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### 3 Property Market Overview

- 7 Valuation of Assets in Aseana
- 10 Development Milestones
- 20 Operating and Financial Highlights
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## Metro Manila Office Market Update

#### Metro Manila Office Supply Forecast, 2024 and 2028F

Location	2024	end of 2028F
Makati CBD	3,398,000	3,442,000
Makati Fringe	721,000	895,000
Fort Bonifacio	2,703,000	2,839,000
Ortigas Center	2,373,000	2,440,000
Ortigas Fringe	632,000	887,000
Bay Area	1,442,000	1,585,000
Alabang	867,000	945,000
Quezon City	1,731,000	2,309,000
Others	640,000	795,000
Total Brisk Office Take U	14,508,000 p Driven by Growth ir	16,137,000 a All Sectors

#### Office Take-up per Tenant Type

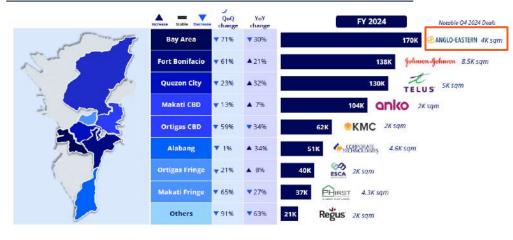


#### Manageable Additional Office Supply in Manila Bay Area

Manila Bay Area Existing Stock, Upcoming Supply

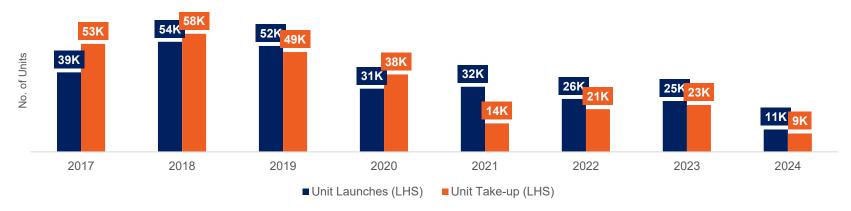


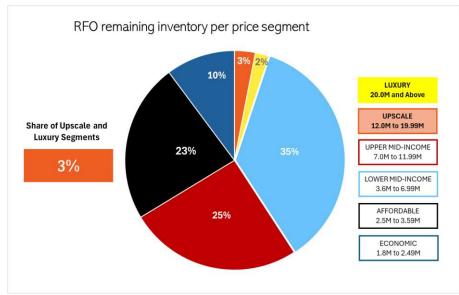
#### Metro Manila Transactions Activity



## Metro Manila Residential Market Update

#### **Metro Manila Condominium Market**





## Expansionary Monetary Policy

Date	BSP Reverse Repurchase Rate (%)
2024-12-19	5.75
2024-10-16	6.00
2024-08-15	6.25
2023-10-26	6.50
2023-03-23	6.25
2023-02-16	6.00
2022-12-15	5.50
2022-11-17	5.00
2022-09-22	4.25
2022-08-18	3.75
2022-07-14	3.25
2022-06-23	2.50
2022-05-19	2.25
2020-11-19	2.00

	2025F
BSP Policy Rate Forecast	5.00% - 5.25%



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## Updated summary of land holdings in Aseana City as of December 2024

**Land Holdings** (623,537 sq.m.) <u>for Development</u> (309,228 sq.m.)

Completed Properties (36,659 sq.m.)

**Land Leased** (183,818 sq.m.)

Land Allocated for Pipeline Projects (55,008 sq.m.)

Roads & Right of Way (33,743 sq.m.

Remaining Land Reserves (314,309 sq.m.)

Land Allocated for Future Sales (4,218 sq.m.)

