



FIRST PACIFIC COMPANY LIMITED

第一太平有限公司

(Incorporated with limited liability under the laws of Bermuda)

Press Release

Monday, 13 November 2023

**MPIC delivers record-high earnings
Core net income rises 37% to ₱16.2 billion year-on-year**

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 48.2% as at 30 September 2023.

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

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

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MPIC delivers record-high earnings

Core Net Income Rises 37% to ₱16.2 billion Year-on-Year

MANILA, Philippines, November 13, 2023 – Metro Pacific Investments Corporation (“MPIC” or the “Company”) today reported Consolidated Core Net Income of ₱16.2 billion for the first nine months of 2023, up 37% from ₱11.8 billion a year earlier.

Improved financial and operating results from MPIC’s holdings delivered a 31% increase in contribution from operations, mainly driven by the strong performance of the power generation business and higher water tariff for the water concession.

Among the Company’s Core businesses, Power had the largest share at ₱13.8 billion or 69% of Net Operating Income while Toll Roads and Water contributed ₱4.1 billion and ₱3.5 billion, respectively.

Reported Net Income attributable to the Parent Company increased 22% to ₱16.1 billion compared with ₱13.1 billion last year, which had the benefit of gains from the acquisition of Landco Pacific Corporation.

STAND-ALONE PERFORMANCE OF OPERATING COMPANIES

POWER

MERALCO

Financial and Operational Highlights

- Total Revenues rose 6% to ₱335.2 billion, reflecting increased pass-through charges, higher generation revenues and growth in volumes sold.
 - Consolidated distribution utility energy sales volumes grew 4.4% to 38,164 GWh.
- Consolidated Core Net Income (“CCNI”) increased 53% to ₱30.0 billion, driven by the significant growth in contribution from the power generation business.
- Meralco PowerGen Corporation (“MGen”) contributed ₱10.2 billion or 34% of CCNI, almost tripling from ₱3.7 billion a year earlier, primarily driven by the contribution of Singapore-based PacificLight Power Pte. Ltd. and positive contributions of the operating power projects in the Philippines. Reported Net Income improved 44% to ₱28.4 billion.
- Capital expenditures amounted to ₱21.1 billion and were directed at network upgrade and pole relocation programs in support of government infrastructure projects, build-out of the tower business and construction of its solar projects.

TOLL ROADS

METRO PACIFIC TOLLWAYS CORPORATION

Financial and Operational Highlights

- Toll Revenues grew 20% to ₱19.8 billion due to a combination of toll rate increases and traffic growth in the Philippines and Indonesia.
- Average daily vehicle entries
 - Philippines - rose 14% to 654,580
 - Vietnam - increased 7% to 78,194
 - Indonesia - climbed 85% to 485,910, which included 197,442 vehicles from the Jakarta-Cikampek Elevated Toll Road (“Japex”), acquired in 2H 2022
- Core Net Income was flat at ₱4.1 billion due to the higher concession amortization on newly opened roads and financing cost on the Japex acquisition.

WATER

MAYNILAD

Financial and Operational Highlights

- Revenues grew 18% to ₱20.3 billion reflecting 2% growth in billed volume and higher effective tariffs.
- Core Net Income up 46% to ₱6.8 billion due to lower amortization resulting from the extension of the concession period.
- Capital expenditure amounted to ₱14.5 billion, up 41% from last year, as Maynilad continued to deliver on its obligations under the approved business plan.

BALANCE SHEET HIGHLIGHTS – MPIC PARENT

- Cash and cash equivalents and short-term investments amounted to ₱7.5 billion.
- Net debt amounted to ₱71.1 billion versus ₱73.6 billion in December 2022.

CONCLUSION

“Our consistently strong performance reflects significant volume increases for our core businesses on power, toll roads, and water, bolstered by favorable tariff adjustments and savings resulting from operational efficiencies. We are also realizing the fruits of strategic investments in the power generation business, and we expect this to continue to be a driver of growth in the future,” said MPIC Chairman, President and CEO Manuel V. Pangilinan.

“Together with our new partners, we look forward to further investing in national development and continuing to deliver high-quality essential services.”

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)

	Nine Months ended September 30	
	2023	2022
OPERATING REVENUES	₱44,792	₱37,607
COST OF SALES AND SERVICES	(16,503)	(15,753)
GROSS PROFIT	28,289	21,854
General and administrative expenses	(8,798)	(7,563)
Interest expense	(9,817)	(7,319)
Share in net earnings of equity method investees	13,319	9,528
Interest income	1,434	676
Construction revenue	24,636	23,799
Construction costs	(24,636)	(23,799)
Others	633	2,833
INCOME BEFORE INCOME TAX	25,060	20,009
PROVISION FOR INCOME TAX		
Current	4,113	2,986
Deferred	308	623
	4,421	3,609
NET INCOME	₱20,639	₱16,400
OTHER COMPREHENSIVE INCOME (LOSS) – NET		
To be reclassified to profit or loss in subsequent periods	632	3,430
Not to be reclassified to profit or loss in subsequent periods	(166)	75
	466	3,505
TOTAL COMPREHENSIVE INCOME	₱21,105	₱19,905
Net income attributable to:		
Owners of the Parent Company	₱16,056	₱13,137
Non-controlling interest	4,583	3,263
	₱20,639	₱16,400
Total Comprehensive Income Attributable to:		
Owners of the Parent Company	₱16,401	₱16,271
Non-controlling interest	4,704	3,634
	₱21,105	₱19,905
BASIC AND DILUTED EARNINGS PER COMMON SHARE	₱0.5593	₱0.4437

METRO PACIFIC INVESTMENTS CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (UNAUDITED)
(Amounts in Peso Millions)

	September 30, 2023	December 31, 2022
ASSETS		
Current Assets		
Cash and cash equivalents	P27,113	P33,595
Short-term placements	4,930	8,827
Restricted cash	3,319	4,767
Receivables	9,176	9,195
Other current assets	14,215	12,540
Total Current Assets	58,753	68,924
Noncurrent Assets		
Investments and advances	200,787	196,323
Service concession assets	360,657	331,693
Property, plant and equipment	7,324	6,904
Goodwill	15,301	15,241
Intangible assets	716	377
Deferred tax assets	976	769
Other noncurrent assets	26,086	23,565
Total Noncurrent Assets	611,847	574,872
TOTAL ASSETS	P670,600	P643,796
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable and other current liabilities	P43,858	P44,784
Income tax payable	1,427	1,283
Due to related parties	81	83
Short-term and current portion of long-term debt	33,438	20,842
Current portion of:		
Provisions	8,706	8,337
Service concession fees payable	1,081	1,289
Total Current Liabilities	88,591	76,618
Noncurrent Liabilities		
Noncurrent portion of:		
Provisions	2,325	3,030
Service concession fees payable	29,633	28,453
Long-term debt	268,593	271,625
Deferred tax liabilities	10,357	9,898
Other long-term liabilities	9,755	9,131
Total Noncurrent Liabilities	320,663	322,137
Total Liabilities	409,254	398,755
Equity		
Owners of the Parent Company:		
Capital stock	31,661	31,661
Additional paid-in capital	68,638	68,638
Treasury shares	(10,703)	(10,703)
Equity reserves	(971)	(1,377)
Retained earnings	118,181	105,692
Other comprehensive income reserve	6,464	6,177
Total equity attributable to owners of the Parent Company	213,270	200,088
Non-controlling interest	48,076	44,953
Total Equity	261,346	245,041
TOTAL LIABILITIES AND EQUITY	P670,600	P643,796