

DMW's 2022 Net Income Grows to ₱2.1 Billion

Paranaque City, Philippines, March 15, 2023 – D.M. Wenceslao and Associates, Inc.'s (DMW) FY2022 net income grew 3% YoY to ₱2.1 billion, driven by fresh earnings contribution of expansion projects and notwithstanding macroeconomic headwinds.

Core net income, which excludes CREATE-related tax gains and other one-off gains resulting from the termination of a JV agreement, grew at a faster pace of 13% YoY. Notably, the Company's core net income is 27% higher than its 'pre-pandemic' 2019 core net income of ₱1.7 billion.

The Company's rental revenues consisting of rentals from land, building, and other revenues including CUSA and parking fees improved 9% to ₱2.2 billion, accounting for 52% of total revenues. The growth in rental revenues was driven by increased take-up in the newly opened commercial buildings. Moreover, parking revenues increased significantly due to better mobility throughout the year.

Residential revenues rose over two-fold to ₱1.3 billion on the back of a higher number of units qualified for revenue recognition and faster construction progress. In September 2022, DMW topped off the fourth and final tower of MidPark.

DMW maintained a net cash position of ₱2.4 billion in 2022. Current ratio remained high at 1.6x.

"DMW's business philosophy emphasizes the significance of remaining mindful of risks in the pursuit of growth opportunities. We kept our leverage ratios low with peso-denominated and fixed-rate debt that kept us insulated from forex fluctuations and the rise of interest rates. We also proactively locked-in favorable pricing for majority of construction materials at the outset of our projects, safeguarding our costs from the run-up in prices," said Mr. Delfin Angelo 'Buds' Wenceslao, Chief Executive Officer.

"Beyond current risks, the long-term growth prospects of Philippine real estate remain bright. The Philippine Development Plan 2023-2028 (PDP) aims to bring the country on-track toward achieving upper middle-income status by 2025, with annual GDP growth targets of up to 8.0% until 2028. The PDP recognizes the real estate sector as a key driver of economic growth and calls for the establishment of livable communities. DMW heeds to this challenge through our continued build-out of Aseana City based on social and environmental sustainability principles. We remained all systems go on our expansion plans all through 2022 -- we signed a 1.4ha land lease contract with St. Luke's Medical Center; residential construction remained in full-swing, allowing us to top-off the final tower of MidPark; and the construction of our flagship commercial project – Parqal – remained in full throttle, reaching 89% completion rate as of December 2022," Mr. Wenceslao highlighted.



ABOUT D.M. WENCESLAO & ASSOCIATES, INCORPORATED

DMW is an integrated property developer with expertise in land reclamation, construction, and real estate development. It is the master developer and primary owner of Aseana City, a development project with a total land area of 107.5 hectares located along the coastal waters of Manila Bay. Since 1965, DMW has reclaimed more than 2.4 million square meters of land leased or developed over 300,000 square meters of land and buildings and completed over 140 construction and infrastructure projects including large, complex government developments throughout the Philippines.

For further information, visit dmwai.com or contact iro@dmwai.com