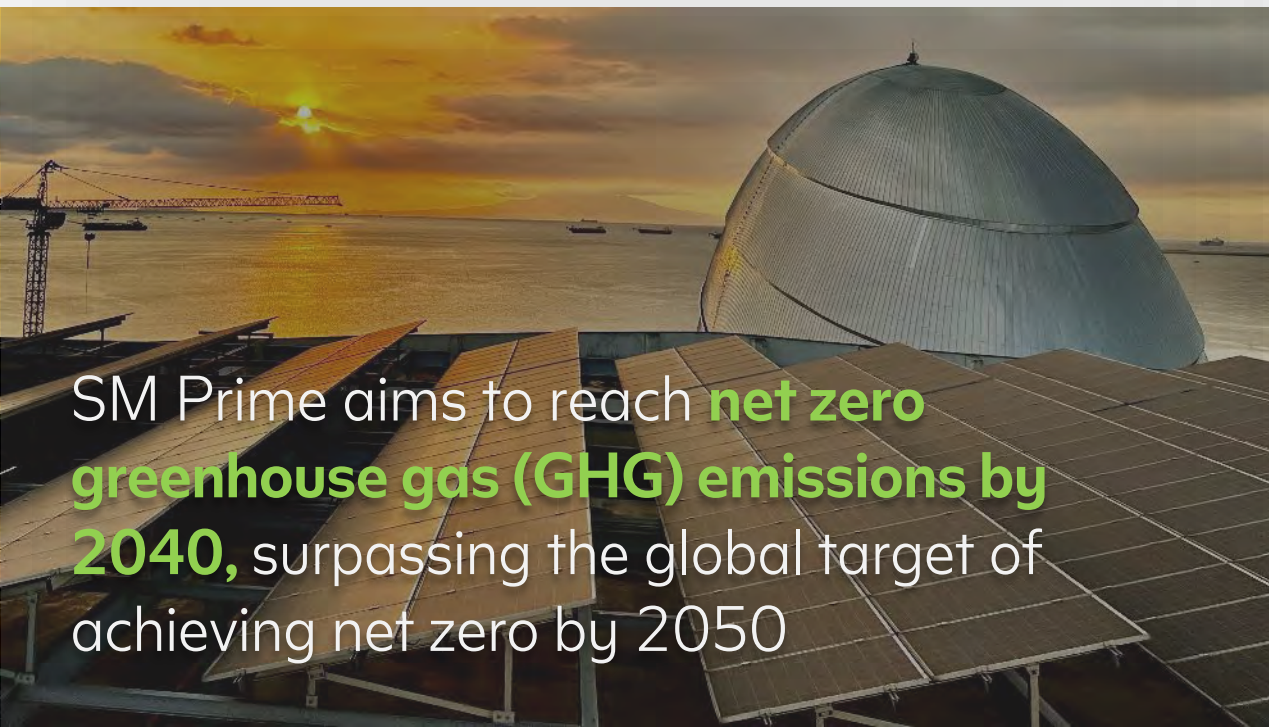
# Together against Climate Change



Leading in financing **59** renewable energy projects

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

**BDO**  
ALTERNERGY PILILLA WIND FARM  
April 1, 2015 | bongbajo@yahoo.com



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

**TCFD**

TASK FORCE ON  
CLIMATE-RELATED  
FINANCIAL  
DISCLOSURES

50 **SUSTAINABILITY & CLIMATE LEADERS**

A RACE WE CAN WIN 

**arise**   
PRIVATE SECTOR ALLIANCE FOR DISASTER RESILIENT SOCIETIES

 **UNISDR**  
The United Nations Office for Disaster Risk Reduction





# 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



Investor  
Presentation



# Our Businesses

18	Retail
24	Property
29	Banking
31	Portfolio Investments



# 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

PHP434.5bn

Revenues

PHP20.9bn

Net Income

Store Network		GSA
76	THE SM Store	905
1,868	Brand Affiliates	688
66	SM Supermarket	387
56	SM Hypermarket	342
221	Savemore	579
90	Waltermart	228
2,092	Alfamart	359
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



FOREVER 21® UNDER ARMOUR

LifeWear



SPORTS CENTRAL

SURPLUS  
GREAT FASHION FINDS

Philippine Crafts

Foot wear

KULTURA  
UNIQUELY FILIPINO

crocs™ ECCO®

## Health, Beauty and Wellness



innisfree

LANEIGE



THE BODY SHOP

watsons

## Food Retail

SM MARKETS



WalterMart



## Home and Family



ACE  
Hardware



supplies  
station inc.

dyson

SM HOME  
Crate&Barrel



# SM MARKETS

## Large



**SM HYPERMARKET**

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

Store Count, Avg. Size (sqm):

**56 Stores, 6.2k**

**~49-52k SKUs**



**SM SUPERMARKET**

**Food anchor tenant in  
SM SUPERMALLS**

**66 Stores, 5.9k**

## Medium



**Stand-alone grocery  
expanding nationwide**

Store Count, Avg. Size (sqm):

**221 Stores, 2.6k**

**~44k SKUs**



**Anchor tenant in  
WalterMart Malls**

**90 Stores, 1.8k-2.5k**

**15-20k SKUs**

## Minimarts



**Accessible and convenient  
neighborhood grocery shopping**

Store Count, Avg. Size (sqm):

**2,092 Stores, ~172**

**<5k SKUs**



# Non-Food Retail

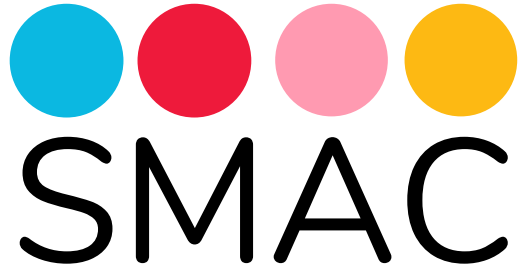
## Department Stores – The SM STORE

- 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:







# SMPRIME

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

**PHP140.4bn**

Revenues

**PHP45.6bn**

Net Income

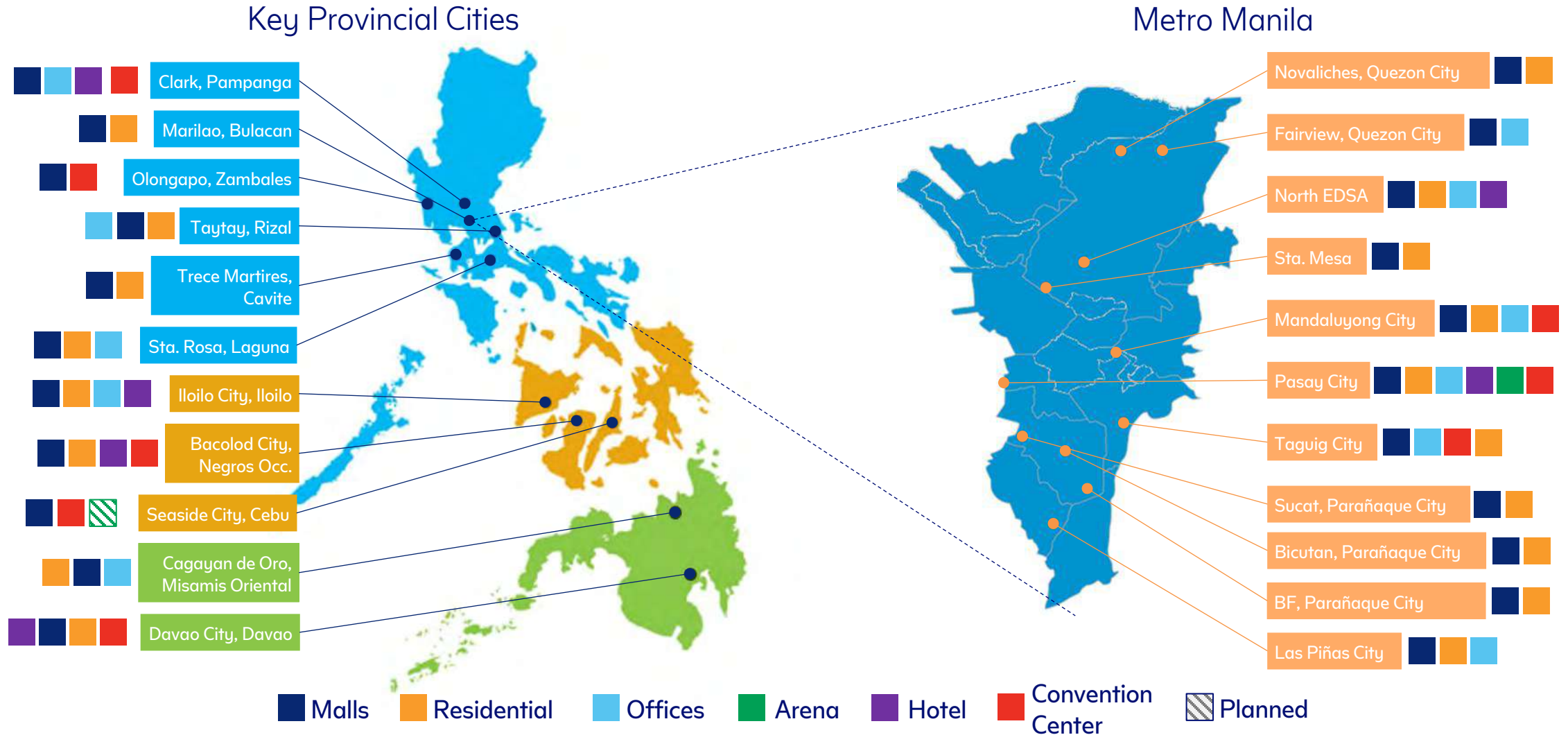
## Developments

- 22 Integrated Lifestyle Cities
- 87 Malls in the Philippines
- 8 Malls in China
- 67 Residential Projects
- 25 Leisure Homes
- 22 Office Buildings
- 10 Hotels
- 6 Convention Centers
- 2 Trade Halls
- 1 Arena



# SMPRIME Integrated Lifestyle Cities

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





# SM SUPERMALLS

## PHILIPPINES

## CHINA

87



Malls

8

9.4mn



Total GFA in SQM

1.7mn

16,600



Tenants

2,136

3.8mn



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 FY 2024)

SMDC Projects to date	67 (47 in NCR)
Inventory (Unsold Units)	26,238
Estimated Inventory Value	P163.69bn
FY 2024 Reservation Sales (Value)	P55.39bn
FY 2024 CAPEX	P21.03bn

