



Note: Pending stockholders' approval at the 2023 Annual Stockholders' Meeting

INVESTMENTS CORPORATION

MINUTES OF THE ANNUAL MEETING OF THE STOCKHOLDERS

SM INVESTMENTS CORPORATION

On April 27, 2022, 2:30 p.m.
(via Remote Communication)

PRESENT:

DIRECTORS

JOSE T. SIO

Chairman
Adviser, Executive Committee
Member, Audit Committee
Member, Risk Management Committee
Member, Compensation Committee
Member, Related Party Transaction Committee

TERESITA T. SY

Vice-Chairperson
Chairperson, Executive Committee
Chairperson, Compensation Committee

**HENRY T. SY, JR.
HARLEY T. SY**

Vice-Chairman
Executive Director

FREDERIC C. DYBUNCIO

Member, Executive Committee
President and Chief Executive Officer
Member, Executive Committee

ALFREDO E. PASCUAL

Lead Independent Director
Member, Audit Committee
Member, Compensation Committee
Chairman, Corporate Governance Committee
Chairman, Related Party Transaction Committee
Member, Risk Management Committee

TOMASA H. LIPANA

Independent Director
Chairperson, Audit Committee
Member, Corporate Governance Committee

ROBERT G. VERGARA

Independent Director
Member, Corporate Governance Committee
Member, Related Party Transaction Committee
Chairman, Risk Management Committee

ALSO PRESENT:

ELIZABETH T. SY

Adviser to the Board

HANS T. SY

Adviser to the Board

HERBERT T. SY

Adviser to the Board

GREGORY L. DOMINGO

Adviser to the Board

ROBERTO G. MANABAT

Independent Adviser

FRANKLIN C. GOMEZ

Corporate Information Officer

ATTY. ELMER B. SERRANO

SVP – Finance

ATTY. ARTHUR A. SY

Corporate Secretary

Assistant Corporate Secretary

SVP – Legal

TIMOTHY DANIELS

Consultant, Investor Relations

Stockholders present via remote attendance or represented by proxy

1,085,113,977 shares (90.08% of Outstanding Shares)
(Please see Record of Attendance attached as Annex A)

1. Call to Order

The meeting opened with the Philippine National Anthem. The host, Mr. Timothy Daniels, then acknowledged the presence of all directors and key officers of SM Investments Corporation (SMIC or the Company), with directors and officers attending the meeting remotely.

Mr. Jose T. Sio, Chairman of the Board, welcomed the stockholders and guests to the virtual Annual Stockholders' Meeting of the Company via Zoom Webinar held for the safety of all people involved. The Chairman thanked the stockholders for registering online, for voting and for joining the meeting.

The Chairman also announced that the chat box of the livestream platform has been opened for stockholders to raise their questions and comments. He explained that the Company through its Investor Relations team will endeavor to answer questions not addressed during the meeting via email.

The Chairman then called the meeting to order. Atty. Elmer B. Serrano, Corporate Secretary, recorded the minutes of meeting.

2. Certification of Notice and Quorum

Before proceeding with the meeting, the Chairman requested the Corporate Secretary to certify to the posting and publication and existence of a quorum.

The Corporate Secretary certified that, in compliance with the rules issued by the Securities and Exchange Commission, notice of the meeting, the Definitive Information Statement, along with the Company's "Guidelines for Participation via Remote Communication and Voting in Absentia" were uploaded via PSE EDGE and posted on the Company's website beginning March 1, 2022. The same notice of meeting was published on April 5 and 6, 2022, both in print and online format, in the Business Section of the Manila Times and at the Property & Infrastructure Section of Business World.

The Corporate Secretary also certified that based on the record of attendance, stockholders attending by proxy and stockholders who have registered to remotely join the virtual meeting represent 1,085,113,977 common shares, representing 90.08% of the issued and outstanding capital stock of the Company as of record date of March 28, 2022. He then certified that a quorum was present for the transaction of business by the stockholders.

