



PHINMA Corporation

Analyst Briefing

18 September 2023

Speakers



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Group CFO



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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





PHINMA EDUCATION
MAKING LIVES BETTER THROUGH EDUCATION





COLLEGE
ON NETWORK
INMAEd

THE COLLEGE
OF INMAEd



NEW FACILITIES

AU - SAN JOSE



PHINMA EDUCATION
MAKING LIVES BETTER THROUGH EDUCATION





NEW FACILITIES

COC - ILIGAN



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NEW FACILITIES

RIZAL COLLEGE OF LAGUNA



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NEW FACILITIES

SWU DENTISTRY BUILDING



PHINMA EDUCATION
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CAMPUS IMPROVEMENTS INDONESIA





UNION
PHILCEMENT

**SONG LAM
CEMENT
FACILITY**

MARIVELES TERMINAL

UNION
PHILCEMENT





 **UNION GALVASTEEL**
A PHINMA COMPANY



Sustainable Modern Filipino Homes that Set You Apart



Metrotowne
Las Piñas



UniPlace
Cebu



PHINMA Maayo Tugbok
Davao



PHINMA Maayo San Jose
Batangas



CURRENT AND NEW
PROPERTY DEVELOPMENTS

Metrotowne - Swimming Pool



Warm and Inviting Communities Beyond Your Expectations



UniPlace - Residential Lounge



Maayo San Jose - Kid's Play Area



Maayo Tugbok - Fitness Gym (Provision)



Metrotowne - Co-working Area



CURRENT AND NEW PROPERTY DEVELOPMENTS



SHOP BY THE BAY

150 rooms

With restaurant, function rooms and swimming pool

Located across SM Mall of Asia and SMX Convention Center

2010 . Coral Way City Hotel Corp





51 rooms
Beachfront
With swimming pool, function room and restaurant
2006 . Diniwid Beach Hotel Corp

ENJOY THE WAVES & SAND



REDISCOVER THE CITY

120 rooms
With function rooms, restaurant and swimming pool
2014 . First Commonwealth Hotel Corp



61 rooms
With function room and restaurant

2014 . South Forbes Silangan Hotel Corp

EXPLORE THE URBAN LANDSCAPE



Our Business Footprint

● PHINMA EDUCATION

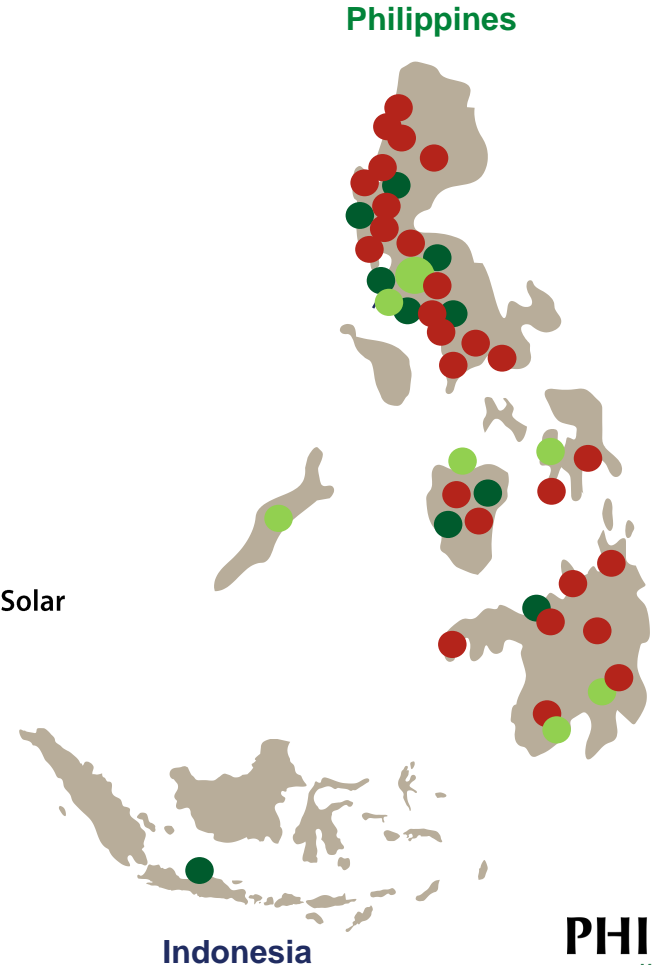
- 10 Higher Education Institutions
- ~146K+ Enrollments (ongoing)
- 30% CAGR from FY21 to FY23

