



PHINMA
Making Lives Better



PHINMA CORPORATION

Q2 2024 Analyst Briefing

Speakers



Mr. EJ Qua Hiansen
Chief Financial Officer



Ms. Nanette Villalobos
Treasurer

MISSION

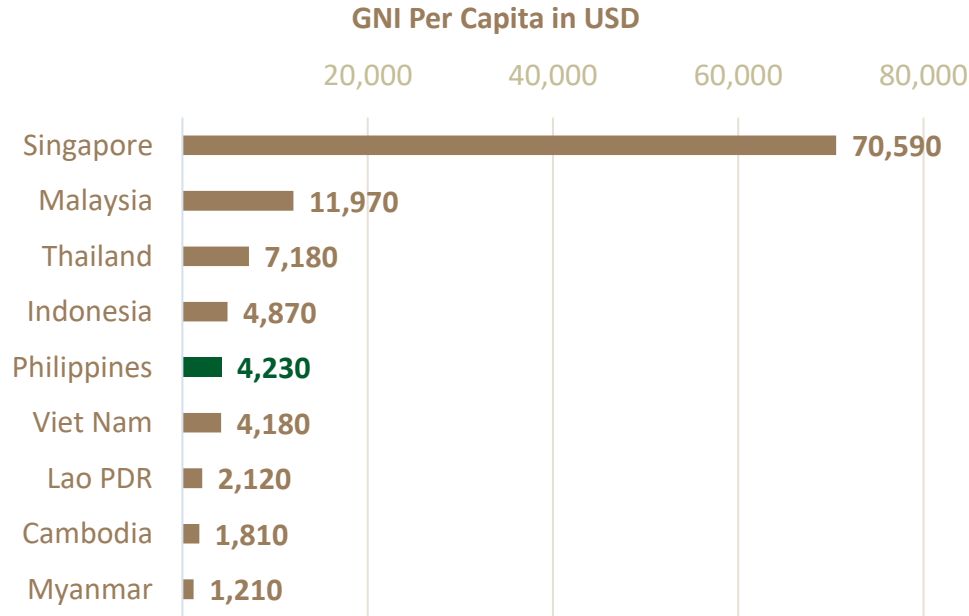
Our mission is to **help build our Nation** through competitive and well-managed business enterprises that enable Filipinos to attain a better quality of life. With **professional and effective management** as our distinctive edge, we aim to give communities, not only in the Philippines but wherever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



Our businesses are driven by strong and persistent demand in the market



Source : World Bank & OECD national accounts data

PHILIPPINES

USD 4,230

GNI per capita in 2023 *or*
P20,550/month

29.91%

Lived in poverty in 2021 (*\$3.65/day*)

70%

Children in learning poverty
(Proportion of 10-year-old children that are unable to read and understand a short age-appropriate text)

