



PHINMA
Making Lives Better



PHINMA CORPORATION

Q3 2024 Analyst Briefing

Speakers



Mr. EJ Qua Hiansen
Chief Financial Officer

MISSION

Our mission is to **help build our Nation** through competitive and well-managed business enterprises that enable Filipinos to attain a better quality of life. With **professional and effective management** as our distinctive edge, we aim to give communities, not only in the Philippines but wherever else we might find the need, improved access to the **essentials of a dignified life**.

VISION

The PHINMA Group would like to demonstrate that **private business can mutually serve the needs of society and the aspirations of shareholders**.



Making Lives Better

Making lives better for everyone is not just a company mission. It is a business imperative. We take our mission seriously and intentionally. Our investments have always been targeted toward resolving the great inequities in these social development spaces.



EDUCATION



PHINMA EDUCATION
MAKING LIVES BETTER THROUGH EDUCATION



CONSTRUCTION MATERIALS



A PHINMA COMPANY



SHELTER



2024: A Milestone Year for PHINMA Group – Laying the Foundation for Future Growth and Success



PHINMA EDUCATION signs a P4.5 bio investment agreement with the investment vehicles of KKR and Kaizenvest



PHILCEMENT signs a share purchase agreement with Petra Cement Inc.



UIPC breaks ground on a state-of-the-art insulated panel facility in Pampanga



PHILCEMENT enters into a joint venture with the Anflo Group for the building of a modern cement facility in Davao



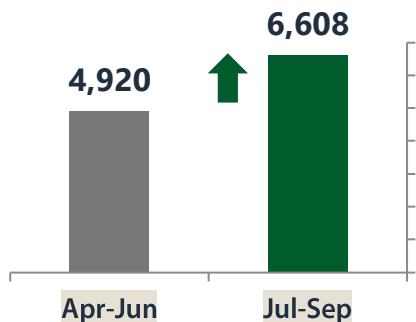
PHINMA PROPERTIES launches its flagship township in Bacolod in partnership with JEPP Real Estate Co.



PHINMA MICROTEL HOTELS signs an agreement with Damosa Land to operate TRYP by Wyndham Samal Island

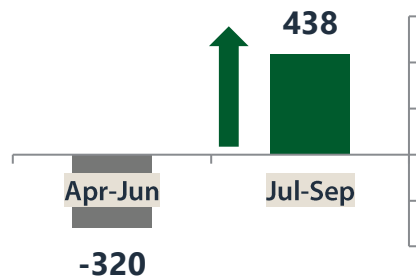
Q3 Revenue Growth: A Bright Spot Amidst Challenges

3M PERFORMANCE



REVENUE

34%
QoQ
increase

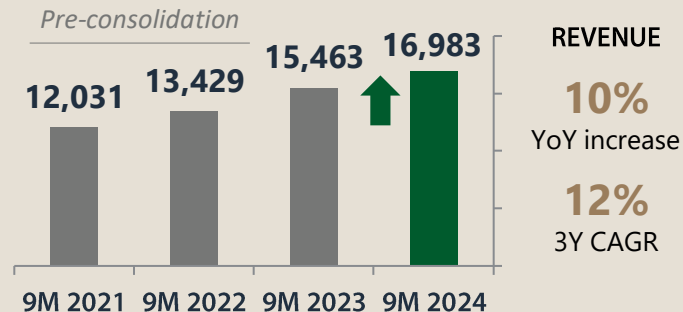


NET INCOME

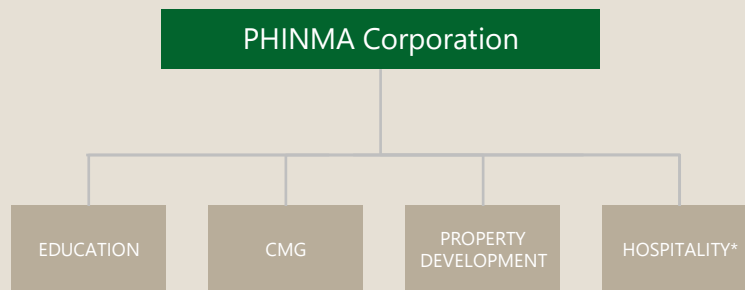
237%
QoQ
increase

Amounts in the chart are in PHP Mn unless otherwise stated; CAGR: compounded annual growth rate

9M PERFORMANCE



PHN increased its stake in the Education, Property Development and Hospitality in July 2023.



