COVER SHEET

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SEC Registration Number

D M C I   H O L D I N G S , I N C .

(Company's Full Name)

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C H I N O   R O C E S   A V E . M A K A T I   C I T Y

(Business Address: No., Street City / Town / Province)

HERBERT M. CONSUNJI	8888-3000
Contact Person	Company Telephone Number

1 2	3 1	**SEC 17-C**	0 5	2 1
Month	Day	FORM TYPE	Month	Day
Fiscal Year			Annual Meeting	

N.A.

Secondary License Type, If Applicable

C F D

Dept Requiring this Doc

Amended Articles Number / Section

Total Amount of Borrowings

Total No. of Stockholders	Domestic	Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier

STAMPS

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17.2(c) THEREUNDER

1. March 5, 2024
   Date of Report (Date of earliest event reported)

2. SEC Identification Number ASO95-002283 3. BIR Tax Identification No. 004-703-376

4. DMCI Holdings, Inc.
   Exact name of issuer as specified in its charter

5. Philippines
   Province, country or other jurisdiction of incorporation

6. (SEC Use Only)
   Industry Classification Code:

7. 3/F Dacon Building, 2281 Don Chino Roces Avenue, Makati City 1231
   Address of principal office Postal Code

8. (632) 8888-3000
   Issuer's telephone number, including area code

9. Not applicable
   Former name or former address, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	No. of Shares Outstanding	Amount
Common Shares	13,277,470,000	Php13,277,470,000.00
Preferred Shares	960	960.00
TOTAL	13,277,470,960	Php13,277,470,960.00

11. Indicate the item numbers reported herein: Item 9

Item 9. Other Matters

This is to inform the investing public that at the meeting of the Board of Directors held today, March 5, 2024, the Board approved the following:

1. Consolidated Audited Financial Statements for the period December 31, 2023.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF CONSOLIDATED OPERATIONS AND CONSOLIDATED FINANCIAL CONDITION AS OF AND FOR THE PERIODS ENDED DECEMBER 31, 2023 AND 2022

December 31, 2023 (Audited) vs December 31, 2022 (Audited)

I. RESULTS OF OPERATIONS

The table below summarizes the performance of DMCI Holdings, Inc. (PSE: DMC), its subsidiaries and associate, also collectively referred to as "the DMCI Group", for the periods ended December 31, 2023 and 2022.

- D.M. Consunji, Inc. (DMCI), a wholly-owned subsidiary, is one of the leading engineering-based integrated construction firms in the country. It operates in two construction segments: building and infrastructure. It also has separate business units for joint ventures and project support (i.e., concrete production, steel fabrication and equipment rental).

- DMCI Project Developers, Inc. (DMCI Homes), a wholly-owned subsidiary, is one of the leading mid-segment developers in the Philippines, offering best-in-class amenities and value-for-money properties in Metro Manila and other key urban areas. The company has also started to expand its portfolio into leisure and the high-end market.

- Semirara Mining and Power Corporation (SMPC), a majority-owned subsidiary (56.65%), is the largest and most modern coal producer in the Philippines. It is the only vertically integrated power generation company in the country that runs on its own fuel (coal). Its two wholly-owned operating subsidiaries—Sem-Calaca Power Corporation (SCPC) and Southwest Luzon Power Generation Corporation (SLPGC)—provide baseload power to the national grid through bilateral contract quantity (BCQ) and the Wholesale Electricity Spot Market (WESM).

- DMCI Power Corporation (DMCI Power), a wholly-owned subsidiary, is the largest off-grid energy supplier in the Philippines. It currently operates and maintains thermal, bunker and diesel power plants in parts of Masbate, Oriental Mindoro and Palawan.

- DMCI Mining Corporation (DMCI Mining), a wholly owned subsidiary, extracts nickel ore through surface mining and ships these directly to China and other markets. Currently a single-mine operator, it has nickel assets in Palawan (Berong Nickel Corporation) and Zambales (Zambales Diversified Metals Corporation).

- Maynilad Holdings Corporation, a 27%-owned associate, owns 93% of Maynilad Water Services, Inc. (Maynilad). The largest private water service provider in the Philippines, Maynilad holds a 25-year franchise to establish, operate and maintain the waterworks system and sewerage and sanitation services in the West Zone service area of Metro Manila and the Province of Cavite.

CONSOLIDATED NET INCOME AFTER NON-CONTROLLING INTERESTS

in Php millions	**October to December (Q4)**			**January to December (FY)**		
except EPS	**2023**	**2022**	**Change**	**2023**	**2022**	**Change**
I. SMPC (56.65%)	2,976	2,281	30%	15,780	22,661	-30%
II. DMCI Homes	712	616	16%	4,569	4,469	2%
III. Maynilad (25%)	412	359	15%	2,090	1,467	42%
IV. DMCI Power	327	193	69%	959	742	29%
V. D.M. Consunji Inc.	114	(89)	228%	573	587	-2%
VI. DMCI Mining	86	198	-57%	655	1,285	-49%
VII. Parent and others	4	(1)	500%	51	(28)	281%
Core Net Income	**4,631**	**3,557**	**30%**	**24,677**	**31,183**	**-21%**
Nonrecurring Items	73	(95)	177%	46	(93)	149%
Reported Net Income	**4,704**	**3,462**	**36%**	**24,722**	**31,090**	**-20%**
EPS (reported)	**0.35**	**0.26**	**36%**	**1.86**	**2.34**	**-20%**

Q4 2023 vs Q4 2022 Consolidated Highlights

- The DMCI Group reported a net income of Php 4.70 billion, a 36-percent improvement from Php 3.46 billion, buoyed by stronger performances across its integrated energy, real estate, water, off-grid energy, and construction businesses. Consequently, earnings per share rose from Php 0.26 to Php 0.35.

  The group's fourth-quarter earnings nearly topped its historical high, falling just 4% short of the Php 4.92 billion record set in 2021.

  Excluding nonrecurring items, core earnings climbed by 30% to Php 4.63 billion from Php 3.56 billion.

  Quarter-over-quarter, consolidated net income rose by 15% from Php 4.09 billion (Q3 2023), marking a nearly fourfold increase (284%) from its pre-pandemic level of Php 1.22 billion (Q4 2019).

- Core EBITDA grew by a modest 4% from Php 8.38 billion to Php 8.70 billion, while margin was nearly unchanged from 30% to 29% due to higher revenues and government share, coupled with slower growth in cost of sales (COS) and operating expenses (opex).

  Total revenues jumped by 8% from Php 28.30 billion to Php 30.43 billion, primarily due to increased coal sales.