● PHINMA CONSTRUCTION MATERIALS

- 29 Plants and Warehouses
- 2.0 Mn tones Mariveles Terminal Capacity
- 9,685 sheets Record annual volume by UGC (2019)
- 24 to 48 hrs Order to delivery
- 9.39 MWac Renewable energy capacity awarded to PHINMA Solar in the DOE's Green Energy Auction Program

● PHINMA SHELTER

- >17,166 Cumulative number of units sold
 - 25 Communities built
 - 700 Hotel Rooms across the country
 - 19% Average increase in ADR* vs last year
- *Average daily rates of hotels*



1H 2023 Financial Performance

Subsidiaries

PHINMA Education Holdings Inc.	1H 2023	1H 2022
Revenues	2,101	1,379
Net Income	308	99
Net Income Attributable to PHN	153	39

PHINMA Construction Materials	1H 2023	1H 2022
Revenues	6,586	7,070
Net Income	262	443
Net Income Attributable to PHN	165	282

Affiliates

PHINMA Properties and Hospitality	1H 2023	1H 2022
Revenues	830	1,092
Net Loss	(146)	(10)
Net Loss Attributable to PHN	(61)	13

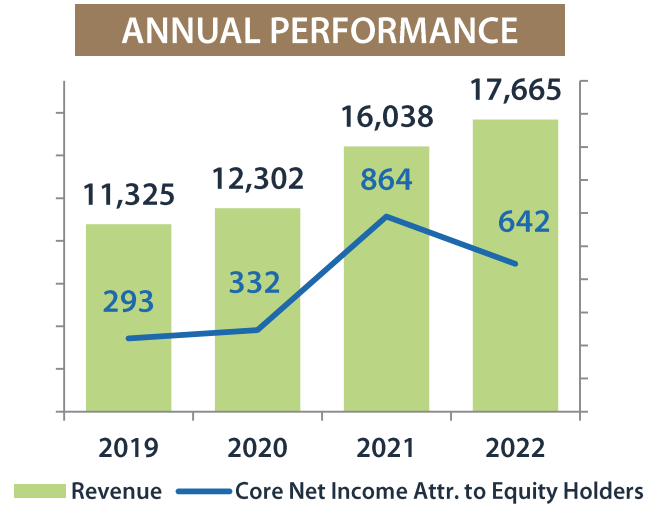
**Amounts in PHP million*

HIGHLIGHTS

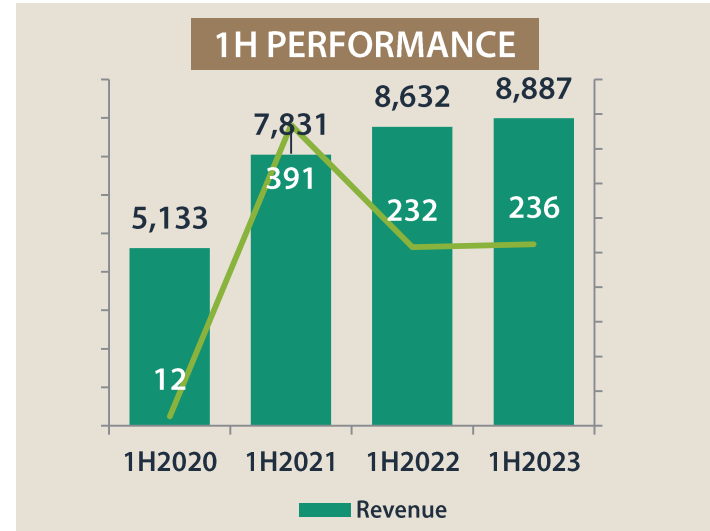
Jan – June 2023

- PHINMA Education enrollment increased by 30% in the 2nd semester of SY 22-23