* PHN will also continue to own 24% of CWCHC as well as 36.23% of PHINMA Hospitality Inc. through its subsidiary, Asian Plaza, Inc.

9M INCOME STATEMENT

<i>In PHP Mio</i>	9M 2024	9M 2023	<i>Movement (%)</i>
Total Revenues	16,983	15,463	10%
Cost of Sales	11,877	10,890	9%
Gross Profit	5,106	4,574	12%
Operating Expense	3,228	2,521	
Operating Income	1,878	2,053	-9%
Interest Expense	(1,179)	(667)	
Other Gains/Losses	113	2	
Profit Before Tax	812	1,388	-41%
Provision for Income Tax	203	51	
Consolidated NIAT	609	1,337	-54%
Non-Controlling Interest	486	1,089	
Parent NIAT	123	248	-51%
EPS	0.43	2.76	

9M BALANCE SHEET

in PHP Bio

	Sep 2024
Total Assets	48.7
Total Liabilities	39.0
Total Equity	9.7
<i>Amounts above are in PHP Bn</i>	
Current Ratio	1.05
Debt-to-Equity Ratio*	1.69

**Debt-to-Equity ratio computed as Consolidated Total Interest-Bearing Debt/Consolidated Total Equity*

***PHN increased its stake in Education, Properties and Hospitality in July 2023*

PHINMA Education and PHINMA Construction Materials Group have sustained revenue growth

Subsidiaries

PHINMA Education	9M 2024	9M 2023
SBU Revenues	4,712	3,962
SBU Net Income	1,109	968
Net Income Attributable to Parent	898	560

PHINMA Construction Materials	9M 2024	9M 2023
SBU Revenues	10,501	10,125
SBU Net Income	158	361
Net Income Attributable to Parent	158	236

PHINMA Property Development and Hospitality	9M 2024	9M 2023
SBU Revenues	1,546	1,928
SBU Net Income/(Loss)	(353)	7
Net Loss Attributable to Parent	(353)	55

*Amounts in PHP million

** 9M 2024 includes full impact of increased stake in Education, Properties and Hospitality

HIGHLIGHTS

Jan – Sep 2024

- **PHINMA Education** 1st semester enrollment for SY2425 climbed by 12% to 163,854 compared to the previous school year
- **PHINMA Construction Materials** effective cost management strategies and sustained demand from commercial and residential projects helped sustain positive financial results
- **PHINMA Property Development's** performance is expected to improve as declining interest rates boost demand and construction progresses
- **PHINMA Hospitality** continues to see improvements in both the chainwide occupancy rates and average daily rates due to growth in tourist and business demand

