



# PHINMA Q2 2025 Analyst Briefing

20 August 2025 | 4:00 PM

## **Speakers**



**EJ Qua Hiansen** Chief Financial Officer



**Kara Albert** Investor Relations Officer

# PHINMA Corporation



# PHINMA's vision has always been to serve the underserved.

The Ambisyon
Natin 2040
confirms we are in
key areas the
country needs.



















### IMPROVING ACCESS TO A DIGNIFIED LIFE

### **AMBISYON NATIN 2040 PRIORITY SECTORS**



### **Education Services**

Formal education and re-tooling services.



### Housing and Urban Development

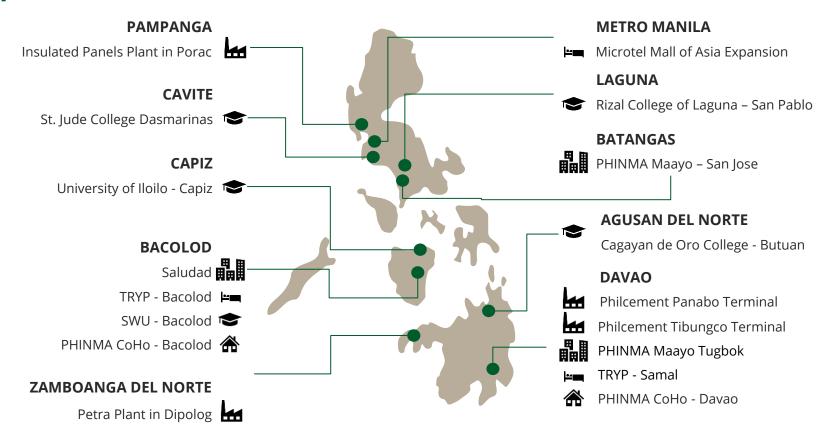
Construction, construction-related manufacturing, house development-related manufacturing, and utilities (electricity, gas, and water).



#### Tourism and Allied Services

Resort, rest-recreation hotels, accommodation, travel and tour cultural shows, heritage sites, etc.

### **Expansion Initiatives**











### Navigating challenges while positioning for growth



## Challenges 1H 2025

Summer Semester

# Positioning for Growth

 Education remains a priority of the current administration









- Election Spending Ban
- Pricing pressures due to weak demand
- The government considers construction a crucial sector for development and investment





- Oversupply in Metro Manila
- Demand remains resilient outside of NCR
- Significant housing need for lower income segments





- Slowdown in Foreign Tourist Arrivals
- Additional Hotel Room Supply in Metro Manila
- Occupancy rates supported by Meetings, Incentives, Conventions and Exhibits (MICE), and domestic tourists

# A strong performance from the Education segment partially offset losses, as the Company continues to expand into new markets and improve cost efficiency

PHINMA Education Holdings Inc.	6M 2025	6M 2024
SBU Revenues	2,742	2,458
SBU Net Income	558	418
Net Income Attributable to Parent	305	239
PHINMA Construction Materials	6M 2025	6M 2024
SBU Revenues	6,876	6,874
SBU Net Income	(87)	9
Net Income Attributable to Parent	(91)	(19)
PHINMA Properties and Hospitality	6M 2025	6M 2024
SBU Revenues	926	798
SBU Net Income	(302)	(281)
Net Income Attributable to Parent	(96)	(226)

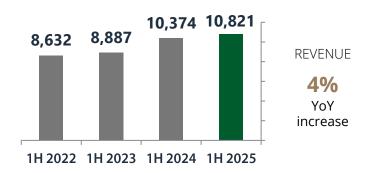
<sup>\*</sup>Amounts in PHP million

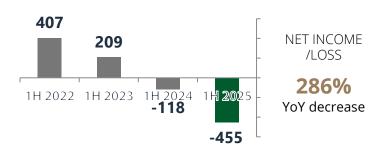
### HIGHLIGHTS Apr – Jun 2025

- PHINMA Education's enrollment continues to climb, thanks to student retention efforts and the acquisition of St. Jude College Dasmariñas Cavite.
- PHINMA Construction Materials saw higher revenues due to improved sales efforts. Concurrently, fixed costs were frontloaded to strategically improve overall business operations.
- PHINMA Property Development faced ongoing challenges in Metro Manila, but regional projects—including Saludad, the Bacolod township and PHINMA Community Housing's Davao project are showing promise.
- PHINMA Hospitality's occupancy rates were lower due to weaker tourist demand. However, the demand from Meetings, Incentives, Conferences and Events (MICE) provided support.