- PHINMA Construction Materials recorded a positive net income despite soft construction demand
- PHINMA Properties equitized a net loss due to cancellations but the bulk has been resold and are bookable in 2H 2023
- PHINMA Hospitality's hotel saw a significant recovery in net income due to a resurgence in events in the Mall of Asia area
- On a consolidated basis, PHINMA Corporation achieved consolidated revenues of ₱8.89 billion and net income stood at ₱456.75 million

PHINMA Corporation



REVENUE	10% YoY growth	16% 3Y CAGR
CORE ATTR. NET INCOME	26% YoY decline	30% 3Y CAGR



REVENUE	3% YoY growth	20% 3Y CAGR
CORE ATTR. NET INCOME	2% YoY growth	170% 3Y CAGR

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

Consolidated Financial Position

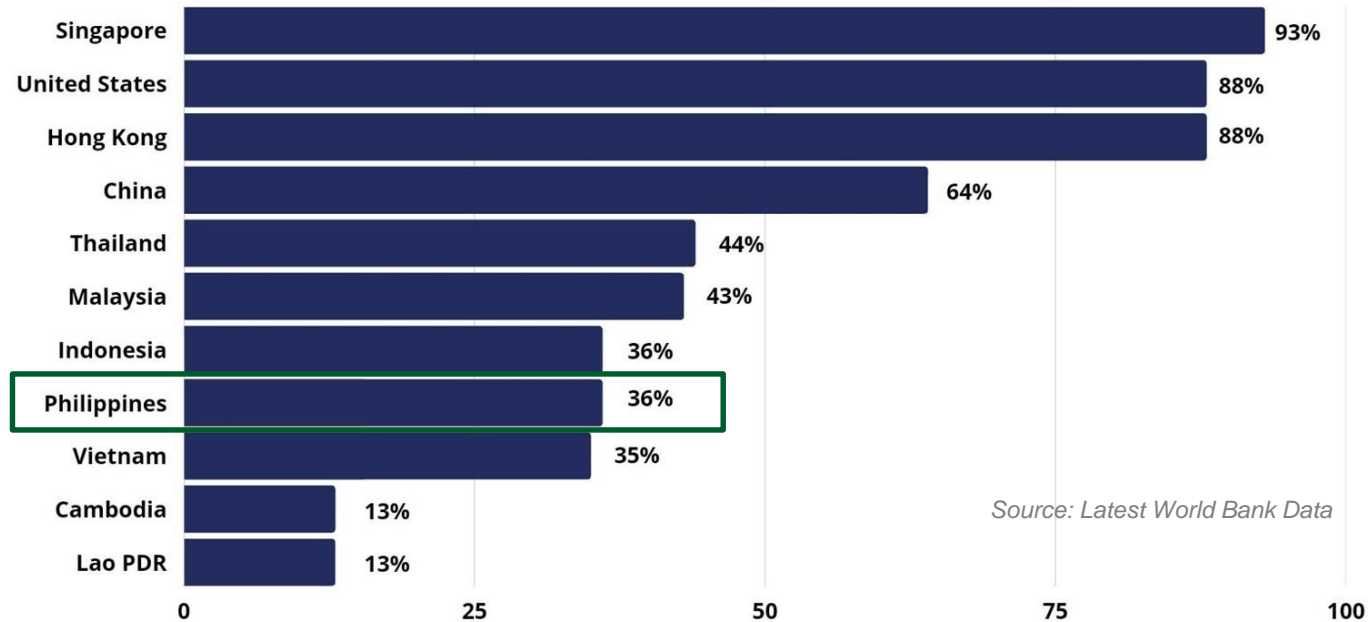
	CY2019	CY2020	CY2021	CY2022	1H2023
Total Assets	22.3	24.5	30.1	32.0	32.8
Total Liabilities	14.0	15.9	20.2	20.9	21.8
Total Equity	8.3	8.6	9.9	11.1	11.0
<i>Amounts above are in PHP Bn</i>					
Current Ratio	1.93	1.53	1.71	1.71	1.57
Debt-to-Equity Ratio	1.68	1.86	2.02	1.87	1.97
Return on Equity	3.5%	2.6%	16.0%	11.9%	5.0%*

*Annualized 1H23 ROE. Indicative only.