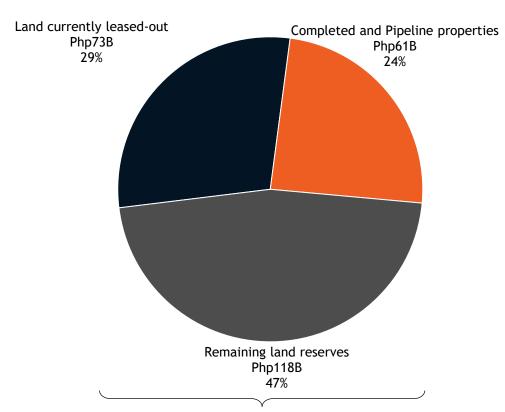
Land Allocated for Future Leases (6,960 sq.m.)

> Unallocated Land (303,131 sq.m.)



## Value of DMW's Aseana City Assets as of December 31, 2024

### Colliers / Third Party Valuation of DMW's Aseana City Assets



Total: PHP252 billion

### PHP252 Billion

Valuation of DMW's Assets in Aseana

Php1.8 Billion

**Net Cash Position** 

~Php255 Billion

DMW's Net Asset Value\*

~PHP18 Billion

**DMW's Current Market Capitalization** 

>90%

DMW's Discount to Net Asset Value

\*Net Asset Value = Value of Assets inside Aseana + Value of Assets outside Aseana + net cash

Excluding S&R Building

DMW holds a 60% shareholding interest in Bay Area Holdings, Inc. or BAHI through Fabricom, Inc.

