



MEGAWORLD

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**FIRST HALF 2023**

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ANALYST BRIEFING

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# FINANCIAL UPDATE

# PERFORMANCE UPDATE

In PHP Billions	1H23	1H22	YoY Change	2Q23	1Q23	QoQ Change	2Q22	YoY % Change
REVENUES	<b>32.0</b>	27.5	17%	<b>15.8</b>	16.2	-3%	14.3	10%
COSTS & EXPENSES	<b>23.2</b>	20.7	12%	<b>11.5</b>	11.7	-1%	11.1	4%
EBITDA*	<b>13.5</b>	12.4	9%	<b>7.0</b>	6.5	9%	6.4	10%
NET PROFIT	<b>8.8</b>	6.7	31%	<b>4.3</b>	4.6	-6%	3.2	33%
ATTRIBUTABLE PROFIT	<b>7.9</b>	5.9	34%	<b>3.8</b>	4.1	-7%	2.8	35%
GROSS PROFIT MARGIN	<b>49%</b>	49%		<b>49%</b>	49%		48%	
EBITDA MARGIN*	<b>37%</b>	39%		<b>44%</b>	40%		45%	
ATTRIBUTABLE PROFIT MARGIN	<b>25%</b>	21%		<b>24%</b>	25%		20%	

Strong YoY topline growth across all business segments led mainly by continued pick up in economic activity and mobility.











Increase in costs and expenses as the Company accelerates its activities

\*Excluding FX translation adjustments

# 1H2023 REVENUE BREAKDOWN

# P32.0B

TOTAL REVENUES  17%

-  **REAL ESTATE SALES**  12%  
Improved construction activity, higher completion rate
-  **OFFICE RENTALS**  4%  
Growing transactions from BPOs/traditional
-  **MALL RENTALS**  71%  
Increased mall spending and complete removal of rental concessions starting Jan 1, 2023
-  **HOTEL OPERATIONS**  58%  
Sharp pick up in domestic tourism, MICE activities
-  **OTHER INCOME**  32%

