

COVER SHEET

SEC Registration Number

A S 0 9 4 - 0 0 0 0 8 8

COMPANY NAME

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B	S	I	D	I	A	R	I	E	S																				

PRINCIPAL OFFICE (No. / Street / Barangay / City / Town / Province)

7	/	F		M	O	A		S	q	u	a	r	e	,		S	e	a	s	h	e	l	l		L	a	n	e	
c	o	r	.		C	o	r	a	l		W	a	y	,		M	a	l	l		o	f		A	s	i	a		C
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Form Type

1 7 - Q

Department requiring the report

Secondary License Type, If Applicable

COMPANY INFORMATION

Company's Email Address

Company's Telephone Number

8831-1000

Mobile Number

No. of Stockholders

2,316

Annual Meeting
Month/Day

Fiscal Year
Month/Day

March 31

CONTACT PERSON INFORMATION

The designated contact person **MUST** be an Officer of the Corporation

Name of Contact Person

Mr. John Nai Peng C. Ong

Email Address

Telephone Number/s

8831-1000

Mobile Number

CONTACT PERSON'S ADDRESS

7/F MOA Square, Seashell Lane cor. Coral Way, Mall of Asia Complex, Brgy. 76 Zone 10,
CBP 1-A, 1300 Pasay City, Metro Manila, Philippines

NOTE 1 : In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.

2 : All Boxes must be properly and completely filled-up. Failure to do so shall cause the delay in updating the corporation's records with the Commission and/or non-receipt of Notice of Deficiencies. Further, non-receipt of Notice of Deficiencies shall not excuse the corporation from liability for its deficiencies.

SEC No. AS094-000088
File No.

SM PRIME HOLDINGS, INC.
(Company's Full Name)

**7/F MOA Square, Seashell Lane cor. Coral Way, Mall of Asia Complex,
Brgy. 76 Zone 10, CBP 1-A, 1300 Pasay City, Metro Manila, Philippines**
(Company's Address)

8831-1000
(Telephone Numbers)

December 31
(Fiscal Year ending)
(Month and Day)

Form 17-Q for the 1st Quarter of 2025
(Form Type)

N/A
Amendment Designation

March 31, 2025
Period Ended Date

N/A
(Secondary License Type and File Number)

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

**QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES
REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER**

1. For the quarterly period ended **MARCH 31, 2025**
2. SEC Identification Number **AS094-000088**
3. BIR Tax Identification No. **003-058-789**
4. Exact name of registrant as specified in its charter **SM PRIME HOLDINGS, INC.**
5. **PHILIPPINES** 6. (SEC Use Only)
- Province, Country or other jurisdiction of incorporation or organization Industry Classification Code:
7. **7/F MOA Square, Seashell Lane cor. Coral Way, Mall of Asia Complex, Brgy. 76 Zone 10, CBP 1-A, Pasay City, Metro Manila, Philippines** **1300**
Address of principal office Postal Code
8. **(632) 8831-1000**
Registrant's telephone number, including area code
9. **NA**
Former name, former address, and former fiscal year, if changed since last report.
10. Securities registered pursuant to Sections 8 and 12 of the SRC, or Sec. 4 and 8 of the RSA

<u>Title of Each Class</u>	<u>Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding</u>
Common shares ₱1 Par Value	28,877,381,394
Debt Securities - Retail Bonds	₱141,458,500,000

11. Are any or all of these securities listed on a Stock Exchange.
Yes [☒] No [☐]

If yes, state the name of such stock exchange and the classes of securities listed therein:
Philippine Stock Exchange Common Shares
12. Check whether the registrant:
 - (a) has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17.1 thereunder or Section 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of The Corporation Code of the Philippines during the preceding 12 months (or for such shorter period that the registrant was required to file such reports);

Yes [☒] No [☐]
 - (b) has been subject to such filing requirements for the past 90 days.
Yes [☒] No [☐]

SM Prime Holdings, Inc. and Subsidiaries

Unaudited Interim Condensed Consolidated Financial Statements
Balance Sheets as at March 31, 2025 (Unaudited) and
December 31, 2024 (Audited)
Statements of Income for the Three-Month Periods Ended
March 31, 2025 and 2024 (Unaudited)

SM PRIME HOLDINGS, INC. AND SUBSIDIARIES**INTERIM CONSOLIDATED BALANCE SHEET****March 31, 2025****(With Comparative Audited Figures as at December 31, 2024)***(Amounts in Thousands)*

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
ASSETS		
Current Assets		
Cash and cash equivalents (Notes 5, 17, 20 and 21)	₱42,322,466	₱31,246,171
Receivables and contract assets (Notes 6, 12, 17, 20 and 21)	87,626,928	92,506,904
Real estate inventories (Note 7)	79,159,585	76,927,527
Equity instruments at fair value through other comprehensive income (FVOCI) (Notes 8, 20 and 21)	795,294	794,433
Derivative assets (Notes 20 and 21)	2,834,193	780,087
Prepaid expenses and other current assets (Note 9)	28,118,735	28,426,708
Total Current Assets	240,857,201	230,681,830
Noncurrent Assets		
Equity instruments at FVOCI - net of current portion (Notes 8, 17, 20 and 21)	21,297,306	20,392,800
Investment properties (Notes 10 and 21)	614,661,259	601,339,921
Investments in associates and joint ventures (Note 11)	33,777,693	33,108,359
Deferred tax assets - net	1,638,324	1,634,307
Derivative assets - net of current portion (Notes 20 and 21)	435,246	3,990,740
Other noncurrent assets (Notes 12, 17 and 21)	134,380,829	128,282,773
Total Noncurrent Assets	806,190,657	788,748,900
	₱1,047,047,858	₱1,019,430,730
LIABILITIES AND EQUITY		
Current Liabilities		
Loans payable (Notes 13, 17, 20 and 21)	₱17,392,649	₱17,312,356
Accounts payable and other current liabilities (Notes 14, 17, 20 and 21)	107,584,349	103,788,961
Current portion of long-term debt (Notes 15, 17, 20 and 21)	103,416,061	89,287,442
Derivative liabilities (Notes 20 and 21)	87,082	—
Income tax payable	1,650,392	1,606,324
Total Current Liabilities	230,130,533	211,995,083
Noncurrent Liabilities		
Long-term debt - net of current portion (Notes 15, 17, 20 and 21)	280,284,429	283,320,341
Tenants' and customers' deposits - net of current portion (Notes 14, 20 and 21)	31,044,044	30,528,879
Deferred tax liabilities - net	14,012,816	13,923,287
Derivative liabilities - net of current portion (Notes 20 and 21)	—	50,447
Other noncurrent liabilities (Notes 14 and 21)	43,948,959	43,372,203
Total Noncurrent Liabilities	369,290,248	371,195,157
Total Liabilities	599,420,781	583,190,240

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Equity Attributable to Equity Holders of the Parent		
Capital stock (Notes 16 and 23)	₱33,166,300	₱33,166,300
Additional paid-in capital - net	38,164,631	38,164,173
Cumulative translation adjustment	2,953,817	3,135,756
Net fair value changes of equity instruments at FVOCI (Note 8)	18,713,133	17,807,766
Net fair value changes on cash flow hedges (Note 21)	(92,150)	604,031
Remeasurement loss on defined benefit obligation	(792,229)	(792,229)
Retained earnings (Note 16):		
Appropriated	100,000,000	100,000,000
Unappropriated	255,645,284	243,991,970
Treasury stock (Notes 16 and 23)	(3,025,854)	(2,984,695)
Total Equity Attributable to Equity Holders of the Parent	444,732,932	433,093,072
Non-controlling Interests	2,894,145	3,147,418
Total Equity	447,627,077	436,240,490
	₱1,047,047,858	₱1,019,430,730

See accompanying Notes to Interim Condensed Consolidated Financial Statements.

SM PRIME HOLDINGS, INC. AND SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENTS OF INCOME
(Amounts in Thousands, Except Per Share Data)

	Three-Month Periods Ended March 31	
	2025	2024
	(Unaudited)	
REVENUES		
Rent (Notes 10 and 17)	₱20,020,964	₱18,535,285
Real estate sales	9,216,627	8,788,491
Others (Notes 17 and 18)	3,535,904	3,395,696
	32,773,495	30,719,472
COSTS AND EXPENSES (Notes 17 and 19)	16,094,834	16,008,374
INCOME FROM OPERATIONS	16,678,661	14,711,098
OTHER INCOME (CHARGES)		
Interest expense (Notes 6, 13, 15 and 17)	(3,428,409)	(3,130,424)
Interest and dividend income (Notes 5, 6, 8, 12 and 17)	660,549	518,638
Others - net (Notes 10, 11, 14 and 15)	469,305	825,234
	(2,298,555)	(1,786,552)
INCOME BEFORE INCOME TAX	14,380,106	12,924,546
PROVISION FOR INCOME TAX (Note 22)	2,515,627	2,248,329
NET INCOME	₱11,864,479	₱10,676,217
Attributable to:		
Equity holders of the Parent (Notes 16 and 23)	₱11,653,314	₱10,462,199
Non-controlling interests (Note 16)	211,165	214,018
	₱11,864,479	₱10,676,217
Basic/Diluted earnings per share (Note 23)	₱0.404	₱0.363

See accompanying Notes to Interim Condensed Consolidated Financial Statements.

SM PRIME HOLDINGS, INC. AND SUBSIDIARIES**INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME***(Amounts in Thousands)*

	Three-Month Periods Ended March 31	
	2025	2024
	<i>(Unaudited)</i>	
NET INCOME	₱11,864,479	₱10,676,217
OTHER COMPREHENSIVE INCOME LOSS)		
Item that will not be reclassified to profit or loss in subsequent periods:		
Unrealized gain due to changes in fair value of financial assets at FVOCI (Note 8)	905,367	2,286,641
Items that may be reclassified to profit or loss in subsequent periods:		
Net fair value changes on cash flow hedges (Note 21)	(696,181)	40,094
Cumulative translation adjustment	(181,939)	(42,431)
	27,247	2,284,304
TOTAL COMPREHENSIVE INCOME	₱11,891,726	₱12,960,521
Attributable to:		
Equity holders of the Parent (Note 16)	₱11,680,561	₱12,746,503
Non-controlling interests (Note 16)	211,165	214,018
	₱11,891,726	₱12,960,521

See accompanying Notes to Interim Condensed Consolidated Financial Statements.