STRATEGIC BUSINESS UNIT

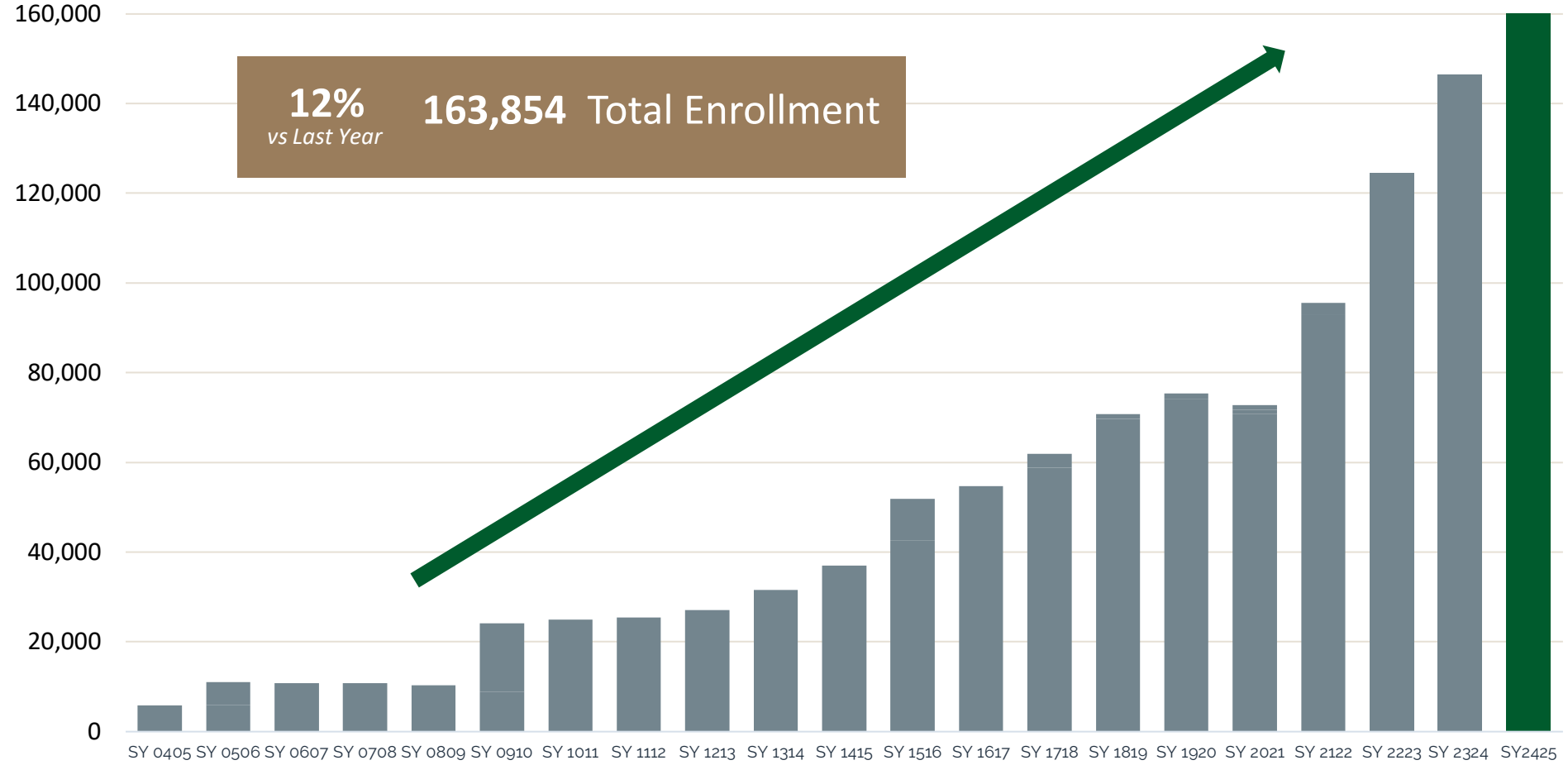
PHINMA EDUCATION



PHINMA Education Enrollment has posted another solid growth for the new school year

163,854

12%
vs Last Year **163,854** Total Enrollment



Updates on KKR's investment into PHINMA Education

May 2024

P4.5 bio investment agreement is signed with (i) Phoenix Investments II Pte. Ltd, an investment vehicle of funds managed by KKR, and (ii) Rise Edu Pte. Ltd., an investment vehicle of funds managed by Kaizenvest (Kaizenvest III)

Transaction Amount (in PHP mio)	
KKR	3,590
Kaizenvest	899
Total	4,500

Oct 2024

Initial investment of **P2.52 bio** from KKR's investment vehicle is received. This represents **70.22%** of KKR's total investment amount.