Strategic Business Units



Education in the Philippines

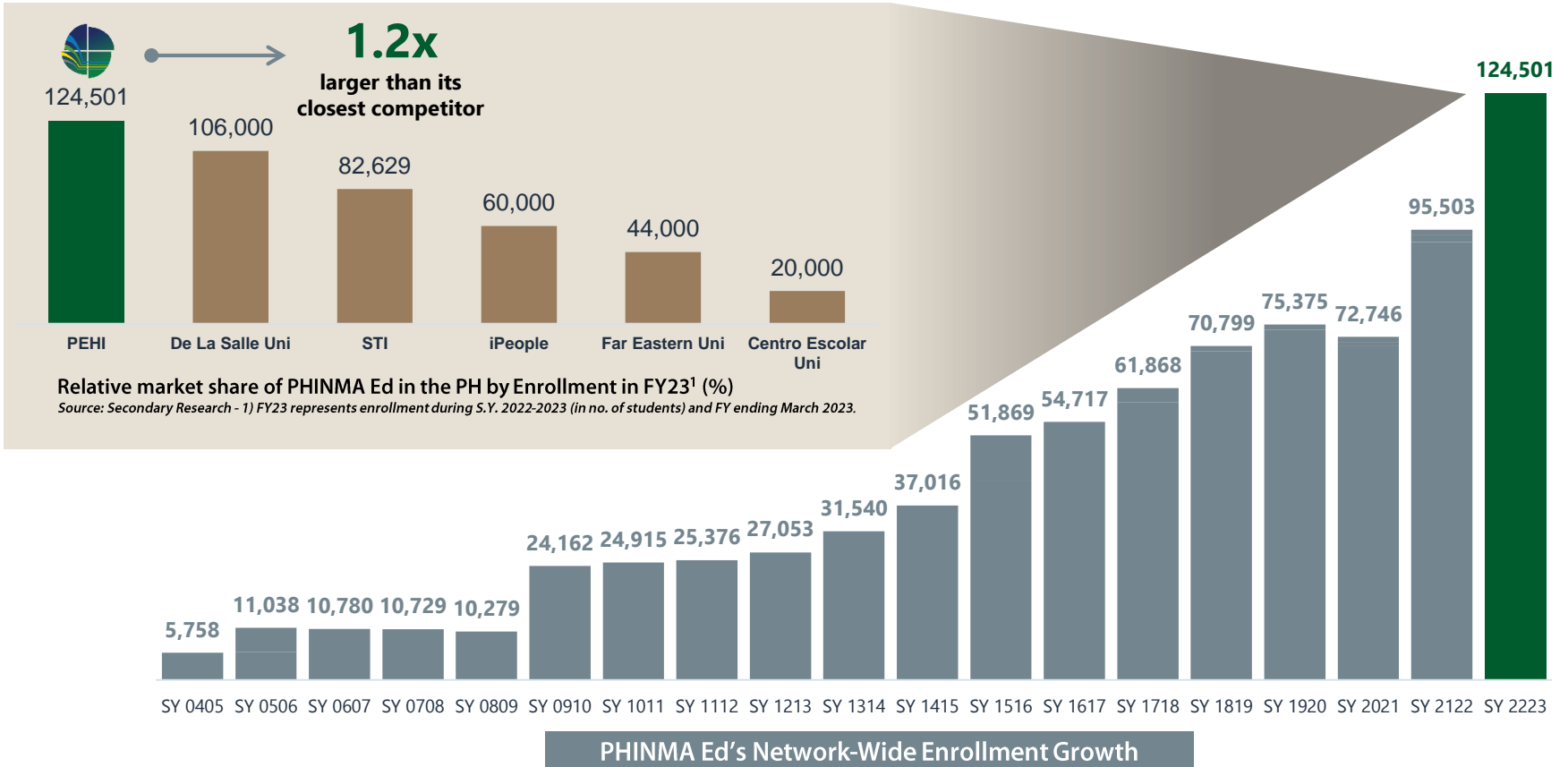


Higher Education
Participation
Rates

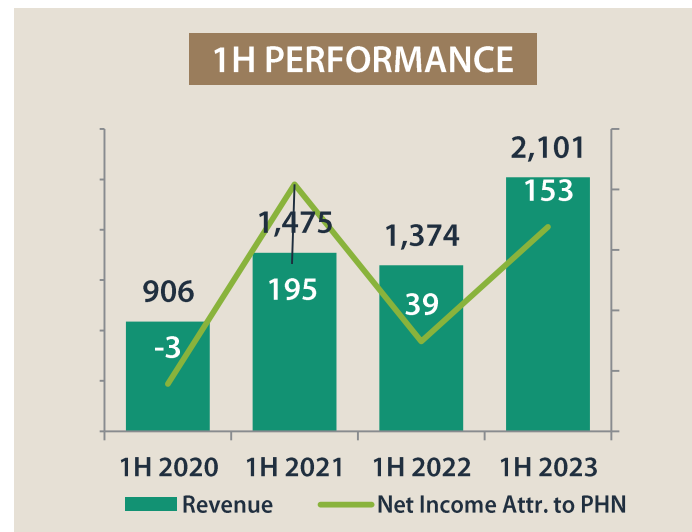
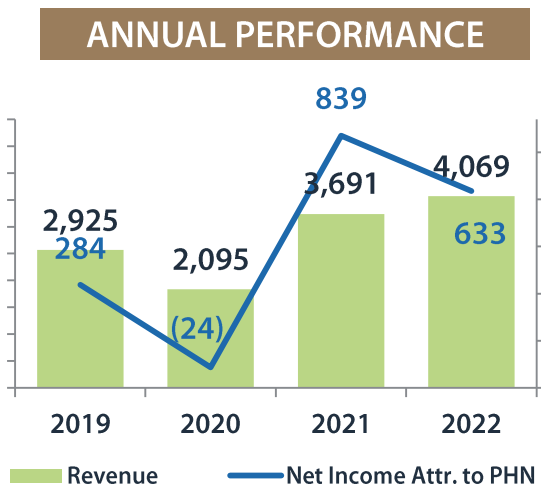
Source: Latest World Bank Data

Only 36 out of every 100 Filipinos who should be studying in college are currently enrolled in HEIs.