SM PRIME HOLDINGS, INC. AND SUBSIDIARIES

INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2025 AND 2024

(Amounts in Thousands)

	Equity Attributable to Equity Holders of the Parent											
	Capital Stock	Additional	Cumulative	Net fair value	Net Fair Value	Remeasurement	Retained Earnings (Note 16)		Treasury Stock	Non-controlling	Total	Total
	(Notes 16 and 23)	Paid-in	Translation	changes of	Changes on	Loss on	Appropriated	Unappropriated	(Notes 16 and 23)			
		Capital - Net	Adjustment	equity	Cash Flow	Obligation				Interests		Equity
				instruments at	Hedges							
				FVOCI	(Note 21)							
				(Note 8)								
At December 31, 2024 (Audited)	₱33,166,300	₱38,164,173	₱3,135,756	₱17,807,766	₱604,031	(₱792,229)	₱100,000,000	₱243,991,970	(₱2,984,695)	₱433,093,072	₱3,147,418	₱436,240,490
Net income for the period	—	—	—	—	—	—	—	11,653,314	—	11,653,314	211,165	11,864,479
Other comprehensive income (loss)	—	—	(181,939)	905,367	(696,181)	—	—	—	—	27,247	—	27,247
Total comprehensive income (loss) for the period	—	—	(181,939)	905,367	(696,181)	—	—	11,653,314	—	11,680,561	211,165	11,891,726
Cash dividends declared by a subsidiary	—	—	—	—	—	—	—	—	—	—	(464,580)	(464,580)
Sale of non-controlling interest	—	458	—	—	—	—	—	—	—	458	142	600
Acquisition of treasury shares	—	—	—	—	—	—	—	—	(41,159)	(41,159)	—	(41,159)
At March 31, 2025 (Unaudited)	₱33,166,300	₱38,164,631	₱2,953,817	₱18,713,133	(₱92,150)	(₱792,229)	₱100,000,000	₱255,645,284	(₱3,025,854)	₱444,732,932	₱2,894,145	₱447,627,077
At December 31, 2023 (Audited)	₱33,166,300	₱38,159,900	₱2,556,139	₱16,938,503	₱1,079,094	(₱1,062,437)	₱42,200,000	₱266,143,815	(₱2,984,695)	₱396,196,619	₱2,690,417	₱398,887,036
Net income for the period	—	—	—	—	—	—	—	10,462,199	—	10,462,199	214,018	10,676,217
Other comprehensive income (loss)	—	—	(42,431)	2,286,641	40,094	—	—	—	—	2,284,304	—	2,284,304
Total comprehensive income (loss) for the period	—	—	(42,431)	2,286,641	40,094	—	—	10,462,199	—	12,746,503	214,018	12,960,521
Cash dividends declared by a subsidiary	—	—	—	—	—	—	—	—	—	—	(388,500)	(388,500)
At March 31, 2024 (Unaudited)	₱33,166,300	₱38,159,900	₱2,513,708	₱19,225,144	₱1,119,188	(₱1,062,437)	₱42,200,000	₱276,606,014	(₱2,984,695)	₱408,943,122	₱2,515,935	₱411,459,057

See accompanying Notes to Interim Condensed Consolidated Financial Statements.

SM PRIME HOLDINGS, INC. AND SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(Amounts in Thousands)

	Three-Month Periods Ended March 31	
	2025	2024
	<i>(Unaudited)</i>	
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	₱14,380,106	₱12,924,546
Adjustments for:		
Depreciation and amortization (Notes 10, 12 and 19)	3,765,981	3,614,229
Interest expense (Notes 6, 13, 15 and 17)	3,428,409	3,130,424
Equity in net earnings of associates and joint ventures (Note 11)	(650,152)	(577,105)
Interest and dividend income (Notes 5, 6, 8, 12 and 17)	(660,549)	(518,638)
Loss on unrealized foreign exchange and fair value changes on derivatives - net	119,753	558,672
Operating income before working capital changes	20,383,548	19,132,128
Decrease (increase) in:		
Receivables and contract assets	(467,257)	(3,722,828)
Real estate inventories	1,358,655	7,699,523
Prepaid expenses and other current assets	301,553	(22,514)
Increase (decrease) in:		
Accounts payable and other liabilities	(1,962,778)	(4,912,503)
Tenants' and customers' deposits	526,079	598,876
Cash generated from operations	20,139,800	18,772,682
Income tax paid	(2,386,565)	(1,453,719)
Net cash provided by operating activities	17,753,235	17,318,963
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	435,906	295,909
Dividends received	108,029	110,292
Net additions to investment properties (Note 10)	(15,956,702)	(14,856,494)
Increase in other noncurrent assets	(882,816)	(697,843)
Net cash used in investing activities	(16,295,583)	(15,148,136)
CASH FLOWS FROM FINANCING ACTIVITIES		
Availments of interest-bearing debt (Notes 13 and 15)	73,225,518	19,653,904
Proceeds from matured derivatives	154,500	1,132,228
Payments of:		
Interest-bearing debt (Notes 13 and 15)	(61,285,306)	(20,258,832)
Interest	(2,204,375)	(2,121,962)
Lease liabilities	(226,666)	(221,801)
Acquisition of treasury shares (Note 16)	(41,159)	–
Net cash provided (used) by financing activities	9,622,512	(1,816,463)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(3,869)	13,174
NET INCREASE IN CASH AND CASH EQUIVALENTS	11,076,295	367,538
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	31,246,171	31,816,802
CASH AND CASH EQUIVALENTS AT END OF PERIOD	₱42,322,466	₱32,184,340

See accompanying Notes to Interim Condensed Consolidated Financial Statements.

SM PRIME HOLDINGS, INC. AND SUBSIDIARIES

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate Information

SM Prime Holdings, Inc. (SMPH or the Parent Company) was incorporated in the Philippines and registered with the Securities and Exchange Commission (SEC) on January 6, 1994. SMPH and its subsidiaries (collectively known as “the Company”) are incorporated to acquire by purchase, exchange, assignment, gift or otherwise, and to own, use, improve, subdivide, operate, enjoy, sell, assign, transfer, exchange, lease, let, develop, mortgage, pledge, traffic, deal in and hold for investment or otherwise, including but not limited to real estate and the right to receive, collect and dispose of, any and all rentals, dividends, interest and income derived therefrom; the right to vote on any proprietary or other interest on any shares of stock, and upon any bonds, debentures, or other securities; and the right to develop, conduct, operate and maintain modernized commercial shopping centers and all the businesses appurtenant thereto, such as but not limited to the conduct, operation and maintenance of shopping center spaces for rent, amusement centers, movie or cinema theatres within the compound or premises of the shopping centers, to construct, erect, manage and administer buildings such as condominium, apartments, hotels, restaurants, stores or other structures for mixed use purposes.

SMPH’s shares of stock are publicly traded in the Philippine Stock Exchange (PSE).

The Company’s ultimate parent company is SM Investments Corporation (SMIC). SMIC is a Philippine corporation whose common shares is listed with the PSE in 2005. SMIC and all its subsidiaries are herein referred to as the “SM Group”.

The registered office and principal place of business of the Parent Company is at 7/F MOA Square, Seashell Lane cor. Coral Way, Mall of Asia Complex, Brgy. 76 Zone 10, CBP-1A, 1300 Pasay City, Metro Manila, Philippines.

2. Basis of Preparation

The accompanying interim condensed consolidated financial statements have been prepared on a historical cost basis, except for financial assets at fair value through other comprehensive income (FVOCI) and derivative financial instruments which have been measured at fair value.

The interim condensed consolidated financial statements are presented in Philippine peso, which is the Parent Company’s functional and presentation currency under Philippine Financial Reporting Standards (PFRS) Accounting Standards. All values are rounded to the nearest thousand peso, except when otherwise indicated.

The interim condensed consolidated financial statements have been prepared under the going concern assumption.

Statement of Compliance

The accompanying interim condensed consolidated financial statements have been prepared in accordance with Philippine Accounting Standard (PAS) 34, *Interim Financial Reporting*.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements, and should be read in

conjunction with the Company's annual audited consolidated financial statements as at December 31, 2024.

Basis of Consolidation

The interim condensed consolidated financial statements include the accounts of the Parent Company and all of its subsidiaries. As at March 31, 2025, there were no significant changes in the composition of the Company and in the Parent Company's ownership interests in its subsidiaries.

Material Accounting Judgments, Estimates and Assumptions

The preparation of the interim condensed consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. Uncertainty about these estimates and assumptions could result in outcomes that require an adjustment to the carrying amount of the affected asset or liability in the future period.

Except as otherwise disclosed, there were no significant changes in the significant accounting judgments, estimates and assumptions used by the Company for the three-month period ended March 31, 2025.

3. Summary of Material Accounting Policy Information

Changes in Accounting Policies and Disclosures

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Company's annual consolidated financial statements for the year ended December 31, 2024, except for the following amendments which the Company has adopted starting January 1, 2025. Adoption of these pronouncements did not have any material impact on the Company's interim condensed consolidated financial statements.

- PFRS 17, *Insurance Contracts*
- Amendments to PAS 21, *Lack of exchangeability*

Future Changes in Accounting Policies and Disclosures

Pronouncements issued but not yet effective are listed below. The Company does not expect that the future adoption of the said pronouncements will have a significant impact on its consolidated financial statements. The Company intends to adopt the following pronouncements when they become effective.

Effective beginning on or after January 1, 2026

- Amendments to PFRS 9 and PFRS 7, *Classification and Measurement of Financial Instruments*
- Annual Improvements to PFRS Accounting Standards—Volume 11

The amendments are limited to changes that either clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversight or conflicts between the requirements in the Accounting Standards. The following is the summary of the Standards involved and their related amendments.

- Amendments to PFRS 1, *Hedge Accounting by a First-time Adopter*

The amendments included in paragraphs B5 and B6 of PFRS 1 cross references to the qualifying criteria for hedge accounting in paragraph 6.4.1(a), (b) and (c) of PFRS 9. These are intended to address potential confusion arising from an inconsistency between the wording in PFRS 1 and the requirements for hedge accounting in PFRS 9.