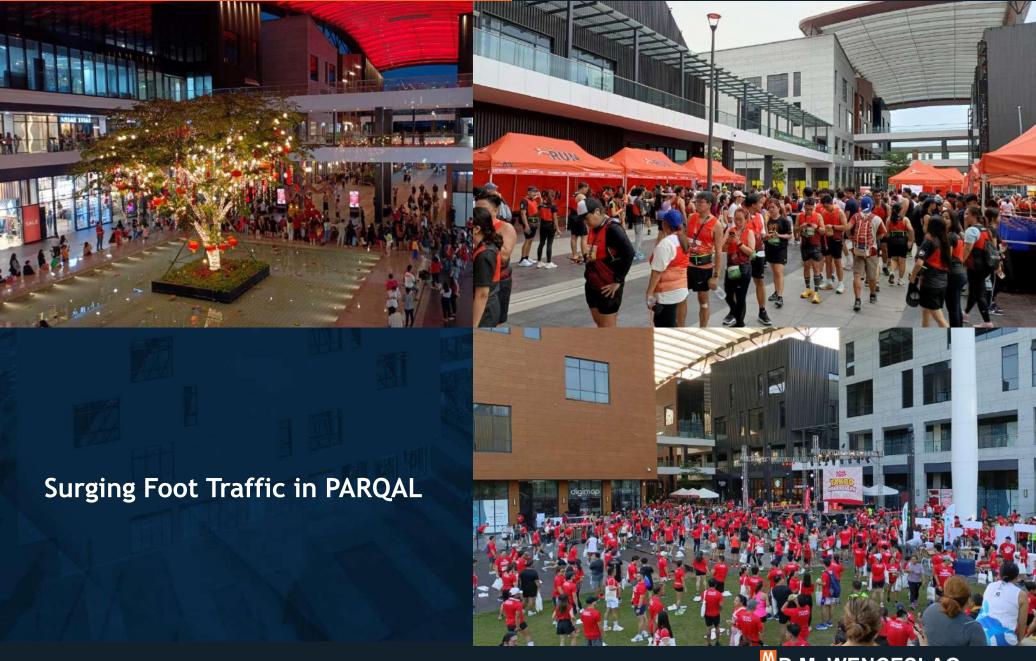
<sup>3.</sup> As is, where is basi

DMW holds 51% stake in BRDC



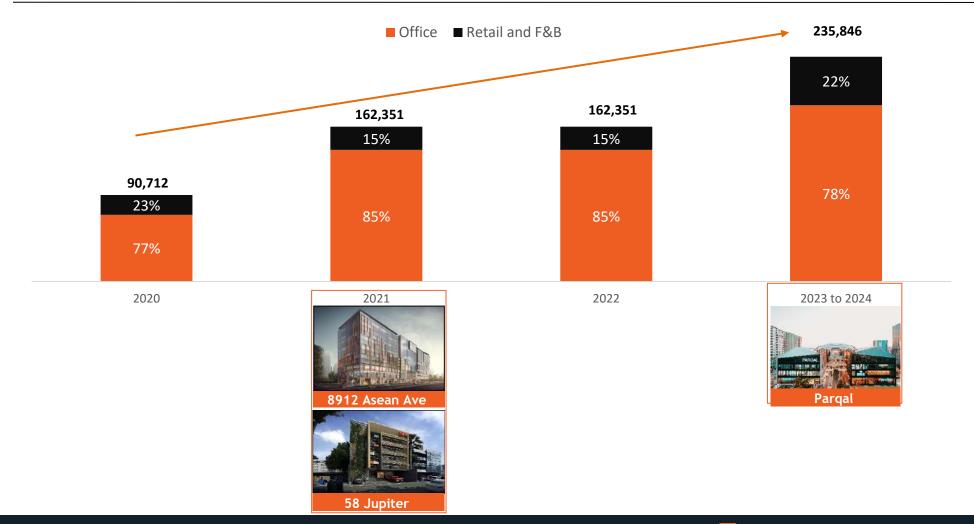
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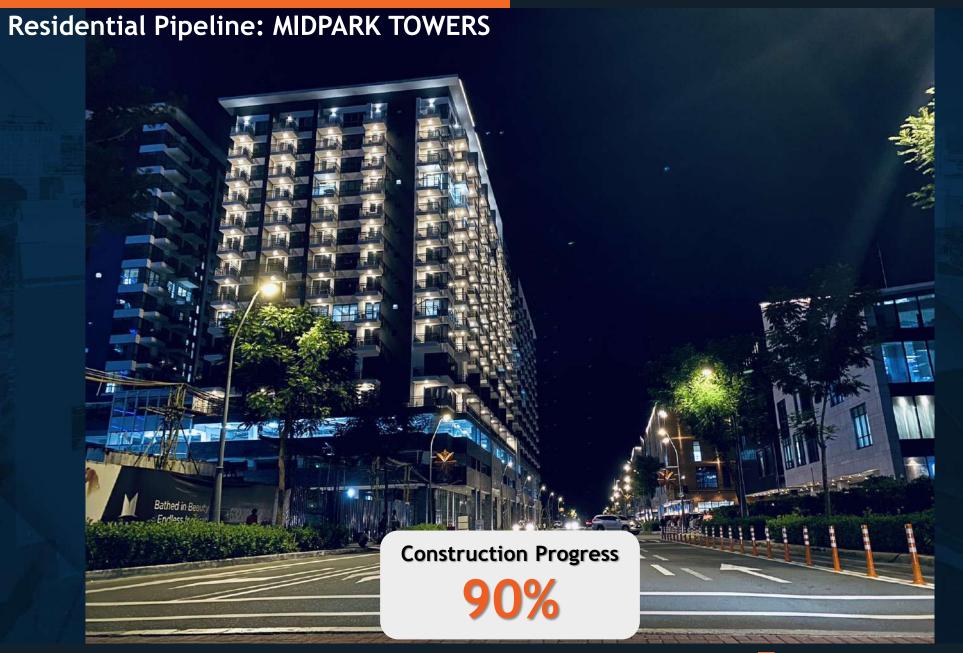




## Key Project Completions Drive Sustained Growth

### Total Building Leasable Floor Area (sq.m.)





## DMW 5-Year Development Pipeline in Aseana City





### **Commercial Leasing**

- Aseana Plaza Phase 1, office development with ~60,000sqms GLA, set to commence construction in 2025
- Aseana Plaza Phase 2, office development with ~70,000sqms GLA