Total cash costs expanded by 9% from Php 19.92 billion to Php 21.73 billion, as government share swelled by 46% from Php 2.27 billion to Php 3.32 billion. Excluding government share, cash costs grew at a much slower pace (4%) from Php 17.64 billion to Php 18.41 billion on higher commodity and power sales and flattish operating expenses.

- EBITDA margin expanded from 29% to 32%, while net income margin also widened from 18% to 23%.

  Equity in net earnings increased by 19% from Php 360 million to Php 427 million, due in large part to the improved results of Maynilad.

- Other income/expense recovered to Php 478 million (income) from a Php 404 million expense last year, owing to increased fly ash sales from improved generation at SCPC, gas turbine storage fees amounting to Php 137 million at SLPGC, and Php 210 million from forfeiture and rental income at DMCI Homes. Last year, SMPC reported net foreign exchange losses of Php 658 million due to the Philippine peso appreciating against the US dollar.

- Depreciation and amortization escalated by 41% from Php 1.58 billion to Php 2.24 billion. This increase was driven by several factors: higher coal and nickel shipments, which required the recognition of the noncash portion of production costs and the amortization of assets relative to available reserves; the acquisition of new mining equipment for both coal and nickel operations; and the accelerated amortization of stripping assets at the SMPC Molave.

  Molave mine was closed one year ahead of schedule, as increased mudflow from the adjacent area made mining operations in Molave uneconomic. As a result, the remaining assets valued at Php 247 million were expensed in the last quarter.

- Finance income (net of finance costs) expanded four-fold (379%) from Php 59 million to Php 282 million, mainly attributable to elevated interest rates, efficient cash management (SMPC), higher interests from in-house financing (DMC Homes) and continuous debt amortization (DMCI, SMPC and DMCI Power).

Income taxes plunged by 63% from Php 1.65 billion to Php 614 million on high base effect due to the 2020 income tax expense accrual made last year in relation to the approval of the adjustment of Molave mine's Income Tax Holiday availment period.

- 2023 nonrecurring items include a gain from the sale of land by DMCI Homes (Php 106 million) and a loss based on the final selling price of SLPGC's two 25MW gas turbines (Php 33 million). 2022 nonrecurring items pertain to asset write-down of SLPGC gas turbines (Php 88 million), coupled with Maynilad donations and net foreign exchange gain (Php 7 million).

- SMPC, DMCI Homes and Maynilad accounted for 88% of core net income.

FY 2023 vs FY 2022 Consolidated Highlights

- Reported net income fell by 20% from Php 31.09 billion to Php 24.72 billion, largely because of high base effect resulting from last year's soaring commodity prices. Lower contributions from the coal, nickel and construction subsidiaries more than offset gains in the power (on and off-grid), water and real estate businesses.

Earnings per share declined from Php 2.34 to Php 1.86, while return on equity reached 23.4%, the highest among DMC's listed conglomerate peers in the Philippines.

Despite the notable decline in earnings, the group's performance secured the second-highest spot on record, soaring 134% above its pre-pandemic net income of Php 10.53 billion.

- Core EBITDA declined by 23% from Php 56.71 billion to Php 43.59 billion, as margin narrowed from 43% to 40% because of lower topline and higher cash costs, cushioned by lower government share.

  Total revenues dropped by 14% from Php 142.60 billion to Php 122.83 billion, largely on normalizing prices (commodities and electricity), lower construction accomplishments and higher revenue reversals from cancelled real estate sales. These effects were partially offset by an increase in commodity shipments, higher electricity dispatch and the addition of new real estate accounts eligible for recognition.

  Total cash costs retreated by 8% to Php 79.24 billion from Php 85.89 billion, primarily due to a 33-percent reduction in government share from Php 15.96 billion to Php 10.68 billion.

  Cash costs (COS and opex) was relatively flat at Php 68.56 billion, a 2-percent decrease from Php 69.23 billion. The slight reduction was due to the combined impact of lower construction accomplishments, higher direct costs due to record volumes of commodity and power sales, and increased expenses in plant maintenance, insurance, real estate marketing, personnel and taxes.

- Including net earnings from equity stake and other income, EBITDA declined by 20% from Php 61.13 billion to Php 48.76 billion. Equity in net earnings surged by 42% from Php 1.51 billion to Php 2.14 billion, buoyed by a stronger contribution from Maynilad.

- Other income grew by 4% from Php 2.91 billion to Php 3.02 billion on higher income from real estate forfeitures and rental, coupled with the sale of fly ash.

- Depreciation and amortization rose by 12% from Php 7.68 billion to Php 8.63 billion mainly due to higher commodity shipments, new mining equipment and accelerated amortization of Molave mine.

- Net finance income soared to Php 1.03 billion, a marked turnaround from last year's net finance cost of Php 252 million. This improvement was primarily driven by higher interest rates, ongoing loan amortization and increased income from in-house real estate financing.

- 2023 nonrecurring items relate to DMCI Homes' gain from sale of land to its joint-venture company (Php 106 million), share in loss from the final sale price of SLPGC's two 25MW gas turbines (Php 32 million) and Maynilad's donations and net foreign exchange gain (Php 28 million).

- 2022 nonrecurring items pertain to DMCI's gain from land and equipment sale (Php 43 million), asset write-down of SLPGC gas turbines (Php 88 million) and Maynilad severance pay, loan prepayment fees, donations and net foreign exchange loss (Php 47 million).

- SMPC, DMCI Homes and Maynilad accounted for 91% of core net income.

- Cash and cash equivalents increased by 13% to Php 32.16 billion from Php 28.41 billion (as of December 31, 2022), bolstered by SMPC's prudent cash management, DMCI's collection of construction retention receivables, and new loan availments by DMCI Homes.

- Debt receded by 6% to Php 49.47 billion from Php 52.56 billion, attributed to regular loan repayments by DMCI, SMPC and DMCI Power. As a result, net debt (loans payable less cash) plunged by 28% from Php 24.15 billion to Php 17.31 billion. In turn, net debt-to-equity ratio went down from 18% to 13%.

- Key liquidity, leverage and book value per share all improved, even after a record dividend payout of Php 1.44 per share, totalling Php 19.12 billion.

  This payout translates to a dividend yield of 13.2% against the 2023 volume-weighted average price of Php 10.9180, and a payout ratio of 61% of the previous year's core net income, which is well above the company's dividend policy of 25%.

Q4 2023 vs Q4 2022 Subsidiaries and Associate Performance

I. Semirara Mining and Power Corporation (SMPC)

Reported net income contribution from SMPC soared by 34% from Php 2.19 billion to Php 2.94 billion on the back of record coal shipments and higher electricity dispatch amid normalizing market prices.