The Corporate Secretary announced that SyCip Gorres Velayo & Co. has been engaged as third-party tabulator of votes cast for the meeting. He also informed participants that the meeting is being recorded.

3. Approval of Minutes of the Annual Stockholders' Meeting held on April 28, 2021

The Chairman proceeded to the next item in the agenda, the approval of the minutes of the annual meeting of stockholders held on April 28, 2021. A copy of the minutes was posted on the Company's website soon after last year's annual meeting adjourned. The minutes were also appended to the Definitive Information Statement for this meeting.

The Corporate Secretary stated for the record that unqualified votes cast for each item for approval shall be counted in favor of the matter under consideration.

The Corporate Secretary then presented the tabulation of votes for the approval of the minutes:

In Favor	
No. of Shares	Percentage
1,084,645,818	90.04

With the above votes in favor, the following resolution was passed and adopted:

"RESOLVED, that the minutes of the annual meeting of stockholders held on April 28, 2021 are approved."

4. Approval of 2021 Annual Report and 2021 Audited Financial Statements

The Chairman then requested Mr. Frederic C. DyBuncio, President, to render his report on the results of operations for 2021.

The President reported that in 2021, the Company created an impact on nationwide vaccination, economic support for the supply chain and MSMEs as well as on disaster response and climate action.

On the Company's economic performance, the President reported that the Company delivered growth of 9% in revenues to Php428.1B and 65% in net income to Php38.5B. He added that the Company's strong financial performance last year was driven by all 3 core businesses—retailing, banking and property—as well as increasing contribution to the consolidated earnings from its portfolio investments. Banking delivered just over half of the Company's net income, property contributed 25%, while retail pitched in 17%. Notably, the Company's portfolio investments contributed 7% collectively.

The Company also continued to build its asset base and maintain a prudent balance sheet, with its assets increasing 10% to 1.34Tr pesos, and its gearing remaining at 38% net debt to 62% total equity.

The President proceeded to discuss the Company's retail footprint, which continued to grow in 2021, with 294 new retail stores opening in 2021 and Alfamart surpassing 1,200 stores. The Company's retail business reported an increase in net income by 133% largely on sustained growth of its department and specialty stores. Food formats meanwhile continued to deliver stable revenues and improved net income of 31% through a tight focus on operating costs and efficiencies. The Company also continued to adopt new online and delivery channels from customers which accounted for 10% of its non-food sales.

In property, the Company launched nearly 12,000 residential units and added over 250,000 sq.m. of new floor areas to its malls, as its net income for the property business grow by 21%. The Company's combined mall business registered 6% growth in revenues to Php30.1B in 2021 as local mobility restrictions eased in the latter part of the year.

SM Prime launched two malls, SM City Daet in Camarines Norte and SM City Grand Central in Caloocan City, and also opened MOA Square, the commercial space beside the SM Mall of Asia which houses the first IKEA store in the Philippines and the biggest IKEA in the world. SM Prime's residential business led by SM Development Corporation recorded Php45.9B in revenues on the back of sales take-up of Php98.9B in 2021.

SMDC launched 8 new high-rise and mid-rise condominiums and house and lot projects, including a new residential office with a "live at work" concept called Ice Tower at the Mall of Asia (MOA) complex and a new mid-rise garden community called Glade Residences in the emerging innovation hub in Iloilo.

The Company's banks also delivered sustained net income growth from their core businesses, which enabled them to report strong balance sheets as well. BDO's net income was up 51% and returned to pre-pandemic levels. Net interest income was stable despite lower yields due to excess market liquidity, while their non-interest income was up 11%. They remain well positioned against any pandemic losses from borrowers with an NPL coverage ratio at 111%. BDO also made considerable investments in digital technology last year. On the other hand, China Bank similarly shared a strong story with net income up by 25% as they grew core businesses and managed their cost base well. Net interest income was up by 13% and fee income was up 3%. NPL coverage was also at 116%.