- Amendments to PFRS 7, *Gain or Loss on Derecognition*

The amendments updated the language of paragraph B38 of PFRS 7 on unobservable inputs and included a cross reference to paragraphs 72 and 73 of PFRS 13.

- Amendments to PFRS 9

- Lessee Derecognition of Lease Liabilities

The amendments to paragraph 2.1 of PFRS 9 clarified that when a lessee has determined that a lease liability has been extinguished in accordance with PFRS 9, the lessee is required to apply paragraph 3.3.3 and recognize any resulting gain or loss in profit or loss.

- Transaction Price

The amendments to paragraph 5.1.3 of PFRS 9 replaced the reference to 'transaction price as defined by PFRS 15' with 'the amount determined by applying PFRS 15'. The term 'transaction price' in relation to PFRS 15 was potentially confusing and so it has been removed. The term was also deleted from Appendix A of PFRS 9.

- Amendments to PFRS 10, *Determination of a 'De Facto Agent'*

The amendments to paragraph B74 of PFRS 10 clarified that the relationship described in B74 is just one example of various relationships that might exist between the investor and other parties acting as de facto agents of the investor.

- Amendments to PAS 7, *Cost Method*

The amendments to paragraph 37 of PAS 7 replaced the term 'cost method' with 'at cost', following the prior deletion of the definition of 'cost method'.

Effective beginning on or after January 1, 2027

- PFRS 18, *Presentation and Disclosure in Financial Statements* replaces PAS 1, *Presentation of Financial Statements*, and responds to investors' demand for better information about companies' financial performance. The new requirements include:

- Required totals, subtotals and new categories in the consolidated statement of income
- Disclosure of management-defined performance measures
- Guidance on aggregation and disaggregation

The new standard will have an impact on the presentation of income and expenses and additional disclosures on management-defined performance measures but will not have an impact on the recognition and measurement in the consolidated financial statements.

- PFRS 19, *Subsidiaries without Public Accountability*

Deferred Effectivity

- Amendments to PFRS 10, *Consolidated Financial Statements*, and PAS 28, *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*, address the conflict between PFRS 10 and PAS 28 in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that a full gain or loss is recognized when a transfer to an associate or joint venture involves a business as defined in PFRS 3. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognized only to the extent of unrelated investors' interests in the associate or joint venture.

4. Segment Information

For management purposes, the Company is organized into business units based on their products and services, and has four reportable segments as follows: malls, residential, hotels and convention centers, and commercial and integrated property developments.

Malls segment develops, conducts, operates and maintains the business of modern commercial shopping centers and all businesses related thereto such as the conduct, operation and maintenance of shopping center spaces for rent, amusement centers, or cinema theaters within the compound of the shopping centers.

Residential and commercial and integrated property developments segments are involved in the development and transformation of major residential, commercial, entertainment and tourism districts through sustained capital investments in buildings and infrastructure.

Hotels and convention centers segment engages in and carry on the business of hotel and convention centers and operates and maintains any and all services and facilities incident thereto.

Management, through the Executive Committee, monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with the operating profit or loss in the interim condensed consolidated financial statements.

The amount of segment assets and liabilities and segment profit or loss are based on measurement principles that are similar to those used in measuring the assets and liabilities and profit or loss in the interim condensed consolidated financial statements, which is in accordance with PFRS.

Inter-segment Transactions

Inter-segment transactions are eliminated in the interim condensed consolidated financial statements.

Business Segment Data

March 31, 2025 (Unaudited)						
	Malls	Residential	Hotels and Convention Centers	Commercial and Integrated Property Developments	Eliminations	Consolidated Balances
<i>(In Thousands)</i>						
Revenues:						
External customers	₱19,132,281	₱9,697,145	₱2,029,073	₱1,914,996	₱—	₱32,773,495
Inter-segment	93,132	—	—	34,687	(127,819)	—
	₱19,225,413	₱9,697,145	₱2,029,073	₱1,949,683	(₱127,819)	₱32,773,495
Segment results:						
Income before income tax	₱10,103,982	₱2,541,471	₱430,641	₱1,353,584	(₱49,572)	₱14,380,106
Provision for income tax	(1,778,471)	(466,104)	(68,498)	(202,554)	—	(2,515,627)
Net income	₱8,325,511	₱2,075,367	₱362,143	₱1,151,030	(₱49,572)	₱11,864,479
Net income attributable to:						
Equity holders of the Parent	₱8,117,039	₱2,072,674	₱362,143	₱1,151,030	(₱49,572)	₱11,653,314
Non-controlling interests	208,472	2,693	—	—	—	211,165
Other information:						
Capital expenditures**	₱8,708,142	₱2,639,277	₱273,095	₱7,648,476*	₱—	₱19,268,990
Depreciation and amortization	3,054,226	67,996	193,170	450,589	—	3,765,981
*Includes ₱6,228 million integrated property developments						
**Includes capitalized interest amounting to ₱2,200 million (see Note 10)						
March 31, 2024 (Unaudited)						
	Malls	Residential	Hotels and Convention Centers	Commercial and Integrated Property Developments	Eliminations	Consolidated Balances
<i>(In Thousands)</i>						
Revenues:						
External customers	₱17,941,732	₱9,248,347	₱1,771,275	₱1,758,118	₱—	₱30,719,472
Inter-segment	78,633	1,250	4,833	31,578	(116,294)	—
	₱18,020,365	₱9,249,597	₱1,776,108	₱1,789,696	(₱116,294)	₱30,719,472
Segment results:						
Income before income tax	₱8,965,747	₱2,461,781	₱373,890	₱1,153,348	(₱30,220)	₱12,924,546
Provision for income tax	(1,566,710)	(462,015)	(64,760)	(154,844)	—	(2,248,329)
Net income	₱7,399,037	₱1,999,766	₱309,130	₱998,504	(₱30,220)	₱10,676,217
Net income attributable to:						
Equity holders of the Parent	₱7,188,610	₱1,996,175	₱309,130	₱998,504	(₱30,220)	₱10,462,199
Non-controlling interests	210,427	3,591	—	—	—	214,018
Other information:						
Capital expenditures**	₱7,663,208	₱5,116,809	₱728,737	₱5,601,546*	₱—	₱19,110,300
Depreciation and amortization	2,926,921	67,006	165,742	454,560	—	3,614,229
*Includes ₱4,154 million integrated property developments						
**Includes capitalized interest amounting to ₱2,014 million						
March 31, 2025 (Unaudited)						
	Malls	Residential	Hotels and Convention Centers	Commercial and Integrated Property Developments	Eliminations	Consolidated Balances
<i>(In Thousands)</i>						
Segment assets	₱497,252,442	₱380,502,708	₱26,643,997	₱144,690,728	(₱2,042,017)	₱1,047,047,858
Segment liabilities	₱326,485,487	₱213,653,562	₱2,021,039	₱59,302,710	(₱2,042,017)	₱599,420,781
December 31, 2024 (Audited)						
Segment assets	₱486,804,040	₱372,848,649	₱24,482,894	₱137,249,879	(₱1,954,732)	₱1,019,430,730
Segment liabilities	₱322,128,497	₱207,977,024	₱1,982,532	₱53,056,919	(₱1,954,732)	₱583,190,240

For the three-month periods ended March 31, 2025 and 2024, there were no revenue transactions with a single external customer which accounted for 10% or more of the consolidated revenue from external customers. The Company disaggregates its revenue information in the same manner as it reports its segment information.

Seasonality

There were no other trends, events or uncertainties that have had or that are reasonably expected to have a material impact on net sales or revenues or income from continuing operations.

5. Cash and Cash Equivalents

This account consists of:

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
	<i>(In Thousands)</i>	
Cash on hand and in banks (see Note 17)	₱3,181,674	₱4,396,389
Temporary investments (see Note 17)	39,140,792	26,849,782
	₱42,322,466	₱31,246,171

Interest income earned from cash in banks and temporary investments amounted to ₱409 million and ₱314 million for the three-month periods ended March 31, 2025 and 2024, respectively.

6. Receivables and Contract Assets

This account consists of:

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
	<i>(In Thousands)</i>	
Trade:		
Sale of real estate (billed and unbilled)*	₱156,219,120	₱152,492,378
Rent (see Note 17)	11,753,241	14,450,453
Accrued interest (see Note 17)	452,903	370,865
Nontrade and others (see Note 17)	4,496,502	5,031,479
	172,921,766	172,345,175
Less allowance for expected credit loss (ECLs)	774,006	774,250
	172,147,760	171,570,925
Less noncurrent portion of receivables from sale of real estate (see Note 12)	84,520,832	79,064,021
	₱87,626,928	₱92,506,904

**Includes unbilled revenue from sale of real estate amounting to ₱142,359 million and ₱133,475 million as at March 31, 2025 and December 31, 2024, respectively.*

Interest income earned from receivables amounted to ₱80 million and ₱69 million for the three-month periods ended March 31, 2025 and 2024, respectively.

The Company assigned billed and unbilled receivables from sale of real estate on a without recourse basis to local banks amounting to nil and ₱1,178 million for the three-month periods March 31, 2025 and 2024, respectively (see Note 17).

The total cost of related financing recorded under interest expense amounted to nil and ₱160 million for the three-month periods ended March 31, 2025 and 2024, respectively.

The movements in the allowance for ECLs related to receivables are as follows:

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
	<i>(In Thousands)</i>	
At beginning of the period	₱774,250	₱777,378
Reversals - net	(244)	(3,128)
At end of the period	₱774,006	₱774,250

Receivables are assessed by the Company's management as not impaired, good and collectible.

7. Real Estate Inventories

The movements in this account are as follows:

	Land and Development	Condominium, Residential Units and Subdivision Lots for Sale	Total
	<i>(In Thousands)</i>		
Balance as at December 31, 2023 (Audited)	₱52,758,337	₱25,128,444	₱77,886,781
Development cost incurred	17,918,601	103,947	18,022,548
Cost of real estate sold	(11,962,498)	(7,178,027)	(19,140,525)
Transfers	(3,074,344)	3,074,344	–
Reclassifications from investment properties (see Note 10)	142,699	–	142,699
Translation adjustment and others	–	16,024	16,024
Balance as at December 31, 2024 (Audited)	55,782,795	21,144,732	76,927,527
Development cost incurred	6,080,440	8,293	6,088,733
Cost of real estate sold (see Note 19)	(2,904,990)	(1,008,113)	(3,913,103)
Transfers	(512,773)	512,773	–
Translation adjustment and others	52,081	4,347	56,428
Balance as at March 31, 2025 (Unaudited)	₱58,497,553	₱20,662,032	₱79,159,585

Land and development which pertains to the Company's on-going residential units and condominium projects.