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



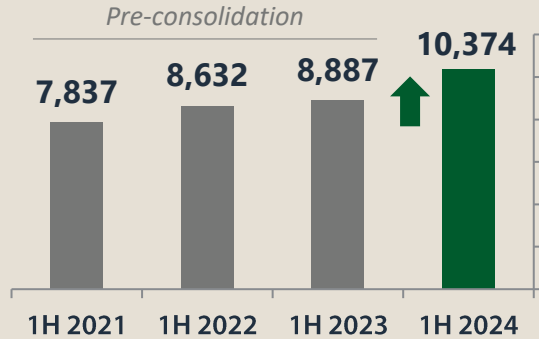
A PHINMA COMPANY



SHELTER



6M PERFORMANCE

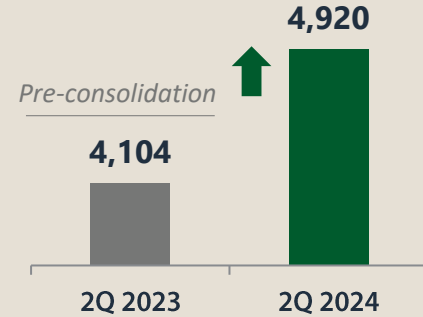


REVENUE

17%
YoY increase

10%
3Y CAGR

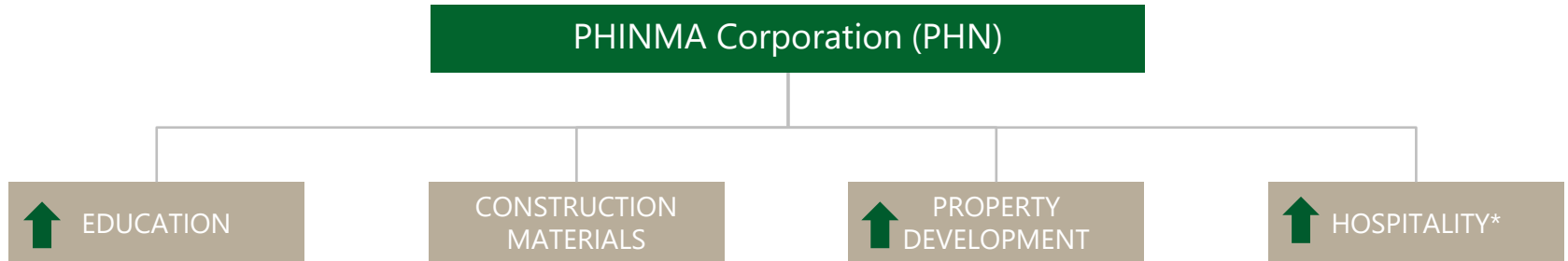
2Q PERFORMANCE



REVENUE
20%
YoY increase

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

The consolidation of the key SBUs has resulted to a boost in revenues for PHN



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.

6M INCOME STATEMENT

<i>Amounts in Millions</i>	1H 2024	1H 2023	<i>Movement (%)</i>
Total Revenues	10,374	8,887	17%
Cost of Sales	7,596	6,739	13%
Gross Profit	2,779	2,148	29%
Operating Expense	2,014	1,305	
Operating Income	765	843	-9%
Interest Expense	(750)	(338)	
Other Gains/Losses	242	(84)	
Profit Before Tax	257	420	-39%
Provision for Income Tax	86	(36)	
Consolidated NIAT	171	457	-63%
Non-Controlling Interest	193	248	
Parent NIAT	(22)	209	-111%
EPS	(0.08)	0.73	

BALANCE SHEET

	June 2024
Total Assets	44.6
Total Liabilities	35.0
Total Equity	9.6
<i>Amounts above are in PHP Bn</i>	
Current Ratio	0.85
Debt-to-Equity Ratio*	2.64
DSCR	0.82

**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*

Higher enrollment in PHINMA Education and increased volumes in PHINMA Construction Materials Group fueled revenue growth

Subsidiaries

PHINMA Education	6M 2024	6M 2023
SBU Revenues	2,458	2,100
SBU Net Income	418	308
Net Income Attributable to Parent	239	153

PHINMA Construction Materials	6M 2024	6M 2023
SBU Revenues	6,874	6,593
SBU Net Income	107	262
Net Income Attributable to Parent	77	165

PHINMA Property Development and Hospitality	6M 2024	6M 2023
SBU Revenues	887	889
SBU Net Loss	(281)	(131)
Net Loss Attributable to Parent	(226)	

*Amounts in PHP million

** 6M 2024 includes impact of increased stake in Education, Properties and Hospitality

HIGHLIGHTS

Jan – June 2024

- **PHINMA Education** 2nd semester enrollment SY23-24 is 124,695, 15% higher vs SY22-23. Summer enrollment SY23-24 is 25,910, 88% higher vs LY.
- **PHINMA Construction Materials** sales volumes improved in the second quarter though the economic environment and competition continued to pose challenges.
- **PHINMA Property Development** revenues are expected to improve as project completion progresses over time despite lower volume and construction delays
- **PHINMA Hospitality** saw both occupancy rates and average daily rates increased chainwide