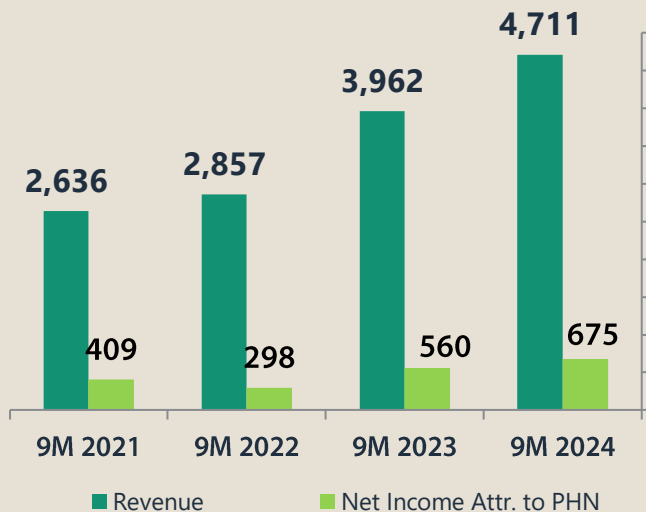
In addition, funds managed by KKR have also acquired all of the shares in PEHI owned, directly or indirectly, by ADB, FMO, and Kaizenvest II, who all invested in the Company in 2019.

Ownership Impact

Shareholders	% OWNERSHIP		
	PRE-EQUITY RAISE	CURRENT	POST-EQUITY RAISE
PHN	75.01%	66.41%	60.99%
Minorities	5.63%	5.04%	4.63%
KKR	0.00%	28.55%	30.66%
Kaizenvest	6.45%	0.00%	3.73%
ADB	6.45%	0.00%	0.00%
FMO	6.45%	0.00%	0.00%
TOTAL	100.00%	100.00%	100.00%

**Ownership is subject to change depending on subscriptions received in the subsequent rights offerings*

PHINMA EDUCATION



PHINMA Education's enrollment growth is the main contributor to the improving financial performance over the past years

REVENUE

19%

YoY growth

21%

3Y CAGR

NET INCOME
ATTR. TO PHN

21%

YoY growth

18%

3Y CAGR

Amounts in the chart are in PHP Mn unless otherwise stated | CAGR: compounded annual growth rate

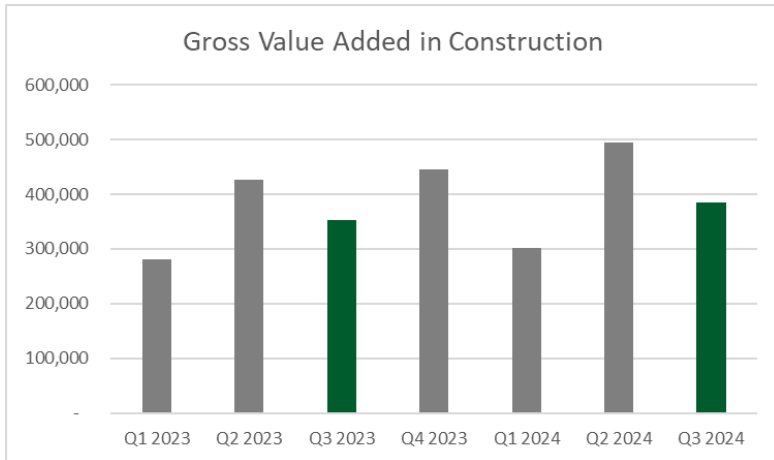
STRATEGIC BUSINESS UNIT

PHINMA CONSTRUCTION MATERIALS GROUP



PHINMA Construction Materials Group: Navigating Challenges with a Commitment to Operational Excellence

Historically, Q3 is a weaker quarter for construction. Still, Gross Value Added in Construction increased by 9% in Q3 2024 compared to Q3 2023.