Condominium and residential units for sale which pertain to the completed projects are stated at cost as at March 31, 2025 and December 31, 2024.

Contract fulfillment assets, included under land and development, mainly pertain to unamortized portion of land cost totaling ₱3,831 million and ₱2,031 million as at March 31, 2025 and December 31, 2024, respectively.

8. Equity Instruments at FVOCI

This account consists of investments in:

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
	<i>(In Thousands)</i>	
Shares of stock:		
Listed (see Note 17)	₱22,087,283	₱21,181,916
Unlisted	5,317	5,317
	22,092,600	21,187,233
Less noncurrent portion	21,297,306	20,392,800
	₱795,294	₱794,433

Dividend income from investments at FVOCI amounted to ₱143 million and ₱110 million for the three-month periods ended March 31, 2025 and 2024, respectively.

Unrealized gain of ₱905 million and ₱2,287 million on changes in fair value for the three-month periods ended March 31, 2025 and 2024, respectively were included under other comprehensive income.

9. Prepaid Expenses and Other Current Assets

This account consists of:

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
	<i>(In Thousands)</i>	
Input and creditable withholding taxes	₱13,263,729	₱14,039,318
Advances and deposits	9,017,845	8,797,734
Prepaid taxes and other prepayments	5,035,692	4,565,703
Supplies, inventories and others	801,469	1,023,953
	₱28,118,735	₱28,426,708

10. Investment Properties

The movements in this account are as follows:

	Land, Building and Leasehold Improvements	Building Equipment, Furniture and Others	ROUA	Construction in Progress	Total
	<i>(In Thousands)</i>				
Cost					
Balance as at December 31, 2023 (Audited)	₱501,242,440	₱61,093,358	₱33,416,089	₱82,002,808	₱677,754,695
Additions	9,244,408	3,621,649	98,291	54,569,894	67,534,242
Reclassifications (see Notes 7 and 12)	16,286,673	2,788,243	—	(16,231,352)	2,843,564
Translation adjustment	917,995	77,636	295,751	124,704	1,416,086
Disposals	(690,721)	(222,151)	—	—	(912,872)
Balance as at December 31, 2024 (Audited)	527,000,795	67,358,735	33,810,131	120,466,054	748,635,715
Additions	2,624,196	570,876	—	14,216,242	17,411,314
Reclassifications	5,098,183	334,600	—	(5,432,783)	—
Translation adjustment	(316,633)	(28,610)	(96,981)	(42,311)	(484,535)
Disposals	(95,424)	(11,585)	—	—	(107,009)
Balance as at March 31, 2025 (Unaudited)	₱534,311,117	₱68,224,016	₱33,713,150	₱129,207,202	₱765,455,485
Accumulated Depreciation and Amortization					
Balance as at December 31, 2023 (Audited)	₱90,506,475	₱38,908,252	₱3,265,222	₱—	₱132,679,949
Depreciation and amortization	9,753,913	4,245,234	830,532	—	14,829,679
Translation adjustment	212,105	45,221	11,907	—	269,233
Disposals	(282,864)	(200,203)	—	—	(483,067)
Balance as at December 31, 2024 (Audited)	100,189,629	42,998,504	4,107,661	—	147,295,794
Depreciation and amortization (see Note 19)	2,466,320	1,041,199	205,762	—	3,713,281
Translation adjustment	(90,773)	(12,963)	(6,767)	—	(110,503)
Disposals	(93,085)	(11,261)	—	—	(104,346)
Balance as at March 31, 2025 (Unaudited)	₱102,472,091	₱44,015,479	₱4,306,656	₱—	₱150,794,226
Net Book Value					
As at December 31, 2024 (Audited)	₱426,811,166	₱24,360,231	₱29,702,470	₱120,466,054	₱601,339,921
As at March 31, 2025 (Unaudited)	₱431,839,026	₱24,208,537	₱29,406,494	₱129,207,202	₱614,661,259

The Company disposed certain investment properties in 2025 and 2024. The gain or loss on disposal is recognized in the consolidated statements of income under “Others - net” account.

Portions of investment properties located in China with total carrying value of ₱1,488 million and ₱1,539 million as at March 31, 2025 and December 31, 2024, respectively are mortgaged as collaterals to secure domestic borrowings (see Note 15).

Consolidated rent income from investment properties amounted to ₱20,021 million and ₱18,535 million for the three-month periods ended March 31, 2025 and 2024, respectively. Consolidated costs and expenses from investment properties amounted to ₱9,427 million and ₱9,466 million for the three-month periods ended March 31, 2025 and 2024, respectively.

Construction in progress includes integrated property developments cost, shopping mall and commercial building constructions and landbanking amounted to ₱129,207 million and ₱120,466 million as at March 31, 2025 and December 31, 2024, respectively.

The outstanding contracts with various contractors related to the construction of on-going projects are valued at ₱57,871 million and ₱63,362 million as at March 31, 2025 and December 31, 2024, respectively inclusive of overhead, cost of labor and materials and all other costs necessary for the proper execution of the works.

Additions include interest capitalized to the construction of investment properties amounting to ₱2,200 million and ₱7,446 million for the three-month period ended March 31, 2025 and for the year ended December 31, 2024, respectively. Capitalization rates used range from 2.52% to 6.21% and from 2.46% to 5.75% for the three-month period ended March 31, 2025 and for the year ended December 31, 2024, respectively.

The most recent fair value of investment properties is determined by an independent appraiser who holds a recognized and relevant professional qualification. The fair values of investment properties were based on market values using income approach and market value approach. The fair value represents the amount at which the assets can be exchanged between a knowledgeable, willing seller and a knowledgeable, willing buyer in an arm’s length transaction at the date of valuation, in accordance with International Valuation Standards as set out by the International Valuation Standards Committee.

Other than those investment properties held as collateral, the Company has no restriction on the realizability of its investment properties.

11. Investments in Associates and Joint Ventures

The ownership interests in associates and joint ventures are accounted for under the equity method.

As at March 31, 2025, there were no changes in the Company’s ownership interests in its investments in associates and joint ventures.

The movements in this account are as follows:

	Associates	Joint Ventures	Total
	<i>(In Thousands)</i>		
Balance as at December 31, 2023 (Audited)	₱21,983,446	₱10,447,749	₱32,431,195
Equity in net earnings	1,118,823	924,187	2,043,010
Dividends	(1,284,813)	(151,468)	(1,436,281)
Translation and others	22,104	48,331	70,435
Balance as at December 31, 2024 (Audited)	21,839,560	11,268,799	33,108,359
Equity in net earnings	440,965	209,187	650,152
Translation and others	(1,531)	20,713	19,182
Balance as at March 31, 2025 (Unaudited)	₱22,278,994	₱11,498,699	₱33,777,693

The carrying value of investment in Ortigas Land Corporation (OLC) amounted to ₱21,985 million and ₱21,544 million as at March 31, 2025 and December 31, 2024, respectively which consists of its proportionate share in the net assets of OLC and fair value adjustments. The share in profit and total comprehensive income amounted to ₱441 million and ₱317 million for the three-month periods ended March 31, 2025 and 2024, respectively.

The carrying value of investment in Feihua Real Estate (Chongqing) Company Ltd. amounted to ₱294 million and ₱295 million as at March 31, 2025 and December 31, 2024, respectively.

The carrying values of investments in Waltermart amounted to ₱8,870 million and ₱8,710 million as at March 31, 2025 and December 31, 2024, respectively. The aggregate share in profit and total comprehensive income amounted to ₱160 million and ₱180 million for the three-month periods ended March 31, 2025 and 2024, respectively.

The carrying value of investment in ST 6747 Resources Corporation amounted to ₱2,629 million and ₱2,559 million as at March 31, 2025 and December 31, 2024, respectively. The aggregate share in profit and total comprehensive income amounted to ₱70 million and ₱80 million for the three-month periods ended March 31, 2025 and 2024 respectively.

The Company has no outstanding contingent liabilities or capital commitments related to its investments in associates and joint ventures as at March 31, 2025 and December 31, 2024.

12. Other Noncurrent Assets

This account consists of:

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
	<i>(In Thousands)</i>	
Receivables from sale of real estate - net of current portion* (see Note 6)	₱84,520,832	₱79,064,021
Bonds and deposits	43,429,692	42,946,111
Escrow and time deposits (see Note 17)	3,965,246	3,803,029
Property and equipment - net of accumulated depreciation of ₱2,813 million and ₱2,762 million, respectively (see Note 19)	1,513,223	1,493,295
Deferred input tax	606,579	606,950
Others	345,257	369,367
	₱134,380,829	₱128,282,773

*Pertains to noncurrent portion of unbilled revenue from sale of real estate (see Note 6).

Bonds and deposits related to land acquisitions amounting to nil and ₱2,986 million were reclassified to investment properties as at March 31, 2025 and December 31, 2024, respectively.

Interest income earned from escrow and time deposits amounted to ₱28 million and ₱26 million for the three-month periods ended March 31, 2025 and 2024, respectively.

13. Loans Payable

This account consists of unsecured Philippine peso and China yuan renminbi denominated loans obtained from local and foreign banks amounting to ₱17,393 million and ₱17,312 million as at March 31, 2025 and December 31, 2024, respectively, with due dates of less than one year. These loans bear weighted average interest rates of 5.16% and 5.35% and China loan prime rate (LPR), respectively.

Interest expense incurred from loans payable amounted to ₱229 million and ₱19 million for the three-month periods ended March 31, 2025 and 2024, respectively.