Excluding one-offs, core net income contribution climbed by 30% from Php 2.28 billion to Php 2.98 billion. SLPGC recognized an additional loss of Php 57 million based on the final selling price for its two 25MW gas turbines. In 2022, SLPGC recorded a loss of Php 156 million in relation to the reclassification of the said turbines as Assets Held for Sale based on the estimated selling price at the time.

To provide additional insight into SMPC's performance:

<u>Coal</u>

Standalone coal revenues jumped by 20% from Php 14.42 billion to Php 17.38 billion largely due to the dramatic rise in foreign shipments.

Net income grew faster at 27% from Php 3.58 billion to Php 4.56 billion because of the low base effect, as the company booked its 2020 tax expense (Php 897 million) and related interests (Php 184 million) during the same period last year.

Net of intercompany eliminations, net income accelerated by 33% from Php 3.03 billion to Php 4.03 billion. Concurrently, eliminating entries dipped by 3% from Php 547 million to Php 529 million, driven by lower coal selling prices that compressed gross margins, which resulted from lower market indices and efficient coal blending in the power segment.

Eliminating entries reflect gross margins from intercompany transactions between the coal and power segments.

The following results account for the segment's financial performance:

- **Record shipments.** Total shipments surged by 77% from 3.0 million metric tons (MMT) to 5.3 MMT, the highest for any given quarter. The historic performance was fueled by record exports, propped up by increased production.

  Foreign shipments surged by 218% from 1.1 MMT to an unprecedented 3.5 MMT, driven by heightened demand and the availability of commercial-grade coal.

  Sales to China soared by 207% from 0.8 MMT to 2.6 MMT, while shipments to South Korea doubled from 0.3 MMT to 0.6 MMT. Together, the two countries accounted for 92% of total exports, followed by Brunei (4%), India (2%) and Japan (2%).

  Domestic shipments tapered by 5% from 1.9 MMT to 1.8 MMT, impacted by the high sulfur content in some commercial-grade coal, which resulted in a 17-percent decrease in shipments to power, industrial, and cement plants—from 1.2 MMT to 1.0 MMT. Meanwhile, shipments to SMPC-owned plants increased by 14% from 0.7 MMT to 0.8 MMT, owing to the enhanced availability of the SCPC plants.

- **Normalizing prices.** Semirara coal average selling price (ASP) dropped by 32% from Php 4,861 per metric ton (MT) to Php 3,305 per MT on correcting market indices.

  Average Newcastle index (NEWC) plunged by 64% from US$379.5 to US$135.6, while average Indonesian Coal Index 4 (ICI4) receded at a slower pace (35%) from US$90.5 to US$58.9.

  Both indices stabilized around these levels, reflecting a notable reduction in market volatility in the second half of 2023. Quarter-over-quarter, NEWC dropped by 8% from US$147.8, while ICI4 increased by 13% from US$52.0.

  Pre-pandemic (2019), Average NEWC stood at US$77.8, while Average ICI4 was at US$35.

- **Narrower operating margins.** Core EBITDA increased by 5% to Php 6.34 billion from Php 6.06 billion but margin narrowed from 42% to 36%. Standalone net income margin expanded from 25% to 26%, mainly due to the timing of the 2020 tax accrual recognized last year. Excluding the 2020 tax expense and related interests, net income margin decreased from 33% to 26%.

  Revenues rose by 20% from Php 14.42 billion to Php 17.38 billion because of increased shipments, but total cash costs grew faster (+32%) from Php 8.37 billion to Php 11.04 billion.

  Cash component of COS surged by 29% from Php 5.72 billion to Php 7.41 billion on the back of higher coal sales and carried-over production costs from beginning inventory.

For context, coal produced in the previous quarter (Q3 2023) incurred higher production costs due to elevated strip ratio and lower production levels caused by heavy rainfall.

Meanwhile, Opex subsided by 16% from Php 369 million to Php 309 million on high base effect from the recognition of Php 184 million related interests from the deferral of Molave mine's 2020 Income Tax Holiday during the same period last year. Additionally, government share accelerated by 46% from Php 2.27 billion to Php 3.32 billion on higher topline.

- **Surge in noncash items.** Depreciation and amortization more than doubled (+131%) from Php 761 million to Php 1.76 billion due to new mining equipment and accelerated amortization of Molave mine due to its early closure.

- **Lower net foreign exchange loss.** Net foreign exchange losses declined from Php 648 million to Php 144 million on stabilizing US$:PHP forex market. As of December 31, 2023, 46% of net foreign exchange gain remained unrealized.

- **Higher net finance income.** Finance income (net of finance costs) rose by 4% from Php 112 million to Php 117 million on prudent treasury management and lower debt levels.

The segment also reported the following operational highlights:

- **Production recovery.** Coal production surged by 83% from 2.3 million metric tons (MMT) to 4.2 MMT, attributed to a combination of factors including low base effect, an improved strip ratio and favorable weather conditions.

  Last year, the company curbed fourth-quarter production to stay within its Environmental Compliance Certificate (ECC) limit of 16 MMT/year. Following subdued output through the first nine months of 2024 (11.8MMT vs 13.7MMT in 9M 2022), the company was able to ramp up production in the final quarter.

  As a result, the total volume of materials moved increased by 25% from 46.6 million bank cubic meters (MBCM) to 58.3 MBCM.

  Effective strip ratio improved from 17.5 to 13.3, benefiting from reduced rainfall (127 mm versus 185 mm), better access to the coal seams in Narra mine and a strategic focus on more accessible blocks.

  The Narra mine was particularly productive, contributing 93% to the quarter's total production, with strip ratios at the Molave and Narra mines recorded at 48.9 and 10.6, respectively.

  Full-year actual strip ratio (13.1) was slightly above the initial 2023 guidance of 12.83. The variance was mainly due to increased mudflow in Molave South Block 6.

- **Low inventory.** Total coal inventory dropped by 10% from 2.0 MMT to 1.8 MMT on weak third-quarter production and catch-up shipments in the last quarter.

  With record exports, commercial-grade coal inventory plummeted by 78% (YoY) from 1.1 MMT to 0.2 MMT, and by 89% from the quarter's start at 1.9 MMT.

Power

At the standalone level, net income doubled (+102%) from Php 349 million to Php 705 million while core EBITDA increased by 15% from Php 1.39 billion to Php 1.60 billion, expanding the margin from 29% to 35%. The improvements were largely driven by higher plant availability and reduced replacement power costs.

Segment revenues dipped by 3% from Php 4.78 billion to Php 4.63 billion, as weaker selling prices were partially offset by record power sales.

Excluding nonrecurring items, core net income surged by 51% from Php 505 million to Php 762 million. Nonrecurring items pertain to an additional loss of Php 57 million, which was recognized in relation to the planned sale of the two 25MW gas turbines in 2023, while the Php 156 million pertains to asset write-down for said turbines, which were previously reclassified as Assets Held for Sale.