## 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

**PHP186.6bn**

Net Interest Income

**PHP77.7bn**

Non-Interest Income

**PHP82.0bn**

Net Income

**1,791**

Branches in the Philippines

**2**

Foreign branches

**5,815**

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

**PHP63.5bn**

Net Interest Income

**650**

Branches

**PHP2.0bn**

Non-Interest Income

**1,081**

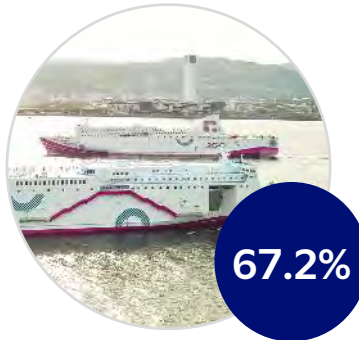
ATMs

**PHP24.8bn**

Net Income

# Portfolio Investments

**2GO Group**



67.2%

**Airspeed**



51%

**Atlas Mining**



34.1%

**Belle Corp.**



26.6%

**MyTown**



71.3%

**Neo Group**



95%

**Philippine Geothermal**



100%

**Goldilocks**



64.1%

# Portfolio Investments Strategy

**SM**INVESTMENTS 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



## 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

**15,000+**

TEU Containers

**690**

Reefers avg. age 5 years

**150**

ISO tanks avg. age 7 years

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

**33,000+**

Serviced Barangays

**3,000+** Retail Network

**85,000+**

Daily Express  
Parcels and Documents

**400+ tons**

Monthly Air Cargo

## Warehouse, Crossdock, and Trucking Direct to Stores

Nationwide  
Warehouse  
Coverage

Case pick  
and piece  
pick  
capability

LTL and FTL  
trucking  
services



# 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

<b>Operating Information</b>	<b>9M 2024</b>
------------------------------	----------------

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 50 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
- 70 planned store openings



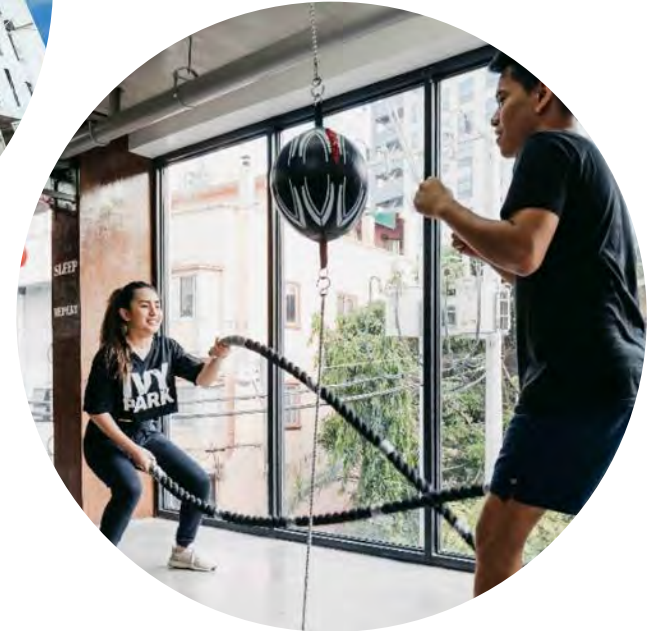
# MyTown (PULS)

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



*MyTown,  
Amsterdam  
Makati City*





*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

- The first commercial property portfolio in the world that is certified **net zero carbon** with the International Finance Corporation's EDGE Advanced and EDGE Zero Carbon certifications.



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>

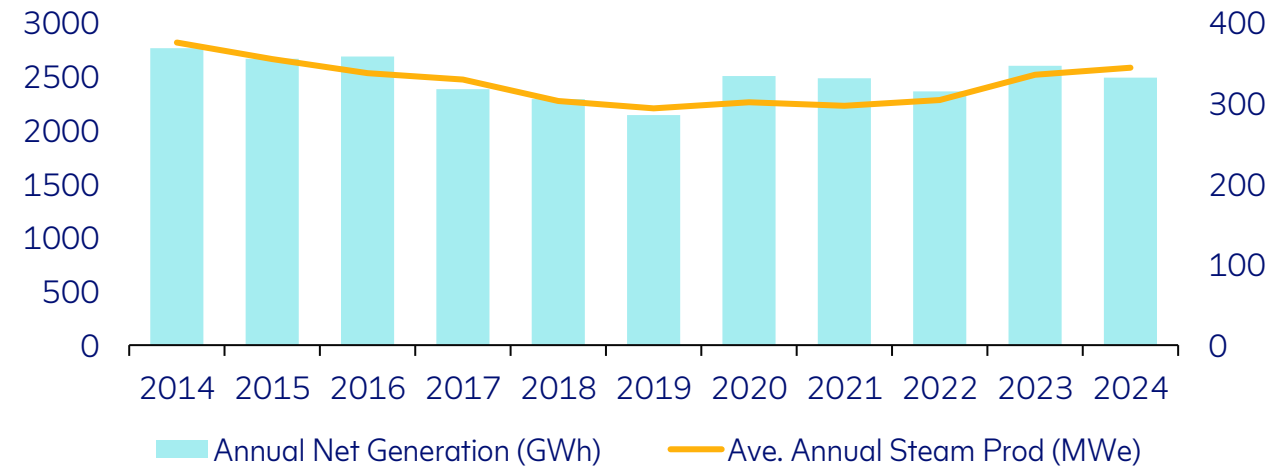


# Philippine Geothermal Production Company (PGPC)

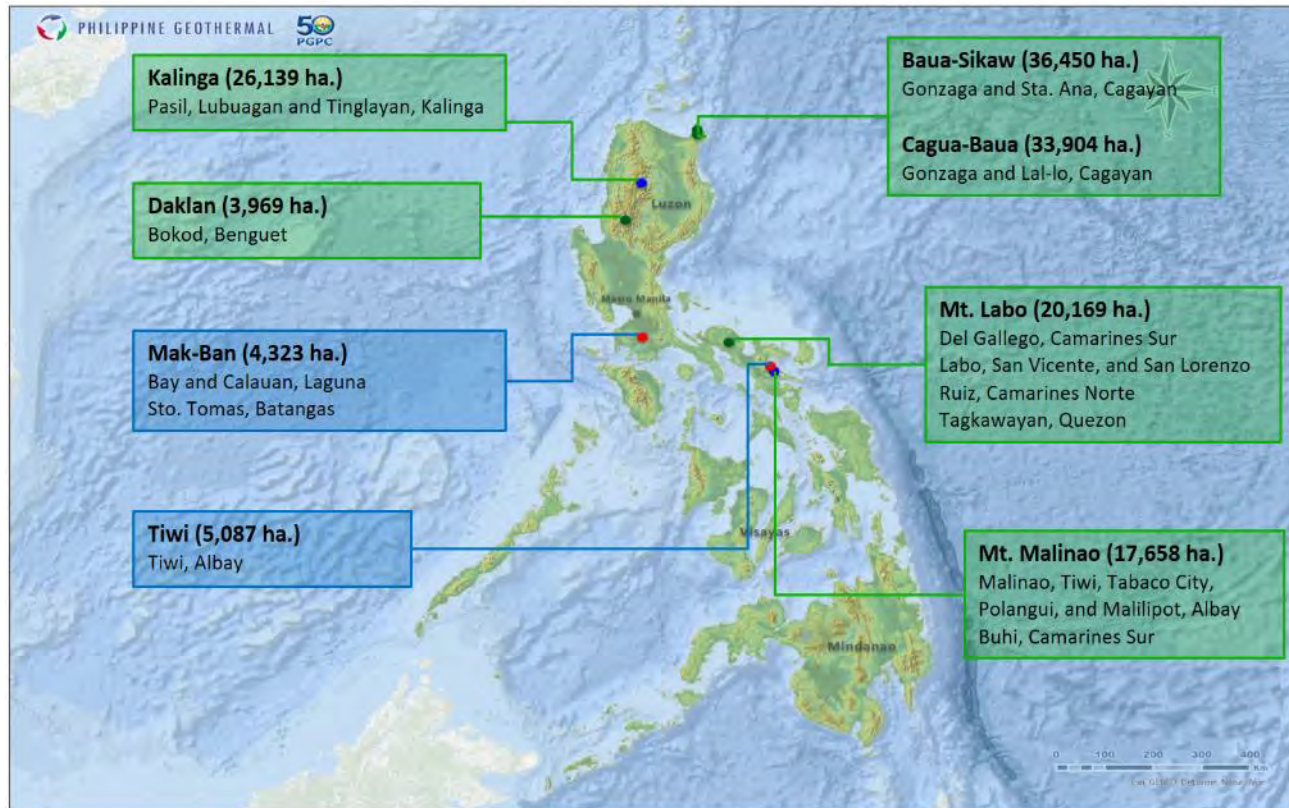


PGPC operates the Tiwi and Mak-Ban steam fields, in operation since 1979 and has the rights until 2038, generating geothermal steam sufficient to produce c.300MW of electricity. PGPC also has several other greenfield concession areas for geothermal steam development