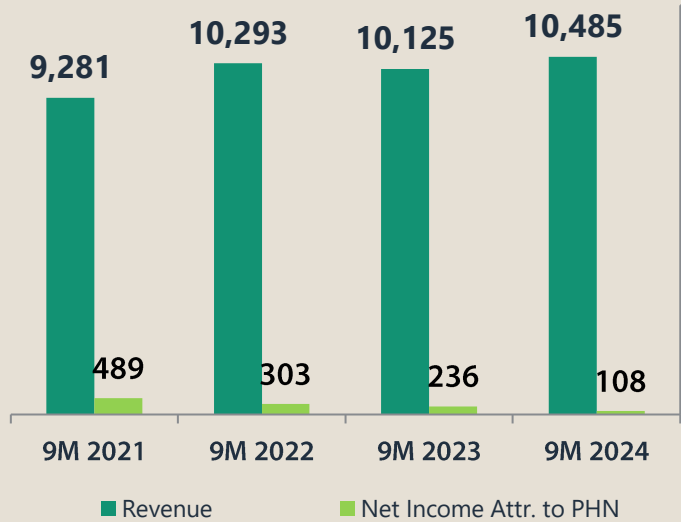


Source : PSA, at 2018 prices

9M 2024 OPERATIONAL HIGHLIGHTS:

- Sales volume improved with renewed focus on selling high margin products
- Improved productivity of major equipment through speed optimization and process enhancements
- Improved inventory management
- Installation activities for the 1st batch of the GEAP (Green Energy Auction Program) 2 sites are underway

PHINMA CONSTRUCTION MATERIALS GROUP



PHINMA CMG's revenue is higher than last year. Although net income has declined, it remains positive amid operational improvements and cost saving measures.

REVENUE

4%
YoY growth

4%
3Y CAGR

Amounts in the chart are in PHP Mn unless otherwise stated | CAGR: compounded annual growth rate

PHINMA
Property
Development



PHINMA
Hospitality



PHINMA Properties received several recognitions in the Lamudi Outlook Awards ceremony held last November 21



Best Boutique Developer of the Year 2024

PHINMA Properties

Best Affordable Condo of the Year 2024 (LUZON) - HIGHLY COMMENDED
Metrotowne

Best Premium House of the Year 2024 (LUZON) - HIGHLY COMMENDED
PHINMA Maayo San Jose

Best Premium House of the Year 2024 (VISMIN) - SILVER AWARDEE
PHINMA Maayo Tugbok

Best Luxury House of the Year 2024 (VISMIN) - SILVER AWARDEE
Likha Residences Davao

GRAND LAUNCH OF SALUDAD

The 21-hectare master-planned, mixed used township project in Bacolod, in partnership with JEPP. The township will feature PHINMA Microtel's TRYP by Wyndham and PHINMA Education's Southwestern University.

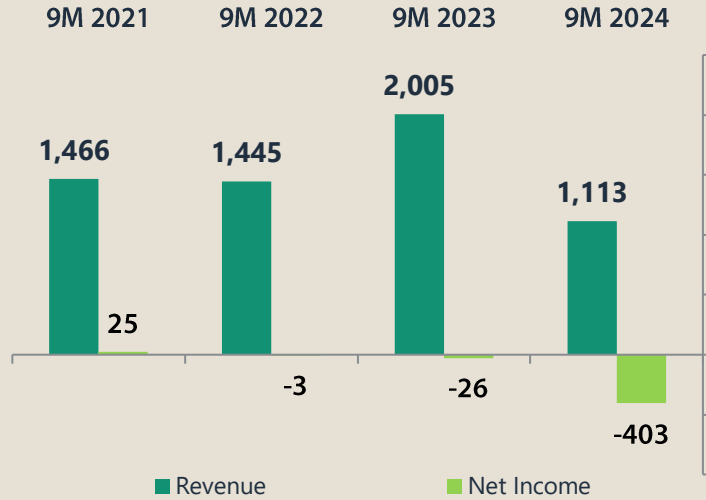


GRAND LAUNCH OF SALUDAD

The 21-hectare master-planned, mixed used township project in Bacolod, in partnership with JEPP. The township will feature PHINMA Microtel's TRYP by Wyndham and PHINMA Education's Southwestern University.



