



## FIRST PACIFIC COMPANY LIMITED

第一太平有限公司

*(Incorporated with limited liability under the laws of Bermuda)*

# Press Release

**Monday, 12 August 2024**

**MPIC delivers new high with 27%  
increase in core income to ₱12.5 billion**

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 30 June 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](http://www.mpic.com.ph).

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## **MPIC delivers new high with 27% increase in Core Income to ₱12.5 billion**

**MANILA, Philippines, August 12, 2024** – Metro Pacific Investments Corporation’s (“MPIC” or the “Company”) Consolidated Core Net Income rose 27% to a record high ₱12.5 billion in the first half of 2024 compared with ₱9.9 billion in the same period last year.

Improved financial and operating results from MPIC’s holdings delivered a 20% increase in contribution from operations to ₱14.8 billion. This was mainly driven by strong growth in energy sales at Meralco, billed volumes at Maynilad Water, and traffic on the toll roads complemented by higher tariffs.

Among the Company’s core businesses, Power contributed the largest share at ₱10.1 billion or 68% of Net Operating Income (“NOI”), while Toll Roads and Water contributed ₱3.2 billion and ₱2.5 billion, respectively, representing 38% of NOI.

Reported Net Income rose 23% to ₱12.5 billion from ₱10.2 billion in 1H 2023.

### **STAND-ALONE PERFORMANCE OF CORE OPERATING COMPANIES**

#### **POWER**

##### **MERALCO**

###### *Financial and Operational Highlights*

- Total Revenues rose 6% to ₱237.5 billion, mainly due to higher energy sales by the distribution utility, which grew 9% to 26,954 GWh. This was slightly offset by the lower energy fees at Global Business Power which resulted from lower plant availability of its Cebu Energy Development Corporation power plant.
  - The six-month sales volumes got a boost from second-quarter sales, which hit a new record with monthly volumes breaching the 5,000 GWh level in May, largely driven by double-digit growth in Residential and Commercial segments. Demand in the Meralco franchise area peaked at 9,323 MW in April, up by 10% from the 8,438 MW peak demand experienced in May of 2023.
- Consolidated Core Net Income increased 21% to ₱23.2 billion, driven by continuing contributions from power generation, retail electricity supply, and other non-power businesses.
- Reported Net Income improved 26% to ₱22.4 billion.

#### **TOLL ROADS**

##### **METRO PACIFIC TOLLWAYS CORPORATION**

###### *Financial and Operational Highlights*

- Toll Revenues rose 18% to ₱15.4 billion due to a combination of toll rate increases and traffic growth in all markets.

- Average daily vehicle entries
  - Philippines – rose 7% to 693,175
  - Vietnam – increased 1% to 78,390
  - Indonesia – declined 1% to 1,203,631
- Core Net Income improved further by 25% to ₱3.4 billion, boosted by the higher share in net earnings of equity-accounted Vietnam toll roads.

## **WATER MAYNILAD**

### *Financial and Operational Highlights*

- Revenues grew 23% to ₱16.4 billion, reflecting 4% growth in billed volumes and a 19.8% adjustment in tariff in early January.
- Core Net Income rose 29% to ₱5.6 billion, broadly consistent with Revenue growth and augmented further by lower operating expenses.

## **BALANCE SHEET HIGHLIGHTS – MPIC PARENT**

- Cash and cash equivalents and short-term investments amounted to ₱14.4 billion.
- Net debt amounted to ₱61.5 billion versus ₱62.6 billion in December 2023.

## **DIVIDENDS**

The Board of Directors has approved the declaration of interim dividends of ₱0.10 (10.00 centavos) per common share, payable on September 19, 2024, to all shareholders of record as of September 2, 2024. This represents 25% of Core Income.

## **NEW ACQUISITION**

In July 2024, Metro Pacific Agro Ventures (MPAV) announced its entry into agreements to acquire 100% of Universal Harvester Dairy Farms, Inc. (UHDFI) in a bid to continue its mission to provide fresh, high-quality dairy products for the Filipino people.

UHDFI, located in Maramag, Bukidnon, operates under the Bukidnon Milk Company brand, producing fresh milk, flavored milk, yogurt, and cheese products, with presence primarily focused on key cities in Visayas and Mindanao. Moreover, UHDFI is the largest state-of-the-art dairy production facility in the country, the showcase model for the community, private sector, and government partnership, and also a major supplier of products for the National Dairy Authority's (NDA) Milk Feeding Program, primarily focused on ensuring schoolchildren have regular access to high-quality fresh milk.

MPAV's acquisition, which values UHDFI at over ₱700 million, comes after its previous investment in The Laguna Creamery Inc. (TLCI), known for popular brands Carmen's Best ice cream and Holly's Milk. Since partnering with MPAV, TLCI has doubled its sales in just two years; by combining the resources of TLCI and UHDFI, MPAV aims to establish a national dairy champion with farms across the country, a nationwide reach, and a comprehensive range of products.