The President then discussed the Company's portfolio investments. He stated that the Company increased its ownership in its portfolio companies. Among them, is the bakeshop chain Goldilocks, and 2GO. This group of businesses now accounts for 7% of the Company's consolidated earnings. The Company also plans to acquire control of Philippine Geothermal Production Company which would add significant—and sustainable geothermal steam energy-related assets to the portfolio.

The President proceeded to discuss the Company's pandemic response. As health and safety continues to be a top priority, the Company's health and safety protocols across its malls, stores, bank branches, and operations centers across the group ensure that these were safe locations for all. Over 120,000 of the Company's employees have been fully vaccinated. In partnership with the local government, the Company's malls served as convenient and accessible venues where the community can get vaccinated safely. By the end of 2021, there were over 7.2M vaccine doses delivered to the broader population across 72 SM malls nationwide.

The Company's mall business and retail business continued to provide relief to its tenants and broad support to its many suppliers. The Company offered advice and access to markets for the many thousands of MSMEs in its network, helping them with new channels and ways to deliver their products and services to customers. The Company also continued to enhance its digital and delivery options in all its businesses, ensuring continuity of service.

The President then discussed how the Company further strengthened its environmental action plan and climate change response. The Company joined the Task Force on Climate Related Disclosures, making clear its strong support for private sector action and transparency in its own programs. The Company practices disaster resilience planning across all of its developments, with SM Prime taking a leading role in UN ARISE, the private sector body for disaster planning and resilience.

SM Prime made one of the boldest announcements related to energy usage in the country to date, committing that 50% of its energy will be provided by renewable sources by end-2022. NEO, became the first building development portfolio in the world to be certified as net zero carbon under the EDGE program of the IFC. BDO, continues to lead in financing renewable energy projects nationwide.

For the third time, in September, the Company co-hosted a sustainability conference with the Global Reporting Initiative, bringing together peers and government members across the ASEAN region. As it neared Christmas, the country was faced with the onslaught of Typhoon Odette. As a swift response, various SM companies came together to help provide relief goods and shelter for the impacted communities. In particular, SM Foundation, which distributed over 38,000 Kalinga or relief packs to more than 35 barangays in the affected areas; SM malls, which provided temporary shelter to customers and nearby residents; 2GO, which worked closely with utility companies to bring critical equipment to the region to help restore electricity and basic services; and Airspeed, which offered its air freight forwarding services and trucks to bring tons of essential cargo while its warehouses in Manila and Cebu were used to store relief goods coming from various organizations nationwide for free.

As the year closed, the Company was recognized by leading industry bodies like the ASEAN Corporate Governance Scorecard, The Asset Magazine and Investor Relations

Magazine for its responsible business practices and high governance standards. The Company was also recognized as a leader in sustainability by organizations such as Sustainalytics and FTSE 4 Good.

To close his report, the President recognized and expressed gratitude to the many stakeholders who have helped the Company make a difference during this past year. He thanked the Company's employees for their hard work and dedication to the customers, the business partners for their support and cooperation, the private sector agencies and public sector peers for working with the Company to address its urgent common needs, and, finally, the shareholders for their support toward SM, and their continuing trust in the Company.

The Chairman thanked the President for his report and asked the Corporate Secretary to announce the results of voting. The Corporate Secretary presented the tabulation of votes:

In Favor	
No. of Shares	Percentage
1,083,606,786	89.96

With the above votes in favor, the following resolution was passed and adopted:

"RESOLVED, that the 2021 Annual Report and the 2021 Audited Financial Statements are approved."

5. Announcement of Cash Dividends

The Chairman then announced that at the recently adjourned regular meeting of the Directors, the Board approved a cash dividend declaration amounting to approximately P7.5B or P6.25 per share in favor of all stockholders of record as of May 13, 2022, and payable on May 26, 2022.