PHINMA PROPERTY DEVELOPMENT



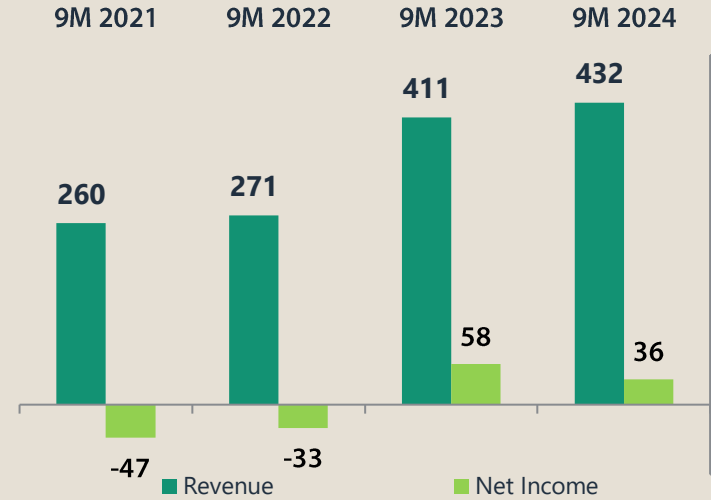
PHINMA PROPERTY DEVELOPMENT PHINMA Property Development has faced challenges over the past years, but we remain optimistic that it is poised for a recovery. Declining interest rates are expected to boost housing demand, construction on ongoing projects is progressing well, and expansion into areas outside Metro Manila opens new growth opportunities. These initiatives position the company for improved financial performance ahead

REVENUE

-45%
YoY change

-9%
3Y CAGR

PHINMA HOSPITALITY



PHINMA HOSPITALITY has bounced back from the pandemic period as the figures continue to be driven by improving chainwide occupancy and higher average daily rates.

REVENUE

5%
YoY growth

15%
3Y CAGR

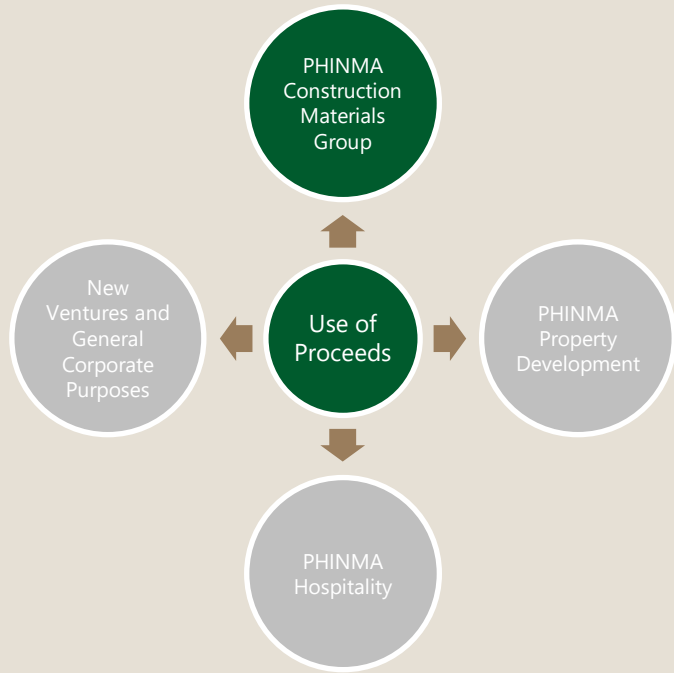
*Amounts in the chart are in PHP Mn unless otherwise stated | CAGR: compounded annual growth rate | PHINMA Property figures exclude SFC impact | Net income is total net income for the SBU for comparability with previous years