### Residential

- Workpads, a 200-unit co-living development, set to commence construction in 2025
- One Parq Suites, ~30,000sqms of residential saleable floor area, set to be launched in 2025

### Healthcare

Medical Building, build to suit for St. Luke's Medical Center Aseana

### Office Bright Spot: Shipping, Manning, Logistics Sector

Global New Ship Orders				
Year	Total Volume (in CGT)	Sea-based Deployment YoY growth		
2023	49 million			
2024	66 million	34%		

- In 2024, global shipyards received new ship orders with a total volume of 65.81 million compensated gross tonnage (CGT), 34% higher year-on-year
- 2024 new ship orders is the highest annual level since 2007

### Office Bright Spot: Shipping, Manning, Logistics Sector

Year	Sea-based Deployment	Sea-based Deployment YoY growth
2021 <sup>p</sup>	345,517	59%
2022 <sup>p</sup>	385,239	11%
2023 <sup>p</sup>	578,626	50%
Jan to Oct 2024 <sup>p</sup>	519,743	N/A

- Filipino seafarers constitute 25% of the global maritime workforce
- In 2023, sea-based overseas worker deployment increased by a steep 50% to 578,626
- January to October 2024 sea-based overseas worker deployment is already at 519,743, representing 90% of the full-year 2023 figure, pointing to continued growth in 2024.

## LRT 1 Cavite Extension Phase 1 is Now Operational







## **Railway Connectivity**



Line 1 Population Reach: 8,869,711

### Metro Manila Rail Transit Map



Metro Manila Rail Population Reach: 19,460,000



### Aseana City Loop





### **NORTHBOUND ROUTE**

- PITx
- Ayala Malls Manila Bay
- 8912 Asean Ave.
- Parqal (Imao Drive)
- St. John Paull II Chapel
- Nissan (Bradco Ave.)
- Centrium Building
  (F. De Leon Drive)
- SNR Aseana
- Aseana Powerstation
- Monarch Parksuites
- SM Mall of Asia



#### **SOUTHBOUND ROUTE**

- SM Mall of Asia
- St. John Paul II Chapel
- Parqal (Abueva Drive)
  Parqal (Imao Drive)
- Nissan (Bradco Ave.)
- Ri Rance Corporate
  Center (Celerio Drive)
- Aseana 3 and 8912 Asean Ave.
- Ayala Malls Manila Bay
- PITx

### SCHEDULE:

Monday to Friday | 7:00 AM to 7:00 PM

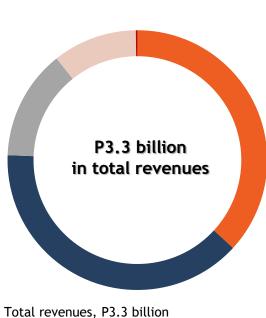




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### 2024 Core Net Income Grows 10% to ₱1.8 billion



Recurring income from rentals, 89%

Land, 37%

■ Building, 39%

■ Other rental revenues, 13%

Land sale, 0%

■ Sale of condominium units, 11%

■ Construction contracts, 0%

Sum may not equal 100% due to rounding

PHP	2024	2023	Change
Rentals			
Land	P 1,351,676,389	P 1,281,004,246	+6%
Building	1,422,676,719	982,676,920	+45%
Other revenues	502,725,825	324,602,561	+55%
	3,277,078,933	2,588,283,727	+27%
Land Sales			
Sale of condominium units	385,483,859	1,356,887,485	-72%
Construction contracts	7,110,572	153,790,324	-95%
Total Revenues	3,669,673,364	4,098,961,536	-10%
Gross profit	2,888,704,533	2,929,655,017	-1%
Operating expenses - net	242,037,441	793,799,358	-70%
Operating profit	2,646,667,092	2,135,855,659	+24%
Other income (charges)	19,940,462	5,712,860,640	-100%
Profit before tax	2,666,607,554	7,848,716,299	-66%
Tax expense (credit)	543,594,731	519,243,091	+5%
Net profit to parent	P 2,080,197,080	P 7,301,008,039	-72%
Core Profit*	P 1,844,959,580	P 1,676,194,319	+10%