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

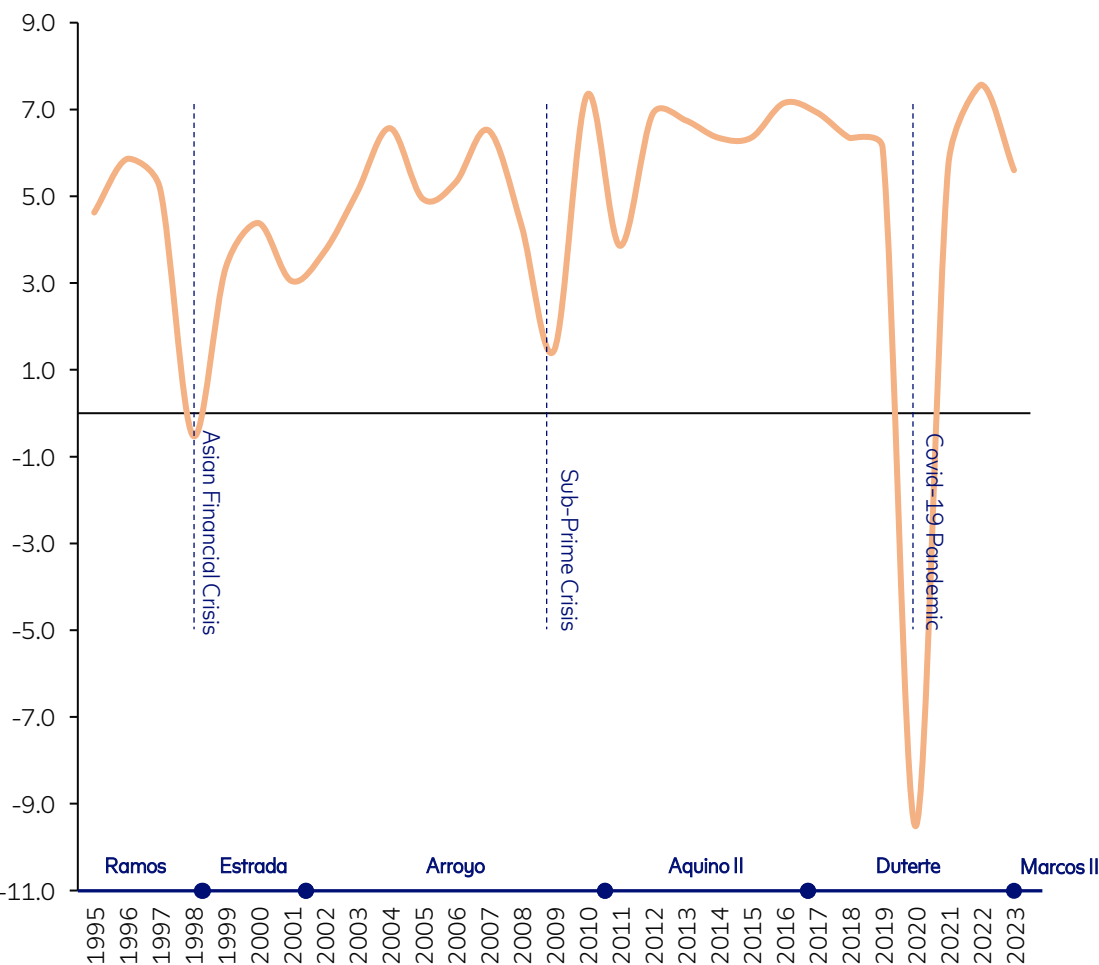
# Philippine Macroeconomics



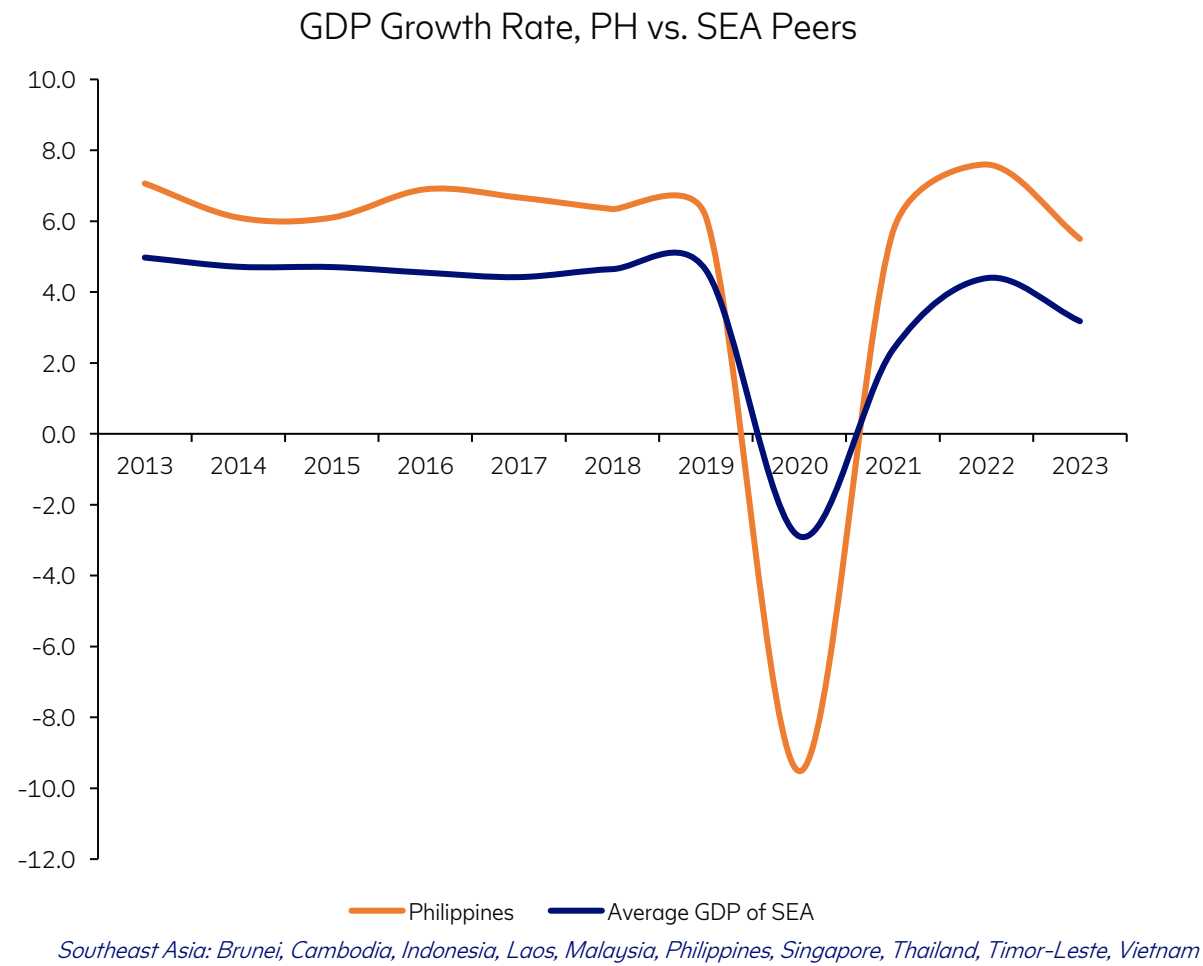


# Philippine Growth Consistently Among Highest in SE Asia

## GDP growth consistently 4.5% - 7.0%



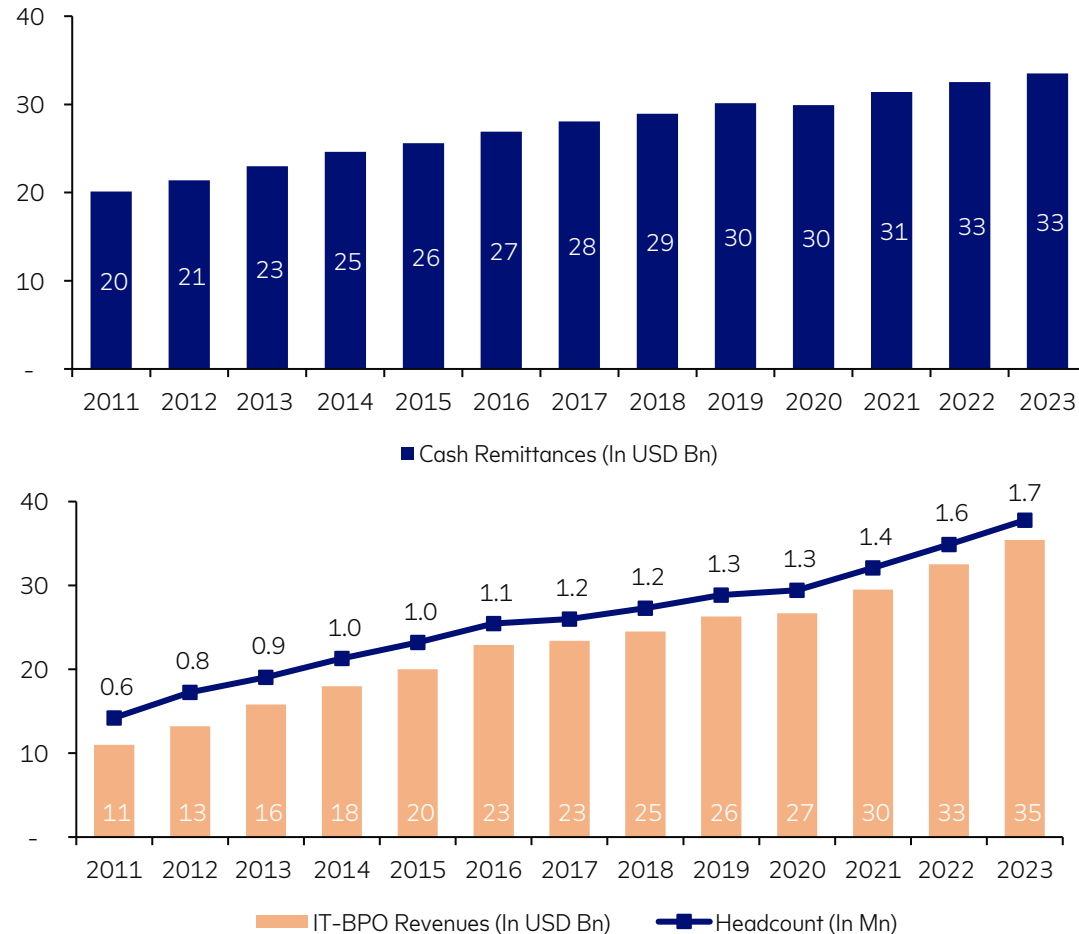
## GDP growth exceeds regional average



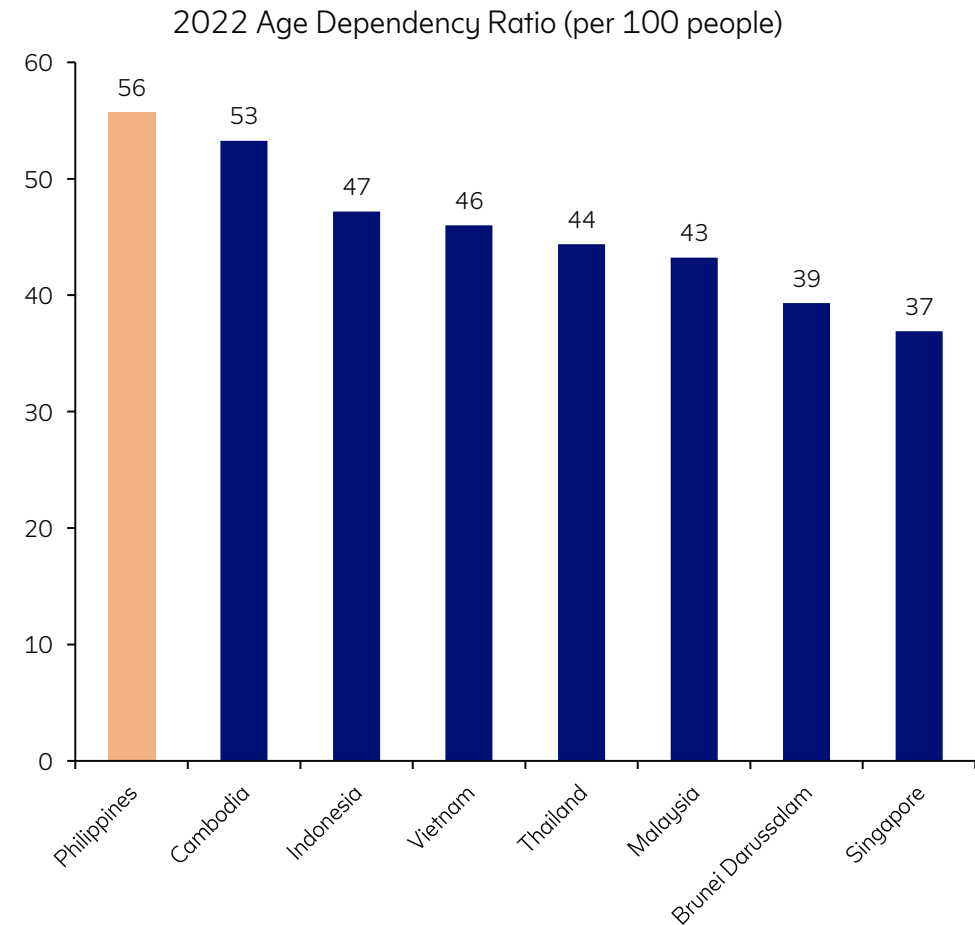
Source: PSA, BSP, Bloomberg, World Bank and ADB

