

FILINVEST

LAND, INCORPORATED

FY2020 Analysts Briefing

March 31, 2021



FY2020 Key Messages

- 4Q20 Real estate revenues increased 50% vs 3Q20
- Office Rentals grew 8% in FY2020.
- 4Q20 Retail rentals grew 55% vs. 3Q20
- Full year Total Revenues are down resulting from delayed completion of residential projects, rental waivers and deferred customer collections resulting from the quarantine period and Bayanihan1.
- CAPEX is reduced as new launches are pushed back to 2021 with more emphasis on selling existing inventory and RFOs. Investment property CAPEX limited to projects already under construction.

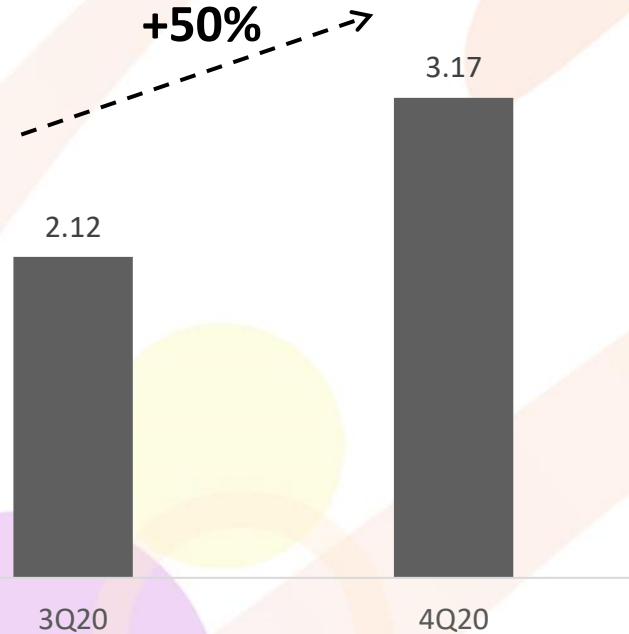
4Q 2020 Real Estate Revenues

- Significant recovery in 4Q20 compared to 3Q20

4Q20 vs 3Q20

(Php B)