## Consumption Driven Profitability Through Land Leases and Mixed-Use Assets

Revenue Breakdown	2024	% to revenues
Rentals		
Land	P 1,351,676,389	<b>37</b> %
Building & other rental	1,925,402,544	<b>52</b> %
Sale of condominium units	385,483,859	11%
Construction contracts	7,110,572	0%
Total Revenues	3,669,673,364	
	·	·









### **Gross Profit Breakdown**

2024 % to Gross Profit

### Rentals

Land	P 1,316,359,905	46%
Building & other rental	1,294,650,339	45%
Sale of condominium units	274,050,226	<b>9</b> %
Construction contracts	3,644,063	0%
Total Gross Profit	2,888,704,533	

## Landmark Manila Bay Supermarket & Foodcourt Opened 4Q2024









## In Focus: Leasing

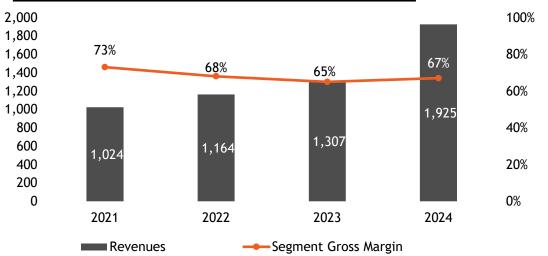
### P3.3 Billion

We pay particular attention to recurring income sources to provide us with higher earnings visibility. We primarily target traditional companies, including logistics, BPOs, and tourism-related businesses.

P1.4B P1.4B P502M

Land Building Other rental revenues

### Building leasing and other revenues related to leasing



#### Land

our lease with Ayala Land provides for a minimum guaranteed rent or, if higher, an agreed percentage of the income derived from the site

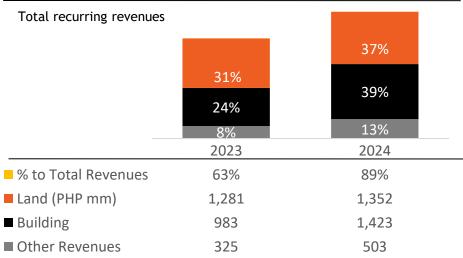
### Buildings

our lease agreements generally stipulate fixed annual escalation rates ranging from 3% to 10% for commercial space

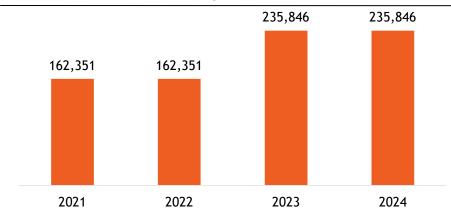
Weighted average lease expiry at 5 years as of December 2024

## Robust Leasing Activities

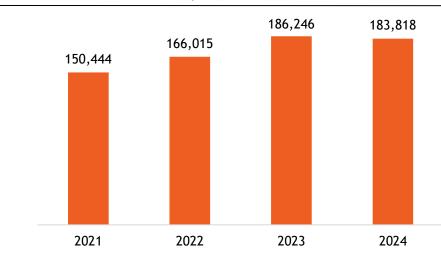
## Recurring Income Contribution<sup>(1)</sup> (%)



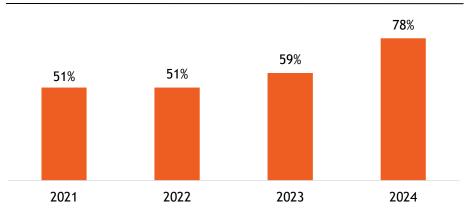
### Total Leasable Floor Area (sq.m.)



