



**INVESTMENTS  
CORPORATION**

April 27, 2022

**PHILIPPINE DEALING & EXCHANGE CORP.**

29<sup>th</sup> Floor, BDO Equitable Tower  
8751 Paseo de Roxas, Makati City

Attention: **Atty. Marie Rose M. Magallen-Lirio**  
*Head, Issuer Compliance and Disclosure Department*

Re: **Merger of Allfirst Equity Holdings, Inc. and  
SM Investments Corporation**

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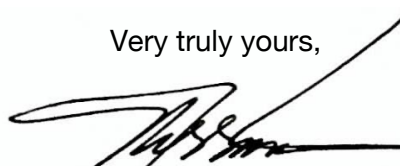
Ladies and Gentlemen:

During the Annual Stockholders' Meeting of SM Investments Corporation (**SMIC**) held on April 27, 2022, the stockholders owning at least 2/3 of the outstanding capital stock of SMIC ratified and approved the merger of SMIC with Allfirst Equity Holdings, Inc. (**Allfirst**), with SMIC as surviving entity.

We submit to you our disclosure on the merger of Allfirst and SMIC filed with The Philippine Stock Exchange, Inc., amended to reflect the approval of the merger by the stockholders of SMIC.

Thank you.

Very truly yours,



**ELMER B. SERRANO**  
Corporate Secretary

Encl. a/s

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17  
OF THE SECURITIES REGULATION CODE  
AND SRC RULE 17.2(c) THEREUNDER

1. Date of Report (Date of earliest event reported)  
**April 27, 2022**
2. SEC Identification No. **16342**
3. BIR Tax Identification No. **000-169-020-000**
4. Exact name of issuer as specified in its charter  
**SM Investments Corporation**
5. Province, country or other jurisdiction of incorporation  
**Philippines**
6. Industry Classification Code (SEC Use  Only)
7. Address of principal office  
**10th Floor, One E-com Center, Harbour Drive, Mall of Asia Complex, Pasay City**  
Postal Code **1300**
8. Issuer's telephone number, including area code  
**(632) 8857-0105**
9. Former name or former address, if changed since last report  
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10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class

Number of Shares of Common Stock  
Outstanding and Amount of Debt  
Outstanding

**Common**

**1,204,582,867**

11. Indicate the item numbers reported herein:

**Item 9. Other Events**

During the Annual Stockholders' Meeting held on April 27, 2022, the stockholders owning at least 2/3 of the outstanding capital stock of SM Investments Corporation (SMIC) ratified and approved the merger of SMIC with Allfirst Equity Holdings, Inc., with SMIC as surviving entity.

Disclosure on the merger filed with The Philippine Stock Exchange, Inc. is being amended to reflect the approval of the merger by the stockholders of SMIC.

## SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**SM Investments Corporation**

By:



**ELMER B. SERRANO**  
Corporate Secretary

Date: 27 April 2022

**SECURITIES AND EXCHANGE COMMISSION**  
**SEC FORM 17-C**

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Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common	1,204,582,867

11. Indicate the item numbers reported herein

Item 9

*The Exchange does not warrant and holds no responsibility for the veracity of the facts and representations contained in all corporate disclosures, including financial reports. All data contained herein are prepared and submitted by the disclosing party to the Exchange, and are disseminated solely for purposes of information. Any questions on the data contained herein should be addressed directly to the Corporate Information Officer of the disclosing party.*

# SM Investments Corporation

## SM

**PSE Disclosure Form 4-23 - Mergers and Consolidations**  
**References: SRC Rule 17 (SEC Form 17-C) and**  
**Section 4.4 and/or Section 5 of the Revised Disclosure Rules**

**Subject of the Disclosure**

Merger of Allfirst Equity Holdings, Inc. (Allfirst) and SM Investments Corporation (SMIC), with SMIC as surviving entity

**Background/Description of the Disclosure**

At the regular meeting of the Board of Directors of SMIC held on April 1, 2022, the Board of Directors approved the merger of Allfirst, which is engaged in geothermal production, and SMIC, with SMIC as the surviving entity, subject to determination of the final terms of the merger.

During the Annual Stockholders' Meeting of SMIC held on April 27, 2022, the stockholders owning at least 2/3 of the outstanding capital stock of SMIC ratified and approved the merger of SMIC with Allfirst, with SMIC as surviving entity.

<b>Date of Approval by Board of Directors</b>	Apr 1, 2022
<b>Date of Approval by Stockholders</b>	Apr 27, 2022
<b>Other Relevant Regulatory Agency, if applicable</b>	N/A
<b>Date of Approval by Relevant Regulatory Agency</b>	N/A
<b>Date of Approval by Securities and Exchange Commission</b>	TBA

**Rationale for the transaction including the benefits which are expected to be accrued to the Issuer as a result of the transaction**

To invest directly in clean renewable energy-related production, which is a national priority and aligned with SMIC's commitments to environmental stewardship and to tackling climate change.

To additionally create value for SMIC's minority shareholders and ensure alignment of the interests of all shareholders in the geothermal property.

**Description of the transaction including the timetable for implementation and related regulatory requirements, if any**

Merger of Allfirst and SMIC, with SMIC as the surviving entity as approved by the Board of Directors on 1 April 2022.