+50%

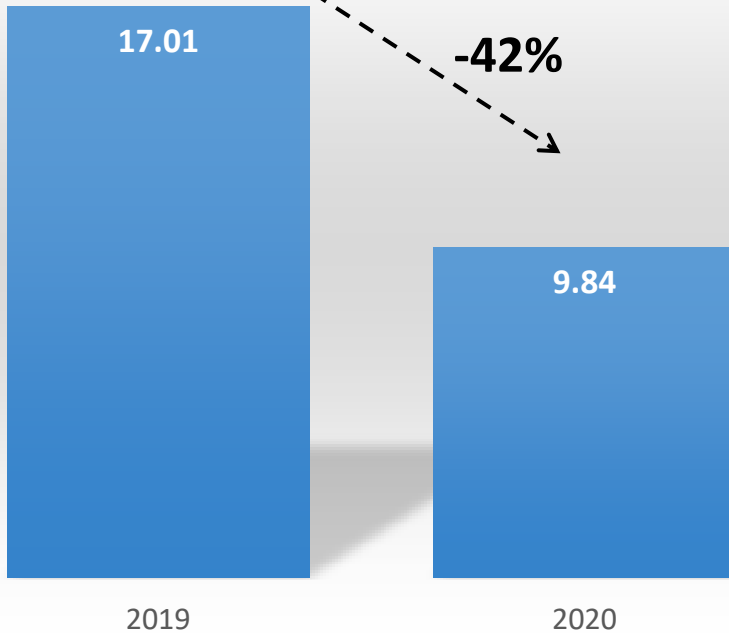


3Q20 vs 2Q20: +45%

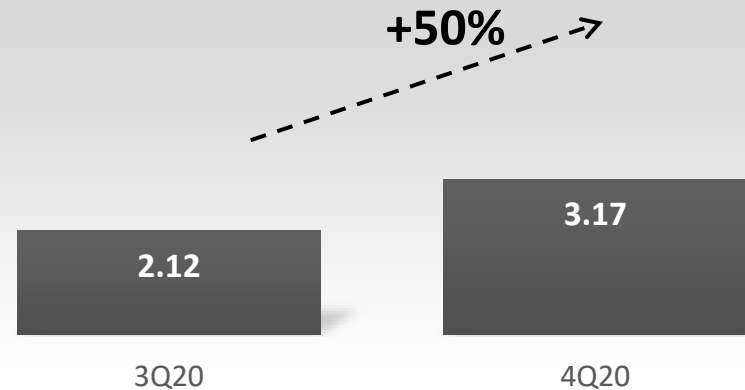
FY 2020 Real Estate Revenues

- 2020 real estate revenues reduced by the Bayanihan1 deferment of customer payments and construction restrictions during the quarantine period.

FY20 vs FY19
(Php B)



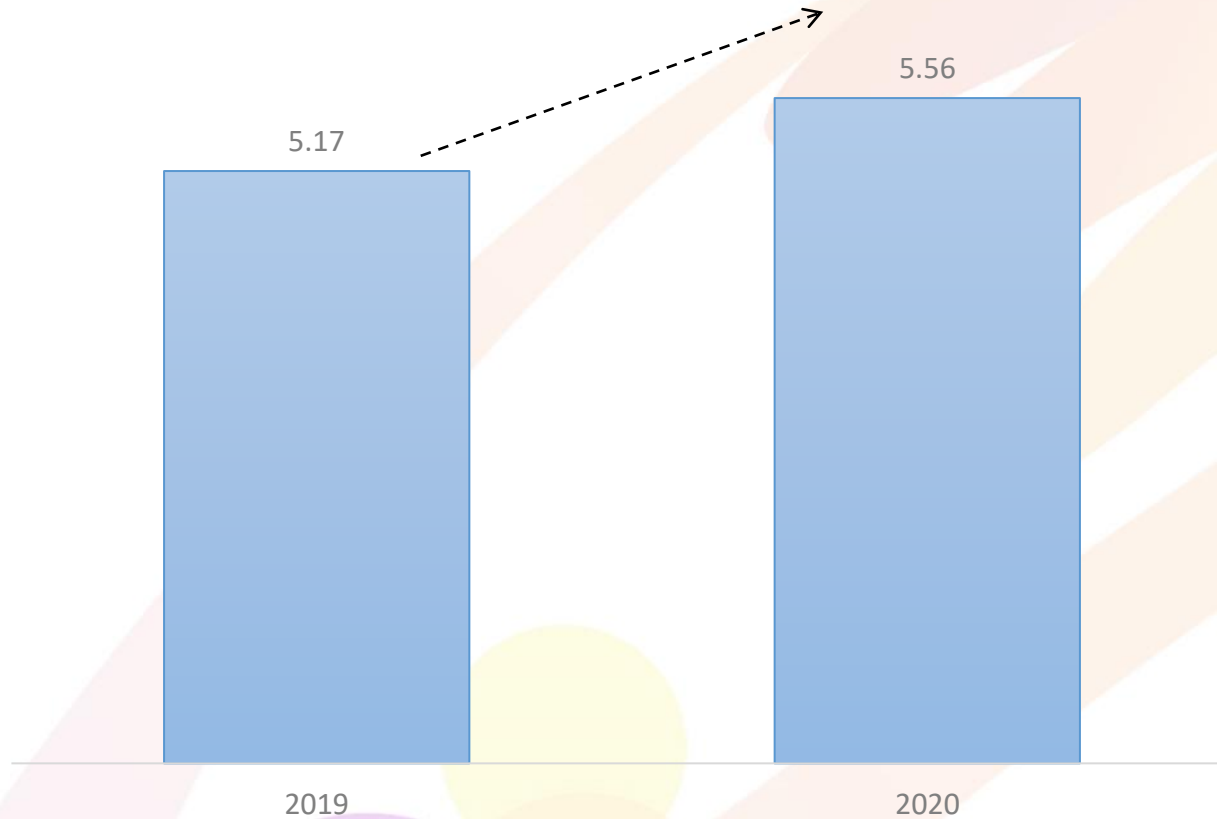
4Q20 vs 3Q20
(Php B)