6. Open Forum

The Chairman then proceeded with the Question-and-Answer portion of the meeting. He explained that all stockholders of record were allowed to submit questions in advance via email to <asm2021@sminvestments.com>, and through the chat box of the meeting livestream. The Chairman thanked the stockholders for sending their questions and comments.

The Chairman requested the Corporate Secretary to read some of the questions received from the stockholders.

The Corporate Secretary began by reading questions sent by email. The first question came from Mr. Jasper Jimenez which reads, "How is SMIC positioning for the future? Is it making a bid to be a major power player in the country with the acquisition of Philippine Geothermal Production Company (PGPC)?"

The President, Mr. DyBuncio, answered that the Company's acquisition into the PGPC reflects its commitment to sustainability and strong support to promote clean energy, and will further enhance its sustainability portfolio and exposure. It is a one-off transaction even as the Company continue to be cognizant of companies in the Philippines that have the potential for high growth in the country.

The Corporate Secretary then moved to the next question, "Given the economy's reopening, will SM continue to develop online platforms and what opportunities do you see moving forward?"

Mr. DyBuncio answered that in 2021, the Company saw Call to Deliver (CTD) transactions contribute 10% of non-food revenues. This contribution is highly correlated with the prevailing mobility restrictions.

With the reopening of the economy, the Company sees a continued increase in brick-and-mortar visits leading to an increase in mall foot traffic which we already saw in the latter half of the year. The Company, however, continues to invest behind online technology and activity as we see e-commerce growing even more long-term.

The President added that the Company's malls have ventured online as well with the launch of SM Malls Online. This app allows mall tenants to sell their goods digitally, fulfilled via delivery, or in-store pickup. This fuses the Company's strategically located physical assets with digital services, increasing customer convenience by being able to shop however they want. As the Company continues to adapt to its customers' preferences, it will continue to combine its strengths in both the physical and online spaces and innovate further into the future to serve its customers better.

The Chairman thanked the President for answering the questions.

7. Approval and Ratification of the Acts of the Board of Directors and Management

The next item in the agenda is the ratification of all acts, transactions and contracts entered into, as well as resolutions made and adopted by the Board of Directors and carried out by Management during their term, or from the date of the last annual stockholders' meeting up to this meeting. These corporate acts are detailed in the Definitive Information Statement provided to all stockholders of record.

The Corporate Secretary presented the tabulation of votes:

In Favor	
No. of Shares	Percentage
1,083,469,776	89.95

With the above votes in favor of approval, the following resolution was passed and adopted:

"RESOLVED, that the acts of the Board of Directors and Management during their term or from the date of the last annual stockholders' meeting up to this meeting are ratified and approved."

8. Election of Directors for 2022-2023

The next item in the agenda is the election of directors for the year 2022-2023. The Chairman requested the Mr. Alfredo E. Pascual, Chairman of the Corporate Governance Committee, to present the nominees to the Board.

Mr. Pascual confirmed that the Corporate Governance Committee has pre-screened and short-listed candidates qualified to be elected to the Board of Directors. He then announced the names of the following qualified nominees to the Board for 2022-2023:

1. Mr. Jose T. Sio
2. Ms. Teresita T. Sy
3. Mr. Henry T. Sy, Jr.
4. Mr. Harley T. Sy
5. Mr. Frederic G. DyBuncio
6. Mr. Alfredo E. Pascual as Independent Director
7. Ms. Tomasa H. Lipana as Independent Director
8. Mr. Robert G. Vergara as Independent Director

The Corporate Secretary thereafter presented the percentage of votes garnered by each of the nominees:

Nominee	No. of Votes	Percentage of Votes
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Mr. Jose T. Sio	1,062,814,116	88.23
Ms. Teresita T. Sy	1,064,277,426	88.35
Mr. Henry T. Sy, Jr.	1,080,374,200	89.69
Mr. Harley T. Sy	1,081,120,710	89.75
Mr. Frederic C. DyBuncio	1,078,041,373	89.49
Mr. Alfredo E. Pascual	1,071,965,029	88.99
Ms. Tomasa H. Lipana	1,073,660,589	89.13
Mr. Robert G. Vergara	1,075,078,377	89.25