STRATEGIC BUSINESS UNIT

PHINMA EDUCATION



Enrollment has continued to post consistent growth



18%

146,474 Total Enrollment

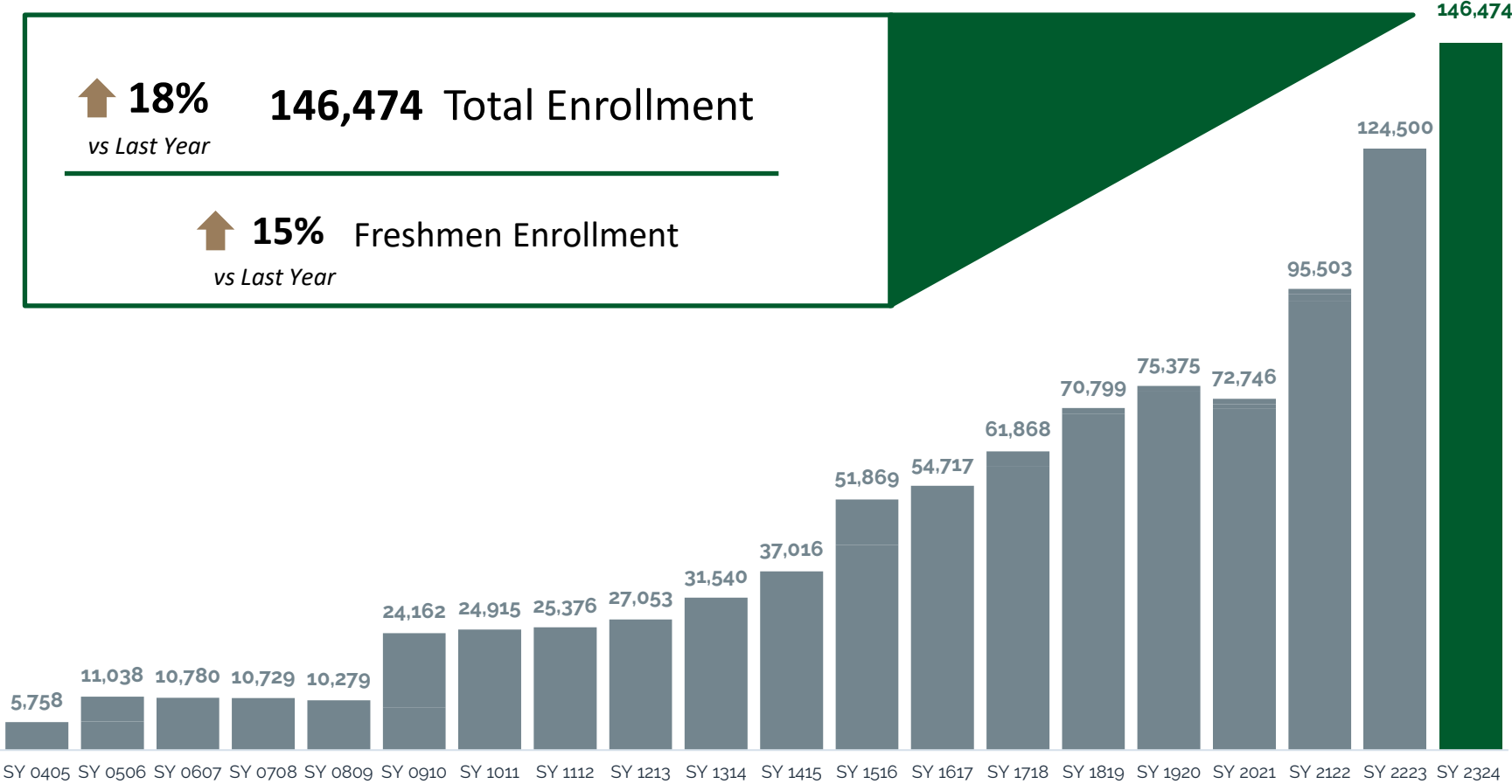
vs Last Year



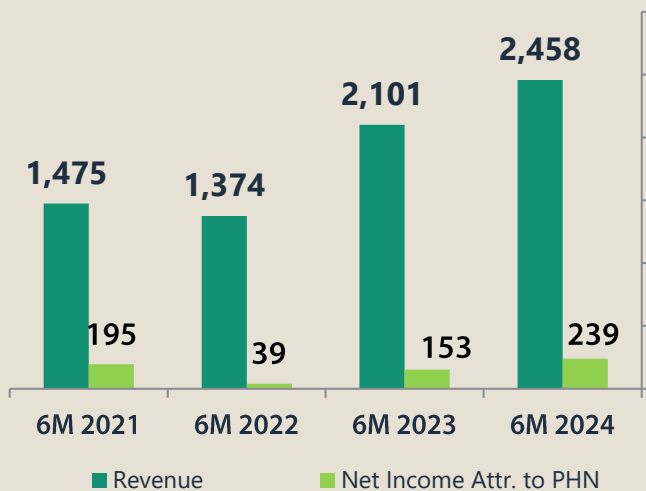
15%

Freshmen Enrollment

vs Last Year



PHINMA EDUCATION



PHINMA Education's main driver continued to be higher enrollment in both the second semester and summer

