



FIRST PACIFIC COMPANY LIMITED

第一太平有限公司

(Incorporated with limited liability under the laws of Bermuda)

Press Release

Wednesday, 8 May 2024

MPIC sustains growth momentum with 30% increase in core net income new high

The attached press release was released today in Manila by Metro Pacific Investments Corporation (“MPIC”), in which First Pacific Group holds an economic interest of approximately 46.3% as at 31 March 2024.

MPIC is a Philippine-based, leading infrastructure investment management and holding company, with core investments in electricity distribution and generation, toll roads, water distribution and sewerage management, and healthcare services in the Philippines and ASEAN.

Further information on MPIC can be found at www.mpic.com.ph.

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MPIC sustains growth momentum with 30% increase in Core Net Income new high

MANILA, Philippines, May 8, 2024 – Metro Pacific Investments Corporation’s (“MPIC” or the “Company”) Consolidated Core Net Income rose 30% to a record high ₱5.6 billion in the first quarter of 2024 compared with ₱4.3 billion in the same period last year.

Improved financial and operating results from MPIC’s holdings delivered a 22% increase in contribution from operations to ₱6.8 billion. This was mainly driven by strong growth in energy sales at Meralco and billed volumes at Maynilad Water, complemented by higher tariffs.

Among the Company’s core businesses, Power contributed the largest at ₱4.4 billion or 64% of Net Operating Income (“NOI”), while Toll Roads and Water contributed ₱1.5 billion and ₱1.4 billion, respectively, representing 42% of NOI.

Reported Net Income rose 23% to ₱6.1 billion from ₱5.0 billion in 1Q 2023.

STAND-ALONE PERFORMANCE OF CORE OPERATING COMPANIES

POWER

MERALCO

Financial and Operational Highlights

- Total Revenues slightly decreased 1% to ₱104.5 billion.
 - Lower pass-through charges owing to a decline in prices at the Wholesale Electricity Spot Market and lower Malampaya gas and international coal prices.
 - Lower energy fees resulting from lower plant availability at Global Business Power Corporation’s Cebu Energy Development Corporation power plant.
 - Consolidated energy sales volumes at the distribution utility grew 9% to 12,307 GWh, partly offsetting the decline in total Revenues.
- Consolidated Core Net Income (“CCNI”) increased 11% to ₱10.1 billion, driven by continuing contributions from power generation, retail electricity supply, and other non-power businesses.
- Reported Net Income improved 19% to ₱9.6 billion.

TOLL ROADS

METRO PACIFIC TOLLWAYS CORPORATION

Financial and Operational Highlights

- Toll Revenues rose 17% to ₱7.5 billion due to a combination of toll rate increases and traffic growth in the Philippines, Indonesia, and Vietnam.

- Average daily vehicle entries
 - Philippines – rose 8% to 683,684
 - Vietnam – increased 4% to 81,368
 - Indonesia – declined 2% to 1,194,211
- Core Net Income improved further by 21% to ₱1.6 billion, boosted by the higher share in net earnings of equity-accounted Vietnam toll roads.

WATER MAYNILAD

Financial and Operational Highlights

- Revenues grew 29% to ₱8.0 billion, reflecting 6% growth in billed volumes and a 19.8% adjustment in tariff in early January.
- Core Net Income rose 26% to ₱2.7 billion, broadly consistent with Revenue growth, slightly offset by higher provisioning for bad debts and taxes.

BALANCE SHEET HIGHLIGHTS – MPIC PARENT

- Cash and cash equivalents and short-term investments amounted to ₱11.2 billion.
- Net debt amounted to ₱64.7 billion versus ₱62.6 billion in December 2023.

CONCLUSION

“Despite the macro-effects of geopolitical issues, which create supply chain issues, little relief on interest rates, and a demanding fundraising environment, we continued to post significant positive outcomes in vital economic metrics. Years of planning and careful investments are paying off, proving that MPIC will remain resilient despite prolonged global uncertainty,” said MPIC Chairman, President, and CEO Manuel V. Pangilinan.