Net of intercompany eliminations, reported net income rose by 46% from Php 882 million to Php 1.29 billion.

The segment's results are attributable to the following:

- **Improved plant availability.** Overall plant availability went up from 62% to 79% on reduced outage days (76 days vs 139 days). SCPC Unit 2 resumed commercial operations on October 9, 2022, while SCPC Unit 1 underwent a 90-day planned maintenance outage during the same period last year.

  SCPC plant availability skyrocketed from 31% to 81% owing to a reduction in outage days from 127 to 36. The improvement was mainly due to a scheduled 22-day outage of SCPC Unit 1 starting October 27. Conversely, the SLPGC plant's availability decreased from 93% to 78%, as outage days rose from 12 to 40.

  Overall, total average capacity grew by 18%, from 580 MW to 682 MW, primarily attributed to SCPC Unit 1, which reduced output last year in preparation for its 90-day shutdown.

- **Better output and sales.** Total gross generation soared by 40% from 854 gigawatt hours (GWh) to 1,195 GWh, driven by an increase in SCPC's output that more than compensated for the decrease in SLPGC generation.

  As a result, total power sales increased by 32% from 818 GWh to 1,078 GWh. Bulk (68%) of the volume sold went to the spot market.

- **Higher spot sales.** Dispatch to the spot market more than doubled (118%) from 335 GWh to 731 GWh on improved plant availability, higher gross generation and higher uncontracted capacity.

  Combined uncontracted capacity (net of station service, which varies from time to time) stood at 485.1MW (by end-September 2023) compared to 259.05 MW (by end-September 2022).

  Station service pertains to the electricity produced by the plant that is used within the facility to power the lights, motors, control systems and other auxiliary electrical loads that are necessary for plant operation.

BCQ sales fell by 28% from 483 GWh to 347 GWh owing to a 29-percent decline in contracted capacity at the beginning of the periods from 234.15MW (September 30, 2022) to 166.2MW (September 30, 2023).

- **Converging BCQ and spot prices.** Overall average selling price (ASP) decelerated by 27% from Php 5.84/ kilowatt hour (kWh) to Php 4.29/kWh due to lower prices for spot sales and bilateral contracts.

  Spot ASP plunged by 46% from Php 8.06/KWh to Php 4.38/KWh on higher supply margins and lower fuel costs. Meanwhile, BCQ ASP slipped by 5% from Php 4.29/KWh to Php 4.09/KWh, as contracts signed in the second half of 2022 included fuel pass-through provisions. These contracts represented 15% of the contracted capacity at the start of the period.

- **Ample uncontracted capacity.** As of December 31, 2023, more than a third (34% or 238.2MW) of the power segment's dependable capacity (710MW) has been contracted.

  Majority (53%) of the contracted capacity is under SCPC, aligning with Management's guidance to contract approximately half of the dependable capacity.

  Excluding station service requirements (58.7MW), which vary periodically, the segment has 413.10MW available for spot sales.

- **Minimal spot purchases.** Total spot purchases plunged by 90% from Php 530 million to Php 55 million on better plant availability and lower contracted capacity at the beginning of the period.

  The power segment was a net seller to the spot market by 726 GWh (vs 271 GWh in Q4 2022).

At the standalone level, SMPC's reported net income swelled by 36% from Php 3.92 billion to Php 5.32 billion.

II. DMCI Project Developers Inc. (DMCI Homes)

Net income contribution from the real estate business grew by 21% to Php 818 million from Php 616 million, largely due to higher net finance income and gain on sale of land for a joint venture project (Fortis Residences).

Excluding nonrecurring income, core net income contribution rose by 16% from Php 616 million to Php 712 million. To further explain:

- **Static topline.** Total revenues was flattish (-1%) at Php 4.06 billion from Php 4.09 billion on lower real estate sales, cushioned by higher construction revenues from a joint venture project and increased revenue contributions from property management and elevator maintenance services.

Revenues from ongoing accounts (net of previously cancelled accounts) declined to 49% of total revenues (versus 85% last year) on slowing cancellations, while newly-recognized accounts increased to 59% (versus 28% last year) due to recovering sales.

Revenue reversals due to sales cancellations decreased by 23%, moving from Php 747 million to Php 572 million, marking the year's lowest level of revenue reversals. This reduction followed a sequential decrease of 25% from Php 773 million in Q3 2023, 35% from Php 881 million in Q2 2023, and 52% from Php 1.19 billion in Q1 2023.

Kai Garden Residences (2017), Aston Residences (2018), Fairlane Residences (2018), Prisma Residences (2017) and Alder Residences (2020) topped the revenue contributors from ongoing projects. Meanwhile, Allegra Garden Place (2019), Satori Residences (2018), Alder Residences (2020) and Verdon Parc (2016) were the top revenue contributors under newly-recognized accounts.

Contract revenues from the joint venture projects jumped by 51% from Php 96 million to Php 145 million with the addition of Fortis Residences (JV project via DMC Estate Development Ventures, Inc.). Revenues from property management, hotel operations and elevator maintenance grew by 8% from Php 92 million to Php 99 million.

- **Flat cash costs.** Total cash costs inched higher (+1%) from Php 3.55 billion to Php 3.58 billion, influenced by declining COS and rising operating expenses.

  COS slid by 3%, steeper than topline, from Php 2.79 billion to Php 2.71 billion, mainly due to improved selling prices and lower construction accomplishments in ongoing accounts. Conversely, operating expenses jumped by 14% from Php 757 million to Php 862 million, fueled by higher taxes, licensing fees and personnel costs.

  This led to an 11-percent drop in EBITDA from Php 542 million to Php 481 million, with the profit margin compressing slightly from 13% to 12%.

- **Better net margin.** Core net income margin improved from 15% to 17%, while reported net income (RNI) margin widened from 15% to 19%, on the back of higher finance income and gain from land sale (for RNI margin).

  Other income slightly grew by 2% from Php 300 million to Php 307 million, as higher rental income offset lower forfeiture income from sales cancellations.

  Net finance income (net of finance costs) surged by 209% from Php 54 million to Php 167 million, driven by higher interest earnings from in-house financing and lower recognitions from ongoing accounts. In compliance with IFRS 15, finance costs from accounts that are pending recognition are capitalized.

  A nonrecurring gain of Php 106 million was also recognized from the sale of land to DMC Estate Development Ventures, Inc. (EDVI) for the development of Fortis Residences.

The company also reported the following operational highlights:

- **Sales recovery.** Total units sold jumped by 48% from 1,550 to 2,294, with residential unit sales soaring by 85% from 892 to 1,654. In contrast, sale of parking units slipped by 3% from 658 to 640 because the Solmera Coast project does not offer parking slots.