### Total Leased Land Area (sq.m.)



### Period Ending Occupancy (%)

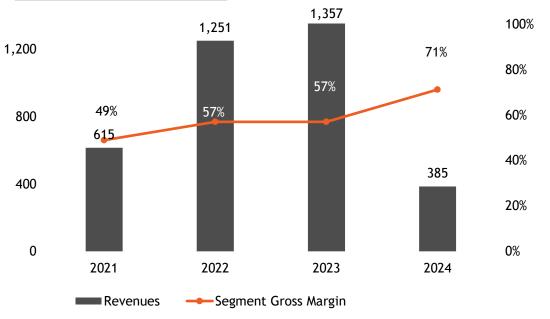


### In Focus: Residential

### P385 Million

We are complementing the speed of development in the area with residential offerings in the mid-income and upscale categories, ranging in size from 36 sq.m. to 108 sq.m.

### **Residential Gross Margin**



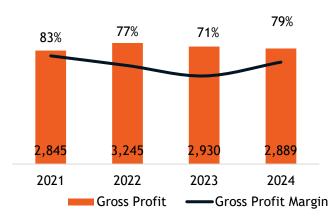
Residential sales % to total revenues		Revenue contribution		
2021	18%	Accounted for 11% of total revenues on the back of		
2022	30%	accounts that met 20% threshold for revenue		
2023	33%	recognition, percentage of completion, and ongoing pre-selling activities		
2024	11%	pre-selling activities		



MidPark Towers
All 4 towers launched
40% collection rate

## **Superior Margins**

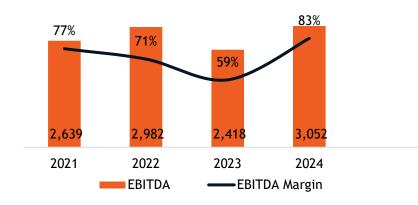
### Gross Profit (PHP mm)



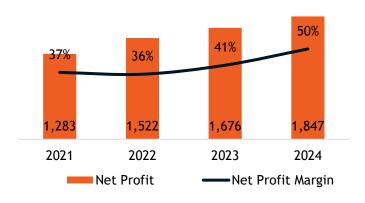
### Operating Profit (PHP mm)



### EBITDA<sup>(1)</sup> (PHP mm)



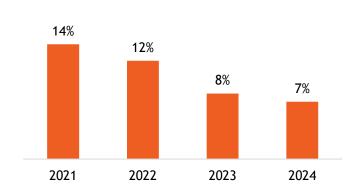
### Core Net Profit (PHP mm)

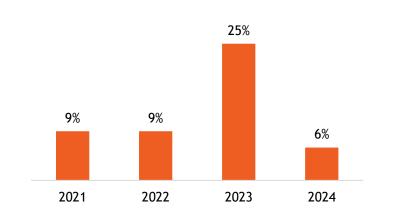


## Financial Strength Supports Growth Aspirations

Debt To Equity<sup>(1)</sup> (%)

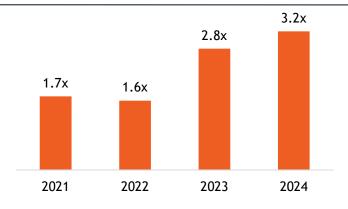


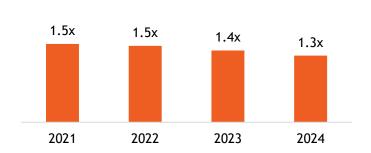




### Current Ratio(3) (x)

Asset to Equity $^{(4)}$  (x)