PHINMA
Making Lives Better

PHINMA's Successful P1Bio Stock Rights Offering: A Strategic Step Towards Growth



PHN P1 BIO STOCK RIGHTS OFFERING



PHP 285 million



Completion of the Green Energy Auction Program (GEAP) Projects awarded to PHINMA Solar

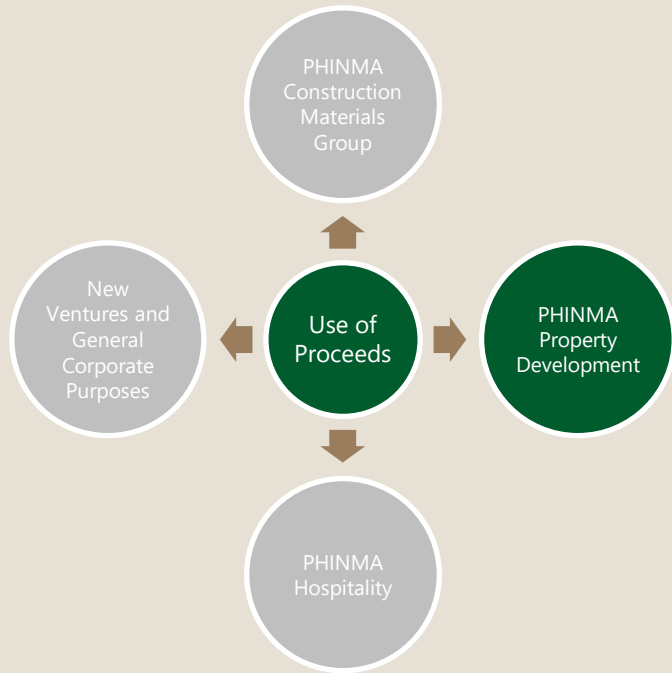
Construction of a modern cement facility in Davao Del Norte similar to the one in Mariveles (seen in the photo)



**photos intended for illustration purpose only | amount is net of estimated offer expenses*

PHP 200 million

PHN P1 BIO STOCK RIGHTS OFFERING



Development of projects in key emerging cities like Bacolod, Cebu, Iloilo and Davao