14. Accounts Payable and Other Current Liabilities

This account consists of:

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
	(In Thousands)	
Trade payables (see Note 17)	₱56,762,841	₱58,371,104
Tenants' and customers' deposits*	43,142,022	43,023,059
Accrued operating expenses	22,047,648	17,868,320
Deferred output VAT	17,528,579	17,410,460
Lease liabilities	13,114,565	13,150,290
Retention payable	11,880,730	11,084,821
Accrued interest (see Note 17)	3,898,885	2,674,852
Liability for purchased land	4,301,871	3,005,332
Payable to government agencies	760,119	1,049,077
Nontrade	436,523	432,467
Others	1,537,668	2,319,562
	175,411,451	170,389,344
Less noncurrent portion	67,827,102	66,600,383
	₱107,584,349	₱103,788,961

*Includes unearned revenue from sale of real estate amounting to ₱8,610 million and ₱9,023 million as at March 31, 2025 and December 31, 2024, respectively.

Lease liabilities included in "Other noncurrent liabilities" amounted to ₱12,996 million and ₱12,991 million as at March 31, 2025 and December 31, 2024, respectively. Interest on lease liabilities included under "Others - net" in the interim consolidated statements of income amounted to ₱75 million and ₱86 million for the three-month periods ended March 31, 2025 and 2024, respectively.

The undiscounted payments of lease liabilities are scheduled as follows:

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
	<i>(In Thousands)</i>	
Within 1 year	₱895,023	₱889,112
More than 1 year to 5 years	3,558,511	3,547,030
More than 5 years	26,538,524	26,976,527
	₱30,992,058	₱31,412,669

Accrued operating expenses consist of:

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
	<i>(In Thousands)</i>	
Payable to contractors	₱14,557,208	₱11,406,989
Utilities	2,805,738	2,375,023
Marketing, advertising and others	4,684,702	4,086,308
	₱22,047,648	₱17,868,320

15. Long-term Debt

This account consists of:

	Availment Date	Maturity Date	Weighted Average Interest Rate	Outstanding Balance	
				March 31, 2025	December 31, 2024
				(Unaudited)	(Audited)
				(In Thousands)	
Philippine peso-denominated loans	November 25, 2015 - March 31, 2025	January 30, 2025 - February 25, 2035	Floating BVAL + margin; Fixed 5.75%	₱310,823,900	₱287,331,190
U.S. dollar-denominated loans*	January 29, 2021 - August 27, 2024	March 21, 2025 - August 10, 2029	SOFR + spread; quarterly	63,893,776	76,161,303
China yuan renminbi-denominated loans**	May 6, 2021 - March 24, 2025	April 20, 2026 - June 24, 2037	LPR; annually; Fixed - 3.65%	10,973,173	10,830,711
				385,690,849	374,323,204
Less debt issue cost				1,990,359	1,715,421
				383,700,490	372,607,783
Less current portion				103,416,061	89,287,442
				₱280,284,429	₱283,320,341

BVAL – Bloomberg Valuation Service

SOFR – Secured Overnight Financing Rate

**Hedged against foreign exchange and interest rate risks using derivative instruments.*

***Secured by portions of investment properties located in China (see Note 10).*

Debt Issue Cost

The movements in unamortized debt issue cost of the Company as follows:

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
	<i>(In Thousands)</i>	
Balance at beginning of the year	₱1,715,421	₱1,885,738
Additions	488,331	655,334
Amortization	(213,393)	(825,651)
Balance at end of the year	₱1,990,359	₱1,715,421

Amortization of debt issue cost is recognized in the interim consolidated statements of income under under “Others - net” account.

Repayment Schedule

The repayments of long-term debt are scheduled as follows:

	Gross Loan	Debt Issue Cost	Net
		<i>(In Thousands)</i>	
Within 1 year	₱104,116,058	(₱699,997)	₱103,416,061
More than 1 year to 5 years	222,846,284	(1,183,422)	221,662,862
More than 5 years	58,728,507	(106,940)	58,621,567
	₱385,690,849	(₱1,990,359)	₱383,700,490

The loan agreements of the Company provide certain restrictions and requirements principally with respect to maintenance of required financial ratios and material change in ownership or control. As at March 31, 2025 and December 31, 2024, the Company is in compliance with the terms of its loan covenants.

Interest expense incurred from long-term debt amounted to ₱3,199 million and ₱2,951 million for the three-month periods ended March 31, 2025 and 2024, respectively.

16. Equity

Capital Stock

As at March 31, 2025 and December 31, 2024, the Company has an authorized capital stock of 40,000 million with a par value of ₱1 a share, of which 33,166 million shares were issued.

As at March 31, 2025 and December 31, 2024, the Company has 28,854.56 million and 28,856.41 million outstanding shares, respectively.

Retained Earnings

On April 23, 2024, the Company’s Board of Directors (BOD) approved the declaration of cash dividend of ₱0.346 per share or ₱9,992 million to stockholders of record as of May 8, 2024, ₱8 million of which was received by SM Development Corporation (SMDC). This was paid on May 22, 2024.

On December 9, 2024, the Company's BOD approved the appropriation of retained earnings amounting to ₱100,000 million. On the same date, the BOD approved the reversal of appropriated retained earnings amounting to ₱42,200 million.

As at March 31, 2025 and December 31, 2024, the retained earnings appropriated amounted to ₱100,000 million for planned construction projects and land banking activities. This represents a continuing appropriation to cover the Company's capital expenditures. Approval of expansions and new projects is delegated by the BOD to the Executive Committee of the Company.

The unappropriated retained earnings account is restricted for the payment of dividends to the extent of the accumulated equity in net earnings of subsidiaries, associates and joint ventures and the balance of treasury stock until such time that the Parent Company receives the dividends from its subsidiaries, associates and joint ventures. The retained earnings available for dividend declaration amounted to ₱85,707 million and ₱77,131 million as at March 31, 2025 and December 31, 2024, respectively.

Treasury Stock

On December 9, 2024, the Company's BOD approved a share buyback program ranging from ₱5 billion to ₱10 billion. For the three-month period ending March 31, 2025, the Company has purchased a total of 1.85 million shares at an average price of ₱22.28 for a total consideration of ₱41 million under its share buyback program.

As at March 31, 2025 and December 31, 2024, the Company has 4,312 million and 4,310 million shares of treasury stock, respectively. This includes reacquired capital stock and shares held by a subsidiary, stated at acquisition cost of ₱3,026 million and ₱2,985 million as at March 31, 2025 and December 31, 2024, respectively.

17. Related Party Transactions

The significant transactions entered into by the Company with its related parties and the amounts included in the accompanying interim condensed consolidated financial statements with respect to these transactions follow:

	Amount of Transactions		Outstanding Amount [Asset (Liability)]		Terms	Conditions
	March 31, 2025	March 31, 2024	March 31, 2025	December 31, 2024		
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)		
(In Thousands)						
Ultimate Parent						
Rent income	₱20,013	₱18,454	₱–	₱–		
Rent receivable	–	–	8,913	9,752	Non-interest bearing	Unsecured; not impaired
Other revenues	7,838	9,030	–	–		
Other receivable	–	–	1,446	3,832	Non-interest bearing	Unsecured; not impaired
Rent expense	20,675	19,506	–	–		
Trade payable	–	–	(42,603)	(72,330)	Non-interest bearing	Unsecured
Equity instruments at FVOCI	–	–	115,131	131,348		
Bank and Retail Group						
Cash and cash equivalents	83,269,147	46,883,514	39,791,203	28,105,695	Interest bearing based on prevailing rates	Unsecured; not impaired
Rent income	4,508,006	4,248,302	–	–		
Rent receivable	–	–	2,763,131	3,612,659	Non-interest bearing	Unsecured; not impaired

	Amount of Transactions		Outstanding Amount [Asset (Liability)]		Terms	Conditions
	March 31, 2025 (Unaudited)	March 31, 2024 (Unaudited)	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)		
<i>(In Thousands)</i>						
Other receivable	₱—	₱—	₱10,020	₱8,584	Non-interest bearing	Unsecured; not impaired
Interest income	412,493	301,525	—	—		
Accrued interest receivable	—	—	275,228	204,768	Non-interest bearing	Unsecured; not impaired
Dividend income	108,029	81,022	—	—		
Equity instruments at FVOCI	—	—	16,560,888	15,556,215		
Escrow and time deposits	174,928	257,063	1,526,879	1,351,950	Interest bearing based on prevailing rates	Unsecured; not impaired
Receivable financed	—	1,177,769	—	—	Without recourse	Unsecured
Loans payable and long-term debt	11,686,500	—	(28,360,388)	(28,065,587)	Interest bearing based on prevailing rates	Unsecured
Interest expense	473,842	442,425	—	—		
Accrued interest payable	—	—	(170,942)	(211,032)	Non-interest bearing	Unsecured
Other expense	58,125	54,622	—	—		
Trade payable	—	—	(36,667)	(124,317)	Non-interest bearing	Unsecured
Other Related Parties						
Rent income	117,829	104,641	—	—		
Rent receivable	—	—	74,933	82,581	Non-interest bearing	Unsecured; not impaired
Other revenues	33,115	32,740	—	—		
Other receivable	—	—	42,490	46,031	Non-interest bearing	Unsecured; not impaired
Rent expense	113	112	—	—		
Trade payable	—	—	(5,952)	(9,866)	Non-interest bearing	Unsecured

Compensation of Key Management Personnel

The aggregate compensation and benefits related to key management personnel for the three-month periods ended March 31, 2025 and 2024 consist of short-term employee benefits amounting to ₱470 million and ₱351 million, respectively, and post-employment benefits (pension benefits) amounting to ₱62 million and ₱77 million, respectively.

18. Other Revenues

Details of other revenue follows:

	March 31, 2025 (Unaudited)	March 31, 2024 (Unaudited)
<i>(In Thousands)</i>		
Merchandise sales	₱895,990	₱842,072
Cinema and event ticket sales	804,762	847,524
Food and beverages	706,202	619,222
Amusement income	358,820	368,746
Bowling and ice skating fees	108,452	105,575
Others (see Note 17)	661,678	612,557
	₱3,535,904	₱3,395,696

Others include advertising income, service fees, parking terminal, sponsorships, commissions and membership revenue.