P19.1B

P6.0B

P6.3B

P2.5B

P1.7B

P2.5B

# STRONG BALANCE SHEET

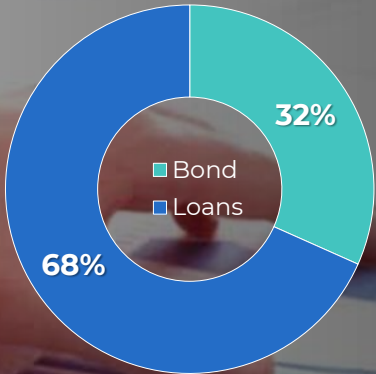
**P97.9 BILLION**  
GROSS DEBT

**P73.0B**  
NET DEBT

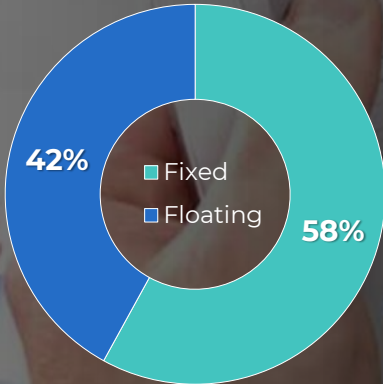
**29.3%**  
NET DEBT / EQUITY

**P24.9B**  
CAPEX SPENDING

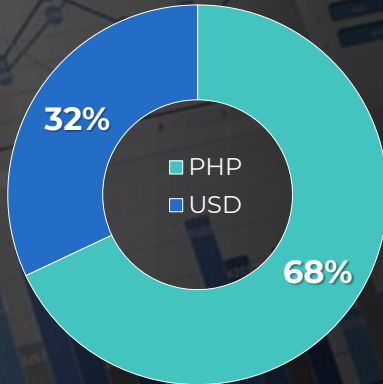
TYPE OF DEBT



INTEREST RATE



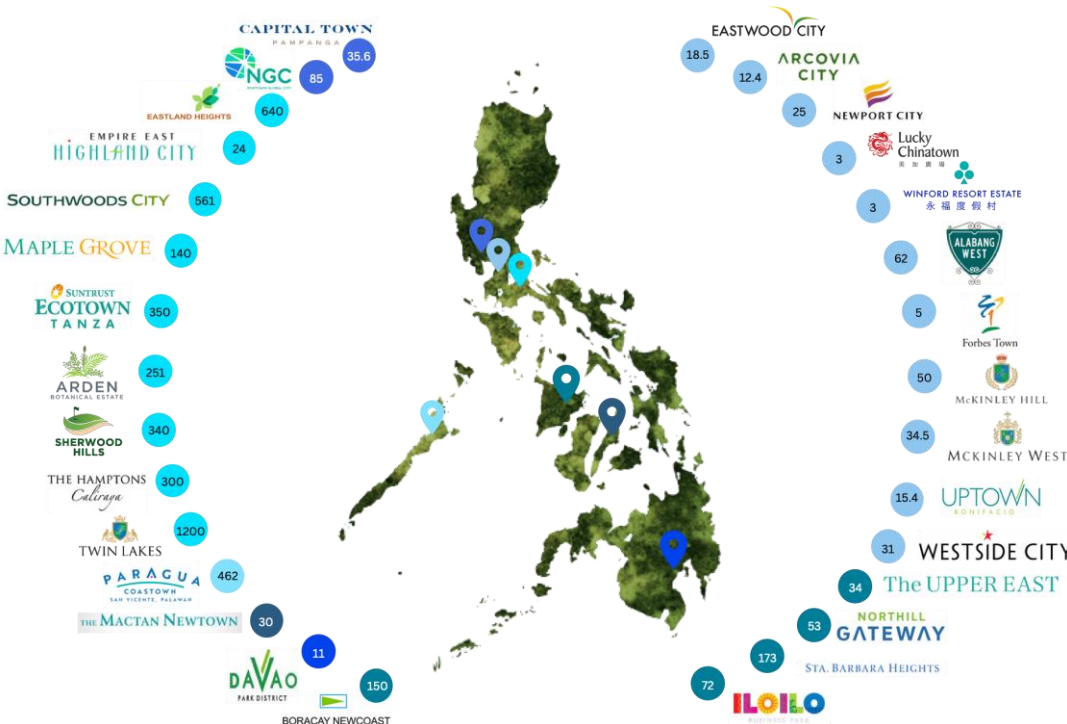
CURRENCY



# GEOGRAPHICAL FOOTPRINT

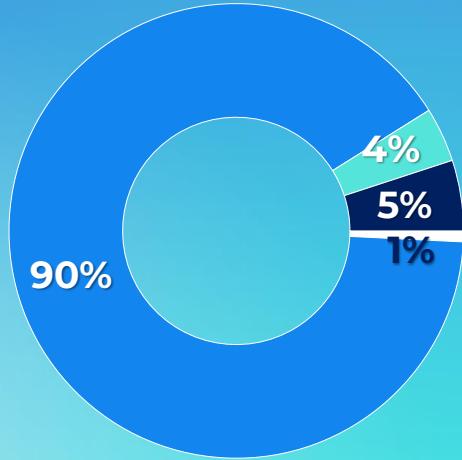
## 30 TOWNSHIPS

### (5,172 Hectares)



**4,549** Hectares of Developable land

- Quality land sufficient to support the next 15 to 20 years of development



- Metro Manila
- Luzon (ex-MM)
- Visayas
- Mindanao

# TOWNSHIP ANALYTICS AND TECHNOLOGY (TAT) LABORATORY

Monitors and consolidates situation reports across all Megaworld's townships

Provides an advanced accident detection system

Provides a more accurate climate information to help residents and locators plan their day-to-day activities more efficiently