The timetable for implementation of the merger shall be based on the regulatory approval of the Securities and Exchange Commission (SEC).

**Identities of the parties to the transaction**

Name	Nature of Business	Nature of any material relationship with the Issuer, their directors/officers or any of their affiliates
SM Investments Corporation	SMIC is a leading Philippine company that is invested in market-leading businesses in retail, banking, and property. It also invests in ventures that capture high growth opportunities in the emerging Philippine	--

	economy.	
Allfirst Equity Holdings, Inc.	Allfirst is the parent company of Philippine Geothermal Production Company, Inc. which carries on the general business of development and utilization of minerals, mineral oils, geothermal and other similar products.	SMIC has 19% ownership in Allfirst. Mr. Harley T. Sy, shareholder and director of SMIC, is a director and has 26.91% equity ownership in Allfirst. Ms. Elizabeth T. Sy, shareholder of SMIC, is a director and has 26.91% equity ownership in Allfirst. Mr. Hans T. Sy, shareholder of SMIC, has 26.92% equity ownership in Allfirst. Mr. Frederic D. DyBuncio, President and CEO of SMIC, owns 1 qualifying share as nominee director in Allfirst.

#### Terms and conditions of the transaction

<b>Plan of merger</b>
SMIC to issue 43 SMIC common shares in exchange for one (1) Allfirst common share or a total of 21.5M SMIC common shares, subject to fairness opinion by an independent appraiser. Out of the 21.5M SMIC common shares, 4.0M shares will be issued by SMIC to itself, and treated as treasury shares, and 17.4M shares will be issued to the other shareholders of Allfirst.
<b>Ratio of exchange of shares</b>
SMIC to issue 43 SMIC common shares in exchange for one (1) Allfirst common share or a total of 21.5M SMIC common shares, subject to fairness opinion by an independent appraiser. Out of the 21.5M SMIC common shares, 4.0M shares will be issued by SMIC to itself, and treated as treasury shares, and 17.4M shares will be issued to the other shareholders of Allfirst.
<b>Basis upon which the exchange ratio was determined</b>
Estimated appraised net asset value of Allfirst vs SMIC 60-day VWAP as of 31 March 2022
<b>Number of shares subject of the merger</b>
21.5M SMIC shares subject to fairness opinion by an independent appraiser
<b>Timetable</b>
The timetable for implementation of the merger cannot be fixed as the same is subject to regulatory approval of the SEC. SMIC and Allfirst, however, expect to complete the transaction by the third quarter of 2022.
<b>Conditions precedent to closing of the transaction, if any</b>
Approval by stockholders of both SMIC and Allfirst. Final approval of the merger by SEC.
<b>Procedures for exchange</b>
TBA

#### Description of the company subject of the transaction

<b>Nature and business</b>
Allfirst is the parent company of Philippine Geothermal Production Company, Inc. which carries on the general business of development and utilization of minerals, mineral oils, geothermal and other similar products.
<b>Discussion of major projects and investments</b>
N/A

#### List of subsidiaries and affiliates, with percentage holdings

Name	% Ownership
Philippine Geothermal Production Company, Inc. (effective ownership)	100

## Capital structure

### Authorized capital stock

Type of Security /Stock Symbol	Amount	Number of Shares
Common	50,000,000.00	500,000

### Subscribed Shares

Type of Security /Stock Symbol	Amount	Number of Shares
Common	50,000,000.00	500,000

### Paid-Up Capital

Amount	50,000,000.00
Number of Shares	500,000

### Issued Shares

Type of Security /Stock Symbol	Amount	Number of Shares
Common	50,000,000.00	500,000

### Outstanding Shares

Type of Security /Stock Symbol	Amount	Number of Shares
Common	50,000,000.00	500,000

### Par Value

Type of Security /Stock Symbol	Amount
Common	100.00

### Ownership Structure (including percentage holdings)

Name	Number of Shares	% Ownership
SM Investments Corporation	94,999	19
Hans T. Sy	134,584	26.92
Elizabeth T. Sy	134,583	26.91
Harley T. Sy	134,583	26.91
Adelia C. Cua	625	0.13
Asuncion J. Yap	625	0.13
Frederic C. Dybuncio	1	0

### Board of Directors

Name	(Regular or Independent)
Frederic C. DyBuncio	Regular
Elizabeth T. Sy	Regular
Harley T. Sy	Regular
Adelia C. Cua	Regular
Asuncion J. Yap	Regular

### Principal Officers

Name	Position/Designation
Frederic C. DyBuncio	Chairman/President
Elizabeth T. Sy	Vice President
Elizabeth Anne C. Uychaco	Treasurer
Arthur A. Sy	Corporate Secretary

### Effect(s)/impact on the business, financial condition and operations of the Issuer

The transaction will bring SMIC's ownership in Allfirst to 100%. The merger is expected to be EPS-accretive to shareholders of SMIC.

**Other Relevant Information**

Earlier disclosure is being amended to update the Background/Description of the Disclosure and indicate Date of Approval by Stockholders.

**Filed on behalf by:**

<b>Name</b>	Elmer Serrano
<b>Designation</b>	Corporate Secretary