## First half revenues posted a slight increase, bottom-line weighed down by seasonal factors and the macro-economic environment

### CONSOLIDATED 1H 2025 RESULTS





### SIX-MONTH INCOME STATEMENT HIGHLIGHTS

In PHP Mio	1H 2025	1H 2024	Movement (%)
Total Revenues	10,821	10,374	4%
Cost of Sales	7,940	7,694	3%
Gross Profit	2,881	2,680	7%
Operating Expense	2,166	2,014	8%
Operating Income	715	667	7%
Interest Expense	865	750	15%
Other Gains/Losses	50	(242)	-121%
Profit Before Tax	(200)	159	-226%
Conso Net Income (Loss) Net Income (Loss) Attr. To Equity Holders of the Parent	(227) (455)	73 (118)	-411% -286%
EPS	(1.35)	(0.41)	

<sup>\*</sup>Amounts in the chart are in PHP Mn unless otherwise stated

# We are strengthening our balance sheet by converting short-term debt to long term, capitalizing on the favorable lower interest rate environment

	CY2022	CY2023	CY2024	6M2025
Total Assets	32.0	42.8	53.9	54.0
Total Liabilities	20.9	33.1	38.0	38.7
Total Equity	11.1	9.7	15.9	15.3
Amounts above are in PHP Bn				
Debt-to-Equity Ratio*	1.23	2.25	1.70	1.91
DSCR	2.28	4.29	1.33	1.43

<sup>\*</sup>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

# PHINMA Construction Materials Group



# The PHINMA Construction Materials Group is strategically building capacity and focusing on selling higher-margin products



UIPC Plant in Porac, Pampanga



Petra Plant in Dipolog Zamboanga del Norte



Davao Terminal Project – Panabo



Tibungco Terminal in Davao

### PHILCEMENT CORPORATION (PCC)

 Expansion projects will increase capacity to serve markets especially those close to the new areas of operation

### UNION GALVASTEEL CORPORATION (UGC)

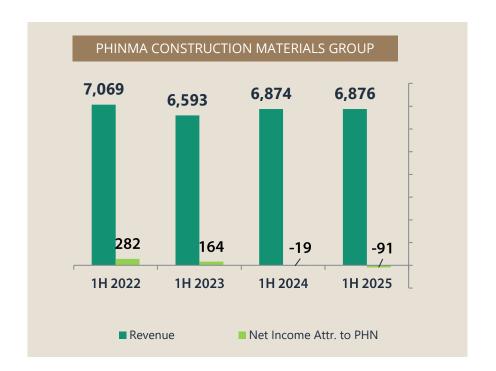
 Prioritization to sell higher-margin products through a portfolio selling approach should lead to both cost-efficiencies and margin improvements

### **UNION INSULATED PANEL CORPORATION (UIPC)**

 Has secured large and critical projects while the construction of the plant remains on track

### PHINMA SOLAR

 Continues to harness inherent synergy with UGC's roofing solutions and UIPC's insulated panel projects



Amid pricing pressures,
PHINMA CMG's revenue was
supported by higher volumes, a
result of its ongoing capacitybuilding efforts.

While upfront costs and interest expenses impacted the bottom line, the strategic investments are expected to enhance business operations going forward.

# STRATEGIC BUSINESS UNIT PHINMA Education



# Results of board licensure exams continue to serve as a testament of PHINMA Education's ability to provide quality, affordable education

### TOP PERFORMING SCHOOLS

BASED ON SY 2024-2025 BOARD LICENSURE EXAM RESULTS

NURSIN	<u>IG</u>	CRIMINOLOGY	
12	Topnotchers	#01	PHINMA University of Iloilo
#01	PHINMA University of Pangasinan	#03	PHINMA Cagayan de Oro College
#10	PHINMA Cagayan de Oro College	#04	PHINMA Araullo University
PHARMACY		<b>OPTOMETRY</b>	
#02	Southwestern University PHINMA	#03	Southwestern University PHINMA

### **OVER 12,000 GRADUATES**

- 89% Overall Board Exam Passing Rate for first-time takers
- 28 Board Exam Topnotchers
- 77% Overall Employment Rate

### **BEYOND THE PHILIPPINES**

### HORIZON EDUCATION INDONESIA

**100%** Board Passing Rate in Nursing and Midwifery

### **INTERNATIONAL STUDENTS**

**98%** Medicine Passing Rate – India **88%** Medicine Passing Rate - Nepal

# PHINMA Education has received PHP 825 million through Kaizenvest's investment vehicle

### **RECAP**

### May 2024

**P4.5 bio** investment agreement is signed with (i) Phoenix Investments II Pte. Ltd, an investment vehicle of funds managed by **KKR**, and (ii) Rise Edu Pte. Ltd., an investment vehicle of funds managed by **Kaizenvest** (Kaizenvest III)

### Oct 2024

Initial investment of **P2.52 bio** from KKR's investment vehicle is received. This represents **70.22%** of KKR's total investment amount.