# 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%)

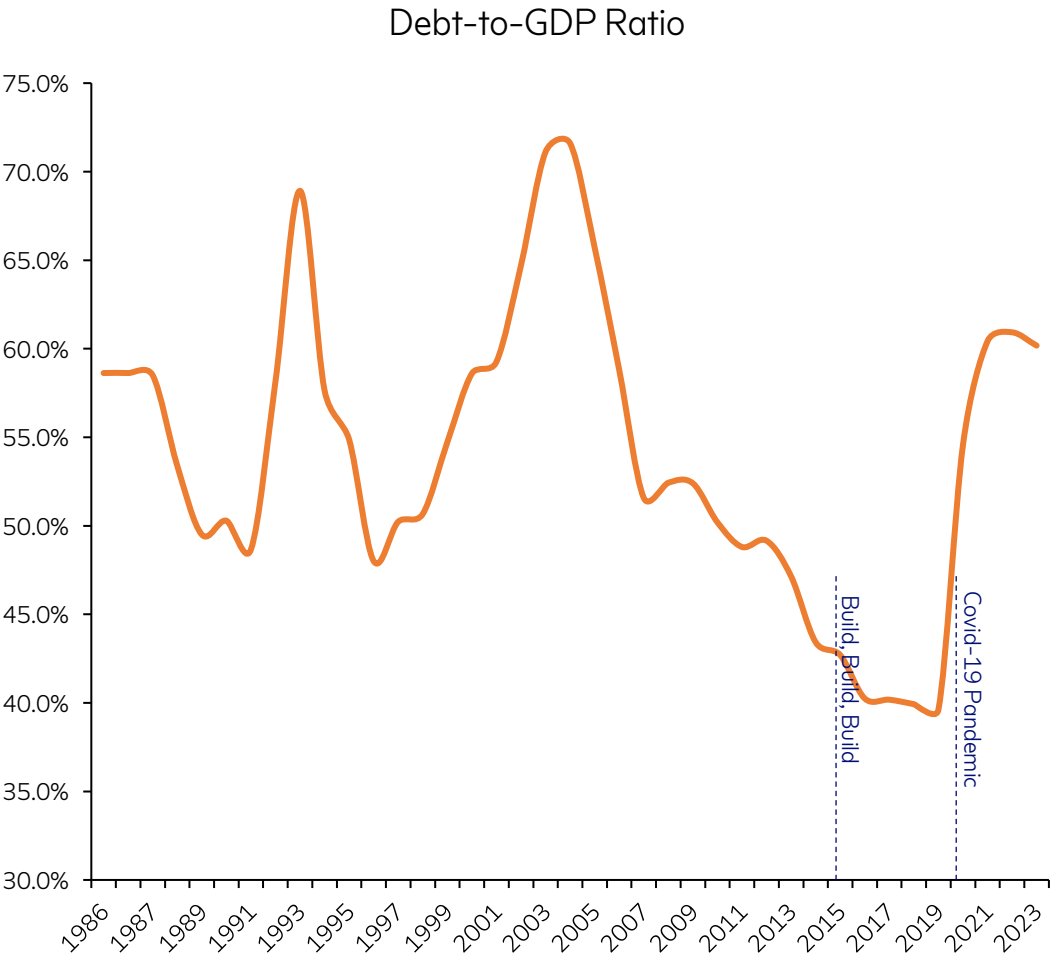


Source: PSA, BSP, Bloomberg, World Bank and BPAP

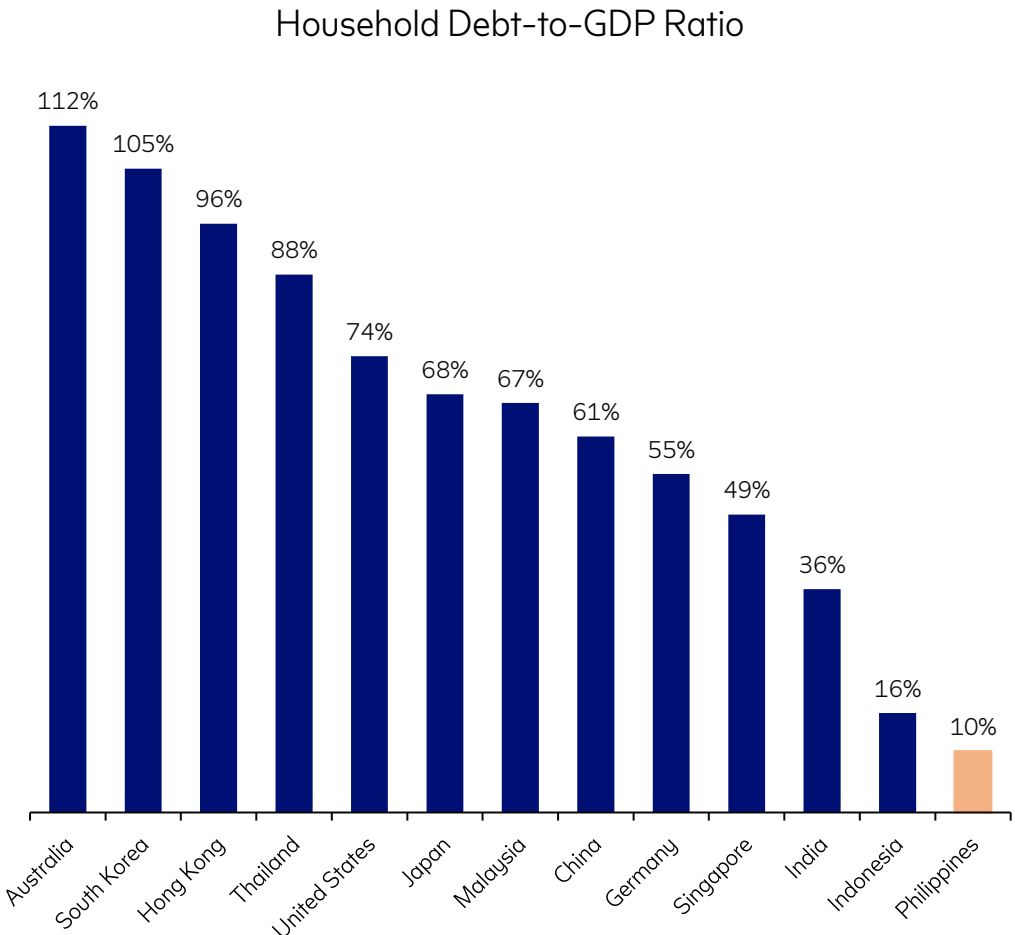


# Conservative Debt Levels

## Low Government Debt-to-GDP



## Low Household Debt



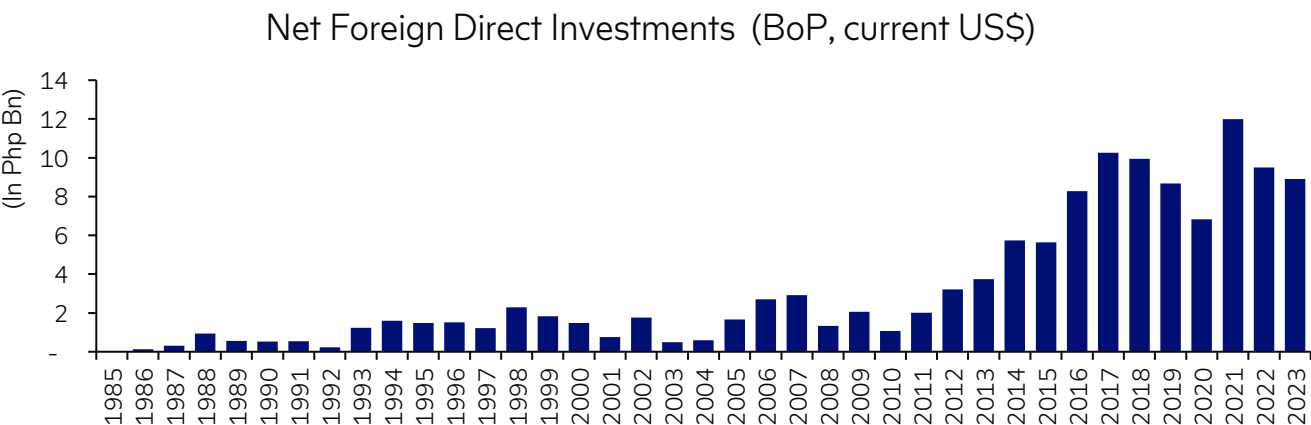
Source: PSA, BSP, Bloomberg, Trading Economics and CEIC



