

COVER SHEET

SEC Registration Number

						1	6	3	4	2
--	--	--	--	--	--	---	---	---	---	---

COMPANY NAME

S	M		I	N	V	E	S	T	M	E	N	T	S		C	O	R	P	O	R	A	T	I	O	N		A	N	D
	S	U	B	S	I	D	I	A	R	I	E	S																	

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

1	0	t	h		F	l	o	o	r	,		O	n	e	E	-	C	o	m		C	e	n	t	e	r	,	
H	a	r	b	o	r		D	r	i	v	e	,	M	a	l	l	o	f	A	s	i	a		C	o	m		
p	l	e	x	,		C	B	P	-	1	A	,	P	a	s	a	y		C	i	t	y		1	3	0	0	

<p style="font-size: small;">Form Type</p> <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <tr> <td style="width: 20px; height: 20px;"></td> </tr> </table>					<p style="font-size: small;">Department requiring the report</p> <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <tr> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> </tr> </table>				<p style="font-size: small;">Secondary License Type, If Applicable</p> <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <tr> <td style="width: 20px; height: 20px;"></td> </tr> </table>				

COMPANY INFORMATION

<p style="font-size: small;">Company's Email Address</p> <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <tr> <td style="width: 20px; height: 20px;">-</td> </tr> </table>	-	<p style="font-size: small;">Company's Telephone Number</p> <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <tr> <td style="width: 20px; height: 20px;">8</td><td style="width: 20px; height: 20px;">8</td><td style="width: 20px; height: 20px;">5</td><td style="width: 20px; height: 20px;">7</td><td style="width: 20px; height: 20px;">-</td><td style="width: 20px; height: 20px;">0</td><td style="width: 20px; height: 20px;">1</td><td style="width: 20px; height: 20px;">0</td> </tr> </table>	8	8	5	7	-	0	1	0	<p style="font-size: small;">Mobile Number</p> <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <tr> <td style="width: 20px; height: 20px;">-</td> </tr> </table>	-			
-															
8	8	5	7	-	0	1	0								
-															
<p style="font-size: small;">No. of Stockholders</p> <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <tr> <td style="width: 20px; height: 20px;">1</td><td style="width: 20px; height: 20px;">,2</td><td style="width: 20px; height: 20px;">5</td><td style="width: 20px; height: 20px;">9</td> </tr> </table>	1	,2	5	9	<p style="font-size: small;">Annual Meeting (Month / Day)</p> <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <tr> <td style="width: 20px; height: 20px;"></td><td style="width: 20px; height: 20px;"></td><td style="width: 20px; height: 20px;"></td><td style="width: 20px; height: 20px;"></td> </tr> </table>					<p style="font-size: small;">Fiscal Year (Month / Day)</p> <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <tr> <td style="width: 20px; height: 20px;">0</td><td style="width: 20px; height: 20px;">3</td><td style="width: 20px; height: 20px;">/</td><td style="width: 20px; height: 20px;">3</td><td style="width: 20px; height: 20px;">1</td> </tr> </table>	0	3	/	3	1
1	,2	5	9												
0	3	/	3	1											

CONTACT PERSON INFORMATION

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

<p style="font-size: small;">Name of Contact Person</p> <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <tr> <td style="width: 20px; height: 20px;">M</td><td style="width: 20px; height: 20px;">r</td><td style="width: 20px; height: 20px;">.</td><td style="width: 20px; height: 20px;">F</td><td style="width: 20px; height: 20px;">r</td><td style="width: 20px; height: 20px;">a</td><td style="width: 20px; height: 20px;">n</td><td style="width: 20px; height: 20px;">k</td><td style="width: 20px; height: 20px;">l</td><td style="width: 20px; height: 20px;">i</td><td style="width: 20px; height: 20px;">n</td><td style="width: 20px; height: 20px;">.</td><td style="width: 20px; height: 20px;">G</td><td style="width: 20px; height: 20px;">o</td><td style="width: 20px; height: 20px;">m</td><td style="width: 20px; height: 20px;">e</td><td style="width: 20px; height: 20px;">z</td> </tr> </table>	M	r	.	F	r	a	n	k	l	i	n	.	G	o	m	e	z	<p style="font-size: small;">Email Address</p> <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <tr> <td style="width: 20px; height: 20px;">-</td> </tr> </table>	-	<p style="font-size: small;">Telephone Number/s</p> <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <tr> <td style="width: 20px; height: 20px;">8</td><td style="width: 20px; height: 20px;">8</td><td style="width: 20px; height: 20px;">5</td><td style="width: 20px; height: 20px;">7</td><td style="width: 20px; height: 20px;">-</td><td style="width: 20px; height: 20px;">0</td><td style="width: 20px; height: 20px;">1</td><td style="width: 20px; height: 20px;">0</td> </tr> </table>	8	8	5	7	-	0	1	0	<p style="font-size: small;">Mobile Number</p> <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <tr> <td style="width: 20px; height: 20px;">-</td> </tr> </table>	-
M	r	.	F	r	a	n	k	l	i	n	.	G	o	m	e	z														
-																														
8	8	5	7	-	0	1	0																							
-																														

CONTACT PERSON'S ADDRESS

<p style="font-size: small; margin: 0;">10th Floor, OneE-Com Center, Harbor Drive, Mall of Asia Complex, CBP-1A, Pasay City 1300</p>
--

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 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 Number 16342
PSE Disclosure Security Code _____

SM INVESTMENTS CORPORATION

(Company's Full Name)

**10th Floor, OneE-Com Center, Harbor Drive,
Mall of Asia Complex, CBP-IA, Pasay City 1300**

(Company's Address)

8857- 0100

(Telephone Number)

December 31

(Year Ending)
(month & day)

**SEC Form 17-Q
1st Quarter Report**

Form Type

Amendment Designation (If applicable)

March 31, 2025

Period Ended Date

(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. Commission Identification Number **016342**
3. BIR Tax Identification No. **169-020-000**
4. Exact name of registrant as specified in its charter **SM INVESTMENTS CORPORATION**
5. **PHILIPPINES**
Province, Country or other jurisdiction of incorporation or organization
6. Industry Classification Code: (SEC Use Only)
7. **10th Floor, OneE-Com Center, Harbor Drive, Mall of Asia Complex, CBP-IA, Pasay City
1300**
Address of principal office Postal Code
8. **8857-0100**
Registrant's telephone number, including area code
9. Former name, former address, and former fiscal year, if changed since last report.
10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the
RSA

Title of Each Class	Number of Shares of Common Stock Outstanding	Amount of Debt Outstanding
COMMON STOCK P10 PAR VALUE	1,228,797,920	N.A.

11. Are any or all of these securities listed on the Philippine Stock Exchange.
Yes [] No []
12. Indicate by check mark whether the registrant:
 - (a) has filed all reports required to be filed by Section 11 of the Securities Regulation Code (SRC) and SRC 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 []

TABLE OF CONTENTS

PART I – FINANCIAL INFORMATION

Item 1. Interim Condensed Consolidated Financial Statements

Interim Consolidated Balance Sheets as at March 31, 2025 (Unaudited),
December 31, 2024 (Audited)

Interim Consolidated Statements of Income for the Three-Month Periods
Ended March 31, 2025 and 2024 (Unaudited)

Interim Consolidated Statements of Changes in Stockholders' Equity for the
Three-Month Periods Ended March 31, 2025 and 2024 (Unaudited)

Interim Consolidated Statements of Cash Flows for the Three-Month Periods Ended
March 31, 2025 and 2024 (Unaudited)

Notes to Interim Condensed Consolidated Financial Statements

Item 2. Aging of Accounts Receivable - Trade as at March 31, 2025 (Unaudited)

Item 3. Management's Discussion and Analysis as at March 31, 2025 and 2024

PART II – SIGNATURE

PART I FINANCIAL INFORMATION

Item 1. Interim Condensed Consolidated Financial Statements

SM INVESTMENTS CORPORATION AND SUBSIDIARIES

**Interim Condensed Consolidated Financial Statements
As at March 31, 2025 (Unaudited), March 31, 2024 (Unaudited) and
December 31, 2024 (Audited)**

SM INVESTMENTS CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Amounts in Thousands)

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
ASSETS		
Current Assets		
Cash and cash equivalents (Notes 5, 20 and 23)	P102,950,177	P112,528,047
Time deposits (Notes 6, 20 and 23)	112,448	221,096
Financial assets at fair value through other comprehensive income (FVOCI) (Notes 7 and 24)	795,294	794,433
Receivables and contract assets (Notes 8 and 20)	87,480,048	92,268,970
Inventories (Note 9)	125,534,749	119,676,110
Other current assets (Notes 10 and 20)	55,811,100	58,311,536
Total Current Assets	372,683,816	383,800,192
Noncurrent Assets		
Financial assets at FVOCI - net of current portion (Notes 7 and 24)	26,244,618	26,361,789
Investments in associate companies and joint ventures (Note 11)	409,828,624	399,483,760
Time deposits - net of current portion (Notes 6, 20, 23 and 24)	3,101,694	3,113,470
Property and equipment (Note 12)	57,100,005	57,356,628
Investment properties (Note 13)	606,923,962	592,949,802
Right-of-use assets (Note 22)	49,951,962	49,185,455
Intangibles (Note 14)	40,386,509	40,386,475
Other noncurrent assets (Notes 14, 22, 23 and 24)	149,471,321	146,414,611
Total Noncurrent Assets	1,343,008,695	1,315,251,990
	P1,715,692,511	P1,699,052,182
LIABILITIES AND EQUITY		
Current Liabilities		
Bank loans (Notes 15, 20 and 23)	P24,914,649	P24,074,356
Accounts payable and other current liabilities (Notes 16, 20, and 22)	199,498,903	210,372,577
Income tax payable	4,258,342	4,093,222
Current portion of long-term debt (Notes 17, 20, and 23)	107,594,329	104,627,839
Total Current Liabilities	336,266,223	343,167,994
Noncurrent Liabilities		
Long-term debt - net of current portion (Notes 17, 20, 23 and 24)	368,481,556	371,872,181
Lease liabilities - net of current portion (Note 22)	34,210,487	33,191,553
Deferred tax liabilities (Note 21)	19,469,355	19,444,899
Tenants' deposits and others (Notes 22 and 24)	66,106,288	64,950,764
Total Noncurrent Liabilities	488,267,686	489,459,397
Total Liabilities	824,533,909	832,627,391

(Forward)

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Equity Attributable to Owners of the Parent		
Capital stock (Note 18)	₱12,331,541	₱12,261,146
Additional paid-in capital	77,861,516	71,752,158
Treasury stock	(252,911)	(40,912)
Equity adjustments from common control transactions	(6,948,729)	(6,948,729)
Cost of Parent common shares held by subsidiaries	(6,225,386)	(25,386)
Cumulative translation adjustment	1,723,393	1,821,115
Fair value changes on cash flow hedges and others	205,441	557,052
Unrealized gain on financial assets at FVOCI (Note 7)	9,833,630	9,898,983
Remeasurement loss on defined benefit asset/obligation	(2,101,812)	(2,099,656)
Share in other comprehensive loss of associate companies and joint ventures - net	(10,606,832)	(11,772,684)
Retained earnings (Note 18):		
Appropriated	30,000,000	30,000,000
Unappropriated	541,955,761	521,900,993
Total Equity Attributable to Owners of the Parent	647,775,612	627,304,080
Non-controlling Interests	243,382,990	239,120,711
Total Equity	891,158,602	866,424,791
	₱1,715,692,511	₱1,699,052,182

See accompanying Notes to Condensed Consolidated Financial Statements.