Bulk (67%) of the residential units sold were in Anissa Heights, which was launched in November. Located in Pasay City, the project accounted for 36% of the parking units sold during the period.

Launched last August, Solmera Coast has sold 926 residential units, representing 7% of total residential units sold.

By the end of the period, 75% of Anissa Heights and 80% of Solmera Coast's inventories had been sold.

- **Lower selling prices**. Average selling price (ASP) per unit fell by 8% from Php 6.79 million to Php 6.24 million, while ASP per square meter fell by 4% from Php 132,000 to Php 127,000, following the company’s entry to affordable housing via Anissa Heights.

  The project features smaller-sized units, ranging from 16 sqm to 27.5 sqm, with a more affordable price range of Php 3 million to Php 3.4 million.

- **Significant growth in sales value.** Total sales value increased by 14% from Php 4.37 billion to Php 7.47 billion, mainly due to stronger residential sales, tempered by lower ASP.

- **Slowing sales cancellations.** Sales cancellations for residential units awaiting revenue recognition (threshold less than 14.5%) posted a sharp decline, from 21% to 13%, on the back of recovering sales. For the full year, cancellations weakened from 18% to 13% owing to higher sales and fewer cancellations.

- **Rise in unbooked revenues.** Unbooked revenues increased by 8% from Php 64.9 billion to Php 69.9 billion, driven by a rebound in sales and the launch of seven projects over the past two years. Total sales value from units sold reached Php 68 billion, up 89% from Php 35.9 billion.

- **Higher inventory.** Total inventory increased by 7% from Php 57.4 billion to Php 61.5 billion due to increases in both pre-selling and Ready-for-Occupancy (RFO) units. Pre-selling units, which include residential and parking, made up 71% of the total inventory in 2023, down from 73% in 2022.

  Pre-selling inventory grew by 17% from Php 41.8 billion to Php 43.4 billion, boosted by the launch of Calinea Tower, Mulberry Place 2, Solmera Coast and Anissa Heights, which had a combined sales value of Php 35.6 billion.

  RFO inventory rose by 4% from Php 15.5 billion to Php 18.2 billion, following the completion of The Atherton, Satori Residences, The Orabella, Infina Towers, Brixton Place, Prisma Residences and Verdon Parc.

- **Ample land bank.** Total land bank increased to 218.2 hectares from 217.4 hectares, following the acquisition of 1.5 hectares of land in Metro Manila. Meanwhile, the land bank in Luzon declined by 1.2 hectares due to the transfer of land to inventory for project development.

  Majority of the land bank (51%) is located in Metro Manila, totaling 113.3 hectares, followed by Luzon at 45%, the Visayas at 3%, and Mindanao at 1%.

- **Increased CAPEX.** Quarterly capital expenditure (CAPEX) rose by 9% to Php 4.01 billion from Php 3.67 billion, driven by increased spending on construction for ongoing projects (from Php 3.12 billion to Php 3.67 billion) and on property and equipment (from Php 20 million to Php 80 million), though this was slightly offset by a decrease in land acquisitions (from Php 523 million to Php 259 million).

  For the entire year, CAPEX remained relatively stable at Php 15.90 billion, up slightly from Php 15.80 billion, with the majority (92%) allocated to construction activities. Construction spending increased by 5% from Php 13.96 billion to Php 14.63 billion, whereas expenditures on land banking activities decreased by 41% from Php 1.53 billion to Php 906 million.

- **Healthy financial position.** Net debt-to-equity ratio slightly declined from 1.03x to 0.93x, as net debt increased by 3% from Php 32.21 billion to Php 33.02 billion to finance capital expenditures. Meanwhile, balance sheet remained robust with an interest coverage ratio of 3.0x, down from 3.6x.

At the standalone level, reported net income climbed by 24% from Php 629 million to Php 783 million. Excluding nonrecurring gain from land sale to EDVI, core net income grew by 8% from Php 629 million to Php 783 million.

III. Maynilad Water Services, Inc. (Maynilad)

Core net income contribution from associate Maynilad stood at Php 412 million, a 15-percent improvement from Php 359 million due to improved operating results, the gradual implementation of its basic rate adjustment and significant recognition of other income. To further explain:

- **Higher revenues.** Total revenues grew by 23% from Php 5.75 billion to Php 7.05 billion on billed volume recovery, improved customer mix and better average effective tariff.

- **Slower cash cost growth.** Total cash costs grew slower (+6%) than topline (+23%) from Php 2.93 billion to Php 3.10 billion due to higher chemical costs, outside services and cross-border water purchases, tempered by lower light and power (due to lower fuel cost recovery adjustment or FCRA charged per kwh).

- **Better EBITDA margins.** EBITDA surged 2.4x from Php 1.68 billion to Php 4.53 billion, with margin expanding from 29% to 64%, as revenues grew much faster than costs.

  Significant gains. Other income shifted from an expense of Php 973 million to an income of Php 1.17 billion owing to higher interest income and provision reversals for water service interruptions in 2022

- **Higher provisions.** Allowance for credit losses surged by 247% from Php 170 million to Php 591 million, due to increased provisioning for potential losses from unpaid debts deemed uncollectible during the period.

- **Billed volume rebound.** Billed volume increased by 2% from 133.2 million cubic meters (MCM) to 135.6 MCM, surpassing its pre-pandemic (Q4 2019) level of 133.0 MCM. The uptick was attributable to improved production, increased demand and the reactivation and reconnection of delinquent accounts.

- **Better customer mix.** Increased economic activities translated to a marked shift in customer mix. Non-domestic billed volume improved from 18.0% to 18.6%, while billed volume attributable to domestic customers decreased from 82.0% to 81.4%. This quarter saw the best customer mix since Q1 2020, with 19.3% of billed volume coming from non-domestic accounts.

- **Adjusted tariff.** Average effective tariff jumped by 14% from Php 42.56 to Php 48.53 on the combined effect of improved customer mix and the staggered implementation of the Metropolitan Waterworks and Sewerage System (MWSS) – approved basic rate adjustment last January 1, 2023.

- **Higher noncash items.** Depreciation and amortization expense rose to Php 987 million compared to the previous year's credit adjustment of Php 705 million, owing to additional capex projects completed during the year.

  In Q4 2022, Maynilad recognized the credit adjustment for the entire year of 2022. This was due to the implementation of the company's legislative franchise under Republic Act 11600, which effectively extends its service concession assets by ten years (from 2037 to January 2047), beginning January 2022.

- **Better profit margin.** Net income margin expanded from 24% to 33%, driven by an increase in revenues, reduced cash expenses and additional income. This improvement was partially offset by provisions for credit losses, a slight rise in financing costs and increased income taxes.