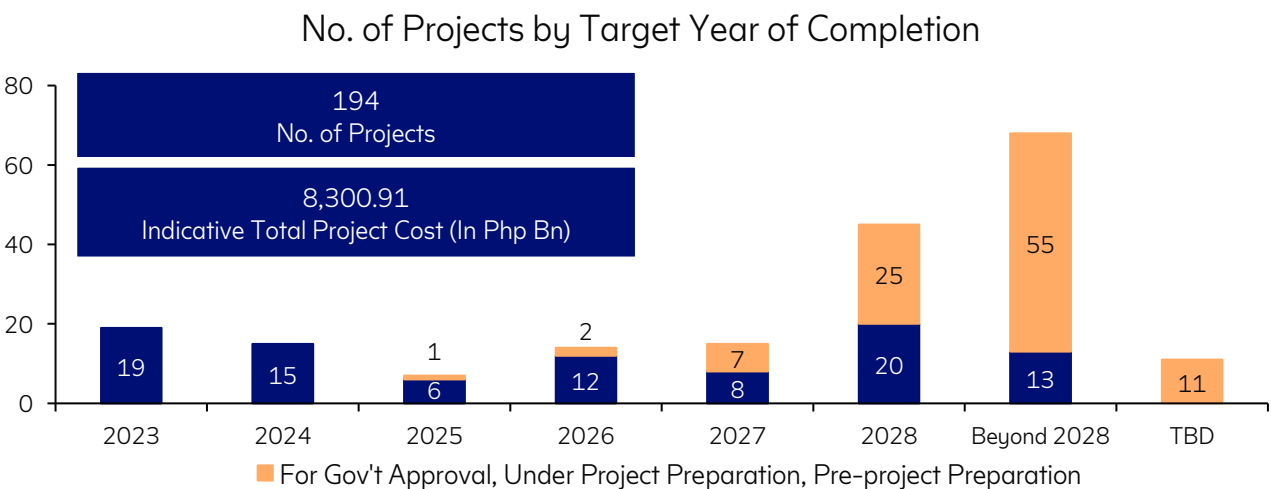


# Growing Infrastructure Spending and Record Level FDIs

## 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

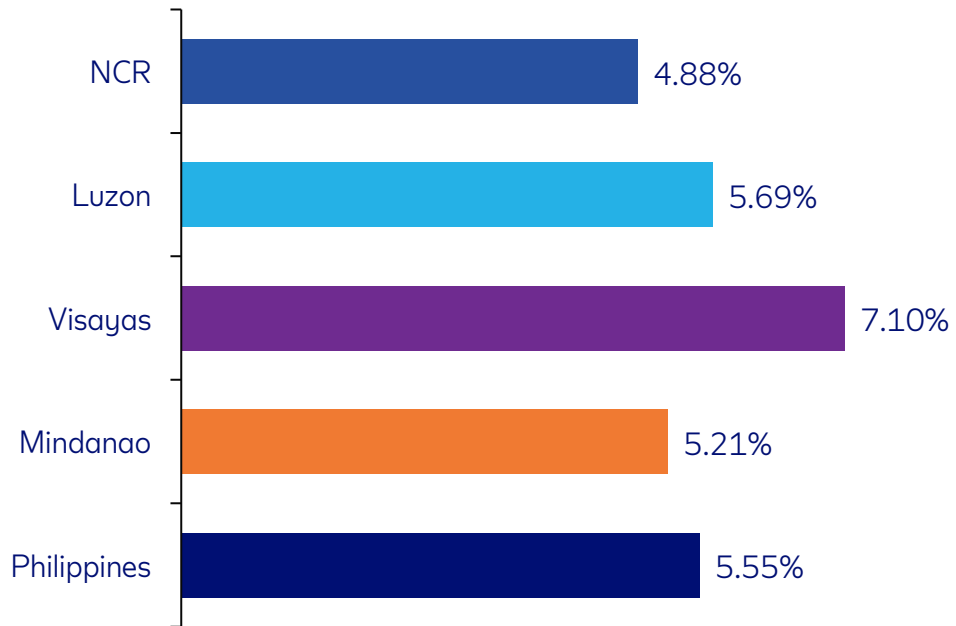
4



# Government Spending Supports Regional Growth

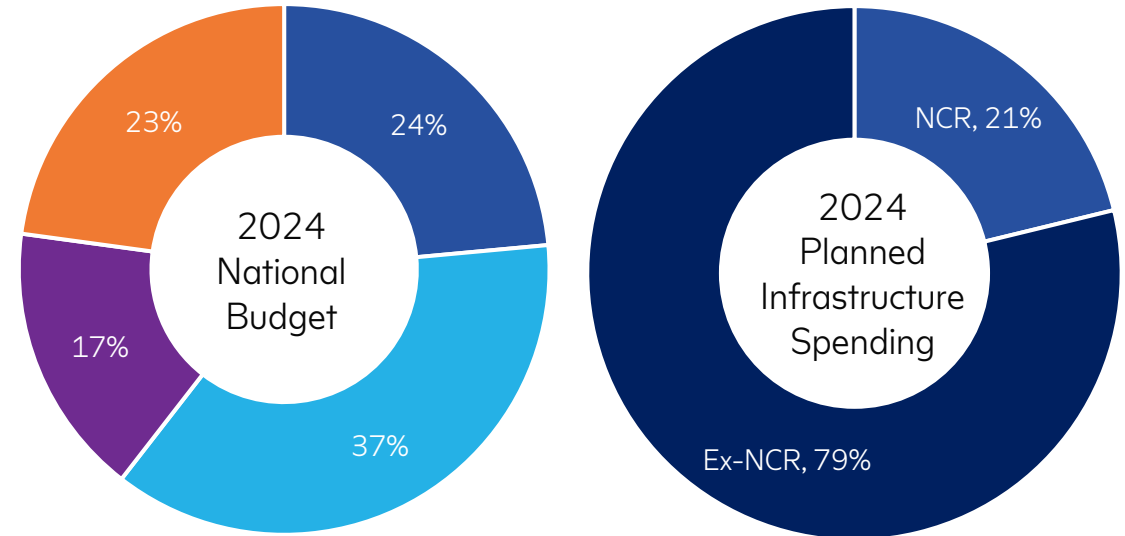
Economic growth faster outside the NCR

2023 Regional GDP Growth



Source: PSA, NEDA and BSP

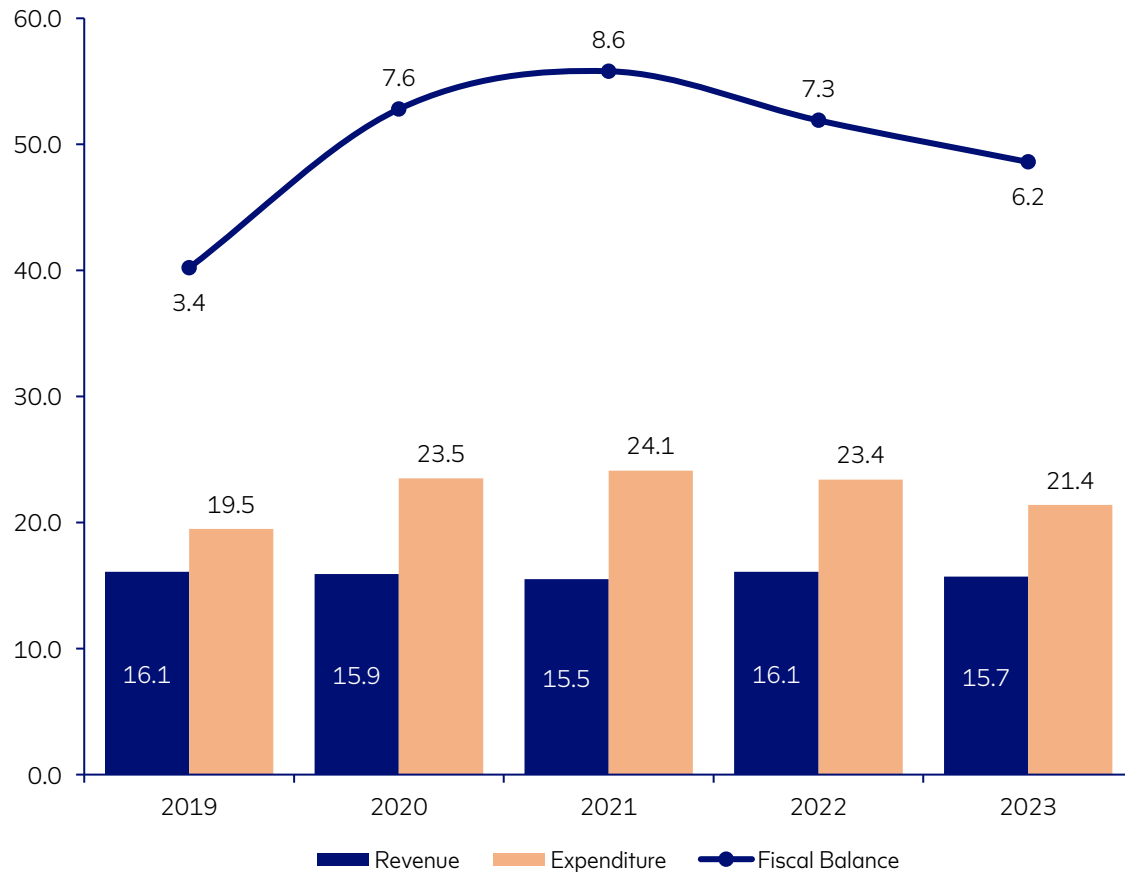
Budget and plans skewed toward provincial development



# Government Balance Sheet Improving

## Fiscal Position Recovery Underway

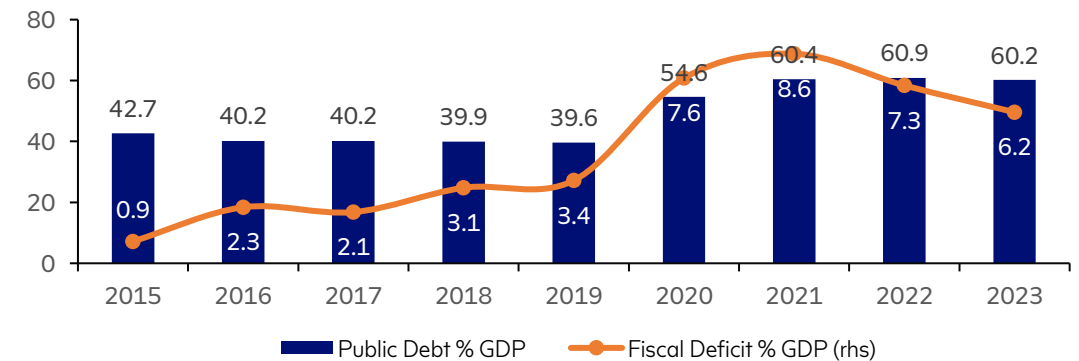
Revenues, Expenditure and Fiscal Balance (as % of GDP)



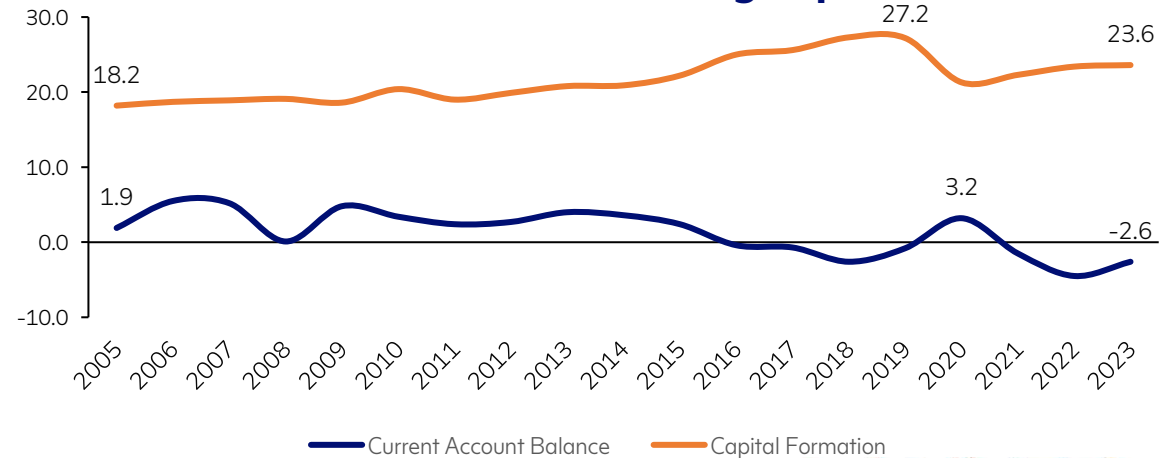
Source: PSA, BTr, BSP, Bloomberg, World Bank and ADB