SM INVESTMENTS CORPORATION AND SUBSIDIARIES
UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF INCOME
(Amounts in Thousands Except Per Share Data)

	Three-Month Periods Ended	
	March 31	
	2025	2024
REVENUES		
Sales:		
Merchandise	P97,099,412	P90,790,486
Real estate	9,216,627	8,788,491
Rent (Notes 13, 20 and 22)	17,620,314	16,178,233
Equity in net earnings of associate companies and joint ventures (Note 11)	12,080,209	11,434,715
Others (Note 19)	15,997,135	16,528,260
	152,013,697	143,720,185
COST AND EXPENSES (Note 9)	115,959,744	110,594,083
OPERATING INCOME	36,053,953	33,126,102
OTHER INCOME (CHARGES)		
Interest expense (Note 20)	(5,709,063)	(5,550,455)
Interest income (Note 20)	1,159,327	1,123,373
Loss from fair value changes on derivatives - net (Note 24)	(72,650)	(243,896)
Foreign exchange gain - net and others (Note 23)	119,275	326,541
	(4,503,111)	(4,344,437)
INCOME BEFORE INCOME TAX	31,550,842	28,781,665
PROVISION FOR (BENEFIT FROM) INCOME TAX (Note 21)		
Current	4,033,017	3,654,466
Deferred	(87,887)	(110,581)
	3,945,130	3,543,885
NET INCOME	P27,605,712	P25,237,780
Attributable to		
Owners of the Parent	P20,054,768	P18,393,682
Non-controlling interests	7,550,944	6,844,098
	P27,605,712	P25,237,780
Basic/Diluted Earnings Per Common Share		
Attributable to Owners of the Parent (Note 25)	P16.41	P15.05

See accompanying Notes to Condensed Consolidated Financial Statements.

SM INVESTMENTS CORPORATION AND SUBSIDIARIES
UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF
COMPREHENSIVE INCOME
(Amounts in Thousands)

	Three-Month Periods Ended	
	March 31	
	2025	2024
NET INCOME	₱27,605,712	₱25,237,780
OTHER COMPREHENSIVE INCOME (LOSS)		
Items that will be reclassified to profit or loss in subsequent periods		
Cumulative translation adjustment	(188,510)	(39,942)
Fair value changes on cash flow hedges	(701,482)	(42,941)
	(889,992)	(82,883)
Items not to be reclassified to profit or loss in subsequent periods		
Remeasurement gain (loss) on defined benefit obligation	(5,819)	15,089
Net unrealized loss on financial assets at FVOCI	(94,769)	(581,883)
Income tax relating to items not to be reclassified to profit or loss in subsequent periods	(10,817)	(266,977)
	(111,405)	(833,771)
Share in other comprehensive income of associate companies and joint ventures - net	1,208,900	380,508
TOTAL COMPREHENSIVE INCOME	₱27,813,215	₱24,701,634
Attributable to		
Owners of the Parent	₱20,703,778	₱18,028,553
Non-controlling interests	7,109,437	6,673,081
	₱27,813,215	₱24,701,634

See accompanying Notes to Condensed Consolidated Financial Statements.

SM INVESTMENTS CORPORATION AND SUBSIDIARIES
UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Amounts in Thousands Except Per Share Data)

	Equity Attributable to Owners of the Parent													Total	Non-controlling Interests	Total Equity
	Capital Stock	Additional Paid-in Capital	Treasury Stock	Equity Adjustments from Common Control Transactions	Cost of Parent Common Shares Held by Subsidiaries	Cumulative Translation Adjustment	Fair Value Changes on Cash Flow Hedges and Others	Unrealized Gain (Loss) on Financial Assets at FVOCI	Remeasurement Gain (Loss) on Defined Benefit Asset/Obligation	Share in Other Comprehensive Income (Loss) of Associates - Net	Appropriated Retained Earnings	Unappropriated Retained Earnings				
As at December 31, 2024 (Audited)	P12,261,146	P71,752,158	(P40,912)	(P6,948,729)	(P25,386)	P1,821,115	P557,052	P9,898,983	(P2,099,656)	(P11,772,684)	P30,000,000	P521,900,993	P627,304,080	P239,120,711	P866,424,791	
Net income	-	-	-	-	-	-	-	-	-	-	-	20,054,768	20,054,768	7,550,944	27,605,712	
Other comprehensive income (loss)	-	-	-	-	-	(97,722)	(351,611)	(65,353)	(2,156)	1,165,852	-	-	649,010	(441,507)	207,503	
Total comprehensive income	-	-	-	-	-	(97,722)	(351,611)	(65,353)	(2,156)	1,165,852	-	20,054,768	20,703,778	7,109,437	27,813,215	
Issuance of common shares (Note 18)	70,395	6,129,605	-	-	(6,200,000)	-	-	-	-	-	-	-	-	-	-	
Purchase of treasury shares (Note 18)	-	-	(211,999)	-	-	-	-	-	-	-	-	-	(211,999)	-	(211,999)	
Transactions with non-controlling interests	-	(20,247)	-	-	-	-	-	-	-	-	-	-	(20,247)	(20,313)	(40,560)	
Cash dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	(2,824,110)	(2,824,110)	
Net change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	(2,735)	(2,735)	
As at March 31, 2025	P12,331,541	P77,861,516	(P252,911)	(P6,948,729)	(P6,225,386)	P1,723,393	P205,441	P9,833,630	(P2,101,812)	(P10,606,832)	P30,000,000	P541,955,761	P647,775,612	P243,382,990	P891,158,602	
As at December 31, 2023 (Audited)	P12,261,146	P71,837,361	(P40,912)	(P6,660,472)	(P25,386)	P1,587,205	P809,143	P11,075,393	(P3,150,991)	(P11,376,601)	P37,000,000	P443,288,813	P556,604,699	P215,595,506	P772,200,205	
Net income	-	-	-	-	-	-	-	-	-	-	-	18,393,682	18,393,682	6,844,098	25,237,780	
Other comprehensive income (loss)	-	-	-	-	-	(15,555)	(63,092)	(683,869)	8,641	388,746	-	-	(365,129)	(171,017)	(536,146)	
Total comprehensive income	-	-	-	-	-	(15,555)	(63,092)	(683,869)	8,641	388,746	-	18,393,682	18,028,553	6,673,081	24,701,634	
Cash dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	(388,505)	(388,505)	
Net change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	187,945	187,945	
As at March 31, 2024	P12,261,146	P71,837,361	(P40,912)	(P6,660,472)	(P25,386)	P1,571,650	P746,051	P10,391,524	(P3,142,350)	(P10,987,855)	P37,000,000	P461,682,495	P574,633,252	P222,068,027	P796,701,279	

See accompanying Notes to Condensed Consolidated Financial Statements.

SM INVESTMENTS CORPORATION AND SUBSIDIARIES
UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Amounts in Thousands)

	Three-Month Periods Ended	
	March 31	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	₱31,550,842	₱28,781,665
Adjustments for:		
Equity in net earnings of associate companies and joint ventures	(12,080,209)	(11,434,715)
Depreciation and amortization (Notes 12, 13, 14 and 22)	6,646,668	6,293,339
Interest expense	5,709,063	5,550,455
Interest income	(1,159,327)	(1,123,373)
Dividend income	(178,390)	(126,258)
Loss from fair value changes on derivatives - net	72,650	243,896
Unrealized foreign exchange gain and others - net	(23,800)	(237,373)
Income before working capital changes	30,537,497	27,947,636
Decrease (increase) in:		
Receivables and contract assets	(1,668,188)	(3,969,521)
Inventories	(5,863,322)	(2,113,295)
Other current assets	4,544,672	1,972,879
Increase (decrease) in:		
Accounts payable and other current liabilities	(15,139,141)	(13,480,085)
Tenants' deposits and others	1,243,358	381,008
Net cash generated from operations	13,654,876	10,738,622
Income tax paid	(3,866,699)	(2,924,768)
Net cash provided by operating activities	9,788,177	7,813,854
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of:		
Property and equipment	24,959	12,415
Investment properties	2,852	1,939
Investments in associate companies and joint ventures	–	275,000
Additions to:		
Investment properties (Note 13)	(16,603,870)	(15,156,955)
Property and equipment (Note 12)	(2,143,505)	(3,746,964)
Investments in associate companies and joint ventures (Note 11)	(20,713)	(5,006,048)
Financial assets at FVOCI	(13,328)	–
Decrease (increase) in:		
Time deposits	120,424	(102,478)
Other noncurrent assets	(1,203,709)	1,604,603
Dividends received	4,080,165	2,634,886
Interest received	1,125,944	803,913
Net cash used in investing activities	(14,630,781)	(18,679,689)
<i>(Forward)</i>		

	Three-Month Periods Ended	
	March 31	
	2025	2024
CASH FLOWS FROM FINANCING ACTIVITIES		
Availments of:		
Long-term debt	₱57,140,571	₱4,932,119
Bank loans	24,044,948	19,331,785
Payments of:		
Long-term debt	(56,206,052)	(17,598,351)
Bank loans	(23,194,251)	(7,559,774)
Interest	(4,914,158)	(3,879,367)
Lease liabilities (Note 22)	(1,379,460)	(1,261,776)
Dividends	(164,930)	(178,586)
Purchase of treasury shares (Note 18)	(211,999)	-
Proceeds from matured derivatives - net	160,350	-
Net cash used in financing activities	(4,724,981)	(6,213,950)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(9,567,585)	(17,079,785)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(10,285)	20,359
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR (Note 5)	112,528,047	103,745,558
CASH AND CASH EQUIVALENTS AT END OF PERIOD (Note 5)	₱102,950,177	₱86,686,132

See accompanying Notes to Consolidated Financial Statements.

SM INVESTMENTS CORPORATION AND SUBSIDIARIES
NOTES TO UNAUDITED INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS

1. Corporate Information

SM Investments Corporation (SMIC or Parent Company) was incorporated in the Philippines on January 15, 1960.

SMIC is one of the largest publicly listed companies in the Philippines with interests in market leading businesses in retail, banking and property. It also invests in ventures that capture high growth opportunities in the emerging Philippine economy.

The accompanying condensed consolidated financial statements were authorized for issue by the Board of Directors (BOD), as approved and recommended for approval by the Audit Committee on May 7, 2025.

2. Basis of Preparation and Statement of Compliance

Basis of Preparation

The interim condensed consolidated financial statements of the Parent Company and its subsidiaries (the Group) are prepared on a historical cost basis, except for derivative financial instruments and financial assets at fair value through other comprehensive income (FVOCI) and liabilities which are measured at fair value. The consolidated financial statements are presented in Philippine Peso, the Parent Company's functional and presentation currency under Philippine Financial Reporting Standards (PFRSs) Accounting Standards. All values are rounded to the nearest thousand Pesos except when otherwise indicated.

The interim condensed consolidated financial statements have been prepared on 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 Group's audited consolidated financial statements as at December 31, 2024.

Basis of Consolidation

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

Significant 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 amounts reported in the interim condensed consolidated financial statements and accompanying notes. Changes in these estimates and assumptions could result in outcomes that may require material adjustments to the carrying amounts of the affected assets or liabilities in the future.

3. Summary of Material Accounting Policies, Changes and Improvements

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of new standards effective in 2025. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Unless otherwise indicated, the adoption of these new standards did not have a significant impact on the interim condensed consolidated financial statements.

Effective beginning on or after January 1, 2025

- Amendments to PAS 21, *Lack of exchangeability*

Effective beginning on or after January 1, 2026

- Amendments to PFRS 9 and PFRS 7, *Classification and Measurement of Financial Instruments*

The amendments include:

- A clarification that a financial liability is derecognized on ‘settlement date’ and introduce an accounting policy choice to derecognize settled financial liabilities using an electronic payment system before the settlement date.
- Guidance on the assessment of contingent features in order to classify financial assets with environmental, social and governance-linked features. The criteria ‘solely payments of principal and interest’ may still be met provided that the contingent feature gives rise to contractual cash flows that are consistent with a basic lending arrangement both before and after the change and that are not ‘significantly different’ from the cash flows for an identical financial asset without such a contingent feature.
- A clarification that a financial asset has non-recourse features provided the creditor’s contractual right to receive cash flows is limited to the cash flows generated by specified assets. Contractually linked instruments can arise in non-recourse structures.

The amendments are effective on or after January 1, 2026 to be applied retrospectively, with early adoption permitted.

- 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, *Fair value measurement*.

- Amendments to PFRS 9

- a. 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.

- b. Transaction Price

The amendments to paragraph 5.1.3 of PFRS 9 replaced the reference to ‘transaction price as defined by PFRS 15 *Revenue from Contracts with Customers*’ 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’.