19. Costs and Expenses

This account consists of:

	March 31, 2025 (Unaudited)	March 31, 2024 (Unaudited)
	<i>(In Thousands)</i>	
Cost of real estate sold (see Note 7)	₱3,913,103	₱3,784,739
Depreciation and amortization (see Notes 10 and 12)	3,765,981	3,614,229
Administrative (see Note 17)	3,704,784	4,019,753
Marketing and selling expenses	1,570,816	1,507,271
Business taxes and licenses	1,231,515	1,383,940
Film rentals	430,507	408,023
Rent (see Note 17)	388,413	363,647
Insurance	115,854	157,764
Others	973,861	769,008
	₱16,094,834	₱16,008,374

Administrative expenses include utilities, security, janitorial and other outsourced services. Rent expense pertains to variable payments for various lease agreements. Others include bank charges, donations, dues and subscriptions, service fees and transportation and travel.

20. Financial Risk Management Objectives and Policies

The Company's principal financial instruments, other than derivatives, comprise of cash and cash equivalents, accrued interest and other receivables, equity instruments at FVOCI and bank loans. The main purpose of these financial instruments is to finance the Company's operations. The Company has other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations.

The Company also enters into derivative transactions to manage the interest rate and foreign currency risks arising from operations and its sources of finance (see Note 21).

The main risks arising from the Company's financial instruments are interest rate risk, foreign currency risk, liquidity risk, credit risk and equity price risk. The Company's BOD and management review and agree on the policies for managing each of these risks.

Interest Rate Risk

The Company's policy is to manage its interest cost using a mix of fixed and floating rate debts. To manage this mix in a cost-efficient manner, it enters into interest rate swaps, in which the Company agrees to exchange, at specified intervals, the difference between fixed and floating rate interest amounts calculated by reference to an agreed-upon notional principal amount. These swaps are designated to economically hedge underlying debt obligations. As at March 31, 2025 and December 31, 2024, after considering the effect of interest rate swaps, approximately 66% and 70% of its long-term borrowings, are at a fixed rate of interest (see Note 27).

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company's policy is to manage its foreign currency risk mainly from its debt issuances which are denominated in U.S. dollars by entering into derivative instruments aimed at reducing and/or managing the adverse impact of changes in foreign exchange rates on financial performance and cash flow.

The Company's foreign currency-denominated monetary net assets amounted to US\$13 million (₱745 million) as at March 31, 2025 and US\$15 million (₱849 million) and December 31, 2024.

In translating the foreign currency-denominated monetary assets to peso amounts, the exchange rates used were ₱57.21 to US\$1.00 and ₱57.85 to US\$1.00, the Philippine peso to US dollar exchange rates as at March 31, 2025 and December 31, 2024, respectively.

Liquidity Risk

Liquidity risk arises from the possibility that the Company may encounter difficulties in raising funds to meet commitments from financial instruments or that a market for derivatives may not exist in some circumstance.

The Company seeks to manage its liquidity profile to be able to finance capital expenditures and service maturing debts. To cover its financing requirements, the Company intends to use internally generated funds and proceeds from debt and equity issues.

As part of its liquidity risk management program, the Company regularly evaluates its projected and actual cash flow information and continuously assesses conditions in the financial markets for opportunities to pursue fund-raising initiatives. These initiatives may include bank loans, debt capital and equity market issues.

Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instruments or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Equity Price Risk

Equity price risk arises from the changes in the levels of equity indices and the value of individual stocks traded in the stock exchange.

As a policy, management monitors its equity price risk pertaining to its investments in quoted equity securities which are classified as equity instruments at FVOCI in the interim consolidated balance sheets based on market expectations. Material equity investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by management.

Capital Management

Capital includes equity attributable to the owners of the Parent.

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value.

The Company manages its capital structure and makes adjustments to it, in the light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, pay-off existing debts, return capital to shareholders or issue new shares.

21. Financial Instruments

The following table sets forth the carrying values and estimated fair values of financial assets and liabilities and nonfinancial assets, by category and by class, other than those whose carrying values are reasonable approximations of fair values:

	March 31, 2025 (Unaudited)				
	Carrying Value	Fair Value	Level 1	Level 2	Level 3
<i>(In Thousands)</i>					
Financial Assets					
Financial assets at FVTPL:					
Derivative assets	₱3,269,439	₱3,269,439	₱—	₱3,269,439	₱—
Financial assets at amortized cost:					
Escrow and time deposits (included under “Other noncurrent assets”)	3,965,246	4,038,312	—	4,038,312	—
Financial assets at FVOCI:					
Equity instruments	22,092,600	22,092,600	22,087,283	—	5,317
Nonfinancial Assets*	614,661,259	2,436,435,540	—	—	2,436,435,540
	₱643,988,544	₱2,465,835,891	₱22,087,283	₱7,307,751	₱2,436,440,857
Financial Liabilities					
Financial liabilities at FVPTL:					
Derivative liabilities	₱87,082	₱87,082	₱—	₱87,082	₱—
Loans and borrowings:					
Long-term debt - net of current portion	280,284,429	273,697,037	—	—	273,697,037
Tenants’ deposits - net of current portion**	27,189,163	26,950,816	—	—	26,950,816
Other noncurrent liabilities***	13,746,545	13,697,527	—	—	13,697,527
	₱321,307,219	₱314,432,462	₱—	₱87,082	₱314,345,380

*Consists of investment properties

**Excluding residential customers’ deposits amounting to ₱3,855 million as at March 31, 2025.

***Excluding lease liabilities and nonfinancial liabilities amounting to ₱30,202 million as at March 31, 2025.

	December 31, 2024 (Audited)				
	Carrying Value	Fair Value	Level 1	Level 2	Level 3
<i>(In Thousands)</i>					
Financial Assets					
Financial assets at FVTPL:					
Derivative assets	₱4,770,827	₱4,770,827	₱—	₱4,770,827	₱—
Financial assets at amortized cost:					
Escrow and time deposits (included under “Other noncurrent assets”)	3,803,029	3,886,915	—	3,886,915	—
Financial assets at FVOCI:					
Equity instruments	21,187,233	21,187,233	21,181,916	—	5,317
Nonfinancial Assets*	601,339,921	2,419,846,377	—	—	2,419,846,377
	₱631,101,010	₱2,449,691,352	₱21,181,916	₱8,657,742	₱2,419,851,694

	December 31, 2024 (Audited)				
	Carrying Value	Fair Value	Level 1	Level 2	Level 3
	<i>(In Thousands)</i>				
Financial Liabilities					
Financial liabilities at FVTPL:					
Long-term debt - net of current portion	₱50,447	₱50,447	₱—	₱50,447	₱—
Loans and borrowings:					
Long-term debt - net of current portion	283,320,341	274,954,185	—	—	274,954,185
Tenants' deposits - net of current portion**	26,823,915	26,464,167	—	—	26,464,167
Other noncurrent liabilities***	13,138,778	13,064,037	—	—	13,064,037
	₱323,333,481	₱314,532,836	₱—	₱50,447	₱314,482,389

*Consists of investment properties

**Excluding residential customers' deposits amounting to ₱3,705 million as at December 31, 2024.

***Excluding lease liabilities and nonfinancial liabilities amounting to ₱30,233 million as at December 31, 2024.

Fair Value Hierarchy

The Company uses the fair value hierarchy for determining and disclosing the fair value of financial instruments.

During the three-month period ended March 31, 2025 and the year ended December 31, 2024, there were no transfers between Level 1 and Level 2 fair value measurements and no transfers into and out of Level 3 fair value measurements.

The following methods and assumptions were used to estimate the fair value of each class of financial instrument for which it is practicable to estimate such value:

Derivative Instruments. The fair values are based on quotes obtained from counterparties.

Escrow and Time Deposits. The fair values are based on the discounted value of future cash flows using the prevailing market rates.

Financial assets at FVOCI. The fair value of investments that are actively traded in organized financial markets is determined by reference to quoted market bid prices at the close of business.

Nonfinancial Assets. The significant assumptions used in the most recent valuation determined on December 31, 2024 are discount rates of 9.00% to 10.00% and average growth rate of 5.00%, respectively. Management believes that the carrying values of additions to investment properties subsequent to the most recent valuation date would approximate their fair values.

Long-term Debt. Fair value is based on the following:

Debt Type	Fair Value Assumptions
Fixed Rate Loans	Estimated fair value is based on the discounted value of future cash flows using the applicable rates for similar types of loans. Discount rates used is based on the prevailing market rate as at March 31, 2025 and December 31, 2024.
Variable Rate Loans	For variable rate loans that re-price every three months, the carrying value approximates the fair value because of recent and regular repricing based on current market rates. For variable rate loans that re-price every six months, the fair value is determined by discounting the principal amount plus the next interest payment amount using the prevailing market rate as at March 31, 2025 and December 31, 2024 up to the next repricing date. Discount rates used is based on the prevailing market rate.

Tenants' Deposits and Other Noncurrent Liabilities. The estimated fair value is based on the discounted value of future cash flows using the applicable rates. The discount rates used range from 1.08% to 6.78% and 1.08% to 7.03% as at March 31, 2025 and December 31, 2024, respectively.

The Company assessed that the carrying values of cash and cash equivalents, receivables, bank loans and accounts payable and other current liabilities approximate their fair values due to the short-term nature and maturities of these financial instruments.

There were no financial instruments subject to an enforceable master netting arrangement that were not offset in the interim consolidated balance sheets.

Derivative Instruments Accounted for as Cash Flow Hedges

As at March 31, 2025 and December 31, 2024, the Company has outstanding arrangements to hedge both foreign currency and interest rate exposures on its foreign currency denominated debts.

As the terms of the swaps have been negotiated to match the terms of the hedged loans, the hedges were assessed to be effective.

The net movements in fair value of all derivative instruments are as follows:

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
	<i>(In Thousands)</i>	
Balance at beginning of period	₱4,720,380	₱5,251,608
Net changes in fair value during the period*	(1,201,265)	1,803,201
Fair value of settled derivatives	(336,758)	(2,334,429)
Balance at end of period	₱3,182,357	₱4,720,380

*Includes fair value changes in other comprehensive income.