## Public debt, fiscal deficit temporarily rose during the pandemic

Public Debt, fiscal deficit rose during the pandemic



## Current account deficit driven by capital formation



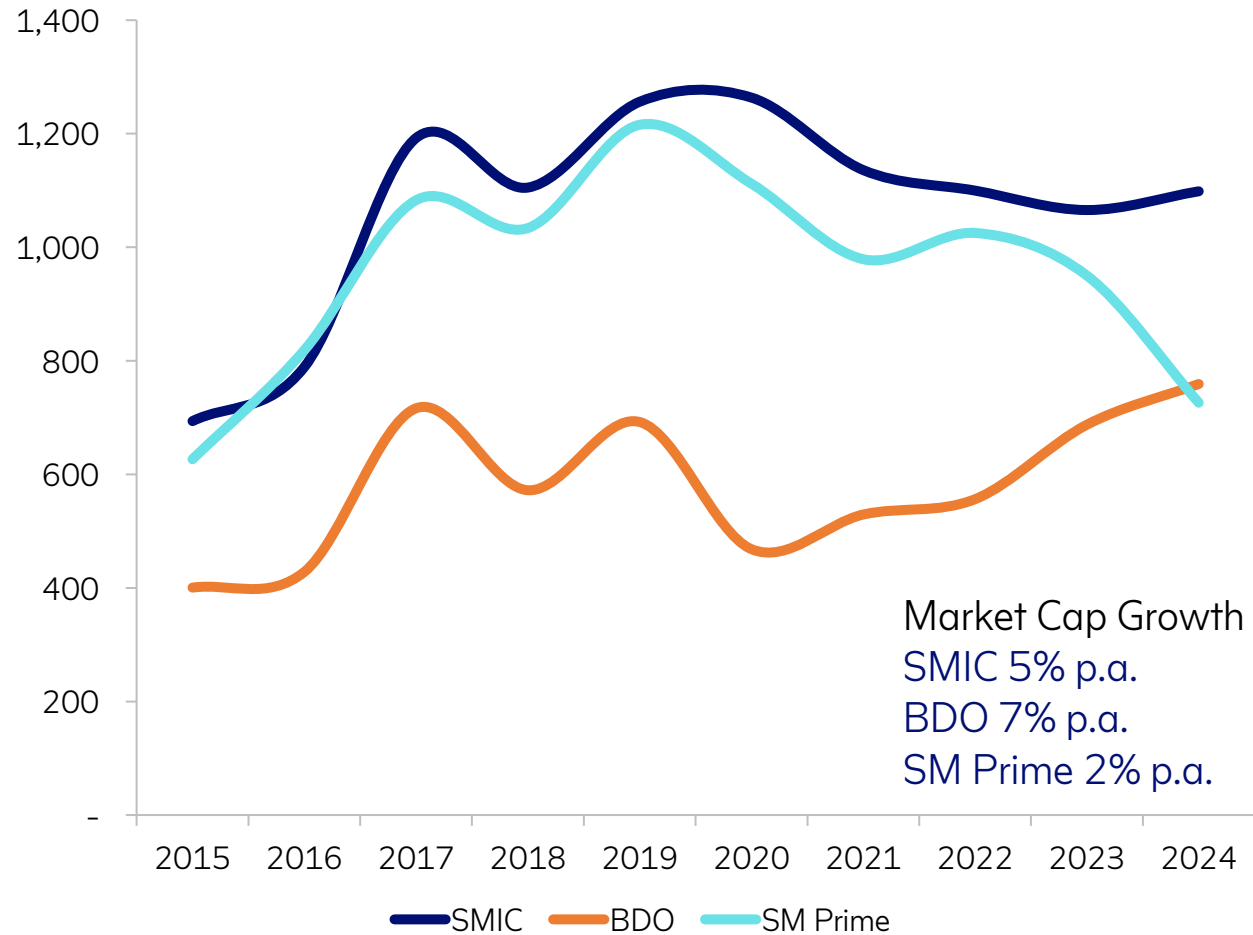


# Annex

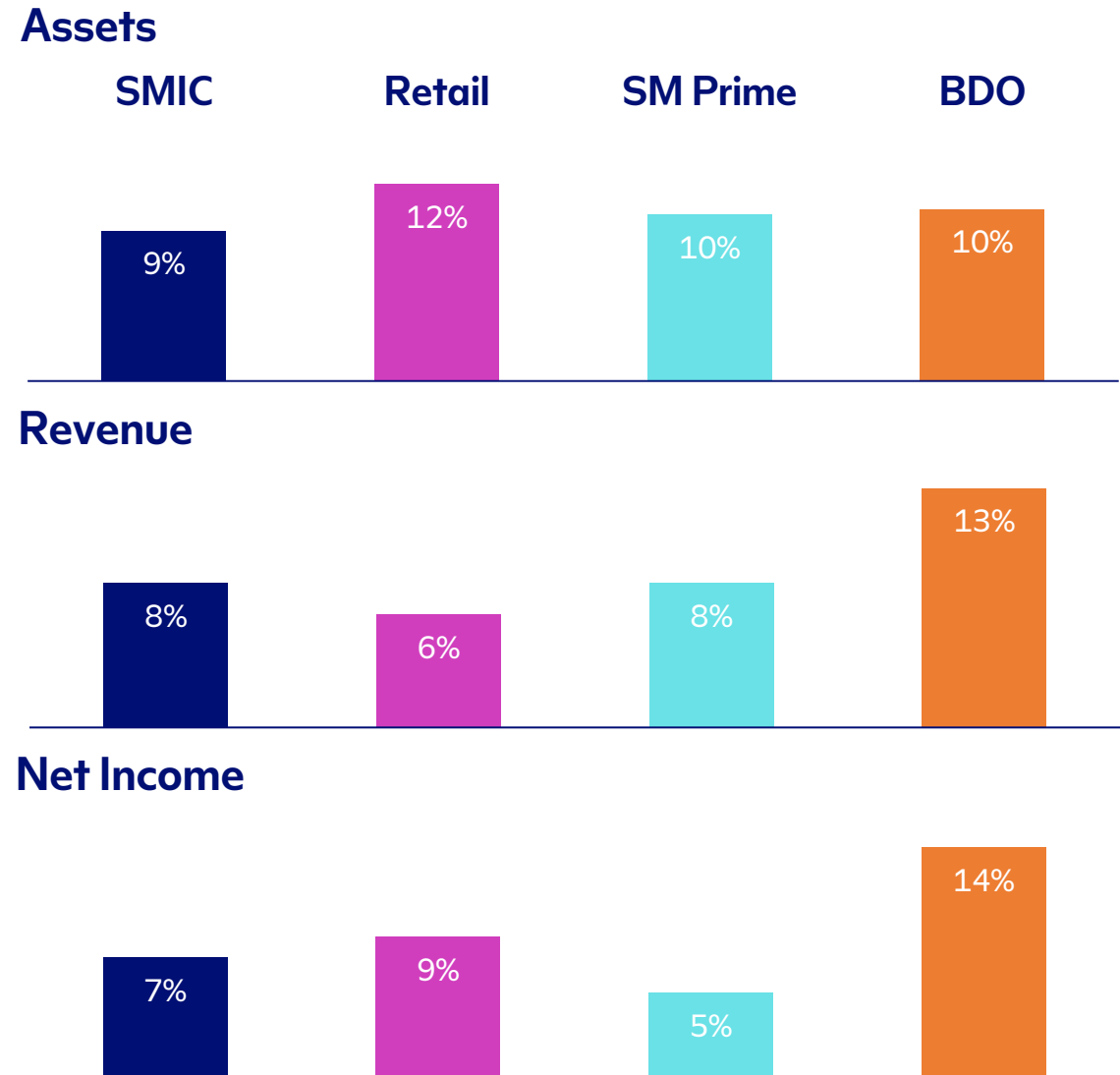
51	SMIC 10-Year Performance
52	Financials
	SM Investments
	Portfolio Investments
	SM Prime
	Retail
	BDO
	China Bank
60	Our 2023 Integrated Report
61	Contact Information

# SM INVESTMENTS'

## 10-Year Performance



Growth rates expressed in CAGR



Growth rates expressed in CAGR

# SM INVESTMENTS

## FY 2024 Consolidated Results

In PHP Billion

Particulars	FY 2024	FY 2023	% Chg	FY 2022	FY 2021	FY 2020
Revenue	654.8	616.3	6.3%	553.8	432.4	394.2
Net Income to Parent	82.6	77.0	7.3%	61.7	40.4	23.4
Net Margin (inc-NCI)	17.5%	17.2%	-	15.3%	15.6%	8.7%
Return on Equity	13.8%	14.5%	-	13.1%	9.4%	6.0%

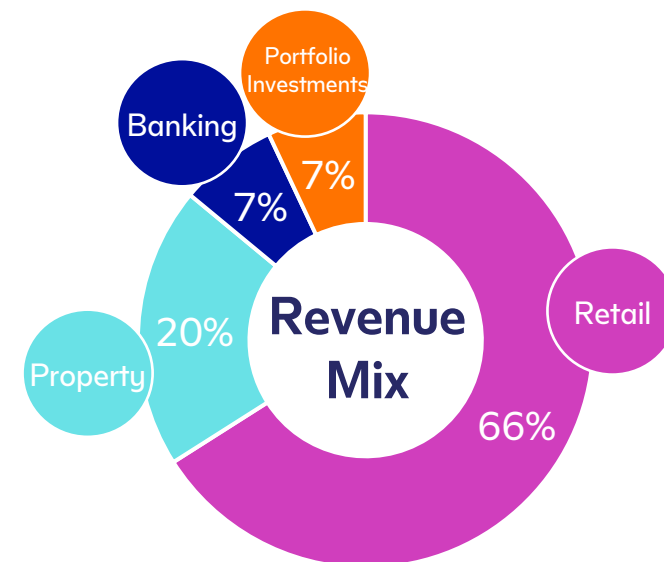
Total Capital	FY 2024	FY 2023	% Chg	FY 2022	FY 2021	FY 2020
Counterpart investments	113.7	124.6	-8.8%	137.5	91.8	78.2
Net Debt	386.9	377.1	2.6%	368.2	380.7	336.8
Equity attrib to Parent	627.3	556.6	12.7%	496.9	447.6	403.8
Net Debt:Equity	31 : 69	33 : 67	-	35 : 65	38 : 62	37:63