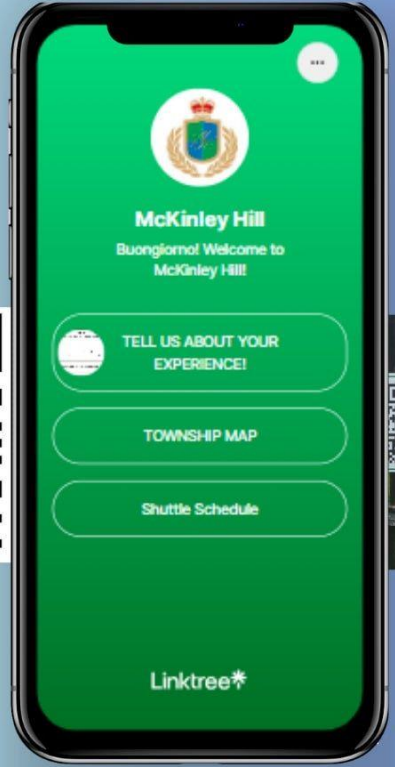
MEGAWORLD



# ENHANCING TOWNSHIP CONNECTIVITY

## EXPLORE MCKINLEY HILL WITH EASE VIA THESE QR CODES!

- Access the TOWNSHIP MAP
- Check the SHUTTLE SCHEDULE
- Share your feedback



## EXPLORE UPTOWN BONIFACIO WITH EASE VIA THESE QR CODES!

- ACCESS THE TOWNSHIP MAP
- CHECK THE SHUTTLE SCHEDULE
- SHARE YOUR FEEDBACK





# PRESERVING THE HERITAGE

## The Upper East House

A three-level showroom that is being designed to honour the historical significance of the Bacolod-Murcia Milling Company (BMMC), which previously occupied the same location as the township.



Inspired by the 'White Guesthouse' that used to be inside the Bacolod-Murcia Milling Company (BMMC), the predominantly white façade is highlighted by a spacious veranda and outdoor lounge with a fountain.