22. Provision for Income Tax

The details of the Company's provision for income tax are as follows:

	March 31, 2025 (Unaudited)	March 31, 2024 (Unaudited)
	<i>(In Thousands)</i>	
Provision for current tax	₱2,431,830	₱2,163,633
Provision for deferred tax	83,797	84,696
	₱2,515,627	₱2,248,329

23. EPS Computation

Basic/diluted EPS is computed as follows:

	March 31, 2025 (Unaudited)	March 31 2024 (Unaudited)
	<i>(In Thousands, Except Per Share Data)</i>	
Net income attributable to equity holders of the Parent (a)	₱11,653,314	₱10,462,199
Common shares issued (see Note 16)	33,166,300	33,166,300
Less weighted average number of treasury stock	4,311,384	4,309,889
Weighted average number of common shares outstanding (b)	28,854,916	28,856,411
Earnings per share (a/b)	₱0.404	₱0.363

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

SM Prime Q1 earnings up 11% to ₱11.7 Billion

Financial and Operational Highlights

(In Million Pesos, except for financial ratios and percentages)

	Three Months Ended March 31				
	2025	% to Revenues	2024	% to Revenues	% Change
Profit and Loss Data					
Revenues	32,773	100%	30,719	100%	7%
Costs and Expenses	16,095	49%	16,008	52%	1%
Operating Income	16,679	51%	14,711	48%	13%
Net Income	11,653	36%	10,462	34%	11%
EBITDA	20,233	62%	18,111	59%	12%

	Mar 31 2025	% to Total Assets	Dec 31 2024	% to Total Assets	% Change
Balance Sheet Data					
Total Assets	1,047,048	100%	1,019,431	100%	3%
Investment Properties	614,661	59%	601,340	59%	2%
Total Debt	401,093	38%	389,920	38%	3%
Net Debt	358,771	34%	358,674	35%	0%
Total Equity	444,733	42%	433,093	42%	3%

	Consolidated	
	Mar 31 2025	Dec 31 2024
Financial Ratios		
Current Ratio*	2.14	2.19
Acid Test Ratio*	1.13	1.18
Solvency Ratio	1.75	1.75
Debt to Equity	47 : 53	47 : 53
Net Debt to Equity	45 : 55	45 : 55
Return on Equity	11%	11%
Net Income Margin	36%	33%
Asset to Equity	2.35	2.35
Interest Coverage Ratio	5.90	5.90
Debt to EBITDA	4.76	4.75

*excluding loans payable and current portion of long-term debt for refinancing

Revenues

SM Prime recorded consolidated revenues of ₱32.77 billion in the first quarter of 2025, an increase of 7% compared to ₱30.72 billion in the same period of 2024, primarily due to the following:

Rent

SM Prime recorded consolidated revenues from rent of ₱20.02 billion in the first quarter of 2025, a 8% increase from ₱18.54 billion in the same period of 2024. 85% is contributed by the malls while 15% is from offices and hotels and convention centers.

Real Estate Sales

SM Prime's real estate sales increased by 5% to ₱9.22 billion in the first quarter of 2025 from ₱8.79 billion in the same period of 2024 due to sales take-up and construction accomplishment of ongoing projects, including Calm Residences in Laguna, Joy Residences in Bulacan, Gold Towers Residential-Offices in Parañaque and Glade Residences in Iloilo.

Other Revenues

SM Prime's other revenues increased by 4% to ₱3.54 billion in the first quarter of 2025 from ₱3.40 billion in the same period of 2024. Other revenues include ice skating, bowling, amusement and recreation operations, sale of food and beverages in hotels, sponsorships and advertising revenues, and cinema and event ticket sales. Cinema movies shown during the first quarter of 2025 includes And the Breadwinner Is..., Captain America: Brave New World, Green Bones, Snow White, and Mufasa: The Lion King.

Costs and Expenses

SM Prime recorded consolidated costs and expenses is at ₱16.10 billion in the first quarter of 2025. Operating expenses includes depreciation and amortization, taxes and licenses, marketing and selling expenses, utilities and manpower costs. Gross profit margin on real estate is maintained at 58% in 2025.

Other Income (Charges)

Interest Expense

SM Prime's consolidated interest expense increased by 10% to ₱3.43 billion in 2025 compared to ₱3.13 billion in the same period in 2024 mainly due to the issuance of retail bonds in 2025 and 2024 to refinance existing debt and capital expenditure requirements spent for integrated property developments.

Interest, Dividend and Others - net

Interest, dividend and others - net decreased to ₱1.13 billion in the first quarter of 2025 compared to ₱1.34 billion in the same period of 2024. This consists of interest income from cash and cash equivalents, dividend income from equity instruments, equity in net earnings from associates and joint ventures and foreign exchange gains and losses.

Provision for income tax

SM Prime's consolidated provision for income tax is at ₱2.52 billion in the first quarter of 2025 compared to ₱2.25 billion in the same period of 2024.

Net income attributable to Parent

SM Prime's net income attributable to Parent increased by 11% to ₱11.65 billion in the first quarter of 2025 compared to ₱10.46 billion in the same period of 2024.

Balance Sheet Accounts

SM Prime's total assets amounted to ₱1,047.05 billion and ₱1,019.43 billion as of March 31, 2025 and December 31, 2024, respectively.

Cash and cash equivalents increased to ₱42.32 billion from ₱31.25 billion as of March 31, 2025 and December 31, 2024, respectively, mainly due to collections from operations and net loan availments for debt refinancing.

Receivables and contract assets decreased to ₱87.63 billion from ₱92.51 billion as of March 31, 2025 and December 31, 2024, respectively, mainly due to increased collections for the period.

Derivative assets - net decreased to ₱3.18 billion from ₱4.72 billion as of March 31, 2025 and December 31, 2024, respectively, mainly due to net fair value changes on interest rate and foreign exchange swap transactions and maturities during the period.

Other noncurrent assets, which includes noncurrent portion of receivables from sale of real estate and bonds and deposits for real estate acquisitions, increased by 5% to ₱134.38 billion from ₱128.28 billion as of March 31, 2025 and December 31, 2024, respectively.

Cumulative translation adjustment decreased to ₱2.95 billion from ₱3.14 billion as of March 31, 2025 and December 31, 2024, respectively, as a result of foreign exchange movement between periods.

Non-controlling interests decreased to ₱2.90 billion from ₱3.15 billion as of March 31, 2025 and December 31, 2024, respectively, due to dividends declared for the period, net of share in net income attributable to non-controlling interests.

The Company has no known direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation. There were no contingent liabilities or assets in the Company's balance sheet. The Company has no off-balance sheet transactions, arrangements, obligations during the reporting year as of balance sheet date.

SM Prime currently has sixty-seven residential projects, forty-seven of which are in Metro Manila and twenty are outside Metro Manila.

As of March 31, 2025, SM Prime's malls business unit has eighty-seven shopping malls in the Philippines with 9.4 million square meters of gross floor area (GFA) and eight shopping malls in China with 1.7 million square meters of GFA. In 2025, the Company will open three new malls in the Philippines namely, SM City Laoag, SM City La Union and SM City Zamboanga. These new malls, including expansion and redevelopment of existing malls, will provide an addition of more than 0.3 million square meters of GFA.

SM Prime's Commercial Properties Group has twenty-two office buildings with a combined GFA of almost 1.6 million square meters.

SM Prime's hotels and convention centers business unit currently has a portfolio of ten hotels with over 2,600 rooms, six convention centers and two trade halls.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

SM Prime's Consolidated Net Income up by 11% in 1Q2024 to ₱10.5 billion

Financial and Operational Highlights
(In Million Pesos, except for financial ratios and percentages)

	Three Months Ended March 31				
	2024	% to Revenues	2023	% to Revenues	% Change
Profit and Loss Data					
Revenues	30,719	100%	28,632	100%	7%
Costs and Expenses	16,008	52%	14,803	52%	8%
Operating Income	14,711	48%	13,829	48%	6%
Net Income	10,462	34%	9,442	33%	11%
EBITDA	18,111	59%	16,942	59%	7%
	Mar 31 2024	% to Total Assets	Dec 31 2023	% to Total Assets	% Change
Balance Sheet Data					
Total Assets	959,376	100%	943,328	100%	2%
Investment Properties	556,502	58%	545,075	58%	2%
Total Debt	367,341	38%	366,658	39%	0%
Net Debt	335,156	35%	334,841	35%	0%
Total Equity	408,943	43%	396,197	42%	3%
	Consolidated				
	Mar 31 2024	Dec 31 2023			
Financial Ratios					
Current Ratio*	2.06	2.17			
Acid Test Ratio*	1.03	1.09			
Solvency Ratio	1.75	1.73			
Debt to Equity	47 : 53	48 : 52			
Net Debt to Equity	45 : 55	46 : 54			
Asset to Equity	2.35	2.38			
Return on Equity	0.10	0.11			
Net Income Margin	0.34	0.31			
Interest Coverage Ratio	5.79	5.31			
Debt to EBITDA	4.88	4.95			

*excluding loans payable and current portion of long-term debt due for refinancing

Revenues

SM Prime recorded consolidated revenues of ₱30.72 billion in the first quarter of 2024, an increase of 7% compared to ₱28.63 billion in the same period of 2023, primarily due to the following:

Rent

SM Prime recorded consolidated revenues from rent of ₱18.54 billion in the first quarter of 2024, an 8% increase from ₱17.09 billion in the same period of 2023. 85% is contributed by the malls while 15% is from offices and hotels and convention centers. Philippine mall rent income increased by 9% to ₱14.09 billion in 2024 compared to ₱12.98 billion in the same period in 2023.

Real Estate Sales

SM Prime recorded real estate sales of ₱8.79 billion in the first quarter of 2024 compared to ₱8.28 billion in the same period of 2023. Reservation sales is at ₱26.51 billion in the first quarter of 2024.

Other Revenues

SM Prime's other revenues increased to ₱3.40 billion in the first quarter of 2024 from ₱3.26 billion in the same period in 2023. Other revenues include cinema ticket sales, sponsorships and advertising revenues, bowling operations and sale of food and beverages in hotels. Cinema movies shown during the first quarter of the year includes Rewind, Mallari, Aquaman and The Lost Kingdom, Kung Fu Panda 4 and Dune: Part Two.

Costs and Expenses

SM Prime recorded consolidated costs and expenses of ₱16.01 billion in the first quarter of 2024, an increase of 8% from ₱14.80 billion in the same period in 2023, mainly from operating expenses which include depreciation and amortization, taxes and licenses, marketing and selling expenses, utilities and manpower costs. Gross profit margin on real estate is 57% in 2024.