### SMIC Parent Debt

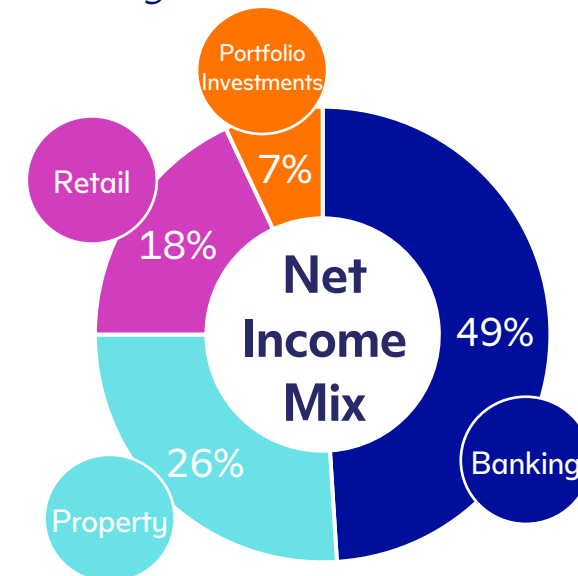
Net Debt to Equity	30 : 70	Average Cost of Debt	5.25%
Peso-Foreign Currency Mix	57 : 43	Average Debt Tenure	4.56 years

SMIC Parent 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%

SMIC SG EMTN	Amount	Currency	Due Date	Coupon Rate
July 24, 2024	500 mn	USD	July 2029	5.3750%



*Banking business not consolidated*





# SMPRIME

## FY 2024 Results

*In PHP Billion*

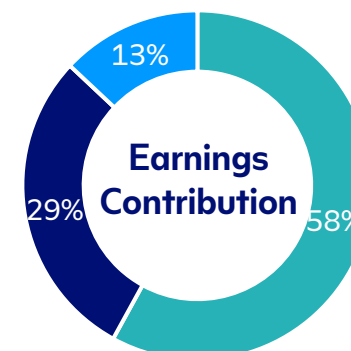
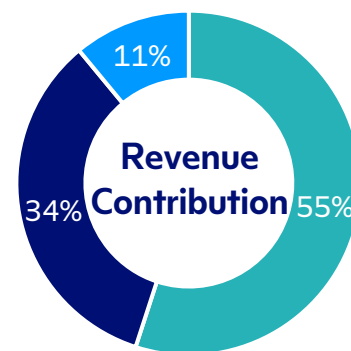
Consolidated	FY 2024	FY 2023	%Chg
Revenues	140.4	128.1	10%
Net Income	45.6	40.0	14%
Operating Income	68.0	61.3	11%
Return on Equity	11%	11%	-

Philippine Malls	FY 2024	FY 2023	% Chg
Revenues	70.7	64.8	9%
Operating Income	38.9	34.4	13%
EBITDA	47.9	42.8	12%
<i>EBITDA margin</i>	69%	69%	-

China Malls (In RMB Bn)	FY 2024	FY 2023	% Chg
Revenues	0.9	0.8	6%
Operating Income	0.3	0.3	3%

Residences	FY 2024	FY 2023	% Chg
Revenues	47.8	43.7	9%
Operating Income	20.5	19.1	7%
EBITDA	20.7	19.3	7%
<i>EBITDA margin</i>	43%	44%	-

Other Businesses	FY 2024	FY 2023	% Chg
Revenues	15.4	13.4	15%
Operating Income	6.9	6.1	13%
EBITDA	9.4	8.3	14%
<i>EBITDA margin</i>	61%	61%	-



■ Malls  
■ Residential  
■ Others



# SM RETAIL Consolidated

Financials	FY 2024	FY 2023	Chg
Revenue	434.5	412.9	5%
SSSG	1.5%	6.3%	
EBIT Margin	7.2%	7.5%	
Net Income	20.9	19.9	5%

*Figures in PHP B except percentages*

Profile	FY 2024	FY 2023	Chg
Store Count	4,470	3,853	16%
Selling Area	3.49	3.36	4%

*Gross Selling Area in M sqm.*

- Store expansion and volume growth drove Food revenues higher by 8%
- SM Store margins normalized, remain higher than pre-pandemic
- Specialty store growth strong in Health & Beauty and Fashion, recovery by Kids and Home
- Over 80% of store openings outside Metro Manila

# SMRETAIL – The SMSTORE

Financials	FY 2024	FY 2023	Chg
Revenue	113.7	112.8	1%
SSSG	-1.7%	12.1%	
EBIT Margin	4.7%	5.8%	
Net Income	3.9	4.7	-17%

*Figures in PHP B except percentages*

Profile	FY 2024	FY 2023	Chg
Store Count	76	74	3%
Selling Area	0.90	0.89	1%

*Gross Selling Area in M sqm.*

- Ongoing margins normalization for the SM Store, levels above pre-pandemic



# SM RETAIL – Food Group

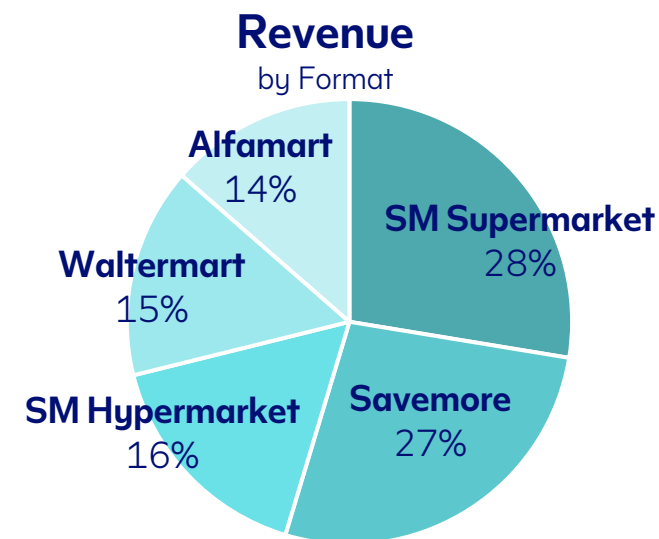
Financials	FY 2024	FY 2023	Chg
Revenue	252.9	234.6	8%
SSSG	3.6%	3.9%	
EBIT Margin	6.3%	6.0%	
Net Income	11.2	9.7	16%

*Figures in PHP B except percentages*

Profile	FY 2024	FY 2023	Chg
Store Count	2,526	2,119	19%
Selling Area	1.90	1.80	5%

*Gross Selling Area in M sqm.*

- Volume growth and footprint expansion driving revenues
- Improvement in margins
- Alfamart opened 417 stores, operating 2,092



# SMRETAIL – Specialty

Financials	FY 2024	FY 2023	Chg
Revenue	97.5	94.6	3%
SSSG	0.1%	6.0%	
EBIT Margin	10.6%	11.4%	
Net Income	7.7	8.0	-3%

Figures in PHP B except percentages

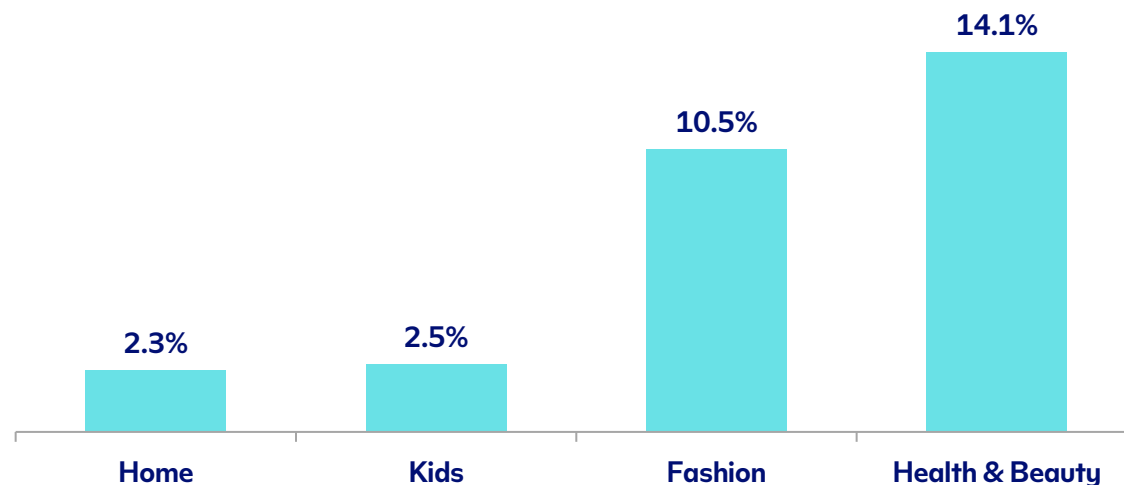
Profile	FY 2024	FY 2023	Chg
Store Count	1,868	1,660	13%
Selling Area	0.69	0.66	5%

Gross Selling Area in M sqm.

- Health & Beauty, Fashion leading
- Recovery by Kids and Home

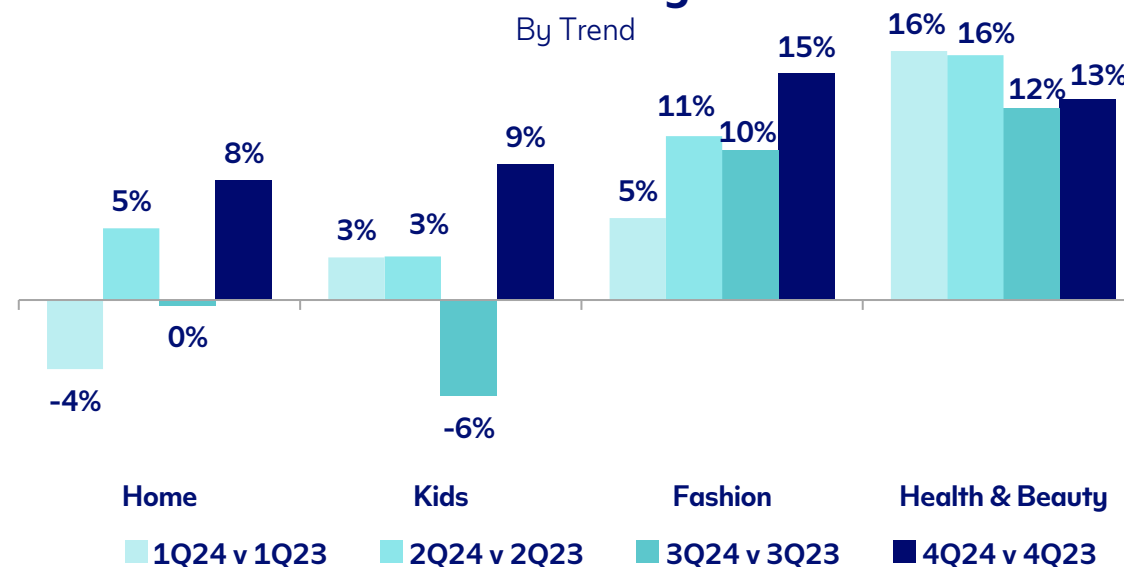
## Sales Change

FY 2024 vs FY 2023



## Sales Change

By Trend



## Financial Highlights

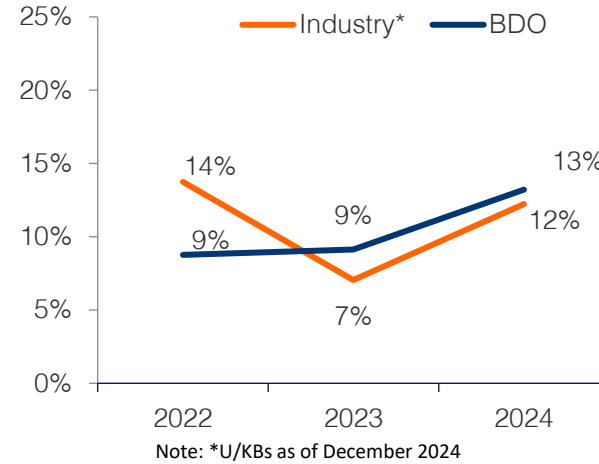
(In PHP Bn)