  Meanwhile, the provision for income taxes surged by 45% from Php 488 million to Php 709 million due to an increase in taxable income.

The company also reported the following operational and financial highlights:

- **Higher water production.** Total water production saw an uptick (+1%) from 192.8 million cubic meters (MCM) to 194.7 MCM, the highest production level for the fourth quarter on record.

  The growth was primarily due to enhanced raw water supply from the Angat Dam, higher cross-border purchases triggered by the reduced output of Putatan Water Treatment Plant 2, the activation of the "NEW WATER" treatment plant in Parañaque and the use of deep wells.

- **Reduced water losses.** Average non-revenue water (NRW) fell by 2% from 30.9% to 30.3%, while end-of-period NRW dropped by 5% from 32.1% to 30.4%, largely attributable to higher billed volume.

- **Expanded coverage and availability.** Water service coverage slightly grew from 94.6% to 94.8%, as the number of water service connections (WSCs) increased from 1,522,785 to 1,538,145. In effect, served population widened by 3% from 10.0 million to 10.3 million. 24-hour availability likewise improved from 92.7% to 97.5% because of higher water production.

Sewer service coverage rose to its highest level on aggressive infrastructure spending, expanding from 22.6% to 30.7%. This translated to a 40-percent increase in served population from 2.3 million to 3.1 million.

At the standalone level, reported net income surged by 71% from Php 1.35 billion to Php 2.31 billion. Excluding nonrecurring items, core net income accelerated by 68% from Php 1.38 billion to Php 2.31 billion.

2023 nonrecurring item pertains to net foreign exchange losses (Php 4 million), while 2022 nonrecurring items pertain to foreign exchange gains (Php 12 million) and donations (Php 17 million).

IV. DMCI Power Corporation (DMCI Power)

Core net income contribution from the off-grid energy business soared by 69% from Php 193 million to a record quarterly contribution of Php 327 million, bolstered by higher sales and expanding margins.

On a standalone basis, Core EBITDA increased by 55%, rising from Php 330 million to Php 510 million. This led to an expansion of EBITDA margins from 17% to 29%, primarily due to the synchronization of the Palawan thermal plant, which used more affordable fuel.

The significant growth can be attributed to the combined effect of the following:

- **Weaker topline.** Total revenues contracted by 10% from Php 1.98 billion to Php 1.77 billion because of lower overall average selling price (ASP), cushioned by higher dispatch.

- **Lower selling prices.** ASP dropped by 13% from Php 18.6/KWh to Php 16.3/KWh, primarily due to the reduction in diesel and coal costs. Additionally, the activation of the 15MW Palawan thermal plant on August 15, which charges a lower tariff, contributed to the decline in ASP.

  Diesel costs receded by 5% from Php 62.5 to Php 59.1 per liter, while coal plummeted by 64% from Php 15.35 per kg to Php 5.53 per kg, on normalizing market prices. Bunker costs grew by 14% from Php 44.01 to Php 50.2 per liter, as global crude prices rallied to nearly US$100/barrel following tensions in the Middle East.

- **Higher generation and sales.** Total gross generation improved by 7% from 111.3 GWh to 119.3 GWh, with the addition of 23.4MW of plant capacity in Palawan and Masbate.

  This increase in generation capacity led to a 3-percent growth in total energy sales from 106.3 GWh to 109.8 GWh, with Masbate showing a notable uptick in demand.

  Sales in Masbate rose by 13% from 36.5 GWh to 41.2 GWh, driven by increased economic activity. In contrast, sales in Palawan declined by 2% from 47.9 GWh to 47.1 GWh owing to limited generation while dispatch to Oriental Mindoro weakened from 21.9 GWh to 20.8 GWh (-5%) due to higher availability of renewable energy and other conventional plants.

  Palawan remained as the top market, accounting for 43% of total sales, followed by Masbate (38%) and Oriental Mindoro (19%).

- **Faster decline in cash costs.** Total cash costs decreased by 23% from Php 1.65 billion to Php 1.26 billion, outpacing the 10-percent reduction in revenues. This disproportionate decline was due to lower diesel and coal prices, particularly driven by the Palawan thermal plant operations.

- **Higher noncash items and finance costs.** Depreciation and amortization climbed by 29% from Php 84 million to Php 109 million on the synchronization of the 8MW Masbate diesel plant and the 15MW Palawan thermal plant.

  Meanwhile, net finance costs (net of income) surged by 292% from Php 16 million to Php 64 million due to higher borrowing costs for the additional 23MW capacity installed in Palawan and Masbate.

- **Better net income margin.** Net profit margin improved from 10% to 18% due to reductions in cash costs and income tax provisions. Provision for income taxes fell by 35% from Php 37 million to Php 24 million with the application of income tax holidays (ITH) for the Masbate thermal and hybrid diesel plants and the Palawan 15MW thermal plant.

  The ITH for the Masbate thermal plant will expire in September 2024 while the 8MW hybrid diesel plant's six-year ITH will last until January 2029. Meanwhile, the Palawan thermal plant has a four-year ITH that will expire in August 2027.

The company also reported the following operational and financial highlights:

- **Higher installed capacity.** Total installed capacity expanded by 17% from 136.4 MW to 159.8 MW, following the commercial operation of an 8MW diesel plant in Masbate (January 2023) and the synchronization of a 15MW thermal plant in Palawan (July 2023). The latter began supplying affordable, reliable electricity to the local community last August 15.

- **Reduced market share.** Market share in Palawan declined from 54% to 46% due to constrained diesel plant operation. Oriental Mindoro market share narrowed from 23% to 18% because of better availability of both the renewable and conventional plants in the area. The company remains the sole power provider in Masbate.

- **Healthy financial position.** Net debt-to-equity ratio decreased from 139% (January 1, 2023) to 105% (end of December 2023), as net debt contracted by 17% from Php 5.37 billion to Php 4.45 billion on continuing loan amortizaton without additional availment.

- **Normalizing capital expenditures.** Capital investments were reduced by 54% from Php 434 million to Php 200 million, following the completion of two expansion plants. Specifically, capex for the Palawan and Masbate thermal plants dropped by 75%, from Php 365 million to Php 91 million in the last quarter.

  Over the full year, the 15MW Palawan thermal plant and 8MW Masbate diesel plant accounted for 66% of the 2023 capex, a decrease from 81% the previous year. The rest of the capex was spent on regular plant maintenance activities and downpayment for the purchase of additional generating units.

At the standalone level, reported net income soared by 63% from Php 193 million to Php 314 million. No nonrecurring items were recognized in either period.