FY2020 Office Rental Revenues

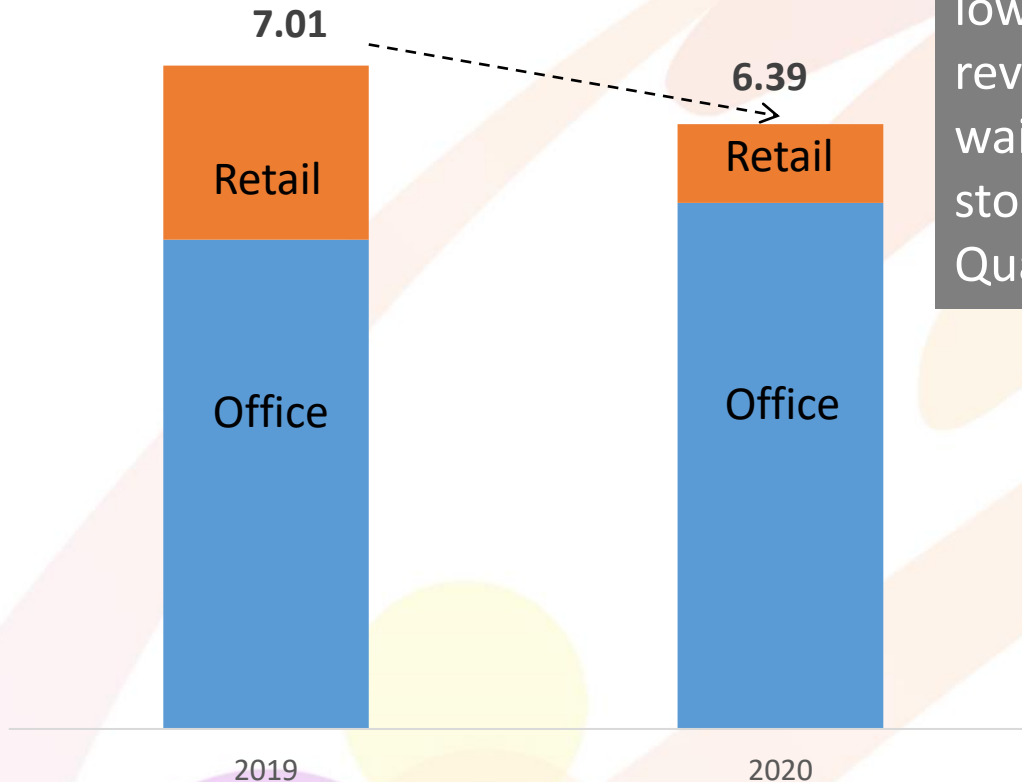
(Php B)