- Amendments to PFRS 9 and PFRS 7, *Contracts Referencing Nature-dependent Electricity*

The amendments clarify the application of ‘own-use’ requirements for nature-dependent electricity contracts, allow an entity to designate these contracts as hedging instruments, and add new disclosure requirements on the impact of these contracts on the financial performance and cash flows.

The amendments are effective for annual reporting periods beginning on or after January 1, 2026, with earlier application permitted.

Effective beginning on or after January 1, 2027

- PFRS 18, *Presentation and Disclosure in Financial Statements*

PFRS 18 replaces PAS 1 and responds to investors’ demand for better information about the financial performance of corporate entities. Some of the new requirements include:

- Totals, subtotals and new categories in the statement of profit or loss. An entity will be required to assess whether it has a ‘specified main business activity’ of investing in assets or providing finance to customers, as there are specific requirements for such entities.
- Disclosure of management-defined performance measures or ‘MPMs’ which are subtotals of income and expenses that an entity uses in public communications outside financial statements, to communicate management’s view of an aspect of the financial performance of the entity as a whole.

- Guidance on aggregation and disaggregation within the primary financial statements and in the notes to financial statements.

The new standard is effective for annual periods beginning on or after January 1, 2027, with early adoption permitted.

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*

The amendments 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 associates or joint ventures.

On January 13, 2016, the FSRSC deferred the original effective date of January 1, 2016 of the said amendments until the IASB completes its broader review of the research project on equity accounting that may result in the simplification of accounting for such transactions and of other aspects of accounting for associates and joint ventures.

4. **Segment Information**

The Group has identified four reportable operating segments as follows: property, retail, banking and portfolio investments.

The property segment is involved in the operation of malls, hotels and convention centers; leasing of commercial spaces; and, development of integrated communities that include residential, lifestyle and retail, commercial, and leisure properties.

The retail segment is engaged in the retail/wholesale trading of merchandise such as dry goods, wearing apparels, food and other merchandise.

The banking segment includes the Group's equity in net earnings in BDO Unibank, Inc. (BDO) and China Banking Corporation (China Bank).

The portfolio investments segment includes 2GO Group, Inc. (2GO), Philippine Geothermal Production Company, Inc., Neo subsidiaries and associates, Atlas Consolidated Mining and Development Corporation, Belle Corporation, Goldilocks Bakeshop, Inc. and others.

The BOD monitors the operating results of each of its business units 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 consolidated financial statements.

Operating Results by Segment

Three-Month Period Ended March 31, 2025 (Unaudited)							
	Property	Retail	Banking	Portfolio Investments	Others	Eliminations	Consolidated
	<i>(In Thousands)</i>						
Revenues:							
External customers	₱30,646,617	₱99,994,306	₱10,665,005	₱10,005,596	₱702,173	₱-	₱152,013,697
Revenues from contracts with customers	9,216,627	97,099,412	-	-	-	-	106,316,039
Merchandise sales	-	97,099,412	-	-	-	-	97,099,412
Real estate sales	9,216,627	-	-	-	-	-	9,216,627
Rent	16,517,598	399,967	-	701,642	1,107	-	17,620,314
Equity in net earnings of associate companies and joint ventures	650,152	552,314	10,665,005	209,685	3,053	-	12,080,209
Others	4,262,240	1,942,613	-	9,094,269	698,013	-	15,997,135
Inter-segment	3,896,749	157,304	-	190,915	1,089,647	(5,334,615)	-
	₱34,543,366	₱100,151,610	₱10,665,005	₱10,196,511	₱1,791,820	(₱5,334,615)	₱152,013,697
Segment results:							
Income before income tax	₱14,430,124	₱5,123,840	₱10,665,005	₱1,416,529	(₱84,656)	₱-	₱31,550,842
Provision for income tax	2,517,814	1,206,314	-	179,533	41,469	-	3,945,130
Net income after tax	₱11,912,310	₱3,917,526	₱10,665,005	₱1,236,996	(₱126,125)	₱-	₱27,605,712
Net income attributable to:							
Owners of the Parent	₱5,892,352	₱2,781,406	₱10,377,025	₱1,124,447	(₱120,462)	₱-	₱20,054,768
Non-controlling interests	6,019,958	1,136,120	287,980	112,549	(5,663)	-	7,550,944
Three-Month Period Ended March 31, 2024 (Unaudited)							
	Property	Retail	Banking	Portfolio Investments	Others	Eliminations	Consolidated
	<i>(In Thousands)</i>						
Revenues:							
External customers	₱29,191,507	₱93,575,438	₱9,960,880	₱10,203,178	₱789,182	₱-	₱143,720,185
Revenues from contracts with customers	8,788,491	90,790,486	-	-	-	-	99,578,977
Merchandise sales	-	90,790,486	-	-	-	-	90,790,486
Real estate sales	8,788,491	-	-	-	-	-	8,788,491
Rent	15,215,733	361,492	-	601,008	-	-	16,178,233
Equity in net earnings of associate companies and joint ventures	577,105	396,374	9,960,880	428,789	71,567	-	11,434,715
Others	4,610,178	2,027,086	-	9,173,381	717,615	-	16,528,260
Inter-segment	3,713,875	145,408	-	115,439	928,037	(4,902,759)	-
	₱32,905,382	₱93,720,846	₱9,960,880	₱10,318,617	₱1,717,219	(₱4,902,759)	₱143,720,185
Segment results:							
Income before income tax	₱13,015,900	₱4,361,176	₱9,960,880	₱1,702,158	(₱258,449)	₱-	₱28,781,665
Provision for income tax	2,260,315	1,061,383	-	184,787	37,400	-	3,543,885
Net income after tax	₱10,755,585	₱3,299,793	₱9,960,880	₱1,517,371	(₱295,849)	₱-	₱25,237,780
Net income attributable to:							
Owners of the Parent	₱5,322,245	₱2,297,914	₱9,690,333	₱1,374,639	(₱291,449)	₱-	₱18,393,682
Non-controlling interests	5,433,340	1,001,879	270,547	142,732	(4,400)	-	6,844,098

The disaggregation of revenues is as indicated in the interim consolidated statements of income and in the operating results by segment.

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 (Note 20)	₱23,935,676	₱30,550,319
Temporary investments (Note 20)	79,014,501	81,977,728
	₱102,950,177	₱112,528,047

Cash in banks and investments earn interest at the prevailing rates. The tenure of temporary investments varies depending on the immediate cash requirements of the Group.

6. Time Deposits

This account consists of:

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
	<i>(In Thousands)</i>	
Current	₱112,448	₱221,096
Noncurrent	3,101,694	3,113,470
	₱3,214,142	₱3,334,566

The time deposits bear interest ranging from 2.0% to 5.3% and 0.1% to 5.5% for the three-month periods ended March 31, 2025 and 2024, respectively.

Time deposits with various maturities within one year were used as collateral for some credit lines.

7. Financial Assets at FVOCI

This account consists of:

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
	<i>(In Thousands)</i>	
Shares of stock		
Listed	₱23,935,012	₱24,027,269
Unlisted	3,076,150	3,100,303
Club shares	28,750	28,650
	27,039,912	27,156,222
Less current portion	795,294	794,433
Noncurrent portion	₱26,244,618	₱26,361,789

8. Receivables and Contract Assets

This account consists of:

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
	<i>(In Thousands)</i>	
Trade:		
Sales of real estate*	₱156,218,841	₱152,501,732
Rent from third-party tenants	10,107,126	11,844,430
Shipping and logistics**	3,399,086	3,360,120
Rent from related party tenants (Note 20)	481,001	586,247
Others	2,691,778	2,920,532
Royalty and service fees (Note 20)	2,112,946	2,205,401
Dividends (Note 20)	328,484	1,269,818
	175,339,262	174,688,280
Less allowance for expected credit loss (ECL)	3,338,382	3,355,289
	172,000,880	171,332,991
Less noncurrent portion of receivables from sales of real estate (Note 14)	84,520,832	79,064,021
Current portion	₱87,480,048	₱92,268,970

* Includes unbilled revenues from sales of real estate of ₱142.4 billion and ₱133.5 billion as at March 31, 2025 and December 31, 2024, respectively.

** Includes contract assets representing shipping and logistics services delivered but not yet invoiced of ₱697.8 million and ₱799.7 million as at March 31, 2025 and December 31, 2024, respectively.

Allowance for ECL is provided for receivables from sales of real estate, receivables from tenants, shipping and logistics, and other receivables which were identified to be impaired based on specific and collective assessment.

No allowance for ECL has been provided for unbilled revenue from sales of real estate as at March 31, 2025 and December 31, 2024.

As at March 31, 2025 and December 31, 2024, receivables from sales of real estate assigned to local banks on without recourse basis amounted to nil and ₱7.0 billion, respectively (Note 20) and receivables assigned on with recourse basis amounted to nil as at March 31, 2025 and December 31, 2024.

Receivables other than those identified as impaired, are assessed as good and collectible.

9. Inventories

This account consists of:

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
	<i>(In Thousands)</i>	
Real estate inventories	₱79,159,585	₱76,932,923
Merchandise inventories	45,664,141	41,998,432
Processed food and others	711,023	744,755
	₱125,534,749	₱119,676,110

Inventories are stated at cost as at March 31, 2025 and December 31, 2024.

Real Estate Inventories

The movements in this account follow:

	Land and Development	Condominium, Residential Units and Subdivision Lots for Sale	Total
	<i>(In Thousands)</i>		
Balance as at January 1, 2024	₱52,758,338	₱25,134,570	₱77,892,908
Development cost incurred	17,918,601	103,948	18,022,549
Cost of real estate sold	(11,962,498)	(7,178,085)	(19,140,583)
Transfers	(3,074,344)	3,074,344	-
Translation adjustment and others	142,698	15,351	158,049
Balance as at December 31, 2024 (Audited)	55,782,795	21,150,128	76,932,923
Development cost incurred	6,080,440	8,293	6,088,733
Cost of real estate sold	(2,904,990)	(1,008,113)	(3,913,103)
Transfers	(512,773)	512,773	-
Translation adjustment and others	52,081	(1,049)	51,032
Balance as at March 31, 2025 (Unaudited)	₱58,497,553	₱20,662,032	₱79,159,585

Contract fulfillment assets included in land and development represent the unamortized portion of land cost of ₱3.8 billion and ₱2.0 billion as at March 31, 2025 and December 31, 2024, respectively.

The details of cost of sales and services follow:

	Three-Month Periods Ended	
	March 31	
	2025	2024
	(Unaudited)	(Unaudited)
	<i>(In Thousands)</i>	
Cost of sales:		
Merchandise	₱70,913,067	₱66,842,040
Real estate	3,913,103	3,784,739
Processed food and others	2,740,273	3,245,735
Cost of shipping, logistics and other services	3,885,276	3,616,722
	₱81,451,719	₱77,489,236

10. Other Current Assets

This account consists of:

	March 31,	December 31,
	2025	2024
	(Unaudited)	(Audited)
	<i>(In Thousands)</i>	
Prepaid taxes and other prepayments	₱18,676,613	₱17,359,207
Bonds and deposits	11,712,543	11,704,812
Nontrade receivables (Note 20)	7,721,842	8,495,167
Input tax	7,661,294	7,599,800
Derivative assets	3,176,481	1,159,210
Receivables from banks	2,671,668	8,303,336
Uniform and supplies inventory	2,669,712	1,919,268
Accrued interest receivable (Note 20)	457,810	424,427
Others	1,063,137	1,346,309
	₱55,811,100	₱58,311,536

11. Investments in Associate Companies and Joint Ventures

The movements in this account follow:

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
	<i>(In Thousands)</i>	
Balance at beginning of year	₱399,483,760	₱361,324,800
Additions	20,713	5,336,879
Disposal	–	(1,386,440)
Equity in net earnings	12,080,209	50,001,804
Dividends received and others	(2,960,441)	(15,140,346)
Share in other comprehensive income (loss) of associate companies	1,205,927	(561,848)
Provision for impairment	–	(115,965)
Translation adjustment	(1,544)	24,876
Balance at end of period	₱409,828,624	₱399,483,760

* Investment in associate companies amounted to ₱398.2 billion and ₱388.1 billion as at March 31, 2025 and December 31, 2024, respectively.