V. D.M. Consunji, Inc. (DMCI)

Core net income contribution from the construction business significantly improved from a net loss of Php 89 million to a net gain of Php 114 million, primarily due to better profit margins. To further explain:

- **Weaker topline.** Total revenues fell by 12% from Php 4.17 billion to Php 3.65 billion on reduced construction activity, as most projects were close to completion and there were fewer new contracts, particularly in infrastructure.

  The Building unit, which includes buildings, energy, plant and utilities projects, accounted for 58% of the revenues. The Joint Venture (JV) projects and Infrastructure units contributed 24% (from -2%) and 5% (from 34%) to the topline, respectively.

  Revenue from building projects decreased by 16% from Php 2.53 billion to Php 2.12 billion, while revenues from JV projects saw a significant recovery from negative Php 98 million to Php 876 million. Infrastructure projects recorded a 87% decrease, falling from Php 1.43 billion to Php 184 million.

- **Sharper decline in cash costs.** Total cash costs decreased faster than revenues (15% vs 12%), from Php 3.87 billion to Php 3.28 billion, primarily because of reduced activity from fewer ongoing projects and lower retirement expenses.

- **Lower noncash expenses.** Noncash items fell by 25% from Php 216 million to Php 161 million due to reduced capital expenditures owing to fewer project requirements.

- **Improved margins.** EBITDA margin recovered from 7% to 10% on lower cash costs, while standalone net income margin expanded from 2% to 5%.

The company also reported the following operational and financial highlights:

- **Order book rebound.** Newly-awarded projects in the last quarter amounted to Php 4.1 billion, which include the St. Luke's Medical Center (New Hospital Building) and pipelaying works in Muntinlupa.

  Consequently, full-year order book expanded by 19% from Php 35.2 billion to Php 41.9 billion. These projects include the South Commuter Railway Project Contract Package 02 (a joint venture with Acciona Construction Philippines), University Hall and Razon Hall in the De La Salle University Laguna Campus, an 88 MLD Water Reclamation Facility in Las Piñas City, the Levi Mariano Pumping Station and Reservoir in Taguig City among others.

- **Minimal capital expenditures.** Quarterly capital expenditures plummeted by almost 100% from Php 93 million to Php 6 million due to a decrease in project requirements during the year.

- **Net cash position.** Debt-to-equity ratio improved from -0.2x to -0.6x following a reduction in debt (from Php 222 million to zero), the collection of retention receivables from major infrastructure projects (Php 1.59 billion), and a downpayment from a major project (Php 2.93 billion).

At the standalone level, reported net income jumped by 150% from Php 67 million to Php 168 million. Excluding one-offs, core net income expanded six-fold (587%) from Php 24 million to Php 168 million. No nonrecurring item was recorded in 2023, while the nonrecurring item in 2022 pertained to gain from sale of equipment, which amounted to Php 43 million.

In 2022, intercompany eliminations amounted to Php 126 million, resulting from the construction of various water projects for Maynilad, a DMCI Holdings associate. This resulted in a net loss of Php 89 million at the consolidated level, after accounting for eliminations.

VI. DMCI Mining Corporation (DMCI Mining)

Core net income contribution from the nickel business retreated by 57% from Php 198 million to Php 86 million on the combined effect of higher shipments, lower selling prices and increased costs.

At the standalone level, core EBITDA plummeted by 58% from Php 432 million to Php 183 million, leading to a reduction in margins from 47% to 22%.

To further explain:

- **Weaker revenues.** Total revenues contracted by 9% from Php 912 million to Php 834 million, as lower selling prices offset the impact of higher shipments.

- **Higher cash costs.** Total cash costs jumped by 36% from Php 480 million to Php 651 million, largely driven by a 53-percent rise in COS from Php 237 million to Php 362 million. The escalation in direct costs was attributed to higher shipment volumes, leading to increased expenses related to shiploading, fuel consumption, labor and taxes.

  Operating expenses expanded by 19% from Php 243 million to Php 290 million on higher BNC spending on environmental, mechanical and administrative support and increased ZDMC spending for environmental and social development activities.

- **Increased noncash costs.** Depreciation and amortization climbed by 45% from Php 121 million to Php 176 million. This was primarily due to a 33-percent increase in nickel ore shipments and higher depreciation resulting from the acquisition of additional mining equipment. According to Philippine Accounting Standards (PAS) 16, shipments are amortized against a mine's available reserves.

- **Narrower margins.** Net income margin thinned from 21% to 11% mainly due to lower topline and higher cash and noncash costs.

  Excluding other income recognitions, quarterly earnings barely reached break-even. The company reversed a provision of Php 90 million for long outstanding accrued operation costs as a mining operator from 2007 to 2014 for another mining company.

The company also reported the following operational and financial highlights:

- **Expanded production.** Total production improved by 25% from 315,000 WMT to 393,000 WMT, following an expansion in ZDMC's mining capacity.

  ZDMC secured the necessary Environmental Compliance Certificate (ECC) to boost its nickel ore production from 1 million metric tons to 2 million metric tons, effective January 2023.

  This, coupled with increased capital spending of Php 500 million in 2022, allowed ZDMC to boost FY2023 production to 1,610,000 WMT.

- **Increased stockpile.** Total ending inventory more than doubled (141%) from 54,000 WMT to 130,000 MWT, owing to a 230-percent increase in ZDMC stockpile from 33,000 WMT to 109,000 WMT. BNC stockpile remained at 21,000 WMT, which is below the standard shipment size of 50,000 WMT.

  With improved production capacity, ZDMC was able to sustain its stockpile above 100,000 WMT this year (157,000 WMT in Q1, 110,000 WMT in Q2 and 153,000 WMT in Q3).

- **More shipments.** Total shipments jumped by 33% from 357,000 wet metric tons (WMT) to 475,000 WMT on higher ZDMC production and stockpile.

- **Weaker selling prices.** Average selling price (ASP) declined by 27% from US$ 44/WMT to US$32/WMT mainly due to anemic market prices.

  Average monthly Q4 LME Nickel price corrected by 32% from US$ 25,349/ton to US$ 17,208/ton, while the Philippine FOB price for 1.30% grade likewise declined by 31% from US$ 36/WMT from US$ 25/WMT.

- **Net cash position.** The company maintained a net cash position in both periods, despite its weaker performance this year. Net debt-to-equity ratio improved from -0.17 to -0.12 after paying Php 667 million in dividends to shareholders and capital spending of Php 169 million. Debt level was unchanged at Php 350 million for both periods.

- **Minimal capital expenditures.** Committed capital spending plunged by 81% from Php 214 million to Php 41 million on high base effect, as BNC conducted exploration activities and ZDMC acquired additional mining equipment last year.

  For the full year, capital spending fell by 38% from Php 459 million to Php 283 million owing to lower mining equipment requirements amid ongoing permitting of mining assets.