PHINMA Education's track record of Enrollment Growth



Education



REVENUE **10%**
YoY growth **12%**
3Y CAGR

NET INCOME ATTR. TO PHN **25%**
YoY decline **31%**
3Y CAGR

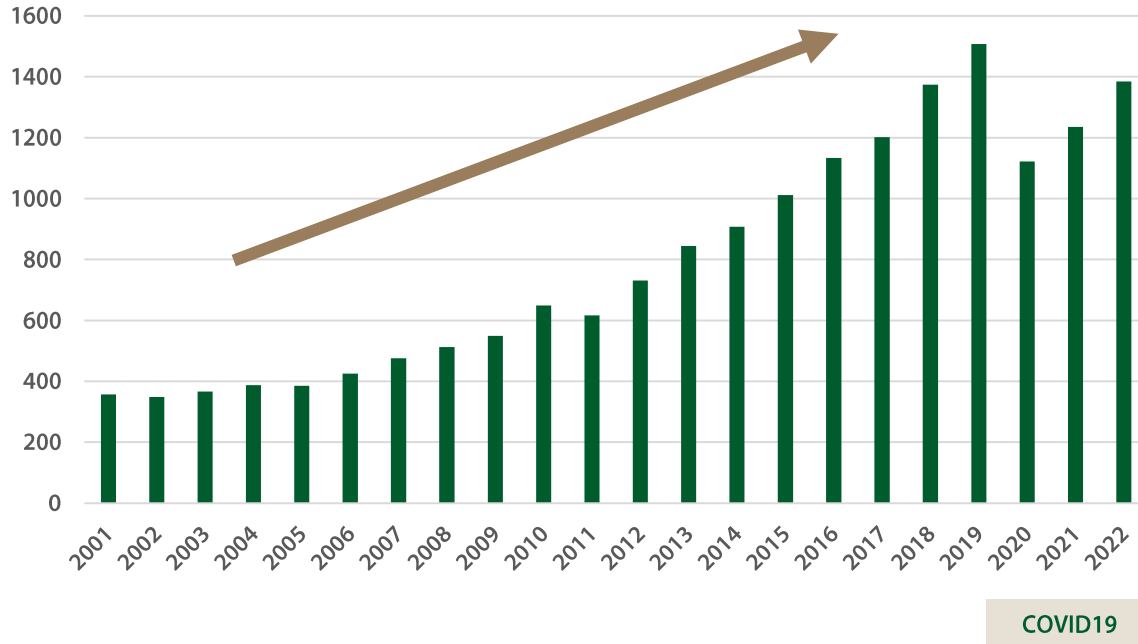
REVENUE **53%**
YoY growth **32%**
3Y CAGR

NET INCOME ATTR. TO PHN **291%**
YoY growth **268%**
3Y CAGR

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

Construction in the Philippines

Construction Gross Value Added
(in PHP Bio, at constant 2018 prices)



Source: PSA Data

Historical Growth

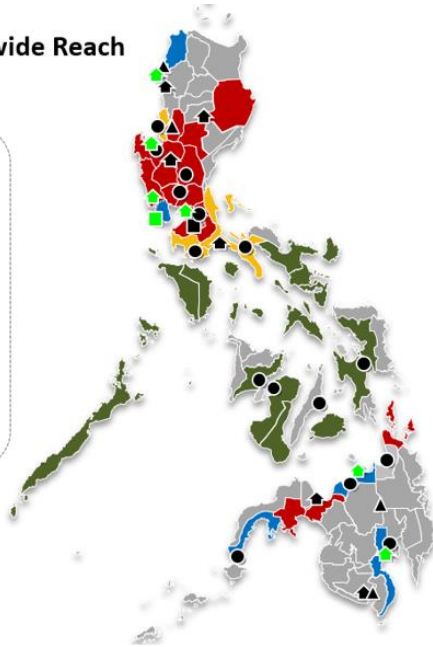
- **7% CAGR** from 2012 to 2022
- **11% CAGR** from 2009 to 2019 (Pre-pandemic)

Growth Outlook

- **6% annual growth** in the next 15 years (Oxford Economics)
- PH Government has reiterated commitment to keep **infrastructure spending at 5% of GDP for 2024 and 2025**
- Roughly **10%** of the construction Gross Value Added is cement

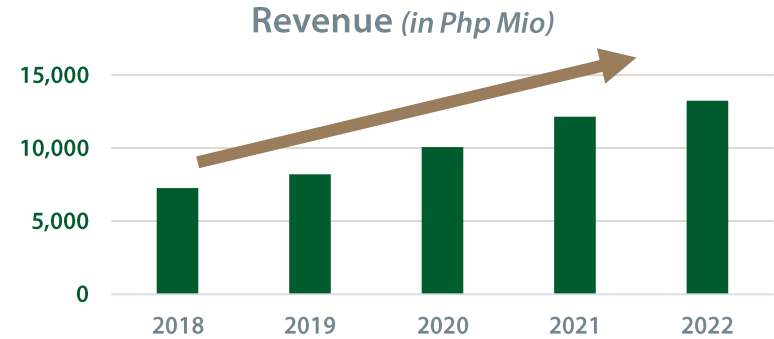
PHINMA Construction Materials : a one-stop shop