Other Income (Charges)

Interest Expense

SM Prime's consolidated interest expense increased to ₱3.13 billion in the first quarter of 2024 compared to ₱2.64 billion in the same period in 2023 mainly due to new bank loans availed for working capital and capital expenditure requirements, net of the capitalized interest on proceeds spent for construction and development of investment properties.

Interest, Dividend and Others - net

Interest, dividend and others - net increased by 55% to ₱1.34 billion in 2024 compared to ₱0.87 billion in the same period in 2023. This mainly consists of interest income from cash and cash equivalents, dividend income from equity instruments, equity in net earnings from associates and joint ventures and foreign exchange gains and losses.

Provision for income tax

SM Prime's consolidated provision for income tax is at ₱2.25 billion in 2024 compared to ₱2.41 billion in the same period in 2023.

Net income attributable to Parent

SM Prime's consolidated net income attributable to Parent increased by 11% to ₱10.46 billion in the first quarter of 2024 compared to ₱9.44 billion in the same period in 2023.

Balance Sheet Accounts

SM Prime's total assets amounted to ₱959.38 billion and ₱943.33 billion as of March 31, 2024 and December 31, 2023, respectively.

Receivables and contract assets decreased by 5% to ₱73.12 billion from ₱76.95 billion as of March 31, 2024 and December 31, 2023, respectively, mainly due to collections made for the period.

Equity instruments at fair value through other comprehensive income (FVOCI) increased to ₱22.60 billion from ₱20.32 billion as of March 31, 2024 and December 31, 2023, respectively, with equivalent increase in net fair value changes of equity instruments at FVOCI to ₱19.23 billion from ₱16.94 billion as of March 31, 2024 and December 31, 2023, respectively, due to changes in fair values under this portfolio.

Derivative assets - net decreased by 6% to ₱4.96 billion from ₱5.25 billion as of March 31, 2024 and December 31, 2023, respectively, mainly due to foreign exchange and net fair value changes on swap transactions and maturities during the period. Net fair value changes on cash flow hedges increased to ₱1.12 billion from ₱1.08 billion unrealized gain as of March 31, 2024 and December 31, 2023, respectively.

Other noncurrent assets, which includes noncurrent portion of receivables from sale of real estate and bonds and deposits for real estate acquisitions, increased by 5% to ₱130.60 billion from ₱124.03 billion as of March 31, 2024 and December 31, 2023, respectively.

Loans payable increased to ₱18.84 billion from ₱4.29 billion as of March 31, 2024 and December 31, 2023, respectively, due to loan availments, net of payments for the period.

Income tax payable increased to ₱2.01 billion from ₱1.30 billion as of March 31, 2024 and December 31, 2023, respectively, mainly due to provisions, net of payments made during the period.

Non-controlling interests decreased by 6% to ₱2.52 billion from ₱2.69 billion as of March 31, 2024 and December 31, 2023, respectively, due to dividends declared for the period, net of increase in net income attributable to non-controlling interests.

The Company has no known direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation. There were no contingent liabilities or assets in the Company's balance sheet. The Company has no off-balance sheet transactions, arrangements, obligations during the reporting year as of balance sheet date.

As at March 31, 2024 and December 31, 2023, the amount of retained earnings appropriated for the continuous corporate and mall expansions amounted to ₱42.20 billion. This represents a continuing appropriation for land banking activities and planned construction projects. The appropriation is being fully utilized to cover part of the annual capital expenditure requirement of the Company.

For the year 2024, the Company is looking at ₱100 billion for its capital expenditure program. This will be funded with internally generated funds and external borrowings.

SM Prime currently has sixty-seven residential projects, forty-seven of which are in Metro Manila and twenty are outside Metro Manila. The Company aims to launch 8,000 to 10,000 residential units in 2024.

As of March 31, 2024, SM Prime's malls business unit has eighty-five shopping malls in the Philippines with 9.2 million square meters of gross floor area (GFA) and eight shopping malls in China with 1.6 million square meters of GFA. In 2024, the Company will open four new malls in the Philippines namely SM City Caloocan, SM City J Mall, SM City La Union and SM City Laoag. These new malls will provide an addition of 0.44 million square meters of GFA.

SM Prime's Commercial Properties Group has twenty-two office buildings with a combined GFA of almost 1.6 million square meters.

SM Prime's hotels and convention centers business unit currently has a portfolio of six convention centers, two trade halls and ten hotels with over 2,600 rooms.

SM Prime Holdings, Inc. and Subsidiaries
Aging of Accounts Receivable and Contract Assets
As at March 31, 2025
(Amounts in Thousands)

Trade:	
Sale of real estate (billed and unbilled)	₱156,219,120
Rent	11,753,241
Accrued interest	452,903
Nontrade and others	4,496,502
	172,921,766
Less allowance for ECLs	774,006
	172,147,760
Less noncurrent portion of receivables from sale of real estate	84,520,832
	₱87,626,928

The aging analysis of receivables and unbilled revenue from sale of real estate are as follows:

Neither past due nor impaired	₱157,279,226
Past due but not impaired:	
Less than 30 days	2,429,702
31–90 days	4,602,146
91–120 days	2,697,463
Over 120 days	5,139,223
Impaired	774,006
	₱172,921,766

Receivables, except for those that are impaired, are assessed by the Company's management as not impaired, good and collectible.

SM PRIME HOLDINGS, INC. AND SUBSIDIARIES
FINANCIAL RATIOS AND KEY PERFORMANCE INDICATORS
AS OF MARCH 31, 2025 and DECEMBER 31, 2024

Ratio	Formula	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
<i>(amounts in thousands, except ratios)</i>			
Current Ratio	Total Current Assets divided by Total Current Liabilities		
	Total current assets*	₱233,933,492	₱230,681,830
	Current liabilities	230,130,533	211,995,083
	Less: Loans payable**	(17,392,649)	(17,312,356)
	Current portion of long-term debt**	(103,416,061)	(89,287,442)
	Divide by: Current liabilities excluding loans payable and current portion of long-term debt	109,321,823	105,395,285
	Current ratio	2.14	2.19
	*excluding cash for refinancing		
	**due for refinancing		
Acid Test Ratio	Quick Assets divided by Total Current Liabilities		
	Cash and cash equivalents*	₱35,398,756	₱31,246,171
	Receivables and contract assets	87,626,928	92,506,904
	Equity instruments at fair value through other comprehensive income - current	795,294	794,433
	Quick assets	123,820,978	124,547,508
	Divide by: Current liabilities excluding loans payable and current portion of long-term debt	109,321,823	105,395,285
	Acid test ratio	1.13	1.18
	*excluding cash for refinancing		
Solvency Ratio	Total Assets divided by Total Liabilities		
	Total assets	₱1,047,047,858	₱1,019,430,730
	Divided by: Total liabilities	599,420,781	583,190,240
	Asset to liabilities ratio	1.75	1.75
Debt-to-Equity Ratio	Total Interest-Bearing Debt divided by Total Equity Attributable to the Equity Holders of the Parent and Total Interest-Bearing Debt		
	Loans payable	₱17,392,649	₱17,312,356
	Current portion of long-term debt	103,416,061	89,287,442
	Long-term debt - net of current portion	280,284,429	283,320,341
	Total interest-bearing debt (a)	401,093,139	389,920,139
	Add: Total equity attributable to equity holders of the parent (b)	444,732,932	433,093,072
	Total interest-bearing debt and equity attributable to equity holders of the parent (c)	845,826,071	823,013,211
	Debt to equity ratio (a/c):(b/c)	47:53	47:53

Ratio	Formula	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
<i>(amounts in thousands, except ratios)</i>			
Net Debt-to-Equity Ratio	Total Interest-Bearing Debt less Cash and Cash Equivalents divided by Total Equity Attributable to the Equity Holders of the Parent		
	Total interest-bearing debt	₱401,093,139	₱389,920,139
	Less: Cash and cash equivalents	(42,322,466)	(31,246,171)
	Total net interest-bearing debt (a)	358,770,673	358,673,968
	Add: Total equity attributable to equity holders of the parent (b)	444,732,932	433,093,072
	Total net interest-bearing debt and equity attributable to equity holders of the parent (c)	803,503,605	791,767,040
	Net debt-to-equity ratio (a/c):(b/c)	45:55	45:55
Return on Equity	Net Income divided by Average Total Equity Attributable to the Equity Holders of the Parent		
	Net income attributable to equity holders of the parent*	₱46,822,877	₱45,631,764
	Divide by: Average total equity attributable to equity holders of the parent	438,913,001	414,644,844
	Return on equity *rolling	11%	11%
Net Income Margin	Net Income divided by Total Revenue		
	Net income attributable to equity holders of the parent	₱11,653,314	₱45,631,764
	Divide by: Total revenue	32,773,495	140,390,872
	Net income margin	36%	33%
Asset to Equity Ratio	Total Assets divided by Total Equity Attributable to the Equity Holders of the Parent		
	Total assets	₱1,047,047,858	₱1,019,430,730
	Divide by: Total equity attributable to equity holders of the parent	444,732,932	433,093,072
	Asset to equity ratio	2.35	2.35
Interest Coverage Ratio	Earnings Before Interest, Taxes and Depreciation and Amortization (EBITDA) divided by Total Interest Expense		
	Income from operations	₱16,678,661	₱68,037,118
	Less: Net income attributable to non-controlling interest	(211,165)	(907,672)
	Add: Depreciation and amortization	3,765,981	15,037,788
	EBITDA	20,233,477	82,167,234
	Divide by: Interest expense	3,428,409	13,934,024
	Interest coverage ratio	5.90	5.90

Ratio	Formula	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
<i>(amounts in thousands, except ratios)</i>			

Debt to EBITDA Total interest-bearing liabilities divided by EBITDA

Total interest-bearing liabilities	₱401,093,139	₱389,920,139
Divide by: EBITDA*	84,289,401	82,167,234
Debt to EBITDA	4.76	4.75
<i>*rolling</i>		

SIGNATURE

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

SM PRIME HOLDINGS, INC.
Registrant

Date: May 2, 2025


JOHN NAI PENG C. ONG
Chief Finance Officer