At the standalone level, reported net income subsided by 51% from Php 193 million to Php 95 million. No nonrecurring item was recognized during both periods.

CAPEX

In 2023, total committed capital spending increased by 8% from Php 38.0 billion to Php 41.2 billion, mostly due to increased Maynilad spending on water and wastewater projects.

Excluding Maynilad, the DMCI Group capex contracted by 5% from Php 22.7 billion to Php 21.5 billion because of lower DMCI Power spending, following the completion and synchronization of its 15MW Palawan thermal plant in August 2023.

In Php billions	2023	2022	Change	2024F	2023	Change
DMCI	0.4	0.2	100%	0.3	0.4	-25%
DMCI Homes	15.9	15.8	1%	17.0	15.9	7%
SMPC	4.0	4.3	-7%	7.0	4.0	75%
DMCI Power	0.9	1.9	-53%	2.3	0.9	156%
DMCI Mining	0.3	0.5	-40%	1.1	0.3	267%
Maynilad*	19.7	15.3	29%	31.4	26.0	21%
Total	**41.2**	**38.0**	**8%**	**59.1**	**47.5**	**24%**

*Maynilad 2024F vs 2023 based on capex disbursement

Looking ahead to 2024, total capital expenditures are expected to expand to Php 59.1 billion, as Maynilad earmarks P31 billion to meet its water and wastewater service obligations. This is the biggest capital investment for the company since the 1997 privatization of water services in Metro Manila.

Excluding Maynilad, the DMCI Group capex is expected to increase by 29% from Php 21.5 billion to Php 27.7 billion. This growth is attributed to a series of strategic initiatives, including refleeting and exploration activities in the coal and nickel businesses, the construction of a 2x8MW bunker power plant in Palawan, wind power projects on Semirara Island, and the completion of ongoing DMCI Homes projects.

Outlook and Updates

For 2024, the DMCI Group expects market conditions to be challenging as slowing global economic growth, particularly in China, could dampen demand for coal and nickel.

Elevated interest rates and high inventories will keep construction and real estate demand subdued, as buyers and developers adopt a more cautious approach in their investment decisions.

Utilities, specifically power and water, should benefit from decelerating inflation and a gradual stabilization in fuel and raw material costs, potentially increasing consumer demand and improving margins.

To counter market headwinds, the DMCI Group intends to optimize costs, improve productivity and generate value from its integrated operations, shared expertise and strong financial position.

Additionally, the DMCI Group is setting its sights on strategic investments such as renewable energy, leisure properties and joint ventures to diversify its revenue streams and address changing consumer preferences. To elaborate:

DMCI: With the demand for office and commercial spaces continuing to show sluggish growth, the company will shift its focus towards resilient and emerging areas such as infrastructure and industrial projects.

These include Overseas Development Assistance (ODA)-funded contracts, public-private partnership projects, government infrastructure initiatives and private sector industrial projects.

DMCI Homes: Sales and reservations are unlikely to return to pre-pandemic levels owing to steep loan rates, market oversupply and weak consumer confidence. However, new product formats like leisure (Solmera Coast) and microflats (Anissa Heights) could drive demand from underserved markets.

More joint venture (JV) projects are in the pipeline to maximize partner synergies and reduce financial risks. In February 2024, the company launched The Valeron Tower with Marubeni Corporation, a transit-oriented mixed-use development poised to transform the urban landscape of Pasig City.

SMPC: With coal and electricity prices stabilizing at what appears to be their "new normal," the company is concentrating on achieving its production (16 MT), shipment (15.5 MMT) and plant availability (83%) targets for the year.

The power segment could provide some upside once SCPC Unit 2's dependable capacity returns to 300MW by the second quarter of 2024. This increase is contingent on the successful rewinding and swapping of its generator during an 80-day planned outage set to begin on March 5.

DMCI Power: The company is expected to reach a new earnings milestone (Php 1 billion) this year on the back of increased demand and additional capacity (42.48 MW), which would increase its total installed capacity by 27% to 202.2 MW.

Upcoming projects include a 12MW wind energy project on Semirara Island, a 16.6MW bunker power plant in Palawan, an 8.8MW bunker power plant in Masbate, and a 4MW solar project also in Masbate. The growth of its renewable energy portfolio will depend on the success of its wind and solar projects with an aggregate capacity of 16MW.

DMCI Mining: Despite increased investments in clean energy, demand and prices are expected to decline due to sluggish global trade, challenges in China's property sector, a slowdown in the electric vehicle market and rising production in Indonesia, combined with increased supply of the metal worldwide.

Amid this slowdown in demand, the company is focusing on increasing its shipments to 2 million metric tons and securing the required permits to open a new mine in Palawan by the second half of 2024. Preparations are also underway to open a new site in Zambales by the second quarter of 2024.

Maynilad: Declining inflation and the rebound of tourist arrivals to pre-pandemic levels could bolster both residential and commercial demand, while supply should continue to improve on the back of aggressive infrastructure spending and supply augmentation measures.

Average effective tariff is likewise expected to improve given the shift in customer mix towards non-domestic customers and the approval of a rate hike by the Metropolitan Waterworks and Sewerage System (MWSS) effective January 1, 2024.

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2. Annual Stockholders' Meeting

The Corporation will hold its Annual Stockholders' Meeting (ASM) on **May 21, 2024, Tuesday, at 9:30 a.m. via remote communication**. The Record Date for the ASM is set on April 8, 2024. The Board has appointed Castillo Laman Tan Pantaleon and San Jose Law Offices (CLTPSJ) and Stock Transfer Service, Inc. (STSI) as Committee of Inspectors while the audit firm, Punongbayan & Araullo (P&A) was appointed as Board of Canvassers.

The Board likewise approved the following:

1. Filing of the application to the Securities Exchange Commission (SEC) to authorize the distribution of Annual Stockholders meeting materials using the Quick Response (QR) Code.
2. Distribution of Notice of Annual Stockholders' Meeting through publication in the business section of two (2) newspapers of general circulation in print and online format for two (2) consecutive days. Provided that the last publication of the Notice of ASM shall be made not later than twenty-one (21) days prior to scheduled ASM

3. Re-appointment of the external and internal auditors and Lead Internal Audit Coordinator

Upon recommendation of the Audit Committee, the Board approved, subject to stockholders' ratification, the reappointment of Sycip, Gorres, Velayo & Co. (SGV) as the Corporation's external auditor for the current year (2023). Likewise, Punongbayan & Araullo (P&A) was appointed as the Company's internal auditor. The Board also appointed Mr. Joseph Adelbert V. Legasto as the Lead Internal Audit Coordinator.

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

DMCI Holdings, Inc.
Issuer

Herbert M. Consunji
Executive Vice President & CFO

March 5, 2024