12. Property and Equipment

The movements in this account follow:

	Land	Buildings and Improvements	Store Equipment and Improvements	Data Processing Equipment	Furniture, Fixtures and Office Equipment	Machinery and Equipment	Leasehold Improvements	Transportation Equipment	Vessels in Operation	Containers and Reefer Vans	Construction in Progress	Total
<i>(In Thousands)</i>												
Cost												
As at January 1, 2024	₱1,718,794	₱20,772,693	₱2,963,308	₱11,853,449	₱12,782,090	₱24,406,386	₱32,822,651	₱1,722,921	₱15,353,882	₱1,603,710	₱6,123,951	₱132,123,835
Additions	–	532,896	214,277	1,367,609	1,121,135	1,672,274	2,365,261	217,352	2,545,706	188,745	2,523,532	12,748,787
Reclassifications	–	1,519,108	165,369	83,670	(34,825)	1,640,154	(4,644)	(10,196)	–	–	(3,583,153)	(224,517)
Disposals/retirements	–	(73)	(84,424)	(231,183)	(246,295)	(200,099)	(623,278)	(94,638)	(2,439,808)	(22,163)	(9,666)	(3,951,627)
As at December 31, 2024 (Audited)	1,718,794	22,824,624	3,258,530	13,073,545	13,622,105	27,518,715	34,559,990	1,835,439	15,459,780	1,770,292	5,054,664	140,696,478
Additions	–	108,643	34,391	228,159	236,875	311,707	385,861	27,308	49,908	–	760,653	2,143,505
Reclassifications	354,317	216,165	26,445	38,150	65,457	591,762	(29,767)	(19,450)	–	–	(1,675,598)	(432,519)
Disposals/retirements	(4,731)	(3,870)	(186)	(26,133)	(4,962)	(13,270)	(56,892)	(7,158)	–	(6,526)	–	(123,728)
As at March 31, 2025 (Unaudited)	₱2,068,380	₱23,145,562	₱3,319,180	₱13,313,721	₱13,919,475	₱28,408,914	₱34,859,192	₱1,836,139	₱15,509,688	₱1,763,766	₱4,139,719	₱142,283,736
Accumulated Depreciation and Amortization												
As at January 1, 2024	₱–	₱8,154,403	₱2,121,935	₱9,010,930	₱10,207,267	₱13,489,312	₱24,822,293	₱1,308,054	₱8,721,642	₱1,436,366	₱–	₱79,272,202
Depreciation and amortization	–	1,061,691	243,288	942,794	814,053	1,673,424	1,874,220	94,411	987,764	56,040	–	7,747,685
Reclassifications	–	(14,154)	145,228	10,497	(75,810)	1,488	(51,050)	(13,215)	(5,112)	–	–	(2,128)
Disposals/retirements	–	(7)	(81,204)	(224,451)	(237,342)	(196,379)	(590,879)	(94,594)	(2,231,152)	(21,901)	–	(3,677,909)
As at December 31, 2024 (Audited)	–	9,201,933	2,429,247	9,739,770	10,708,168	14,967,845	26,054,584	1,294,656	7,473,142	1,470,505	–	83,339,850
Depreciation and amortization	–	285,696	57,231	272,832	217,270	448,380	440,616	22,143	193,139	15,069	–	1,952,376
Reclassifications	–	11,286	20,779	18,198	(34,272)	2,943	38,771	(56,013)	–	–	–	1,692
Disposals/retirements	–	(3,759)	(114)	(24,929)	(3,995)	(10,796)	(52,922)	(7,146)	–	(6,526)	–	(110,187)
As at March 31, 2025 (Unaudited)	₱–	₱9,495,156	₱2,507,143	₱10,005,871	₱10,887,171	₱15,408,372	₱26,481,049	₱1,253,640	₱7,666,281	₱1,479,048	₱–	₱85,183,731
Net Book Value												
As at March 31, 2025 (Unaudited)	₱2,068,380	₱13,650,406	₱812,037	₱3,307,850	₱3,032,304	₱13,000,542	₱8,378,143	₱582,499	₱7,843,407	₱284,718	₱4,139,719	₱57,100,005
As at December 31, 2024 (Audited)	1,718,794	13,622,691	829,283	3,333,775	2,913,937	12,550,870	8,505,406	540,783	7,986,638	299,787	5,054,664	57,356,628

To secure a ₱500.0 million term loan facility, 2GO used one of its passenger/cargo ships as collateral. The carrying value of this ship in the Group's consolidated balance sheets is ₱2.3 billion as at March 31, 2025 and December 31, 2024 (see Note 17).

Gain and/or loss from disposal of certain properties and equipment as at March 31, 2025 and 2024 are recognized in the consolidated statements of income under “Foreign exchange gain (loss) - net and others”.

13. Investment Properties

The movements in this account follow:

	Land Held for Future Development	Land and Improvements	Buildings and Leasehold Improvements	Building Equipment, Furniture and Others	Construction in Progress	Total
<i>(In Thousands)</i>						
Cost						
As at January 1, 2024	₱88,195,475	₱101,659,155	₱338,934,803	₱60,247,366	₱83,503,331	₱672,540,130
Additions	2,000,404	3,191,982	4,129,942	3,632,904	54,613,557	67,568,789
Reclassifications	2,836,443	(1,275,292)	14,710,993	2,788,244	(16,223,945)	2,836,443
Translation adjustment	–	22,612	895,382	77,636	124,704	1,120,334
Disposals	(121,802)	(207,676)	(366,746)	(222,151)	–	(918,375)
As at December 31, 2024 (Audited)	92,910,520	103,390,781	358,304,374	66,523,999	122,017,647	743,147,321
Additions	81,741	2,580,045	458,698	570,951	14,208,974	17,900,409
Reclassifications	–	(71,500)	5,169,683	334,600	(5,416,876)	15,907
Translation adjustment	–	(8,160)	(308,473)	(28,610)	(42,311)	(387,554)
Disposals	–	(90,496)	(4,928)	(11,585)	–	(107,009)
As at March 31, 2025 (Unaudited)	₱92,992,261	₱105,800,670	₱363,619,354	₱67,389,355	₱130,767,434	₱760,569,074
Accumulated Depreciation, Amortization and Impairment Loss						
As at January 1, 2024	₱–	₱3,047,630	₱93,506,840	₱38,918,437	₱–	₱135,472,907
Depreciation and amortization	–	269,338	10,067,237	4,253,973	–	14,590,548
Provision for impairment loss	–	359,756	–	–	–	359,756
Reclassifications	–	–	49	–	–	49
Translation adjustment	–	15,353	196,752	45,221	–	257,326
Disposals	–	(32,359)	(250,505)	(200,203)	–	(483,067)
As at December 31, 2024 (Audited)	–	3,659,718	103,520,373	43,017,428	–	150,197,519
Depreciation and amortization	–	63,332	2,550,549	1,041,901	–	3,655,782
Reclassifications	–	18,355	(13,760)	(4,700)	–	(105)
Translation adjustment	–	(6,266)	(84,507)	(12,965)	–	(103,738)
Disposals	–	(90,439)	(2,646)	(11,261)	–	(104,346)
As at March 31, 2025 (Unaudited)	₱–	₱3,644,700	₱105,970,009	₱44,030,403	₱–	₱153,645,112
Net Book Value						
As at March 31, 2025 (Unaudited)	₱92,992,261	₱102,155,970	₱257,649,345	₱23,358,952	₱130,767,434	₱606,923,962
As at December 31, 2024 (Audited)	92,910,520	99,731,063	254,784,001	23,506,571	122,017,647	592,949,802

Rent income from investment properties, which is primarily attributable to SM Prime Holdings, Inc. (SM Prime), amounted to ₱17.2 billion and ₱15.8 billion for the three-month periods ended March 31, 2025 and 2024, respectively. The corresponding direct operating expenses amounted to ₱8.1 billion for the three-month periods ended March 31, 2025 and 2024.

Construction in progress includes construction costs incurred for integrated property development, shopping malls, commercial buildings and cost of land amounting to ₱129.2 billion and ₱120.5 billion as at March 31, 2025 and December 31, 2024, respectively.

Portions of investment properties located in China amounting to ₱1.5 billion as at March 31, 2025 and December 31, 2024 are used as collateral to secure domestic borrowings (see Note 17).

The outstanding contracts with various contractors amounted to ₱57.9 billion and ₱63.4 billion 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 works.

Additions to investment properties include capitalized interest of ₱2.2 billion and ₱7.4 billion as at March 31, 2025 and December 31, 2024, respectively. Capitalization rates used range from 2.5% to 6.2% and 2.5% to 5.8% as at March 31, 2025 and December 31, 2024, respectively.

There is no restriction on the realizability of investment properties other than those used as collateral for certain borrowings.

Gain or loss from disposal of investment properties as of March 31, 2025 and 2024 are recognized in the consolidated statements of income under “Foreign exchange gain (loss) - net and others”.

14. Intangibles and Other Noncurrent Assets

Intangible Assets

This account consists of:

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
	<i>(In Thousands)</i>	
Goodwill	₱34,340,023	₱34,340,023
Less accumulated impairment loss	80,594	80,594
Net book value	34,259,429	34,259,429
Trademarks and brand names	6,127,080	6,127,046
	₱40,386,509	₱40,386,475

Other Noncurrent Assets

This account consists of:

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
	<i>(In Thousands)</i>	
Receivables from sales of real estate (Note 8)*	₱84,520,832	₱79,064,021
Bonds and deposits	46,764,376	46,127,306
Deferred exploration costs	5,896,443	5,568,965
Deferred tax assets (Note 21)	5,371,183	5,459,041
Deferred input VAT	1,418,565	1,461,087
Escrow fund (Note 20)	996,011	822,019
Derivative assets (Note 24)	715,955	4,219,004
Defined benefit asset	261,093	250,818
Others	3,526,863	3,442,350
	₱149,471,321	₱146,414,611

* Pertains to the noncurrent portion of unbilled revenues from sales of real estate (see Note 8).

15. Bank Loans

This account consists of:

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
	<i>(In Thousands)</i>	
Parent Company:		
Peso-denominated loans	₱1,500,000	₱–
Subsidiaries:		
China yuan renminbi-denominated loans	1,362,649	1,282,356
Peso-denominated loans	22,052,000	22,792,000
	₱24,914,649	₱24,074,356

The interest rates of Peso-denominated loans for the three-month periods ended March 31, 2025 and 2024 ranged from 5.2% to 6.6% and 5.9% to 6.9%, respectively. The China yuan renminbi-denominated loans bear the China Loan Prime Rate (LPR) in both periods.

These loans have maturities of less than one year.

16. Accounts Payable and Other Current Liabilities

This account consists of:

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
	<i>(In Thousands)</i>	
Trade	₱109,709,993	₱125,209,282
Accrued expenses	31,365,161	26,937,423
Nontrade (Note 20)	18,257,420	18,687,078
Tenants' and customers' deposits*	12,567,424	12,907,302
Dividends payable	4,987,181	2,328,001
Accrued interest (Note 20)	4,608,040	4,072,405
Payable arising from acquisition of land	4,300,935	3,004,397
Payables to government agencies	4,217,363	6,397,844
Lease liabilities (Note 22)	3,249,177	3,196,427
Subscriptions payable	1,980,777	1,966,477
Others	4,255,432	5,665,941
	₱199,498,903	₱210,372,577

* Includes unearned revenues from shipping and logistics of ₱170.3 million and ₱154.3 million as at March 31, 2025 and December 31, 2024, respectively, and unearned revenues from sales of real estate of ₱8.6 billion and ₱9.0 billion as at March 31, 2025 and December 31, 2024, respectively.