# OPERATIONAL UPDATE

# REAL ESTATE

**P19.1B**

**REAL ESTATE SALES**

↑12% YoY

**P76.1B**

**RESERVATION SALES**

59% of P130B FY2023 Target

**P28.2B**

**PROJECT LAUNCHES**

47% of P60B FY2023 Target

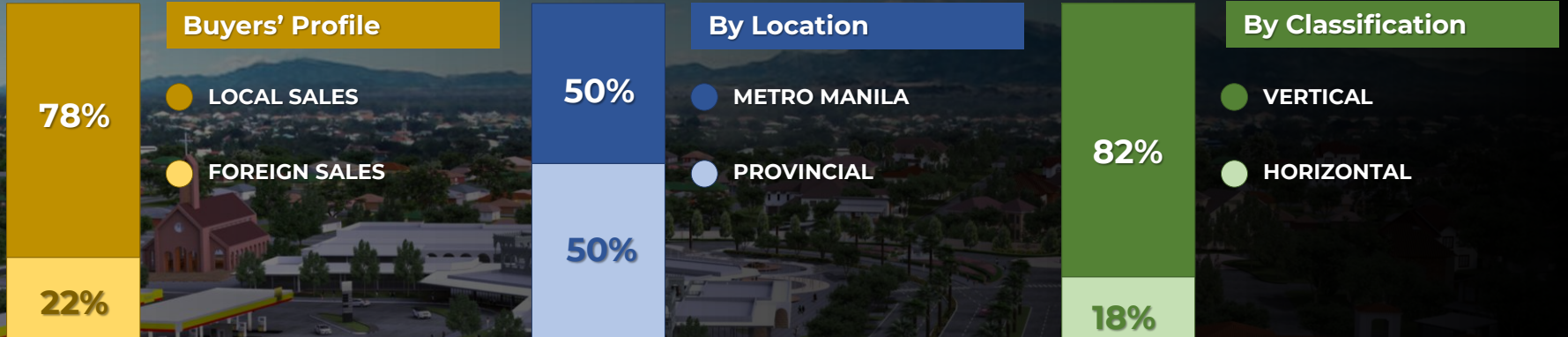
# P19.1 BILLION

## REAL ESTATE SALES



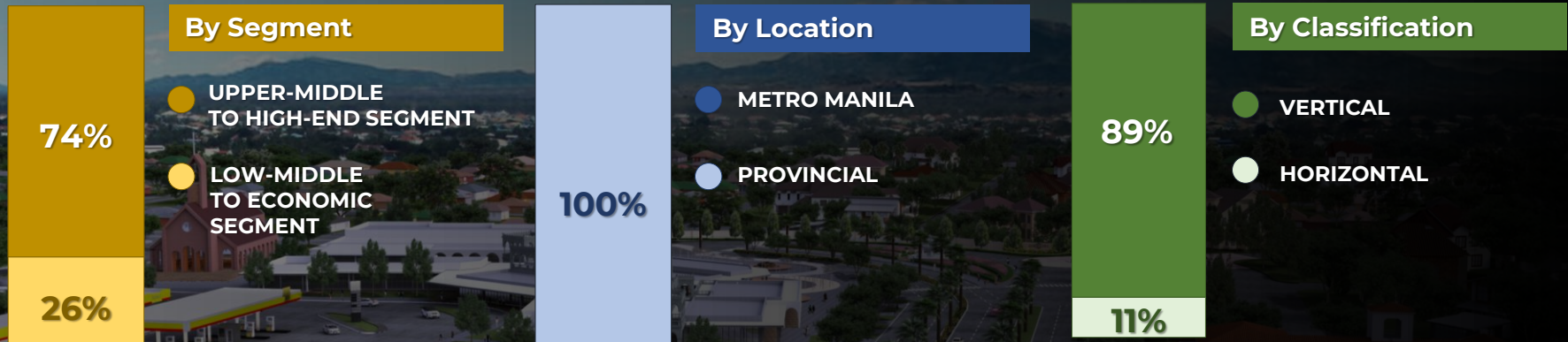
# P76.1 BILLION

RESERVATION SALES



# P28.2 BILLION

## PROJECT LAUNCHES



2Q 2023 LAUNCHES



# SAVOY HOTEL CAPITAL TOWN

The Capital Town,  
San Fernando City, Pampanga

**P4.2 BILLION**

Project Value

**11,000**

Saleable Area

**374**

Units

**17%**

Percentage Sold

## 2Q 2023 LAUNCHES



# FIRENZE RESIDENCES

Iloilo Business Park,  