Scale model of the Saludad Township in Bacolod



Student residential project in Cebu

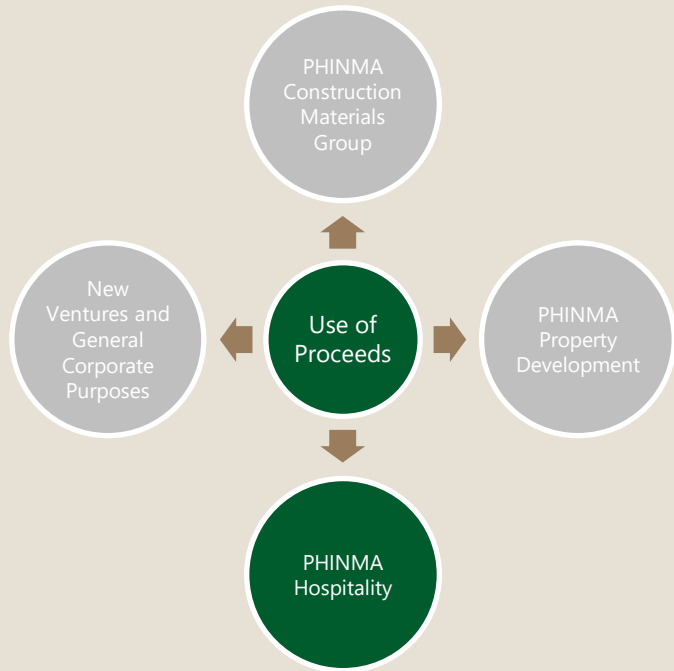


PHINMA Maayo Tugbok in Davao

**amount is net of estimated offer expenses*

PHP 250 million

PHN P1 BIO STOCK RIGHTS OFFERING

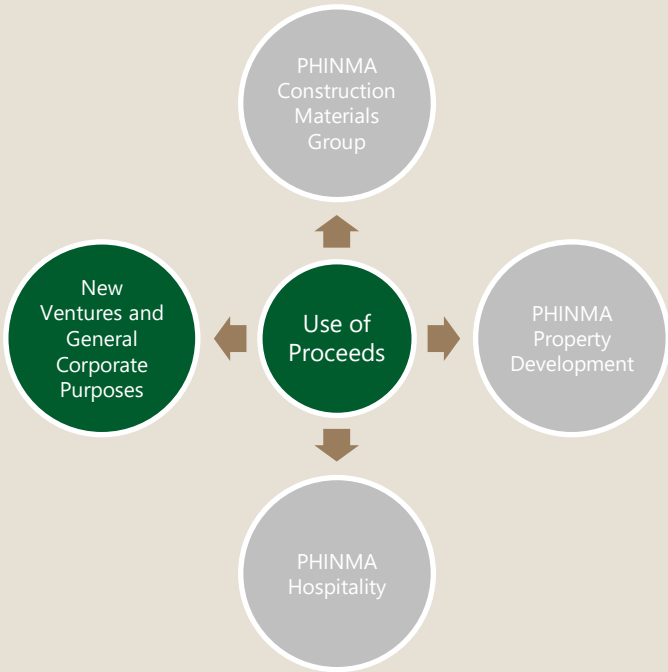


Establishment of a TRYP by Wyndham hotel in the Saludad Township in Bacolod



**amount is net of estimated offer expenses*

PHN P1 BIO STOCK RIGHTS OFFERING



PHP 240 million

Construction of UIPC's state-of-the-art facility in Porac, Pampanga



Other opportunities to uplift the lives of the underserved sectors of society in the areas of socialized housing, food security, healthcare, and the green industry



**amount is net of estimated offer expenses*

Outlook



PHINMA EDUCATION
MAKING LIVES BETTER THROUGH EDUCATION



PHINMA PROPERTIES



- Continue to expand market presence with the opening of new facilities
- Focus on sales of high margin products
- Capitalize on the inherent synergy of the products by serving as a one-stop-shop for customers

- Build capacity in existing schools
- Open to acquisitions within the Philippines and in other countries in the region
- Continuously improve quality of the programs

- Expand footprint in high-growth regions such as Iloilo, Davao and Bacolod
- Create a sustainable solution for community housing
- PHINMA Hospitality to continue to capture demand from MICE (Meetings, Incentives, Conferences and Exhibitions) especially in the Mall of Asia area

PHINMA

Making Lives Better

Strategic Focus:

- Drive growth of each strategic business unit with the proceeds of the SRO
- Increase the synergies among the business units through development and launch of joint products and services
- Continue to strengthen the balance sheet

For further
information:



Investor Relations

investorrelations@phinma.com.ph



www.phinma.com.ph



[PSE: PHN](#)

PHINMA
Making Lives Better

Thank you!

This presentation contains certain forward-looking statements with respect to the financial condition, results of operations and businesses of PHINMA Corporation ("PHINMA" or "PHN"). Such forward looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results or performance of PHINMA to be materially different from any future results or performance expressed or implied by such forward looking statements. Such forward looking statements were based on numerous assumptions regarding PHINMA's present and future business strategies and the political and economic environment in which PHINMA will operate in the future.

THIS PRESENTATION IS HIGHLY CONFIDENTIAL AND CONTAINS PROPRIETARY AND CONFIDENTIAL INFORMATION ABOUT PHINMA. THIS PRESENTATION MATERIAL IS BEING PRESENTED SOLELY FOR YOUR INFORMATION AND MAY NOT BE COPIED, REPRODUCED OR REDISTRIBUTED TO ANY OTHER PERSON IN ANY MANNER.