+8%



FY 2020 Rental Services Revenues

(Php B)
-9%

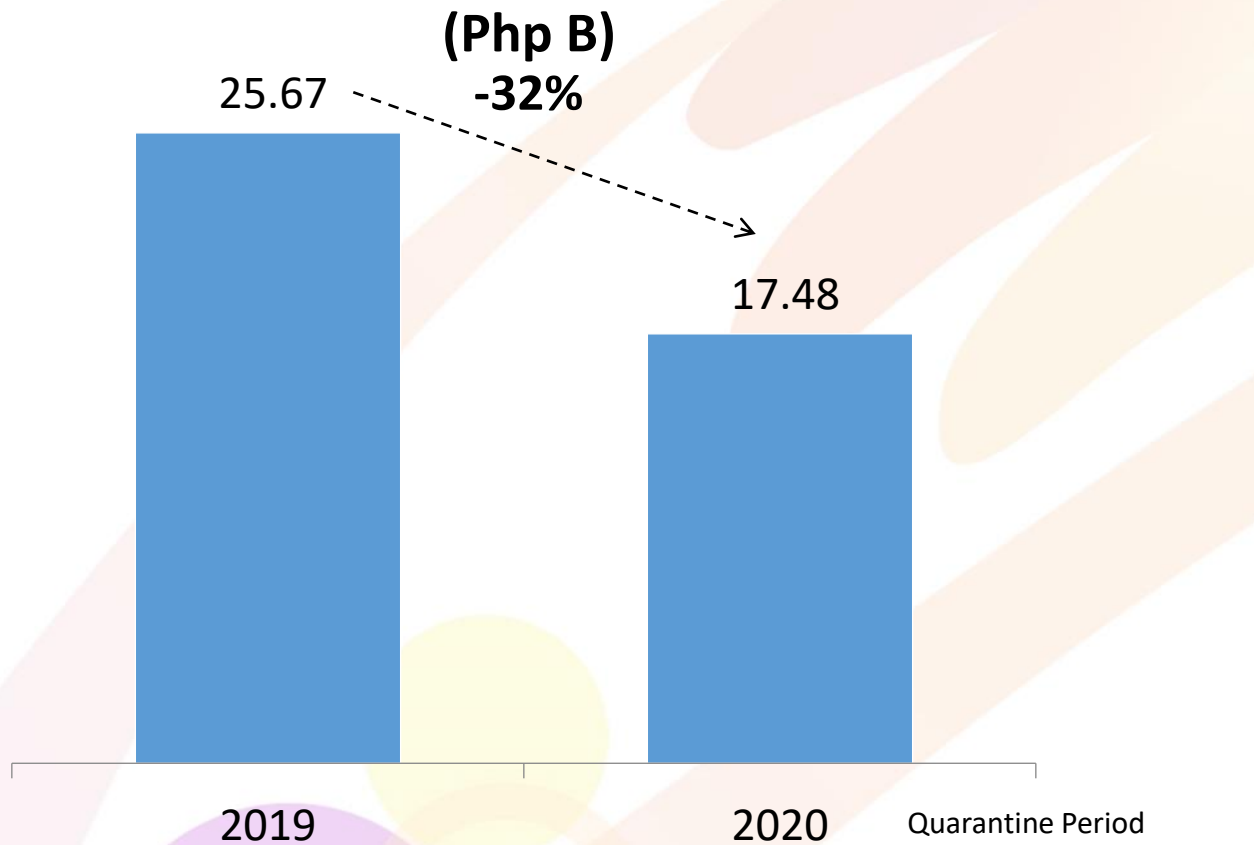


8% growth in office leasing tipped by lower retail mall revenues due to rent waiver for closed stores during the Quarantine period.

(in Php M)	2019	2020
Offices	5.17	5.56
Retail	1.84	0.83

Quarantine Period
 ECQ : March 16 to May 17
 MECQ : May 18 to May 31
 GCQ : June – July
 MECQ: August
 GCQ: September

FY2020 Total Revenues



Quarantine Period
ECQ : March 16 to May 17
MECQ : May 18 to May 31
GCQ : June – July
MECQ: August
GCQ: September

FY 2020 Net income declined 39%

Php M	2019	2020
Revenues	25,673	17,485
Real estate	17,013	9,837
Rental revenues	7,009	6,386
Interest and other income	1,250	745
Equity in net earnings	401	516
Costs	10,982	6,595
Cost of real estate sales	9,854	5,587
Cost of rental services	1,128	1,008
Operating Expenses	6,417	6,511
General and administrative	2,475	2,244
Selling and marketing	1,449	1,078
Interest expense and financing charges	2,493	3,189
Income before income tax	8,274	4,379
Provision for income tax	1,755	420
Net Income	6,520	3,958
Net income att. to equity holders of parent	6,283	3,733

- 32% drop in total revenues partially offset by 42% decline in direct costs.