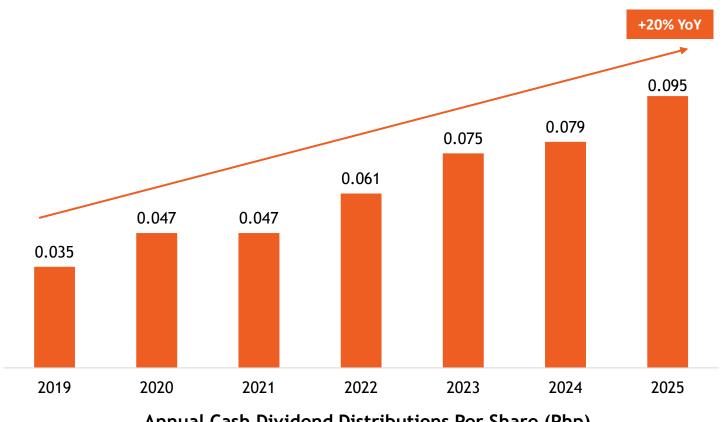
Data as of December 31 of each year

- Our debt to equity ratio is derived by dividing our total loans and borrowings by total equity. It measures the degree of our financial leverage.
- Our annualized return on equity is derived by dividing net profit by average shareholders' equity. It measures how profitable we are at generating profit from each unit of shareholder equity.





## **Continuously Increasing Dividends**



Annual Cash Dividend Distributions Per Share (Php)

## Summary and Outlook

### 2024 Summary

- Consolidated revenues reached ₱3.3 billion and core net income climbed 10% to ₱1.8 billion.
- Leasing revenues 27% to ₱3.3 billion, representing 89% of total revenues.
- Commercial building revenues rose 45% to ₱1.4 billion, reflecting a significant improvement in occupancy as DMW continues to capture a leading share of office lease agreements from the fast-growing logistics, shipping, and manning sector. Land rentals climbed 6% to ₱1.4 billion.
- Commercial Building Occupancy Rate notably improved to 78%.
- Residential revenues stood at ₱385 million as MidPark nears completion.

### 2025 Outlook

- Robust Tenant Demand: Continued strong tenant interest across our portfolio— particularly from logistics locators—is expected to further enhance office occupancy rates.
- Rising Tenant Sales: Rising tenant sales will drive increased variable rent collections, augmenting overall lease earnings.
- MidPark Towers Completion: MidPark Towers is on schedule for full completion and turnover in 2025.
- Development Pipeline Initiation: DMW will commence construction on several projects in its five-year development pipeline.



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## D.M. Wenceslao's Five Pillars of Sustainability

### **Quality of Life**

- Customer Health and Safety
- Customer
   Satisfaction
- Pedestrian Mobility and Transportation
- Access to Needed Facilities and Infrastructure
- Disaster Risk Resilience
- Innovation



## Environmental Stewardship

- Environmental Compliance
- Energy Efficiency
- Water
   Conservation
- GHG Emissions
- Waste
   Management and
   Recycling



### Good Governance and Ethical Business Practice

- Business Conduct and Ethics (Corruption, Bribery, Data Privacy, Fair-Dealing)
- Risk Management



## People-Centric Labor Practices

- Human Rights (Child Labor, Forced Labor, Discrimination, Harassment)
- Employee Well-Being
- Employee Retention
- Human Capital
  Development
- Occupational Health and Safety



## Economic Development

- Economic Value Generated
- Employment Generated
- Local Purchases



## **S&P Global** Corporate Sustainability Assessment

Corporate Sustainability Assessment Scorecard

D.M. Wenceslao & Associates, Incorporated

**REA Real Estate** 

# 91st Percentile Rank or Top 9%

Among a global universe of S&P-assessed real estate companies as of Jan 2025



INSIDERPH.COM

D.M. Wenceslao ranks among top performers in S&P Global Sustainability Assessment



D.M. Wenceslao & Associates, Inc. (DMW) announced its inclusion in the ATRAM Philippine Sustainable Development and G Fund (ATRAM SDG Fund) for the year 2025. This marks the third consecutive year that DMW has been part of the ATRAM SDG since 2023, reflecting consistent recognition of the company's sustainability practices.