Mandurriao, Iloilo

**P4.2 BILLION**

Project Value

**18,482**

Saleable Area

**415**

Units

**25%**

Percentage Sold



**2Q 2023 LAUNCHES**



# OCEANFRONT PREMIER RESIDENCES

Paragua Coasttown,  
San Vicente, Palawan

**P2.3 BILLION**

Project Value

**9,200**

Saleable Area

**189**

Units

**33%**

Percentage Sold



# PREMIER OFFICES

OFFICE RENTALS

↑4% YoY

**P6.3B**

OFFICE GLA

SQM

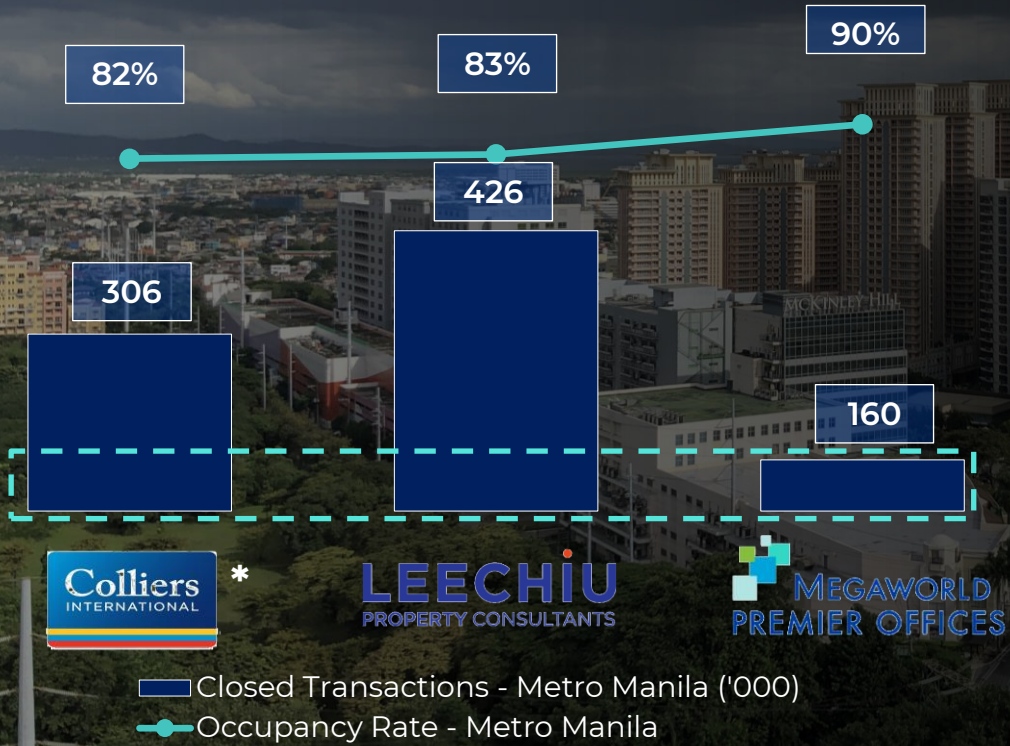
**1.4M**

OCCUPANCY RATE

vs 92% in 2022

**89%**

# NEW LEASES vs OCCUPANCY



Megaworld Premier Offices captured up to **19%** of the reported **new leases** in the market.