PHINMA CMG's Nationwide Reach

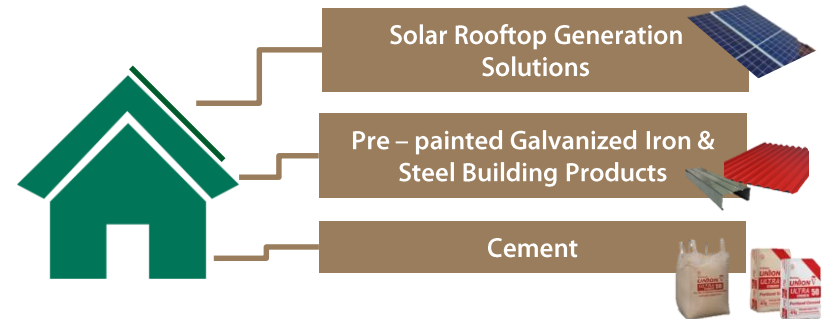


Extensive nationwide network

Technical, operational and management expertise



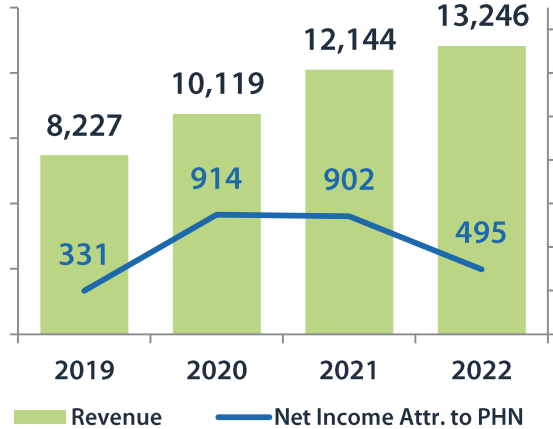
Inherent synergy of product lines



PHINMA Construction Materials



ANNUAL PERFORMANCE



REVENUE

9%
YoY growth

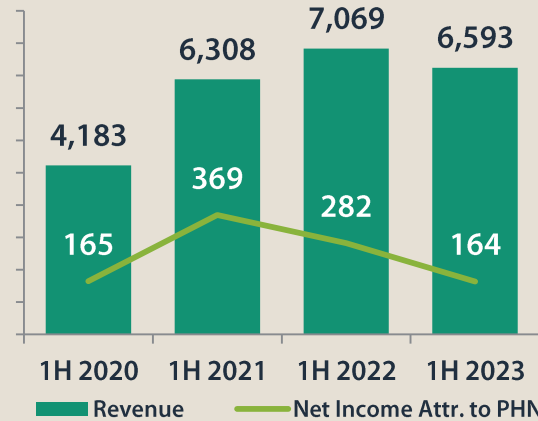
17%
3Y CAGR

NET INCOME ATTR. TO PHN

45%
YoY decline

14%
3Y CAGR

1H PERFORMANCE



REVENUE

7%
YoY decline

16%
3Y CAGR

NET INCOME ATTR. TO PHN

42%
YoY decline

0%
3Y CAGR

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

Outlook



2H 2023

Enrolment targeted to reach 146K students



Expecting government to accelerate project implementation as budget has been disbursed



- Strong demand for low-mid income housing will boost sales
- International arrivals expected to breach the 4.8M government target for this year



Long Term

- Increasing capacity in existing schools through CAPEX
- In the look out for potential acquisitions in PH and ID

- Expansion through the new Davao Terminal
- Launching new product lines

- Establishment of townships, socialized, and economic outside Metro Manila
- Capitalize on the resurgence of domestic and foreign tourism



Consolidation Impact to PHINMA Corporation :

- Increased share in the strong financial performance of Education
- Better-positioned to steer strategy for the Properties and Hospitality group
- Enhanced ability to leverage synergies across the business units



Q&A

For further information:



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[PSE: PHN](#)

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Making Lives Better

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