CONTEXT.PH

D.M. Wenceslao ranks in top 9% globally for sustainability → Context.ph



BWORLDONLINE,COM

D.M. Wenceslao earns spot in ATRAM SDG Fund for 2025 - BusinessWorld Online

### **Notable New ESG Initiatives**





Great Place To Work®

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NOV 2024-NOV 2025

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## DMW Enterprise Risk Manual 2024 Update

Top Risk	Management Action Plans	Audit Action Plan	Assurance Providers
Geopolitical and Trade Conflict Risks	<ul> <li>Policy/Process</li> <li>Diversification - broadening tenant base across various sectors and nationalities</li> <li>Maintained flexibility - project launches or expansion plans can be recalibrated based on developments</li> </ul>	<ul> <li>Regular reviews on external risk dashboard that includes macroeconomic and geopolitical risk indicators'</li> </ul>	Finance Department
	<ul><li>Technology</li><li>Economic data terminals</li><li>Forecasting tools</li><li>Financial risk management software</li></ul>		

## DMW Enterprise Risk Manual 2024 Update

Top Risk	Management Action Plans		Audit Action Plan	Assurance Providers
Negative impact of AI/Automation on office demand	<ul> <li>Policy/Process</li> <li>Tenant engagement and product innovation - close dialogue with tenants to understand how their space needs are evolving with AI adoption</li> <li>Diversification – broadening tenant base, particularly to industries that are less susceptible to automation</li> <li>Curating an ecosystem of estate locators conducive to innovation</li> </ul>	•	Regular monitoring of occupancy and renewal patterns of tenant groups	Senior Management Finance Department Investor Relations Team Risk Management Team Leasing Team
	Technology  • Smart building infrastructure  • Trend analytics software			

## DMW Enterprise Risk Manual 2024 Update

Top Risk	Management Action Plans	Audit Action Plan	Assurance Providers
Work-from-home trend reducing demand for traditional office space  Preference for remote work reducing demand for traditional office spaces.	<ul> <li>Enrich tenant experience through integrated amenities and design innovations that promote well-being and productivity</li> <li>Design spaces that seamlessly blend public and private areas to provide a more dynamic and flexible environment</li> <li>Create a holistic environment where one can work, socialize, and relax within the same vicinity</li> <li>Leverage live-work-play community</li> </ul>	<ul> <li>Monitoring of occupancy rates and leasing trends</li> <li>Assessment of market demand for 'experiential' offerings</li> <li>Review of tenant feedback</li> </ul>	Property Management
	<ul> <li>Technology</li> <li>Health and wellness technology</li> <li>Aseana City Showcase App</li> <li>3D masterplan and walkthrough of Aseana City</li> </ul>		



## Appendix: Consolidated Statements of Profit or Loss

PHP	2024	2023	Change
Rentals			
Land	P 1,351,676,389	P 1,281,004,246	+6%
Building	1,422,676,719	982,676,920	+45%
Other revenues	502,725,825	324,602,561	+55%
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Net profit to parent	P 2,080,197,080	P 7,301,008,039	-72%
Core Profit*	P 1,844,959,580	P 1,676,194,319	+10%

## Appendix: Consolidated Statements of Financial Position

PHP	2024	2023
Current Assets	25,568,290,815	25,236,609,946
Non-current Assets	28,172,697,157	27,114,537,736
Total Assets	53,740,987,972	52,351,147,682
Current Liabilities	7,882,670,017	8,295,640,614
Non-current Liabilities	5,476,566,994	5,365,311,224
Total Liabilities	13,359,237,011	13,660,951,838
Total Equity	40,381,750,961	38,690,195,844
Total Liabilities and Equity	53,740,987,972	52,351,147,682
Capital Structure		
Short-term debt	260,666,667	325,000,000
Long-term debt	2,604,166,667	2,739,833,333
Total bank debts	2,864,833,334	3,064,833,333
Less: Cash and cash equivalents and short-term placements	4,631,655,073	4,855,269,205
Net debt/ (net cash)	(1,766,821,739)	(1,790,435,872)