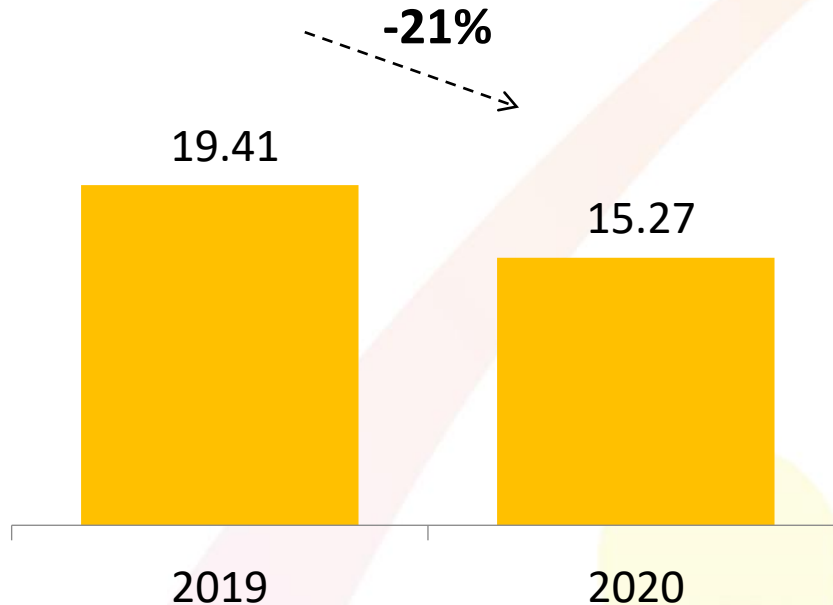
Stable Margins

	2019	2020
GPM of real estate sales	42.1%	43.2%
GPM of rental services	83.9%	84.2%
% of G&A to Revenues	9.6%	12.8%
% of S&M to Revenues	5.6%	6.2%
Tax rate	21.2%	9.6%
Net income margin	25.4%	22.6%

- Improved GPM of rental services due to higher office leasing share vs. retail.
- Higher GPM in real estate sales due to increased contribution of House & Lots and MRBs.
- Higher % of G&A to revenues due to decline in revenues generated in 2020 .

FY 2020 Option Sales take-up

Php Billion



Decline in sales take-up due to:

- Taal volcano eruption
- COVID19 pandemic

Breakdown of Sales Take Up	2019	2020
Socialized	1%	1%
Affordable/Middle Income	94%	93%
High-End / Others	5%	6%

