



SM INVESTMENTS

July 13, 2023

**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*

Ladies and Gentlemen:

We reply to the request for clarification of Philippine Dealing & Exchange Corp. on the news article entitled “Reality Check: SM still keen on REIT IPO amid rumors of Sy-blings pumping the brakes on diving into a tepid market” posted in Bilyonaryo.com on July 11, 2023, the pertinent portion of which reads:

“Despite anemic market conditions, SM Investments, the only trillionaire stock in the Philippine Stock Exchange, remains determined to pursue a gargantuan real estate investment trust (REIT) offering.

‘It’s an option we will always consider,’ said a Babblar, quoting an insider from the holding company of the Sy family.

However, rumors suggest that SM is thinking twice about proceeding with the REIT offering until market conditions improve.

In April, SM announced its plan to raise \$1 billion from a REIT offering in the second half of this year.

....”

Please be advised that we cannot comment on the unnamed source for lack of basis. SMIC itself did not issue a press release on a REIT in April 2023.

Thank you.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Elmer B. Serrano', written over a horizontal line.

**ELMER B. SERRANO**  
Corporate Secretary