MPAV's continued investment in the dairy industry supports an underserved segment of the economy. In March 2024, the NDA reported that the country continues to import 98 percent of its milk demand. At current rates, the NDA envisions reaching a milk production target of just 5% of local demand by 2028.

## CONCLUSION

“Our power, toll roads, and water business continued to deliver double-digit growth in earnings on the back of strong volumes and the impact of long overdue tariff adjustments,” said MPIC Chairman, President, and CEO Manuel V. Pangilinan.

“With MPIC continuing to maintain a low cost of capital in a rising interest rate environment, the Company is poised to maintain its strong growth trajectory for the rest of the 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)

	<b>For the Period Ended June 30</b>	
	<b>2024</b>	<b>2023</b>
<b>OPERATING REVENUES</b>	<b>₱35,758</b>	<b>₱29,374</b>
<b>COST OF SALES AND SERVICES</b>	<b>(12,516)</b>	<b>(10,953)</b>
<b>GROSS PROFIT</b>	<b>23,242</b>	<b>18,421</b>
General and administrative expenses	<b>(7,438)</b>	<b>(6,104)</b>
Interest expense	<b>(6,310)</b>	<b>(6,427)</b>
Share in net earnings of equity method investees	<b>10,660</b>	<b>8,542</b>
Interest income	<b>1,109</b>	<b>945</b>
Construction revenue	<b>19,039</b>	<b>13,446</b>
Construction costs	<b>(19,039)</b>	<b>(13,446)</b>
Others	<b>(547)</b>	<b>523</b>
<b>INCOME BEFORE INCOME TAX</b>	<b>20,716</b>	<b>15,900</b>
<b>PROVISION FOR INCOME TAX</b>		
Current	<b>3,474</b>	<b>2,545</b>
Deferred	<b>473</b>	<b>221</b>
	<b>3,947</b>	<b>2,766</b>
<b>NET INCOME</b>	<b>₱16,769</b>	<b>₱13,134</b>
<b>OTHER COMPREHENSIVE INCOME (LOSS) – NET</b>		
To be reclassified to profit or loss in subsequent periods	<b>(335)</b>	<b>630</b>
Not to be reclassified to profit or loss in subsequent periods	<b>69</b>	<b>(225)</b>
	<b>(266)</b>	<b>405</b>
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>₱16,503</b>	<b>₱13,539</b>
<b>Net income attributable to:</b>		
Owners of the Parent Company	<b>₱12,538</b>	<b>₱10,218</b>
Non-controlling interest	<b>4,231</b>	<b>2,916</b>
	<b>₱16,769</b>	<b>₱13,134</b>
<b>Total Comprehensive Income Attributable to:</b>		
Owners of the Parent Company	<b>₱12,301</b>	<b>₱10,479</b>
Non-controlling interest	<b>4,202</b>	<b>3,060</b>
	<b>₱16,503</b>	<b>₱13,539</b>
<b>BASIC AND DILUTED EARNINGS PER COMMON SHARE</b>	<b>₱0.3973</b>	<b>₱0.3559</b>

**METRO PACIFIC INVESTMENTS CORPORATION AND SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

(Amounts in Peso Millions)

	June 30, 2024 (Unaudited)	December 31, 2023 (Audited)
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	₱33,620	₱39,372
Short-term placements	2,276	1,742
Restricted cash	6,371	17,093
Receivables	10,417	8,870
Other current assets	15,127	16,085
Total Current Assets	67,811	83,162
<b>Noncurrent Assets</b>		
Investments and advances	210,660	205,325
Service concession assets	395,512	374,694
Property, plant and equipment	8,409	7,809
Goodwill	15,233	15,240
Intangible assets	1,234	1,027
Deferred tax assets	1,004	923
Other noncurrent assets	29,833	28,945
Total Noncurrent Assets	661,885	633,963
<b>TOTAL ASSETS</b>	<b>₱729,696</b>	<b>₱717,125</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current Liabilities</b>		
Accounts payable and other current liabilities	₱51,281	₱46,354
Income tax payable	1,631	1,271
Due to related parties	79	93
Short-term and current portion of long-term debt	50,425	39,199
Current portion of:		
Provisions	8,109	8,550
Service concession fees payable	1,526	1,223
Total Current Liabilities	113,051	96,690
<b>Noncurrent Liabilities</b>		
Noncurrent portion of:		
Provisions	4,729	4,073
Service concession fees payable	29,019	28,541
Long-term debt	265,547	277,506
Deferred tax liabilities	11,310	10,904
Other long-term liabilities	10,985	10,399
Total Noncurrent Liabilities	321,590	331,423
Total Liabilities	434,641	428,113
<b>Equity</b>		
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	2,455	3,472
Retained earnings	130,155	122,041
Other comprehensive income reserve	2,928	3,165
Total equity attributable to owners of the Parent Company	239,915	233,101
Non-controlling interest	55,140	55,911
Total Equity	295,055	289,012
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>₱729,696</b>	<b>₱717,125</b>