17. Long-term Debt

This account consists of:

	March 31, 2025 (Unaudited)				December 31, 2024 (Audited)	
	Availment	Maturity	Interest Rate/Term	Security	Amount	Amount
<i>(in Thousands)</i>						
Parent Company						
U.S. dollar-denominated*	June 2023	June 2027	ROP reference rate + margin; quarterly	Unsecured	₱4,576,800	₱4,627,600
GBP-denominated*	April 2023 - July 2023	April 2025 - July 2028	Fixed 4.2%-5.3%; quarterly	Unsecured	6,661,644	6,541,214
Peso-denominated	March 2021 - March 2023	June 2026 - May 2031	Fixed 4.0%-4.8%; Two-year PHP BVAL + margin; semi-annual and quarterly	Unsecured	34,297,000	45,574,500
Subsidiaries						
U.S. dollar-denominated*	January 2021 - August 2024	January 2026 - August 2029	Fixed 5.4%; SOFR + spread; semi-annual and quarterly	Unsecured /Secured	92,400,059	104,978,877
China yuan renminbi-denominated**	May 2021 - March 2025	April 2026 - June 2037	Fixed 3.7%; LPR; annually	Secured	10,973,173	10,830,711
Peso-denominated***	November 2015 - March 2025	April 2025 - February 2035	Fixed 3.8%-7.3%; BVAL + margin	Unsecured /Secured	329,456,349	306,004,020
					478,365,025	478,556,922
Less debt issue cost					2,289,140	2,056,902
					476,075,885	476,500,020
Less current portion					107,594,329	104,627,839
					₱368,481,556	₱371,872,181

BVAL – Bloomberg Valuation

ROP – Republic of the Philippines

SOFR – Secured Overnight Financing Rate

*Includes loans hedged against foreign exchange and interest rate risks using derivative instruments and loans unconditionally and irrevocably guaranteed by the Parent.

**Secured by portions of investment properties located in China (see Note 13)

***Secured by portions of property and equipment (see Note 12)

Repayment Schedule

The repayment schedule of long-term debt as at March 31, 2025 follows:

	Gross Debt	Debt Issue Cost	Net
	<i>(In Thousands)</i>		
Within 1 year	₱108,302,221	₱707,892	₱107,594,329
Over 1 year to 5 years	304,852,236	1,433,481	303,418,755
Over 5 years	65,210,568	147,767	65,062,801
	₱478,365,025	₱2,289,140	₱476,075,885

Covenants

The long-term debt of the Group is covered with certain covenants including adherence to financial ratios and certain restrictions with respect to material change in ownership or control. As at March 31, 2025 and December 31, 2024, the Group is compliant with the terms of its debt covenants.

18. Equity

Capital Stock

a. Common stock

	Number of Shares	
	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Authorized - ₱10 par value per share	2,790,000,000	2,790,000,000
Issued and subscribed	1,233,154,140	1,226,114,578

As at March 31, 2025 and December 31, 2024, the Parent Company is compliant with the minimum public float as required by the PSE.

In August 2024, the BOD approved the property-for-share swap between the Parent Company and ICDC. The confirmation of valuation of the subject properties was approved by the SEC in February 2025. In March 2025, the Parent Company issued 7,039,562 new SMIC common shares to ICDC in exchange for land valued at ₱6.2 billion.

The total number of shareholders of the Parent Company is 1,259 and 1,258 as at March 31, 2025 and December 31, 2024, respectively.

b. Redeemable preferred shares

	Number of Shares	
	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Authorized - ₱10 par value per share	10,000,000	10,000,000

There are no issued and subscribed preferred shares as at March 31, 2025 and December 31, 2024.

Treasury Stock

In February 2025, the BOD approved the creation and implementation of a share buyback program involving up to ₱60.0 billion of the Parent Company's common shares.

As of March 31, 2025, the Parent Company purchased a total of 265,000 common shares at an average price of ₱799.99, totaling P212.0 million. Treasury stock as of March 31, 2025 and December 31, 2024 is at 4,356,220 and 4,091,220 shares, respectively.

Retained Earnings

- Appropriated

Retained earnings appropriated as at March 31, 2025 is intended for new investments for the years 2025 to 2027.

- Unappropriated

The Parent Company's cash dividend declarations in 2025 and 2024 follow:

<u>Declaration Date</u>	<u>Record Date</u>	<u>Payment Date</u>	<u>Per Share</u>	<u>Total</u>
<i>(In Thousands)</i>				
April 24, 2024	May 9, 2024	May 23, 2024	₱9.00	₱10,998,210

On April 30, 2025, the BOD of SMIC at its regular meeting, approved the declaration of cash dividends of ₱13.00 per share, composed of ₱11.00 per share regular dividends and ₱2.00 per share special dividends, in favor of stockholders of record as of May 16, 2025. The cash dividends are payable on May 29, 2025.

Unappropriated retained earnings include the accumulated equity in net earnings of subsidiaries, associates and joint ventures amounting to ₱464.1 billion and ₱454.4 billion as at March 31, 2025 and December 31, 2024, respectively, that is not available for distribution until such time that the Parent Company receives the dividends from the respective subsidiaries, associates and joint ventures.

19. Other Revenues

This account consists of:

	Three-Month Periods Ended	
	2025	2024
	(Unaudited)	(Unaudited)
<i>(In Thousands)</i>		
Shipping, logistics and other services	₱4,739,586	₱4,402,230
Sales - processed food and others	4,131,371	4,553,040
Cinema and event ticket sales and others	2,168,024	2,163,917
Royalty and service fees	1,935,281	1,967,236
Food and beverage	706,202	619,222
Dividends	178,390	126,258
Others	2,138,281	2,696,357
	₱15,997,135	₱16,528,260

Others include membership revenues, sponsorship income and related items, commission income, as well as miscellaneous income from the various business operations of the Group.

20. Related Party Disclosures

Parties are considered to be related if one party has the ability, directly and indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control. The Group has a policy that requires approval of related party transaction by the Related Party Transactions Committee of the BOD when these breach certain limits and/or when these are not of a usual nature.

The significant transactions with related parties follow:

- Rent

The Group has existing lease agreements for office and commercial spaces with related companies (banking group and retail and other related parties under common stockholders).

- Royalty and Service Fees

The Parent Company and SM Retail receive service fees from retail entities under common stockholders for management, consultancy, manpower and other services. In addition to service fees, the Parent Company also receives royalty fees from related parties.

- Dividend Income

The Group earns dividend income from related parties under common stockholders.

- Cash Placements and Loans

The Group has bank accounts and cash placements as well as bank loans and debts with BDO and China Bank. Such accounts earn interest at prevailing market rates.

- Tenants' deposits

The Group holds lease security deposits from related parties for its leasable investment properties. These are refundable upon termination of the lease agreements.

- Others

The Group, in the normal course of business, has outstanding receivables from, and payables to related companies which are unsecured and normally settled in cash.

The related party transactions and outstanding balances follow:

	Transaction Amount		Outstanding Amount		Terms	Conditions
	Three-Month Periods Ended		March 31, 2025 (Unaudited)	December 31, 2024 (Audited)		
	2025 (Unaudited)	March 31, 2024 (Unaudited)				
<i>(In Thousands)</i>						
Banking Group						
Cash placement and investment in marketable securities	₱-	₱-	₱96,292,380	₱100,089,605	Interest-bearing	Unsecured/Secured; no impairment
Interest receivable	-	-	275,756	206,309	-	-
Interest income	1,004,776	1,008,191	-	-	-	-
Interest-bearing debt	-	-	65,416,933	63,857,393	Interest-bearing	Unsecured/Secured
Interest payable	-	-	312,872	349,742	-	-
Interest expense	925,385	996,655	-	-	-	-
Rent receivable	-	-	160,337	169,052	Noninterest-bearing	Unsecured; no impairment
Rent income	347,760	323,548	-	-	-	-
Receivable financed	-	1,177,769	-	-	Without recourse	Unsecured
Royalty and service fee receivable	-	-	40,602	8,523	Noninterest-bearing	Unsecured; no impairment
Royalty and service fee income	24,996	17,348	-	-	-	-
Escrow fund	-	-	993,552	819,559	Interest-bearing at prevailing rates	Unsecured; no impairment
Tenants' deposits	-	-	671,940	731,713	Noninterest-bearing	Unsecured
Retail and Other Entities						
Rent receivable	-	-	320,664	417,195	Noninterest-bearing	Unsecured; no impairment
Rent payable	-	-	2,233	4,361	Noninterest-bearing	Unsecured
Rent income	682,393	609,771	-	-	-	-
Royalty and service fee receivable	-	-	2,015,311	2,133,325	Noninterest-bearing	Unsecured; no impairment
Royalty and service fee income	707,877	655,361	-	-	-	-
Shipping, logistics and other services	29,914	17,033	-	-	-	-
Manpower Cost	5,696	-	-	-	-	-
Trade receivable	-	-	19,712	43,726	Noninterest-bearing	Unsecured; no impairment
Nontrade receivable	-	-	145,268	247,131	Noninterest-bearing	Unsecured; no impairment
Trade payable	-	-	2,782	109,847	Noninterest-bearing	Unsecured
Nontrade payable	-	-	140,340	1,003,461	Noninterest-bearing	Unsecured
Dividends receivable	-	-	108,573	973,044	Noninterest-bearing	Unsecured; no impairment
Bonds and deposits	-	-	2,631	3,339	Noninterest-bearing	Unsecured; no impairment
Tenants' deposit	-	-	812,557	841,517	Noninterest-bearing	Unsecured

Terms and Conditions of Transactions with Related Parties

Outstanding balances at the end of the period are normally settled in cash. The Group did not make any provision for impairment loss relating to amounts owed by related parties.

21. Income Tax

Deferred tax assets of ₱5.4 billion and ₱5.5 billion as at March 31, 2025 and December 31, 2024, respectively, consist of the tax effects of unrealized gain on intercompany sale of investment properties, unamortized past service cost and defined benefit liability, provision for doubtful accounts and others, accrued leases, minimum corporate income tax (MCIT), deferred rent expense and net operating loss carryover (NOLCO).

Deferred tax liabilities of ₱19.5 billion and ₱19.4 billion as at March 31, 2025 and December 31, 2024, respectively, consist of the tax effects of appraisal increment on investment property and property and equipment, trademarks and brand names, capitalized interest, unrealized gross profit on sales of real estate, accrued/deferred rent income and unamortized past service cost and defined benefit asset. The disproportionate relationship between income before income tax and the provision for income tax is due to various factors such as interest income already subjected to final tax, non-deductible interest expense, equity in net earnings of associates, and dividend income that are exempt from tax.

22. Lease Agreements

As Lessor. The Group's lease agreements with its tenants are generally granted for a term of one to twenty-five years. Upon inception of the lease agreement, tenants are required to pay certain amounts of deposits. Tenants likewise pay a fixed monthly rent which is calculated with reference to a fixed sum per square meter of area leased except for a few tenants which pay either a fixed monthly rent or a percentage of gross sales, whichever is higher.

As Lessee. The Group leases certain parcels of land where some of its malls are situated as well as retail store spaces, office spaces, warehouses, containers, reefer vans, ISO tanks, cargo handling equipment, transportation equipment and container yards. The terms of the lease are for periods ranging from one to 65 years, renewable for the same period under the same terms and conditions. Lease payments are generally computed based on a certain percentage of gross rental income or a certain fixed amount, whichever is higher.

There are also non-cancellable operating lease commitments with lease periods ranging from two to thirty years, mostly containing renewal options and those that provide for the payment of additional rental based on a certain percentage of sales of the sub-lessees.

