



**INVESTMENTS
CORPORATION**

April 7, 2022

PHILIPPINE DEALING & EXCHANGE CORP.

29th 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**

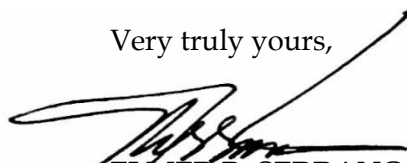
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Ladies and Gentlemen:

We submit to you our disclosure on the merger of Allfirst Equity Holdings, Inc. (**Allfirst**) and SM Investments Corporation (**SMIC**), with SMIC as surviving entity, filed with The Philippine Stock Exchange, Inc.

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)

Apr 7, 2022

2. SEC Identification Number

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

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.

Date of Approval by Board of Directors	Apr 1, 2022
Date of Approval by Stockholders	TBA
Other Relevant Regulatory Agency, if applicable	N/A
Date of Approval by Relevant Regulatory Agency	N/A
Date of Approval by Securities and Exchange Commission	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 is the parent company of	SMIC has 19% ownership in Allfirst. Mr. Harley T. Sy, shareholder

Allfirst Equity Holdings, Inc.	Philippine Geothermal Production Company, Inc. which carries on the general business of development and utilization of minerals, mineral oils, geothermal and other similar products.	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.
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Terms and conditions of the transaction

Plan of merger

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.

Ratio of exchange of shares

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.

Basis upon which the exchange ratio was determined

Estimated appraised net asset value of Allfirst vs SMIC 60-day VWAP as of 31 March 2022

Number of shares subject of the merger

21.5M SMIC shares subject to fairness opinion by an independent appraiser

Timetable

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.

Conditions precedent to closing of the transaction, if any

Approval by stockholders of both SMIC and Allfirst.

Final approval of the merger by SEC.

Procedures for exchange

TBA

Description of the company subject of the transaction

Nature and business

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.

Discussion of major projects and investments

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

None.

Filed on behalf by:

Name	Elmer Serrano
Designation	Corporate Secretary