Total closed transactions reached **160,000 sqm**, **63%** of the transactions closed are renewals

Occupancy rate for office space in Metro Manila still above industry at **90%**

Source: 1H2023 Brokers report and disclosures  
 \*New leases only

# OFFICE PORTFOLIO



**74%**  
BPO



**18%**  
TRADITIONAL

**2.9 YRS**  
weighted average  
lease expiry



**5%**  
POGO



**3%**  
SERVICED

**97%**  
renewal  
rate



# NO. 1 UPPER EAST

The Upper East,  
Bacolod City

**8,600 sqm**

Gross Leasable Area

**67%**

Construction Update

**5%**

Pre-leasing Commitment



# INTERNATIONAL FINANCE CENTER

Uptown Bonifacio,  
Taguig City

**69,000 sqm**

Gross Leasable Area

**94%**

Construction Update

**100%**

Pre-leasing Commitment

# LIFESTYLE MALLS

**P2.5B**

**MALL RENTALS**

↑71% YoY

**484**

**MALLS GLA**

'000 SQM

**91%**

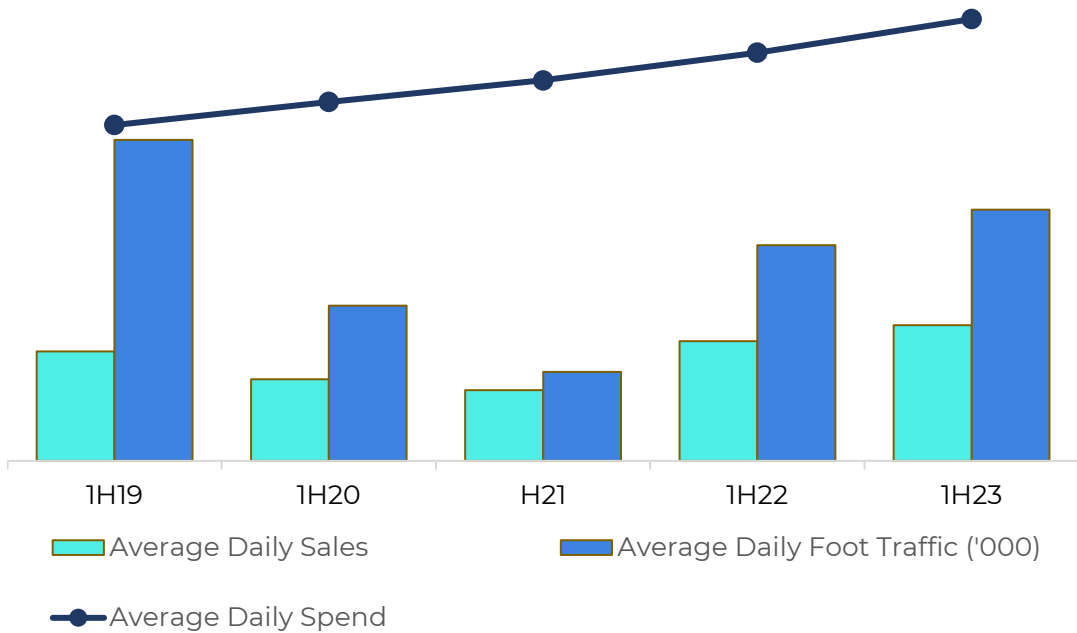
**OCCUPANCY RATE**

vs 90% in 2022

# IMPROVING RETAIL PERFORMANCE

**P540**  
AVERAGE DAILY SPEND  
( **▲4%** vs 1H2022)

**205,000**  
AVERAGE DAILY FOOT TRAFFIC  
( **▲43%** vs 1H2022)



Mall revenues improved as daily spend reach **32%** higher than 2019

100% rental collection beginning Jan 1, 2023

Total tenant sales is now **124%** of pre-pandemic



# LANDERS SUPERSTORE UPPER EAST

First-ever Landers Superstore in  
Western Visayas

Fourth branch located in  
Megaworld's Townships

This will add **25,000 sqm GLA** in  
Megaworld's retail portfolio



# REDEFINING THE MALL EXPERIENCE

## SUPERPARK PHILIPPINES

- Known as the "friendliest all-in-one indoor activity park"
- Will open its first branches in Eastwood City in October 2023 and soon in McKinley Hill





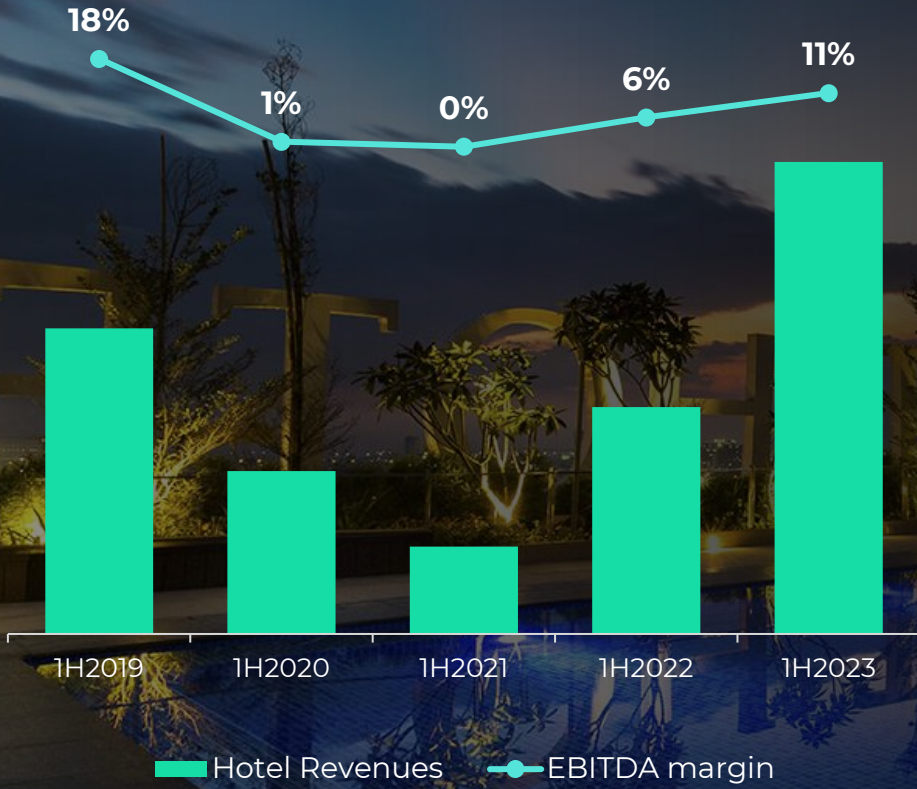
# HOTELS & RESORTS

HOTEL REVENUES | **P1.7B**  
↑58% YoY

ROOM KEYS | **4,713**

OCCUPANCY RATE | **67%**  
vs 64% in 2022 (Metro Manila)

# HOTEL PERFORMANCE



Effective pricing strategies allowed for almost doubling of average daily rates vs pre-pandemic level

Engaging in deliberate brand building efforts resulted in higher occupancy rates

The easing of restrictions and the resumption of MICE activities have also been contributing factors to the improved performance of the hotels