	FY 2024	FY 2023	% Chg
Net Interest Income	186.6	172.4	8.2%
Non-Interest Income	77.7	71.7	8.4%
Net Income <sup>1</sup>	82.0	73.4	11.7%
Assets	4,876.1	4,477.7	8.9%
Deposit Liabilities	3,794.0	3,567.6	6.3%
Gross Customer Loans	3,225.2	2,848.8	13.2%
Net Interest Margin	4.4%	4.4%	-
Cost to Income Ratio	55.5%	53.5%	-
Return on Ave. Common Equity <sup>2</sup>	15.1%	15.2%	-
Gross Loans to Deposits Ratio <sup>3</sup>	85.0%	79.9%	-
Gross NPL Ratio <sup>4</sup> (%)	1.83%	1.85%	-
Total CAR <sup>5</sup> (%)	15.2%	14.9%	-
Tier 1 Ratio <sup>5</sup> (%)	14.3%	14.0%	-
CET 1 <sup>5</sup> Ratio	14.1%	13.8%	-

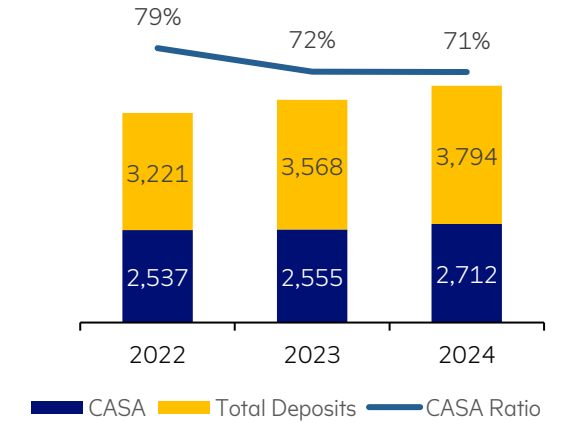
Notes:

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. Gross customer loans to deposits
4. Consolidated Bank, Per BSP Circular 941
5. Per BSP, consolidated basis, per statement of condition for 4Q24

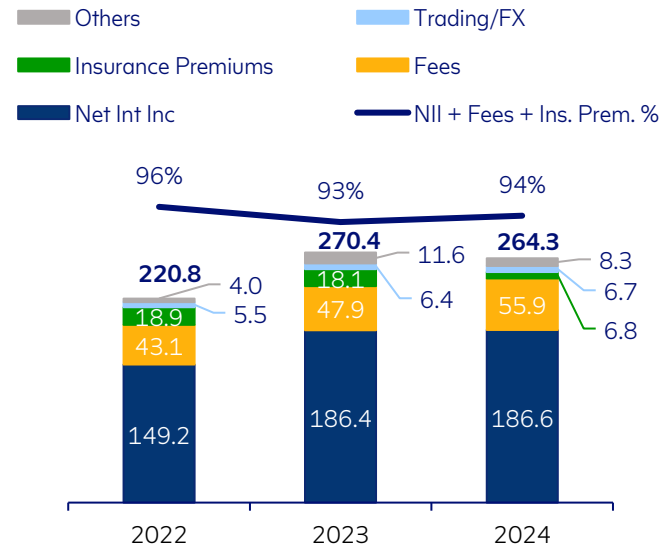
## Loans Growth



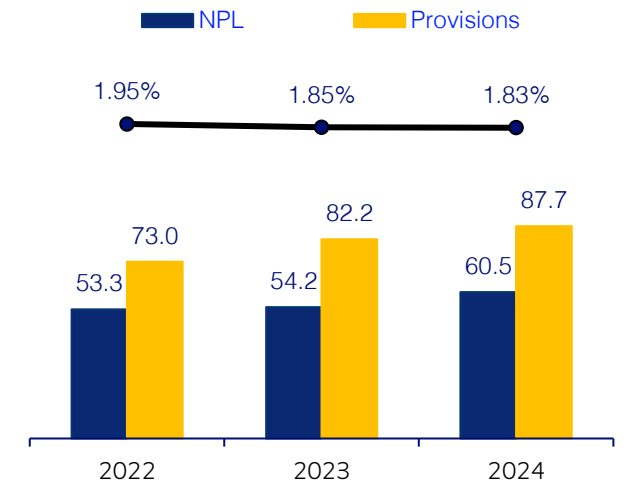
## Deposits



## Operating Income



## Asset Quality





# Chinabank

## Financial Highlights

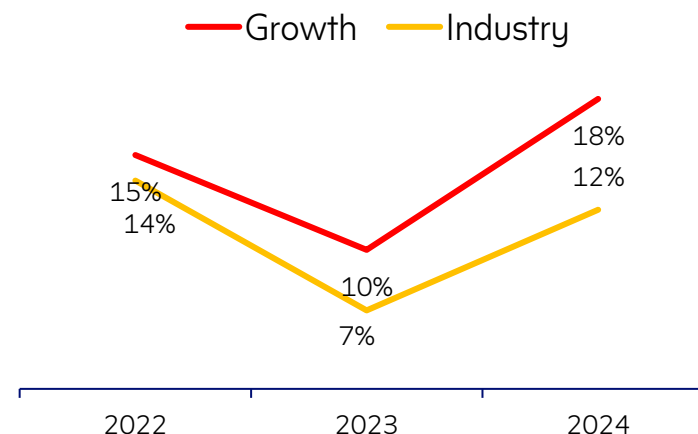
(In PHP Bn)

	FY 2024	FY 2023	% Chg
Net Interest Income	63.5	53.5	18.7%
Non-Interest Income	2.0	0.6	245.8%
Net Income <sup>1</sup>	24.8	22.0	12.7%
Assets	1,646.1	1,478.0	11.4%
Deposits	1,331.1	1,186.7	12.2%
Gross Customer Loans	933.1	791.0	18.0%
Net Interest Margin	4.5%	4.2%	-
Cost to Income Ratio	52.0%	46.0%	-
Return on Ave. Common Equity <sup>2</sup>	15.6%	15.5%	-
Gross Loans to Deposits Ratio	70.1%	66.7%	-
Gross NPL Ratio <sup>3</sup>	1.6%	2.4%	-
Total CAR <sup>4</sup>	16.2%	16.1%	-
CET 1	15.3%	15.3%	-

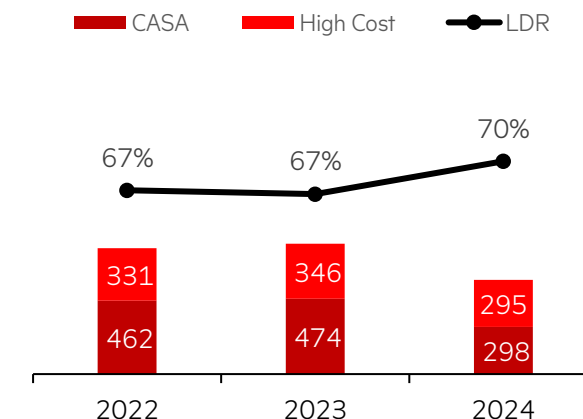
Notes:

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

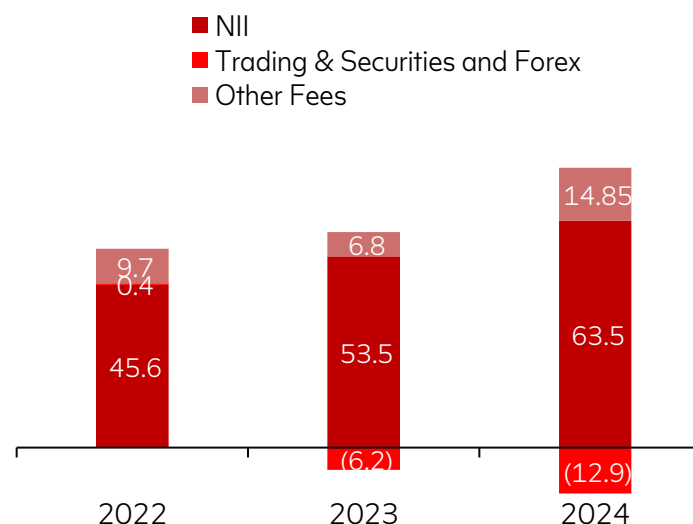
## Loans Growth



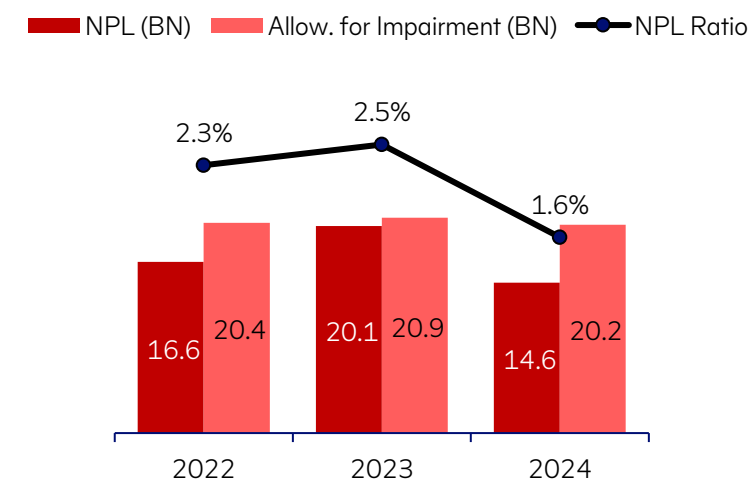
## Deposits



## 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**

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PSE Ticker: SM  
Bloomberg Ticker: SM PM Equity  
Reuters Ticker: SM.PS

SM Official Website



[www.sminvestments.com](http://www.sminvestments.com)

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