



**INVESTMENTS
CORPORATION**

February 18, 2022

THE PHILIPPINE STOCK EXCHANGE, INC.

6th Floor, PSE Tower
28th St. corner 5th Ave.
BGC, Taguig City

Attention: **Ms. Janet A. Encarnacion**
Head, Disclosure Department

PHILIPPINE DEALING & EXCHANGE CORP.

29th Floor, BDO Equitable Tower
8751 Paseo de Roxas, Makati City

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

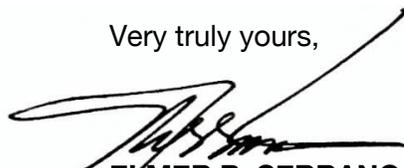
Re: **Press Release - SM Investments lists PHP15B bonds**
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Ladies and Gentlemen:

Please be informed that SM Investments Corporation is releasing to the press the attached statement entitled "SM Investments lists PHP15B bonds."

Thank you.

Very truly yours,



ELMER B. SERRANO
Corporate Secretary

Encl. a/s



SM Investments lists PHP15B bonds

Investors snap up bonds in largest SM offering since 2016

(18 February 2022, Pasay City, Philippines) SM Investments Corporation listed its PHP15 billion fixed rate bonds at the Philippine Dealing and Exchange Corp. (PDEX) today. Investors snapped up the bonds after the offering closed on February 11, 2022, a strong testament to investor confidence on SM's credit standing, the company and its underwriters said.

The retail bond offering, which was 3.7 times over-subscribed to as much as PHP55 billion, is SM Investments' biggest issue since 2016.

"We are pleased with the response to our bond issue. The hefty investor appetite for these securities was on the back of volatility around local interest rate sentiment with expectations of the US Federal Reserve hiking rates," SM Investments President and Chief Executive Officer Frederic C. DyBuncio said.

"This exercise mirrors investor confidence on SM's credit quality and overall prospects for growth while increasing our funding flexibility and enhancing capital efficiency," Mr. DyBuncio added.

The offer size was PHP10 billion with an option to increase by up to PHP5 billion. The company set the interest rates for the Second Tranche Bonds Series I, 3-year retail bond at 3.5915% due on 2025, and Series J, 5-year retail bond at 4.7713% due on 2027.

The offering, which started on February 7, 2022, forms part of SM Investments' second tranche of PHP30 billion in debt securities registered with the SEC under a shelf registration.

BDO Capital & Investment Corp. and China Bank Capital Corp. were joint issue managers, bookrunners and lead underwriters for the transaction. Other investment banks engaged were BPI Capital Corp., East West Banking Corp., First Metro Investment Corp., RCBC Capital Corp. and SB Capital Investment Corp. as joint bookrunners and lead underwriters.

"As the first corporate bond issuance of 2022, we are delighted to see how this offering was very well received by a broad range of investors. The strong demand reflects deep confidence in the SM group and is a sign of a more active market. China Bank Capital is proud to have

helped SMIC execute this important transaction,” said Ryan Martin L. Tapia, President of China Bank Capital Corporation.

“We are proud to be a part of this bond issuance of SMIC which has generated an overwhelming response from the investing public,” Eduardo V. Francisco, President at BDO Capital & Investment Corp. remarked.

As part of the company’s growth funding strategy, the net proceeds of the bond issue will be used to refinance debt that funded capital expenditure.

The bonds have been rated PRS Aaa, with Stable Outlook by PhilRatings, the highest quality rating with minimal credit risk.

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About SM Investments Corporation

SM Investments Corporation is a leading Philippine company that is invested in market-leading businesses in retail, banking and property. It also invests in ventures that capture high growth opportunities in the emerging Philippine economy.

SM’s retail operations are the country’s largest and most diversified with its food, non-food and specialty retail stores. SM’s property arm, SM Prime Holdings, Inc., is the largest integrated property developer in the Philippines with interests in malls, residences, offices, hotels and convention centers as well as tourism-related property developments. SM’s interests in banking are in BDO Unibank, Inc., the country’s largest bank and China Banking Corporation, the 6th largest bank.

For more about SM, visit <https://www.sminvestments.com/>

For further inquiries, please contact:

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