	2019	2020
OFW Share of Sales Take Up	31%	20%

FY 2020 Php 3.7B worth of New Launches

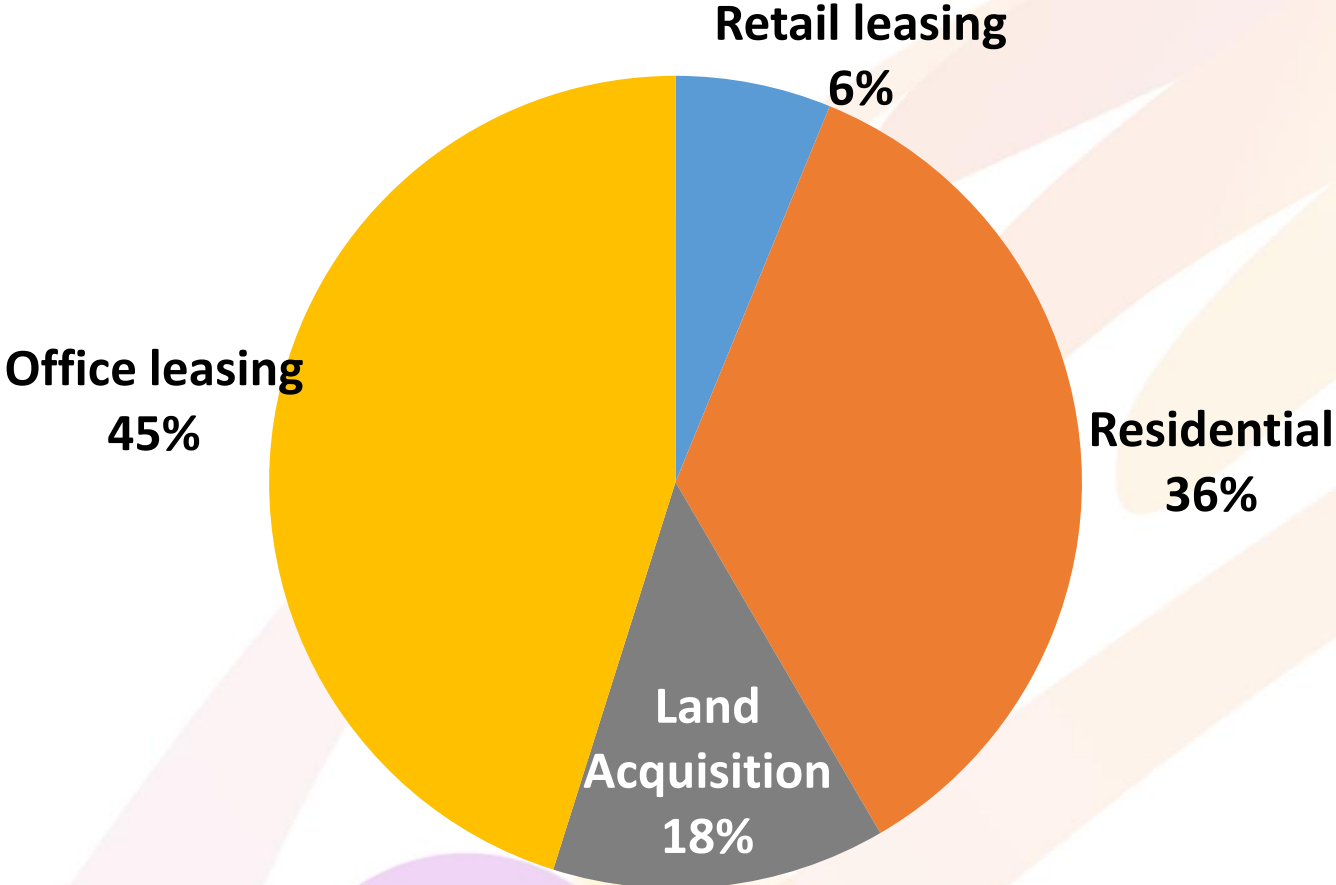
Project	Type	Location	Est. Sales Value (Php M)
Tropics 4 Phase 1	Horizontal	Rizal	260
Futura Vinta	MRB	Zamboanga	785
Studio N (Block 50)	HRB	Alabang	1,031
Sorrento Bldg. P	MRB	Pasig	1,579
TOTAL			3,655

Strong and Stable Financial Position

	Dec. 31, 2019 (Php M)	Dec. 31, 2020 (Php M)	Change (%)
Total Assets	173,696	181,005	+4%
Total Borrowings	63,413	69,769	+10%
Net Debt	58,639	63,075	+8%
Stockholders' Equity	72,164	74,379	+3%
D/E Ratio	0.88x	0.94x	
Net D/E Ratio	0.81x	0.85x	

- 97% fixed rate and 3% floating
- 100% peso debt
- Overall cost of debt is 5.04%
- Retail bonds is 42% of total FLI debt.

CAPEX spent for 2020: Php 11.3 B



Land Acquisition: mostly remaining payables of past acquisitions

Filinvest REIT



- 17 Buildings: 16 buildings in Northgate Cyberzone in Filinvest City and 1 building in Cebu Cyberzone
- Land lease term of Northgate properties at 75 years.
- Total GLA of 301,362 square meters

Filinvest REIT



- Secondary Offer of up to 1,634,187,850 shares or 33.4%
- With an over-allotment option of up to 163,418,785 shares or 10% of firm offer
- Total maximum float of 36.74%
- Offer price of up to P8.30

Key Takeaways

- More emphasis on office development provided a cushion to the adverse effects of the COVID19 pandemic.
- REIT will accelerate growth in the Company's recurring income business, will unlock the value of the Company's assets and reduce dependence on leverage for growth in investment assets
- Significant recovery in the residential business in 4Q20 vs 3Q20 as the country transitioned to GCQ.
- Focus on the underserved core affordable, middle-income and end-user markets projected to have a faster recovery after the COVID-19 crisis.
- Geographically diverse projects likely to benefit from BBB of transportation and road infrastructure projects.
- Positioned to benefit from the shift to e-commerce through its Logistics/Innovation Park in New Clark City.