# THE GRAND UNVEILING OF THE COUNTRY'S LARGEST HOTEL



# THE SAMPAGUITA PROJECT



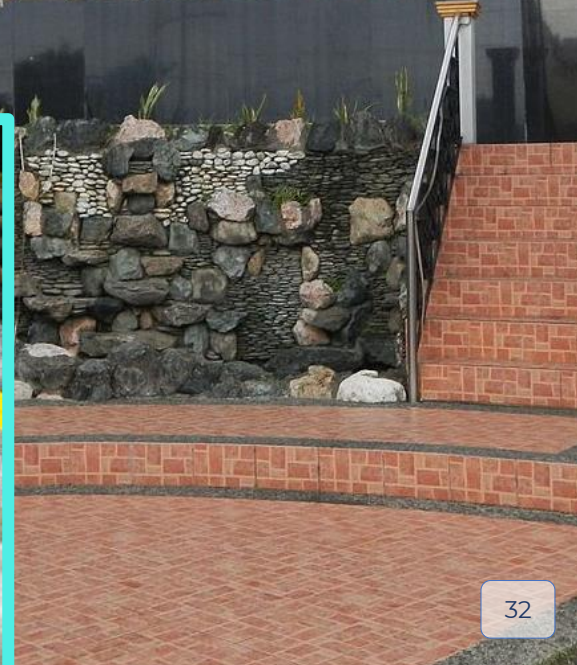
An architectural rendering of a modern building complex, likely a university or corporate campus, set against a sunset sky. The buildings are multi-story with large windows and modern architectural features. The scene is viewed from an elevated perspective, showing a road with palm trees and a body of water in the background. A large, semi-transparent blue and teal diagonal shape is overlaid on the left side of the image, containing the text.

# 2023 AND BEYOND



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TOWNSHIPS







**P55B**

CAPEX BUDGET

**P60B**

PROJECT LAUNCHES

**P130B**

RESERVATION SALES

# OFFICE PIPELINE

# 209,400

gross leasable area (sqm)

PROJECT NAME	TOWNSHIP	GLA	YR
No. 1 Upper East	The Upper East, Bacolod City	8,600	2023
International Finance Center	Uptown Bonifacio, Taguig City	69,000	2023
Enterprise 1 & 2	Iloilo Business Park, Iloilo City	66,600	2024 -2025
Pasudeco Tower	The Capital Town, Pampanga	10,800	2025
Two McWest	McKinley West, Taguig City	54,400	2026

# MALLS PIPELINE

# 184,500

gross leasable area (sqm)

PROJECT NAME	TOWNSHIP	GLA (sqm)	YR
Landers Upper East	The Upper East, Bacolod	25,000	AUG 2023
D' Olive	Eastland Heights, Antipolo City	5,400	JUL 2023
Davao Whisky Park	Davao Park District, Davao City	3,000	2023
Park McKinley West	McKinley West, Taguig City	7,000	2023
Boracay Newcoast Beachwalk	Boracay Newcoast, Aklan	31,500	2025
The Capital Mall	The Capital Town, Pampanga	32,200	2025
Maple Grove Commercial	Maple Grove, Cavite	31,700	2025
Highland Mall and Park	Highlands City, Cainta Rizal	35,000	2026
Upper East Mall	The Upper East, Bacolod City	13,700	2026

# HOTELS PIPELINE

# 3,159

room keys

PROJECT NAME	TOWNSHIP	ROOMS	YR
Chancellor Hotel Boracay	Boracay Newcoast, Aklan	554	2023
Grand Westside Hotel	Westside City, Paranaque City	1,530	2023
Belmont Hotel Iloilo	Iloilo Business Park, Iloilo City	405	2026
Kingsford Hotel Bacolod	The Upper East, Bacolod City	208	2028
Savoy Hotel Palawan	Paragua Coasttown, Palawan	462	2028
Savoy Hotel Capital Town	The Capital Town, Pampanga	374	2028



## KEY TAKEAWAYS

- **REAL ESTATE**  
Renewed demand for residential units in Metro Manila paired with provincial strength
- **OFFICES**  
Higher than industry occupancy and improving revenues
- **LIFESTYLE MALLS**  
Surge in rental income driven was by the removal of rent concessions and higher tenant sales
- **HOTELS**  
Hotel revenues continue to grow beyond pre-pandemic levels on tourist and MICE activities

## OUTLOOK

- **REAL ESTATE**  
Continued improvement of real estate revenues is expected on the back of the increase in construction activities
- **OFFICES**  
High tenant retention and continued rent escalations despite the challenges in the office segment
- **LIFESTYLE MALLS**  
Mall rent is expected to improve sequentially on the back of higher operational occupancy and full rent collection
- **HOTELS**  
Expect hotel growth to continue in line with expected improving international tourist arrivals and MICE activities



MEGAWORLD

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**FIRST HALF 2023**

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ANALYST BRIEFING

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