REVENUE

17%

YoY growth

19%

3Y CAGR

NET INCOME
ATTR. TO PHN

56%

YoY growth

7%

3Y CAGR

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

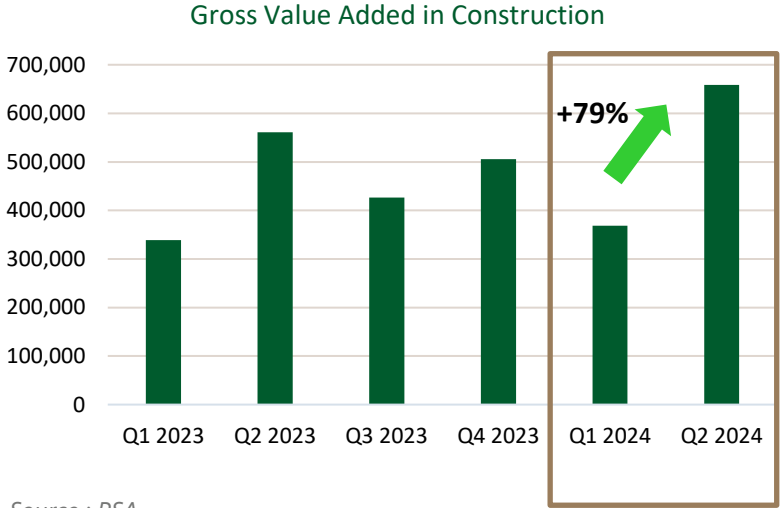
STRATEGIC BUSINESS UNIT

PHINMA CONSTRUCTION MATERIAL GROUP



The PHINMA Construction Materials Group (CMG) saw a significant improvement in 2Q amid the challenging environment

Gross Value Added in Construction significantly rose from the 1Q to the 2Q in 2024



Source : PSA

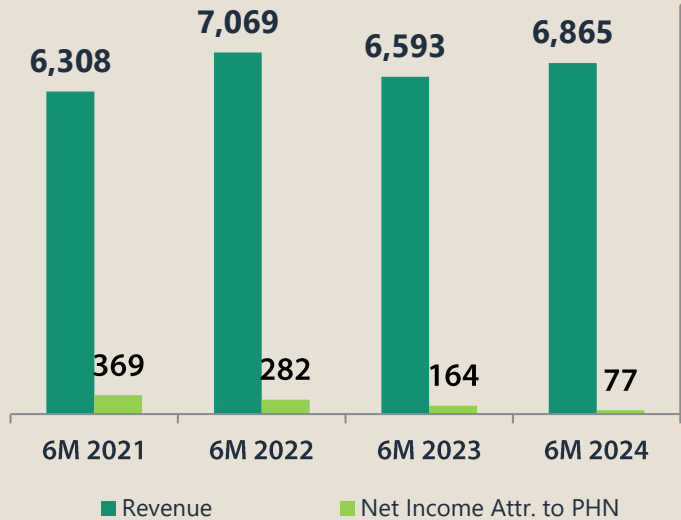
Similarly, PHINMA CMG also saw posted a much stronger performance in 2Q 2024

25%	Increase in REVENUES from 1Q to 2Q	185%	Increase in NET INCOME from 1Q to 2Q
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1H 2024 HIGHLIGHTS:

- Ongoing collaboration with the PHINMA Property Development Group on testing new innovations on products and services
- Expansion of market development initiatives to tap new customers
- Continuous manufacturing efficiency enhancements

PHINMA CONSTRUCTION MATERIALS GROUP



PHINMA CMG's revenue rebounded from last year's dip, with further improvements anticipated as additional government projects are launched and expansionary initiatives come online

REVENUE

4%
YoY growth

3%
3Y CAGR

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

PHINMA
Property
Development



PHINMA
Hospitality



1H 2024 HIGHLIGHTS:

- PHINMA Property Development moves forward with scaling its presence in key markets:



PHINMA Maayo Tugbok
in Davao



Likha Residences
in Davao



Student residential project
in Cebu

- PHINMA Hospitality saw an increase in both Occupancy and Average Daily Rates compared to the same period last year
- Microtel Mall of Asia and TRYP Mall of Asia continue to be strong performers amid due to the major events in the Mall of Asia area (e.g. concerts, fun runs...)

On July 19, PHINMA Properties broke ground on Saludad, the flagship township project in Bacolod, joined by the JEPP families, local government representatives, and project partners



PHN P1 BIO STOCK RIGHTS OFFERING

“

With this offering, PHINMA can better support its investments in current and upcoming business ventures—allowing us to cater to more Filipino families and communities. The Group will become stronger and better prepared for what lies ahead because of this.”

- Mr. Ramon R. del Rosario, Jr., PHINMA Chairman and Chief Executive Officer.



Strengthen PHN’s capital base



Support growth projects of the strategic business units



Philcement Davao Terminal
Union Insulated Panels factory
GEAP II PHINMA Solar Projects
Bacolod Township – Saludad
TRYP Bacolod
New Ventures

Outlook



Macro-economic Landscape

2H 2024 is expected to be more favorable for the business units as central banks begin to loosen monetary policy. The dollar will also likely weaken against the peso due to the seasonal pickup in remittances and Fed rate cuts.

- Widen customer base and leverage market presence with the opening of new facilities
- Launch new products to improve margins
- Capitalize on the inherent synergy of the products as well as collaboration with PHINMA Property Development Group

- Continue to build capacity in existing schools
- Open to acquisitions within the Philippines and in other countries in the region

- Expand footprint in high-growth regions such as Iloilo, Davao and Bacolod
- 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

For further
information:



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[PSE: PHN](#)

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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.

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