The Corporate Secretary then announced that since there are only eight (8) nominees and with the votes received, all nominees have obtained sufficient votes for election. The following resolution was therefore passed and adopted:

"RESOLVED, that following are elected to the Board of Directors of SM Investments Corporation for 2022-2023, to serve as such directors until their successors have been duly qualified and elected:

1. Mr. Jose T. Sio
2. Ms. Teresita T. Sy
3. Mr. Henry T. Sy, Jr.
4. Mr. Harley T. Sy
5. Mr. Frederic G. DyBuncio
6. Mr. Alfredo E. Pascual as Independent Director
7. Ms. Tomasa H. Lipana as Independent Director
8. Mr. Robert G. Vergara as Independent Director

9. Appointment of External Auditor

The next item in the agenda is the appointment of the Company's external auditor for 2022. The Chairman informed the stockholders that the Audit Committee processed and screened the nominees for external auditor and recommended, as confirmed by the Board of Directors, the appointment of SyCip, Gorres, Velayo & Co. as external auditor for 2022.

The Corporate Secretary then announced the results of voting:

In Favor	
No. of Shares	Percentage
1,071,418,549	88.95

With the above votes in favor of approval, the following resolution was passed and adopted:

"RESOLVED, that the appointment of SyCip, Gorres, Velayo & Co. as external auditor for 2022 is approved."

10. Approval of Merger of SMIC and Allfirst Equity Holdings, Inc., with SMIC as Surviving Entity

The next item in the agenda is the approval of the merger of SM Investments Corporation and Allfirst Equity Holdings, Inc., with SM Investments Corporation as the surviving entity. The details of the merger are found in the Definitive Information Statement distributed to all stockholders.

The Corporate Secretary presented the tabulation of votes:

In Favor	
No. of Shares	Percentage

1,002,144,359	83.19
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With the above votes in favor of approval, the following resolutions were passed and approved:

“RESOLVED, that the shareholders of SM Investments Corporation (the **Corporation**) ratifies and approves the merger of the Corporation with Allfirst Equity Holdings, Inc. (**Allfirst**), with the Corporation as the surviving entity, subject to valuation confirmation by an independent appraiser and the determination of the final terms of the merger;

RESOLVED, FURTHER, that the Chairman, Mr. Jose T. Sio, and President and CEO, Mr. Frederic C. DyBuncio, are the designated signatories of the Corporation, with full power of delegation and authority to sign, execute and deliver and cause the submission of the Plan of Merger, Articles of Merger, and any and all documents necessary for any and all transactions related to the said merger, to the Securities and Exchange Commission, Bureau of Internal Revenue, and other governmental authorities, as well as the filing of the listing application with The Philippine Stock Exchange, Inc. and to do any and all acts, necessary and proper, to give the foregoing resolution force and effect;

RESOLVED, FINALLY, that Punongbayan & Araullo Grant Thornton, Multinational Investment Bank, and Serrano Law are appointed and engaged as the Corporation’s main consultants to the merger.”

11. Other Matters

The Chairman inquired if there were other matters that could properly be taken up at the meeting. The Corporate Secretary confirmed that there were none.

12. Adjournment

There being no further business to transact, the Chairman thanked everyone who joined the meeting wished everyone good health. Thereafter, the meeting was adjourned.

CERTIFIED CORRECT:

ELMER B. SERRANO
Corporate Secretary

ATTESTED BY:

JOSE T. SIO
Chairman

SM Investments Corporation
Annual Stockholders' Meeting
April 27, 2022, 2:30 p.m.

Record of Attendance

Total number of voting shares outstanding	1,204,582,867
Total number of shares represented by proxy or remote attendance	1,085,113,977
Attendance percentage	90.08%