The rollforward analysis of ROU assets follows:

March 31, 2025 (Unaudited)			
	Land Use Rights	Retail Store Spaces, Office Spaces, Warehouses and Others	Total
<i>(In Thousands)</i>			
Cost			
As at beginning of year	P32,551,594	P34,717,012	P67,268,606
Additions	–	2,074,297	2,074,297
Translation adjustment	(96,981)	–	(96,981)
Reclassifications	–	(507,133)	(507,133)
Retirements	–	(641,972)	(641,972)
As at end of period	32,454,613	35,642,204	68,096,817
Accumulated Depreciation and Amortization			
As at beginning of year	3,858,877	14,224,274	18,083,151
Depreciation and amortization	196,330	842,180	1,038,510
Translation adjustment	(6,766)	–	(6,766)
Reclassifications	–	(469,196)	(469,196)
Retirements	–	(500,844)	(500,844)
As at end of period	4,048,441	14,096,414	18,144,855
Net Book Value	P28,406,172	P21,545,790	P49,951,962

December 31, 2024 (Audited)			
	Land Use Rights	Retail Store Spaces, Office Spaces, Warehouses and Others	Total
<i>(In Thousands)</i>			
Cost			
As at beginning of year	P32,165,006	P32,820,909	P64,985,915
Additions	98,291	4,540,387	4,638,678
Translation adjustment	295,751	–	295,751
Reclassifications	(7,454)	146,073	138,619
Retirements	–	(2,790,357)	(2,790,357)
As at end of year	32,551,594	34,717,012	67,268,606
Accumulated Depreciation and Amortization			
As at beginning of year	3,064,465	13,381,038	16,445,503
Depreciation and amortization	789,958	3,378,723	4,168,681
Translation adjustment	11,908	–	11,908
Reclassifications	(7,454)	(159,643)	(167,097)
Retirements	–	(2,375,844)	(2,375,844)
As at end of year	3,858,877	14,224,274	18,083,151
Net Book Value	P28,692,717	P20,492,738	P49,185,455

The rollforward analysis of lease liabilities follows:

	March 31, 2025	December 31, 2024
	(Unaudited)	(Audited)
	<i>(In Thousands)</i>	
Balance at beginning of year	₱36,387,980	₱35,319,736
Additions	2,074,297	4,638,678
Interest expense	546,925	2,066,436
Terminations	(211,609)	(572,054)
Payments	(1,379,460)	(5,308,424)
Reclassification and others	41,531	243,608
Balance at end of period	37,459,664	36,387,980
Less current portion (Note 16)	3,249,177	3,196,427
Noncurrent portion	₱34,210,487	₱33,191,553

The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased assets portfolio.

Management exercises significant judgment in determining whether these extension and termination options are reasonably certain to be exercised.

Included in “Tenants’ deposits and others” in the consolidated balance sheets are tenants’ deposits of ₱29.1 billion and ₱28.5 billion as at March 31, 2025 and December 31, 2024, respectively, and deferred output VAT of ₱16.7 billion and ₱16.6 billion as at March 31, 2025 and December 31, 2024, respectively.

23. Financial Risk Management Objectives and Policies

The main risks arising from the Group’s financial instruments follow:

- *Interest rate risk.* Fixed rate financial instruments are subject to fair value interest rate risk while floating rate financial instruments are subject to cash flow interest rate risk. Repricing of floating rate financial instruments is mostly done at intervals of three months or six months.
- *Foreign currency risk.* The Group’s exposure to foreign currency risk arises as the Parent Company and SM Prime have significant investments and debt issuances which are denominated in U.S. Dollars and China yuan renminbi.
- *Liquidity risk.* Liquidity risk arises from the possibility that the Group may encounter difficulties in raising funds to meet commitments from financial instruments.
- *Credit risk.* Refers to the risk that a borrower will default on any type of debt by failing to make the required payments.
- *Equity price risk.* The Group’s exposure to equity price risk pertains to its investments in quoted equity shares which are classified as equity investments at FVOCI in the consolidated balance

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

The BOD reviews and approves the policies for managing these risks.

Interest Rate Risk

The Group's exposure to market risk for changes in interest rates relates primarily to the Group's long-term debt obligations (see Note 17).

The Group maintains a conservative financing strategy and has preference for longer tenor credit with fixed interest rate that matches the nature of its investments. To manage this mix in a cost-efficient manner, the Group enters into interest rate swaps and cross-currency swaps in which the Group agrees to exchange, at specified intervals, the difference between fixed and variable interest amounts calculated by reference to an agreed notional amount.

After taking into account the effect of the swaps, approximately 67.8% and 72.8% of the Group's borrowings, net of debt issue cost, is kept at fixed interest rates as at March 31, 2025 and December 31, 2024, respectively.

Foreign Currency Risk

The Group aims to reduce foreign currency risks by employing on-balance sheet hedges and derivatives such as foreign currency swap contracts, foreign cross-currency swaps, foreign currency call options and non-deliverable forwards.

As at March 31, 2025, the Group's foreign currency-denominated assets and liabilities amounted to ₱0.8 billion (\$14.7 million) and ₱1.3 billion (\$22.3 million), respectively.

As at December 31, 2024, the Group's foreign currency-denominated assets and liabilities amounted to ₱1.3 billion (\$23.0 million) and ₱1.6 billion (\$28.1 million), respectively.

As at March 31, 2025 and December 31, 2024, approximately 23.0% and 25.5%, respectively, of the Group's borrowings, net of debt issue cost, are denominated in foreign currency.

The following exchange rates were used in translating foreign currency-denominated assets and liabilities into Pesos.

	March 31, 2025	December 31, 2024
Philippine Peso to U.S. Dollar	₱57.210	₱57.845

Liquidity Risk

The Group manages its liquidity to ensure adequate financing of capital expenditures and debt service. Financing consists of internally generated funds, proceeds from debt and equity issues, and/or sales of assets.

The Group regularly evaluates its projected and actual cash flow information and assesses conditions in the financial markets for opportunities to pursue fundraising initiatives including bank loans, export credit agency-guaranteed facilities, bonds and equity market issues.

Credit Risk

The Group trades only with recognized and creditworthy related and third parties. The Group policy requires customers who wish to trade on credit terms to undergo credit verification. In addition,

receivable balances are monitored on a regular basis to keep exposure to bad debts at the minimum. Given the Group's diverse customer base, it is not exposed to large concentrations of credit risk.

With respect to credit risk arising from the other financial assets of the Group which consist of cash and cash equivalents, time deposits, and certain derivative instruments, the Group's credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

Receivables from sales of real estate have minimal credit risk and are effectively collateralized by the respective units sold since title to the real estate properties are not transferred to the buyers until full payment is made.

As at March 31, 2025 and December 31, 2024, the financial assets, except for some receivables, are generally viewed by the management as good and collectible considering the credit history of the counterparties. Past due or impaired financial assets are very minimal in relation to the Group's total financial assets.

Equity Price Risk

Management closely monitors the equity securities in its investment portfolio. Material equity investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by management.

Capital Management

The primary objective of the Group'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 Group manages its capital structure and makes appropriate adjustments based on changes in economic conditions. Accordingly, the Group may adjust dividend payments to shareholders, secure new and/or pay off existing debts, return capital to shareholders or issue new shares.

The Group monitors its capital gearing by maintaining its net debt at no higher than 50% of the sum of net debt and equity.

The Group's gearing ratios follow:

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Gross	36%	37%
Net	31%	31%

24. Financial Instruments

The Group's financial assets and liabilities by category and by class, except for those with carrying amounts that are reasonable approximations of fair values, follow:

March 31, 2025 (Unaudited)					
	Carrying Value	Fair Value	Quoted Prices in Active Markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<i>(In Thousands)</i>					
Assets Measured at Fair Value					
Financial assets at FVOCI					
Listed shares of stock	P23,935,012	P23,935,012	P23,935,012	P-	P-
Unlisted shares of stock	3,076,150	3,076,150	-	-	3,076,150
Club shares	28,750	28,750	-	28,750	-
Derivative assets	3,892,436	3,892,436	-	3,892,436	-
	30,932,348	30,932,348	23,935,012	3,921,186	3,076,150
Assets for which Fair Values are Disclosed					
Time deposits - noncurrent portion	3,101,694	3,174,760	-	3,174,760	-
	P34,034,042	P34,107,108	P23,935,012	P7,095,946	P3,076,150
Liabilities Measured at Fair Value					
Derivative liabilities	P463,005	P463,005	P-	P463,005	P-
Liabilities for which Fair Values are Disclosed					
Long-term debt (noncurrent portion and net of unamortized debt issue cost)	368,481,556	367,807,147	-	-	367,807,147
Tenants' deposits and others*	43,953,935	39,331,004	-	-	39,331,004
	412,435,491	407,138,151	-	-	407,138,151
	P412,898,496	P407,601,156	P-	P463,005	407,138,151

*Excluding nonfinancial liabilities of P22.0 billion and noncurrent derivative liabilities of P153.3 million.

December 31, 2024 (Audited)					
	Carrying Value	Fair Value	Quoted Prices in Active Markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<i>(In Thousands)</i>					
Assets Measured at Fair Value					
Financial assets at FVOCI					
Listed shares of stock	P24,027,269	P24,027,269	P24,027,269	P-	P-
Unlisted shares of stock	3,100,303	3,100,303	-	-	3,100,303
Club shares	28,650	28,650	-	28,650	-
Derivative assets	5,378,214	5,378,214	-	5,378,214	-
	32,534,436	32,534,436	24,027,269	5,406,864	3,100,303
Assets for which Fair Values are Disclosed					
Time deposits - noncurrent portion	3,113,470	3,197,356	-	3,197,356	-
	P35,647,906	P35,731,792	P24,027,269	P8,604,220	P3,100,303
Liabilities Measured at Fair Value					
Derivative liabilities	P156,080	P156,080	P-	P156,080	P-
Liabilities for which Fair Values are Disclosed					
Long-term debt (noncurrent portion and net of unamortized debt issue cost)	371,872,181	364,608,918	-	-	364,608,918
Tenants' deposits and others*	42,863,199	36,741,071	-	-	36,741,071
	414,735,380	401,349,989	-	-	401,349,989
	P414,891,460	P401,506,069	P-	P156,080	P401,349,989

*Excluding nonfinancial liabilities of P22.0 billion and noncurrent derivative liabilities of P56.7 million.

There were no transfers into and out of Levels 1, 2 and 3 fair value measurements as at March 31, 2025 and December 31, 2024.

Long-term Debt. The fair value of long-term debt is estimated based on the following assumptions:

Debt	Fair Value Assumptions
Fixed Rate	Estimated fair value is based on the discounted value of future cash flows using the applicable rates for similar types of loans. Future cash flows were discounted using prevailing market rates.
Variable Rate	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 for the period up to the next repricing date. Future cash flows were discounted using prevailing market rates.

Derivative Instruments. The fair values are based on quotes obtained from counterparties. The rollforward analysis of the fair value changes of derivative instruments follows:

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
	<i>(In Thousands)</i>	
Balance at beginning of year	P5,222,134	P6,462,308
Net changes in fair value*	(1,450,094)	2,598,426
Fair value change from settled derivatives	(342,609)	(3,838,600)
Balance at end of period	P3,429,431	P5,222,134

* Includes fair value changes in OCI.

25. EPS Computation

	Three-Month Periods Ended March 31	
	2025 (Unaudited)	2024 (Unaudited)
	<i>(In Thousands Except Per Share Data)</i>	
Net income attributable to owners of the Parent (a)	P20,054,768	P18,393,682
Weighted average number of common shares outstanding (b)	1,221,848	1,222,023
EPS (a/b)	P16.41	P15.05

PART I FINANCIAL INFORMATION

Item 2. Aging of Accounts Receivable - Trade

As of March 31, 2025 (Unaudited)

In Thousands

Sales of real estate - net of noncurrent portion	₱	71,698,009
Rent from third-party tenants		10,107,126
Shipping and logistics		3,399,086
Rent from related party tenants		481,001
Others		2,691,778
Total	₱	<u><u>88,377,000</u></u>

Aging:

Neither past due nor impaired	₱	75,631,659
Less than 30 days		2,332,197
31-90 days		3,221,237
91-120 days		1,383,828
Over 120 days		2,469,697
Impaired		3,338,382
Total	₱	<u><u>88,377,000</u></u>

PART 1 FINANCIAL INFORMATION

Management’s Discussion and Analysis or Plan of Operation

Results of Operation

For the Three Months Ended March 31, 2025 and 2024

(amounts in billion pesos)

	YTD March		
	2025 (Unaudited)	2024 (Unaudited)	% Change
Revenues	₱152.0	₱143.7	5.8%
Cost and Expenses	115.9	110.6	4.9%
Income from Operations	36.1	33.1	8.8%
Other Charges	4.5	4.3	3.7%
Provision for Income Tax	3.9	3.6	11.3%
Net Income After Tax	27.7	25.2	9.4%
Non-controlling Interests	7.6	6.8	10.3%
Net Income Attributable to Owners of the Parent	₱20.1	₱18.4	9.0%

SM Investments Corporation and Subsidiaries (the Group) reported ₱20.1 billion Net Income Attributable to Owners of the Parent on ₱152.0 billion Revenues.