In addition, funds managed by KKR have also acquired all of the shares in PEHI owned, directly or indirectly, by ADB, FMO, and Kaizenvest II, who all invested in the Company in 2019.

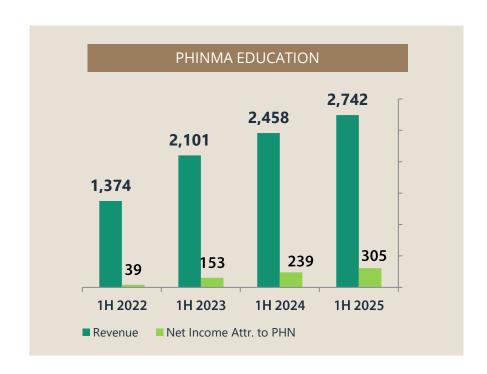
### **LATEST UPDATE**

### Aug 2025

Received **P825 mio** from Rise Edu Pte. Ltd., an investment vehicle of funds managed by Kaizenvest (Kaizenvest III).

PHINMA Corporation ownership is currently at **63.93%**.

\*Ownership is subject to change depending on subscriptions received in the subsequent rights offerings



PHINMA Education's consistent enrollment growth, bolstered by the acquisition of St. Jude College Dasmariñas Cavite, has resulted in solid earnings

REVENUE	<b>10%</b> YoY growth	<b>26%</b> 3Y CAGR
NET INCOME	22%	98%
ATTR. TO PHN	YoY growth	3Y CAGR

### PHINMA Property Development

STRATEGIC BUSINESS UNITS

**PHINMA Hospitality** 





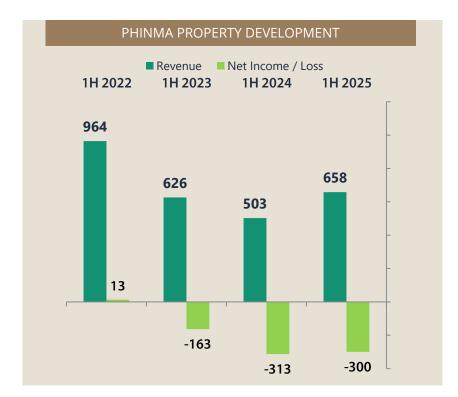




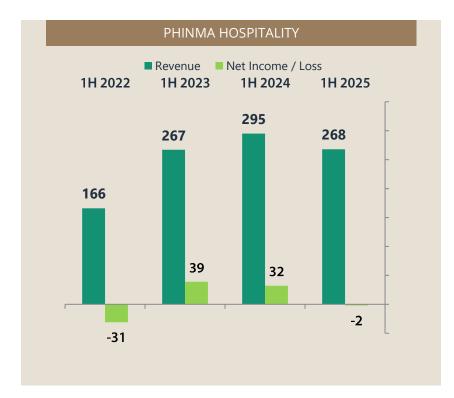


# Saludad, the township in Bacolod, is steadily taking shape

- Visible progress on priority roads
- Maayo Terraces Saludad had its groundbreaking and Model Unit opening
- TRYP is targeting to have its groundbreaking this year



**PHINMA PROPERTY DEVELOPMENT**: The ready-for-occupancy status of Metrotowne Building 2 and Uniplace @ SWU Tower 2 should help unlock revenue recognition and cashflows.



**PHINMA HOSPITALITY** saw a decline in chainwide occupancy amid a slowdown in foreign tourist arrivals. However, average room rates were generally sustained.

<sup>\*</sup>Amounts in the chart are in PHP Mn unless otherwise stated | Net income is total net income for the SBU for comparability with previous years

### More on PHINMA CoHo:

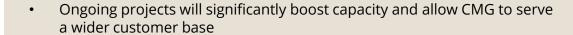
### Reframing Socialized Housing Into Community Housing

- Pipeline Project Locations: Davao and Bacolod
- Davao project to launch in 4Q 2025
- PHN is directly investing up to P250M into PHINMA CoHo



### Outlook







- Expand network to other South East Asian countries such as Vietnam with focus remaining on tertiary schools in the affordable segment
- Enrollment expected to increase in School Year 2025-2026



- **# PHINMA**
- Key regional projects such as Saludad to drive growth
- PHINMA CoHo on track to launch first project in Davao
- Microtel MOA to benefit from reclamation projects in the area



### Strategic Focus:

- Leverage on the inherent synergies among the business units
- Invest in businesses or projects aligned with serving the underserved market
- Identify strategic partners for SBUs and Projects

# Q&A

### For further information:



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www.phinma.com.ph



PSE: PHN

### Thank you!

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