Turning to the outlook for the full year, the Chairman concluded, “Volumes could remain strong across our core businesses for the balance of this year. We also expect our healthcare, real estate, and agribusiness investments to realize increasing contributions starting this year.”

Forward-Looking Statements

This press release may contain “forward-looking statements,” which are subject to risks and uncertainties that could affect MPIC’s business and results of operations. Although MPIC believes that expectations reflected in any forward-looking statements are reasonable, it cannot guarantee future performance, action, or events.

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METRO PACIFIC INVESTMENTS CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (UNAUDITED)
(Amounts in Peso Millions, except Per Share Amounts)

	For the Period Ended March 31	
	2024	2023
OPERATING REVENUES	₱17,625	₱14,142
COST OF SALES AND SERVICES	(6,125)	(5,516)
GROSS PROFIT	11,500	8,626
General and administrative expenses	(3,853)	(2,665)
Interest expense	(3,174)	(3,169)
Share in net earnings of equity method investees	4,398	3,851
Interest income	488	496
Construction revenue	7,950	6,470
Construction costs	(7,950)	(6,470)
Others	918	678
INCOME BEFORE INCOME TAX	10,277	7,817
PROVISION FOR INCOME TAX		
Current	1,744	1,276
Deferred	127	95
	1,871	1,371
NET INCOME	₱8,406	₱6,446
OTHER COMPREHENSIVE INCOME (LOSS) – NET		
To be reclassified to profit or loss in subsequent periods	(214)	226
Not to be reclassified to profit or loss in subsequent periods	196	45
	(18)	271
TOTAL COMPREHENSIVE INCOME	₱8,388	₱6,717
Net income attributable to:		
Owners of the Parent Company	₱6,149	₱4,997
Non-controlling interest	2,257	1,449
	₱8,406	₱6,446
Total Comprehensive Income Attributable to:		
Owners of the Parent Company	₱6,189	₱5,210
Non-controlling interest	2,199	1,507
	₱8,388	₱6,717
BASIC AND DILUTED EARNINGS PER COMMON SHARE	₱0.1948	₱0.1741

METRO PACIFIC INVESTMENTS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Amounts in Peso Millions)

	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)
ASSETS		
Current Assets		
Cash and cash equivalents	P44,445	P39,372
Short-term placements	713	1,742
Restricted cash	4,794	17,093
Receivables	15,000	8,870
Other current assets	15,379	16,085
Total Current Assets	80,331	83,162
Noncurrent Assets		
Investments and advances	203,494	205,325
Service concession assets	385,567	374,694
Property, plant and equipment	8,159	7,809
Goodwill	15,225	15,240
Intangible assets	1,086	1,027
Deferred tax assets	885	923
Other noncurrent assets	29,964	28,945
Total Noncurrent Assets	644,380	633,963
TOTAL ASSETS	P724,711	P717,125
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable and other current liabilities	P56,630	P46,354
Income tax payable	2,339	1,271
Due to related parties	82	93
Short-term and current portion of long-term debt	25,543	39,199
Current portion of:		
Provisions	7,017	8,550
Service concession fees payable	1,408	1,223
Total Current Liabilities	93,019	96,690
Noncurrent Liabilities		
Noncurrent portion of:		
Provisions	4,435	4,073
Service concession fees payable	28,573	28,541
Long-term debt	285,998	277,506
Deferred tax liabilities	10,859	10,904
Other long-term liabilities	10,979	10,399
Total Noncurrent Liabilities	340,844	331,423
Total Liabilities	433,863	428,113
Equity		
Owners of the Parent Company:		
Capital stock	34,534	34,534
Additional paid-in capital	80,678	80,678
Treasury shares	(10,835)	(10,789)
Equity reserves	3,194	3,472
Retained earnings	123,766	122,041
Other comprehensive income reserve	3,205	3,165
Total equity attributable to owners of the Parent Company	234,542	233,101
Non-controlling interest	56,306	55,911
Total Equity	290,848	289,012
TOTAL LIABILITIES AND EQUITY	P724,711	P717,125