Following is the contribution of each of the major business segments to the consolidated revenues and net income:

	Revenues		Net Income	
	YTD Mar-25	YTD Mar-24	YTD Mar-25	YTD Mar-24
Retail	66%	65%	14%	12%
Property	20%	21%	29%	29%
Banks	7%	7%	51%	52%
Portfolio	7%	7%	6%	7%

Retail

SM Retail reported ₱3.6 billion Net income on Revenues of P100.3 billion.

Sales grew by 6%. All business segments contributed to this sales growth.

- SM Stores with 6% growth
- Food Stores with 8% growth, mainly contributed by the SM Markets
- Specialty Stores with 7% growth, mainly contributed by Home and Kids categories

Net income increased by 18% with 7% growth in revenues, improved gross margin and controlled operating costs.

Property

SM Prime reported P11.7 billion *Net income* on *Revenues* of ₱32.8 billion, 11% and 7% higher than 2024, respectively.

- Malls reported ₱8.1 billion net income, 13% higher than 2024 and comprising 69% of consolidated net income.
- Residential reported ₱2.1 billion net income, up 4% from 2024.
- Offices and warehouse reported ₱1.2 billion net income, up 15% from 2024.
- Hotels reported ₱362 million net income, up 3% from 2024.

Banking

BDO reported ₱19.7 billion *Net income*, 7% higher than 2024. This is supported by double-digit growth in loans and a solid performance in fee income.

Chinabank reported ₱6.5 billion *Net income*, 10% higher than 2024. Chinabank sustained its momentum from strong core business growth.

Portfolio Investments

Portfolio Investments Group contributed ₱1.1 billion to YTD March 2025 consolidated net income, 38% from NEO, 36% from PGPC, and 11% from Belle.

Profit & Loss Statement - Account Analysis

Merchandise Sales, which increased 6.9% to ₱97.1 billion, accounted for 64% of total revenues in 2025. This is attributable to SM Markets with 6% growth to ₱42.4 billion from its 340 stores and Specialty Stores with 7% growth to ₱20.5 billion.

Real Estate Sales increased 4.9% to ₱9.2 billion from SMDC's various projects including *Calm Residences* in Laguna, *Joy Residences* in Bulacan, *Gold Towers* (residential and offices) in Paranaque, and *Glade Residences* in Iloilo.

Rent Revenues, derived mainly from the mall operations of SM Prime, increased 8.9% to ₱17.6 billion.

Equity in Net Earnings of Associate Companies and Joint Ventures increased 5.6% to ₱12.1 billion. The increase is mainly with the banks.

Other Revenues decreased 3.2% to ₱16.0 billion, mainly with PGPC due to lower energy prices and GBI representing the sales of Dominos in YTD March 2024.

Cost and Expenses increased 4.9% to ₱116.0 billion. This increase includes the additional cost from newly opened malls and retail stores.

Income from Operations increased 8.8% to ₱36.0 billion. *Operating Margin* and *Net Margin* in 2024 is at 23.7% and 18.2%, respectively.

Other Charges (net) increased 3.7% to ₱4.5 billion, mainly *Interest Expense* which increased 2.9% to ₱5.7 billion, lower *Gain on Disposal of Investments and Properties - Net* of ₱13.8 million, and lower *Loss from fair value changes on derivatives - net* of ₱72.6 million.

Provision for Income Tax increased 11.3% to ₱3.9 billion due mainly to higher taxable income in 2025.

Non-controlling Interests increased 10.3% to ₱7.6 billion due mainly to the improved net income of partly-owned subsidiaries.

Financial Position

(amounts in billion pesos)

	03 / 31 / 2025 (Unaudited)	12 / 31 / 2024 (Audited)	% Change
Current Assets	₱372.7	₱383.8	-2.9%
Noncurrent Assets	1,343.0	1,315.3	2.1%
Total Assets	₱1,715.7	₱1,699.1	1.0%
Current Liabilities	₱336.2	₱343.2	-2.0%
Noncurrent Liabilities	488.3	489.5	-0.2%
Total Liabilities	824.5	832.7	-1.0%
Total Equity	891.2	866.4	2.9%
Total Liabilities and Equity	₱1,715.7	₱1,699.1	1.0%

Total *Assets* increased 1.0% to ₱1,715.7 billion while Total *Liabilities* decreased 1.0% to ₱824.5 billion.

Assets

Current Assets decreased 2.9% to ₱372.7 billion.

Cash and Cash Equivalents decreased 8.5% to ₱103.0 billion: ₱9.8 billion cash generated from operations, partially offset by ₱4.7 billion used for financing activities and ₱14.6 billion used for investments in property and equipment, investment properties and others.

Receivables and Contract Assets decreased 5.2% to ₱87.5 billion attributable mainly to receivables from real estate sales and rent receivables.

Inventories increased 4.9% to ₱125.5 billion attributable mainly to Retail's merchandise inventory which increased 8.7% to ₱45.7 billion and Real estate inventory which increased 2.9% to ₱79.2 billion.

Other Current Assets decreased 4.3% to ₱55.8 billion due mainly to collections of receivables from banks for retail sales on credit.

Noncurrent Assets increased 2.1% to ₱1,343.0 billion.

Investments in Associate Companies and Joint Ventures increased 2.6% to ₱409.8 billion. The increase mainly represents the Group's ₱12.1 billion equity in net earnings of its associate companies particularly the banks, partly offset by ₱3.0 billion dividends received.

Investment Properties increased 2.4% to ₱606.9 billion due mainly to SM Prime's land banking and integrated property developments, new mall and commercial projects, and redevelopment and expansion of existing malls.

Other Noncurrent Assets increased 2.1% to ₱149.5 billion representing mainly the increase in noncurrent receivables from real estate sales.

Liabilities

Interest-bearing Debt was flat at ₱501.0 billion.

Accounts Payable and Other Current Liabilities decreased 5.2% to ₱199.5 billion due mainly to the payment of huge yearend 2024 trade payables of the Retail Group.

Tenants' Deposits and Others increased 1.8% to ₱66.1 billion. This account includes the deferred output VAT related to sales of residential projects, deposits from residential buyers and tenants in new malls and office buildings, and derivative liabilities.

Equity

Total *Equity* increased 2.9% to ₱891.2 billion.

Equity Attributable to Owners of the Parent increased 3.3% to ₱647.8 billion due mainly to the ₱20.1 billion addition in Retained Earnings representing the net income for YTD March 2025.

Non-controlling Interests increased 1.8% to ₱243.4 billion representing the increase in net assets of subsidiaries that are not wholly owned.

The Group has no known direct or contingent financial obligation that is material to the Group operations, including any default or acceleration of an obligation. The Group has no off-balance sheet transactions, arrangements, and obligations during the reporting year and as of the balance sheet date.

There are no known trends, events, material changes, seasonal aspects or uncertainties that are expected to affect the Group's continuing operations.

Key Performance Indicators

The key financial ratios of the Group follow:

	03 / 31 / 2025 (Unaudited)	12 / 31 / 2024 (Audited)
Current Ratio	1.1	1.1
Acid Test Ratio	0.6	0.6
Solvency Ratio	17.5%	17.0%
Asset to Equity	1.9	2.0
Debt - Equity Ratios:		
On Gross Basis	36 : 64	37 : 63
On Net Basis	31 : 69	31 : 69
Return on Equity	13.6%	13.8%
Return on Assets	7.0%	7.0%

	Unaudited YTD March	
	2025	2024
Revenue Growth	5.8%	3.9%
Net Margin	18.2%	17.6%
Net Income Growth	9.0%	6.3%
EBITDA (<i>In Billions of Pesos</i>)	42.7B	39.4B
Interest Cover	7.5x	7.1x

Solvency Ratio improved to 17.5% due to the 1.9% increase in *Net Income After Tax* and depreciation vs. 1.0% decrease in *Total Liabilities*.

Gross Debt - Equity Ratio improved to 36:64 due to flat gross debt vs. 2.9% increase in equity.

The 2025 *Revenue Growth* of 5.8% is comprised of the 6.9% increase in *Merchandise Sales*, 4.9% in *Real estate Sales*, 8.9% increase in *Rent Revenues* and 5.6% increase in *Equity in Net Earnings of Associate Companies and Joint Ventures*.

Net Margin improved to 18.2% with the higher *Net income growth* of 9.0% vs 5.8% *Revenues growth*.

EBITDA increased 8.3% due to the 8.8% increase in income from operations and 5.6% increase in depreciation.

Interest Cover improved to 7.5x due to the 8.3% increase in EBITDA vs. 2.9% increase in interest expense.

The manner by which the Group calculates the foregoing indicators is as follows:

1. Current Ratio $\frac{\text{Current Assets}}{\text{Current Liabilities}}$
2. Acid Test Ratio $\frac{\text{Current Assets less Inventories and Other Current Assets}}{\text{Current Liabilities}}$
3. Solvency Ratio $\frac{\text{Net Income After Tax + Depreciation and Amortization}}{\text{Total Liabilities}}$
4. Asset to Equity Ratio $\frac{\text{Total Assets}}{\text{Total Equity}}$
5. Debt – Equity Ratio
 - a. Gross Basis $\frac{\text{Total Interest-Bearing Debt}}{\text{Total Equity + Total Interest-Bearing Debt}}$
 - b. Net Basis $\frac{\text{Total Interest-Bearing Debt less Cash and Cash Equivalents (excluding Cash on Hand), Time Deposits, Investment in Bonds}}{\text{Total Equity + Total Interest-Bearing Debt less Cash and Cash Equivalents (excluding Cash on Hand), Time Deposits, Investments in Bonds}}$
6. Revenue Growth $\frac{\text{Total Revenues (Current Period)} - 1}{\text{Total Revenues (Prior Period)}}$
7. Net Margin $\frac{\text{Net Income After Tax}}{\text{Total Revenues}}$
8. Net Income Growth $\frac{\text{Net Income Attributable to Owners of the Parent (Current Period)} - 1}{\text{Net Income Attributable to Owners of the Parent (Prior Period)}}$
9. Return on Equity $\frac{\text{Net Income Attributable to Owners of the Parent}}{\text{Average Equity Attributable to Owners of the Parent}}$
10. Return on Assets $\frac{\text{Net Income after Tax}}{\text{Total Assets}}$
11. EBITDA $\text{Income from Operations + Depreciation \& Amortization}$
12. Interest Cover $\frac{\text{EBITDA}}{\text{Interest Expense}}$

Expansion Plans / Prospects in 2025

In 2025, SM Prime plans to invest ₱100 billion for the construction and/or expansion of malls, development of integrated communities including commercial properties, as well as repairs and maintenance of existing property and equipment and investment properties.

SM Retail would continue with the opening of new stores as well as store refresh and improvement.

Investments in new business ventures would be pursued as opportunities arise.

The above expenditures will be funded with cash generated from operations and other capital raising initiatives such as bond issuance and debt availments.

The Group has no material commitments for capital expenditures other than those disclosed in Note 13 for Investment Properties.

Results of Operation
For the Three Months Ended March 31, 2024 and 2023
(amounts in billion pesos)

	YTD March		% Change
	2024 (Unaudited)	2023 (Unaudited)	
Revenues	₱143.7	₱138.3	3.9%
Cost and Expenses	110.6	106.5	3.9%
Income from Operations	33.1	31.8	4.2%
Other Charges	4.3	4.1	7.6%
Provision for Income Tax	3.6	3.9	-10.0%
Net Income After Tax	25.2	23.8	5.9%
Non-controlling Interests	6.8	6.5	5.0%
Net Income Attributable to Owners of the Parent	₱18.4	₱17.3	6.3%

SM Investments Corporation and Subsidiaries (the Group) reported ₱18.4 billion *Net Income Attributable to Owners of the Parent* on ₱143.7 billion *Revenues*.

Following is the contribution of each of the major business segments to the consolidated revenues and net income:

	Revenues		Net Income	
	YTD Mar-24	YTD Mar-23	YTD Mar-24	YTD Mar-23
Retail	65%	66%	12%	17%
Property	21%	19%	29%	26%
Banks	7%	7%	52%	47%
Portfolio	7%	8%	7%	10%

Retail

SM Retail reported Revenues of ₱93.8 billion, 3% higher than 2023. Net income is lower at ₱3.1 billion.

The Food Stores reported Revenues of ₱57.0 billion, 6% higher than 2023. Bulk of the increase is from SM Markets with Sales of ₱40.0 billion, 4% growth and Alfamart with ₱7.7 billion sales, 19% growth. Alfamart opened 134 new stores.

The SM Stores reported Revenues of ₱22.4 billion, 4% lower than 2023, on moderated consumer spend on fashion categories.

The Specialty Stores reported Revenues of ₱20.4 billion, 1% lower than 2023.

Sales of discretionary categories, including SM Home, Appliances and Ace Hardware were impacted by moderated consumer spend.

Property

SM Prime reported ₱10.5 billion *Net income* on Revenues of ₱30.7 billion, 11% and 7% higher than 2023, respectively.

The mall business, which accounts for 59% of consolidated Revenues reported a 7% growth in Revenues to ₱18.2 billion in 2024. Philippine malls rental income increased by 9% to ₱14.1 billion.

The residential business reported a 10% growth in Revenues of ₱8.5 billion in 2024, with reservation sales of ₱26.5 billion.

Banking

BDO reported ₱18.5 billion *Net income*, 12% higher than 2023 on sustained performance of its core businesses. *Net interest income* increased 13% to ₱49.0 billion as *Gross customer loans* grew by 13% to ₱2.9 trillion.

Total deposits increased 13% to ₱3.6 trillion. Asset quality is stable with non-performing loan (NPL) ratio at 1.88% and NPL coverage at 181%.

China Bank reported ₱5.9 billion *Net income*, 18% higher than 2023. *Net interest income* increased 18% to ₱15.0 billion driven by higher asset yields and loan volume. *Gross loans* increased 11% to ₱805.0 billion.

Total deposits increased 13% to ₱1.2 trillion. Asset quality is stable with non-performing loan (NPL) ratio at 1.8% and NPL coverage at 143%.

Portfolio Investments

The businesses with significant contribution to consolidated net income growth are Atlas Mining and NEO Group.

Profit & Loss Statement - Account Analysis

Merchandise Sales, which increased by 2.7% to ₱90.8 billion, accounted for 63% of total revenues in 2024. This is attributable mainly to Food Stores which delivered 6.6% growth.

Real Estate Sales increased to ₱8.8 billion while Reservation sales is at ₱26.5 billion in the first quarter of 2024.

Rent Revenues, derived mainly from the mall operations of SM Prime, increased by 10.3% to ₱16.2 billion. This is attributable to increased mall traffic and general improvement in tenant sales.

Equity in Net Earnings of Associate Companies and Joint Ventures increased by 13.1% to ₱11.4 billion, mainly from the bank associates.

Costs and Expenses, which includes the impact of additional costs from newly-opened malls and retail stores as well as real estate projects, increased by 3.9% to ₱110.6 billion. This increase is relative to the increase in revenues.

Income from Operations increased by 4.2% to ₱33.1 billion. *Operating Margin* and *Net Margin* in 2024 is at 23.0% and 17.6%, respectively.

Other Charges (net) increased by 7.6% to ₱4.3 billion. *Interest Expense* increased by 7.0% to ₱5.6 billion due to higher outstanding debt vs. YTD March 2023. *Interest Income* increased by 17.0% to ₱1.1 billion due mainly to increase in average balance of cash and time deposits. *Forex Exchange Gain and Others - Net and Others* increased by 158% to ₱326.5 million. The increase includes ₱190.5 million gain on disposal of investments and properties.

Provision for Income Tax decreased to ₱3.6 billion, mainly deferred income tax.

Non-controlling Interests increased by 5.0% to ₱6.8 billion due to the improved net income of partly-owned subsidiaries.

Financial Position
(amounts in billion pesos)

	03 / 31 / 2024 (Unaudited)	12 / 31 / 2023 (Audited)	% Change
Current Assets	₱338.3	₱359.5	-5.9%
Noncurrent Assets	1,260.7	1,226.7	2.8%
Total Assets	₱1,599.0	₱1,586.2	0.8%
Current Liabilities	₱369.1	₱330.8	11.6%
Noncurrent Liabilities	433.2	483.2	-10.4%
Total Liabilities	802.3	814.0	-1.4%
Total Equity	796.7	772.2	3.2%
Total Liabilities and Equity	₱1,599.0	₱1,586.2	0.8%

Total *Assets* increased by 0.8% to ₱1,599.0 billion while Total *Liabilities* decreased by 1.4% to ₱802.3 billion.

Assets

Current Assets decreased by 5.9% to ₱338.3 billion.

Cash and Cash Equivalents decreased by 16.4% to ₱86.7 billion: ₱6.2 billion used for financing activities, ₱18.7 billion used for investments in property, plant and equipment, investment properties and others, partially offset by ₱7.8 billion cash generated from operations.

Receivables and Contract Assets decreased by 5.0% to ₱75.2 billion due mainly to collections of receivables from real estate buyers, tenants, and royalty and service fees.

Inventories increased by 1.8% to ₱119.6 billion. SM Prime's real estate inventory increased to ₱78.0 billion and Retail's merchandise inventory increased to ₱40.9 billion.

Other Current Assets decreased by 3.8% to ₱55.5 billion due mainly to collections of receivable from banks.

Noncurrent Assets increased by 2.8% to ₱1,260.7 billion.

Financial Assets at FVOCI (current and noncurrent) decreased by 3.1% to ₱26.2 billion due mainly to the decline in market value of certain investments in shares of stock.

Investments in Associate Companies and Joint Ventures increased by 4.0% to ₱375.9 billion. The increase mainly represents the Group's equity in net earnings of its associate companies particularly the banks, and investment in a new associate, partly offset by dividends received.

Investment Properties increased by 2.1% to ₱548.6 billion due mainly to SM Prime's landbanking and land reclamation project, ongoing new mall and commercial projects, and redevelopment and expansion of existing malls.

Other Noncurrent Assets increased by 4.8% to ₱144.7 billion, mainly receivables from real estate sales.

Liabilities

Interest-bearing Debt increased by 0.2% to ₱502.9 billion due mainly to net availments, particularly by the Parent Company and SM Prime.

Accounts payable and other current liabilities decreased by 6.8% to ₱186.6 billion due mainly to payments of obligations for trade, nontrade, and land acquisitions.

Equity

Total *Equity* increased by 3.2% to ₱796.7 billion.

Equity Attributable to Owners of the Parent increased by 3.2% to ₱574.6 billion due mainly to the ₱18.4 billion net income for the period.

Non-controlling Interests increased by 3.0% to ₱222.1 billion, mainly increases in net assets of subsidiaries that are not wholly owned.

The Group has no known direct or contingent financial obligation that is material to the Group operations, including any default or acceleration of an obligation. The Group has no off-balance sheet transactions, arrangements, and obligations during the reporting year and as of the balance sheet date.

There are no known trends, events, material changes, seasonal aspects or uncertainties that are expected to affect the Group's continuing operations.

Key Performance Indicators

The key financial ratios of the Group follow:

	03 / 31 / 2024 (Unaudited)	12 / 31 / 2023 (Audited)
Current Ratio	0.9	1.1
Acid Test Ratio	0.4	0.6
Solvency Ratio	16.5%	16.1%
Asset to Equity	2.0	2.1
Debt - Equity Ratios:		
On Gross Basis	39 : 61	39 : 61
On Net Basis	33 : 67	33 : 67
Return on Equity	14.3%	14.5%
Return on Assets	6.9%	7.0%

	Unaudited YTD March	
	2024	2023
Revenue Growth	3.9%	21.5%
Net Margin	17.6%	17.2%
Net Income Growth	6.3%	33%
EBITDA (<i>In Billions of Pesos</i>)	39.4B	37.7B
Interest Cover	7.1x	7.3x

Current ratio slightly decreased to 0.9 due to the 5.9% decrease in *Current assets* vs 11.6% increase in *Current liabilities*.

Acid Test Ratio slightly decreased to 0.4 due to the 11.4% decrease in quick assets, mainly *Cash and Cash Equivalents* and *Receivables and Contract Assets* vs. 11.6% increase in *Current Liabilities*.

Solvency Ratio increased to 16.5% due to the 1.4% increase in *Net Income After Tax* and depreciation vs. 1.4% decrease in *Total Liabilities*.

Return on Equity slightly decreased to 14.3% due to the 1.4% increase in net income attributable to owners of the parent vs. 2.9% increase in average equity.

Return on Assets slightly decreased to 6.9% due to the 1.3% increase in *Net Income After Tax* vs 2.2% increase in average assets.

Revenue Growth decreased to 3.9% due mainly to lower growth in 2024 of *Merchandise Sales, Rent Revenues, Equity in Net Earnings of Associate Companies and Joint Ventures* and *Other Revenues*.

EBITDA increased by 4.6% due to the 4.2% increase in income from operations and 6.8% increase in depreciation.

Interest Cover decreased to 7.1x due to the 4.6% increase in EBITDA vs. 7.0% increase in interest expense.

The manner by which the Group calculates the foregoing indicators is as follows:

1. Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$
2. Acid Test Ratio	$\frac{\text{Current Assets less Inventories and Other Current Assets}}{\text{Current Liabilities}}$
3. Solvency Ratio	$\frac{\text{Net Income After Tax + Depreciation and Amortization}}{\text{Total Liabilities}}$
4. Asset to Equity Ratio	$\frac{\text{Total Assets}}{\text{Total Equity}}$
5. Debt – Equity Ratio	
a. Gross Basis	$\frac{\text{Total Interest-Bearing Debt}}{\text{Total Equity + Total Interest-Bearing Debt}}$
b. Net Basis	$\frac{\text{Total Interest-Bearing Debt less Cash and Cash Equivalents (excluding Cash on Hand), Time Deposits, Investment in Bonds}}{\text{Total Equity + Total Interest-Bearing Debt less Cash and Cash Equivalents (excluding Cash on Hand), Time Deposits, Investments in Bonds}}$
6. Revenue Growth	$\frac{\text{Total Revenues (Current Period)} - 1}{\text{Total Revenues (Prior Period)}}$
7. Net Margin	$\frac{\text{Net Income After Tax}}{\text{Total Revenues}}$
8. Net Income Growth	$\frac{\text{Net Income Attributable to Owners of the Parent (Current Period)} - 1}{\text{Net Income Attributable to Owners of the Parent (Prior Period)}}$
9. Return on Equity	$\frac{\text{Net Income Attributable to Owners of the Parent}}{\text{Average Equity Attributable to Owners of the Parent}}$
10. Return on Assets	$\frac{\text{Net Income after Tax}}{\text{Total Assets}}$
11. EBITDA	Income from Operations + Depreciation & Amortization
12. Interest Cover	$\frac{\text{EBITDA}}{\text{Interest Expense}}$

Expansion Plans / Prospects in 2024

For the rest of 2024, the Group would continue with the opening of new stores, construction and/or expansion of malls and commercial properties, as well as repairs and maintenance of existing property and equipment and investment properties.

SM Prime will open 4 new malls in the Philippines namely *SM City Caloocan*, *SM City J Mall*, *SM City La Union* and *SM City Laoag*.

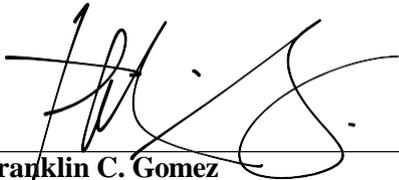
Investments in new business ventures would be pursued as opportunities arise.

The above expenditures will be funded with cash generated from operations and other capital raising initiatives such as bond issuance and debt availments.

PART II - SIGNATURE

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

Registrant: **SM INVESTMENTS CORPORATION**



Franklin C. Gomez
Executive Vice President - Finance
Corporate Information Officer

Date: 05-13-2025