



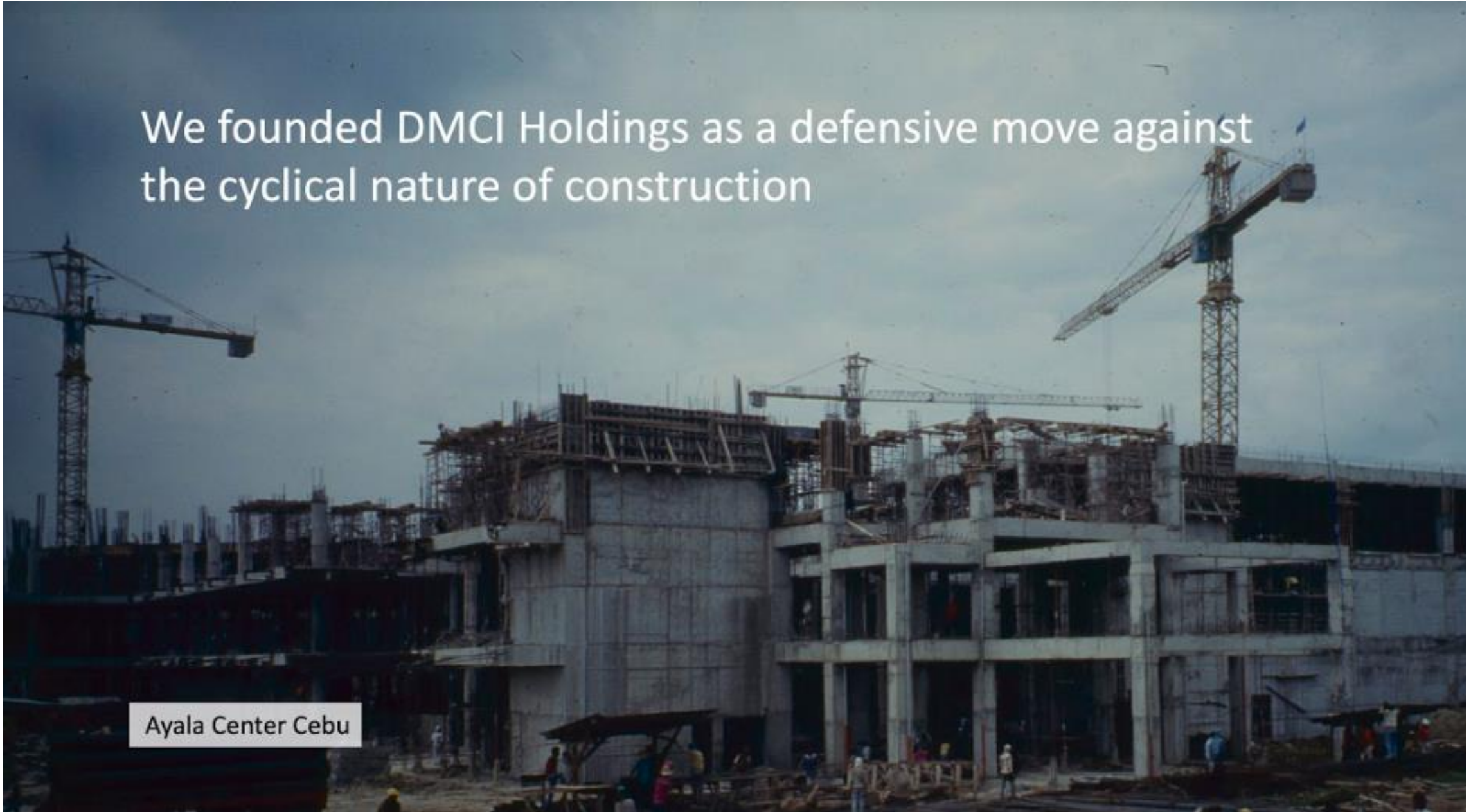
**DMCI HOLDINGS**  
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# Message from the Chairman

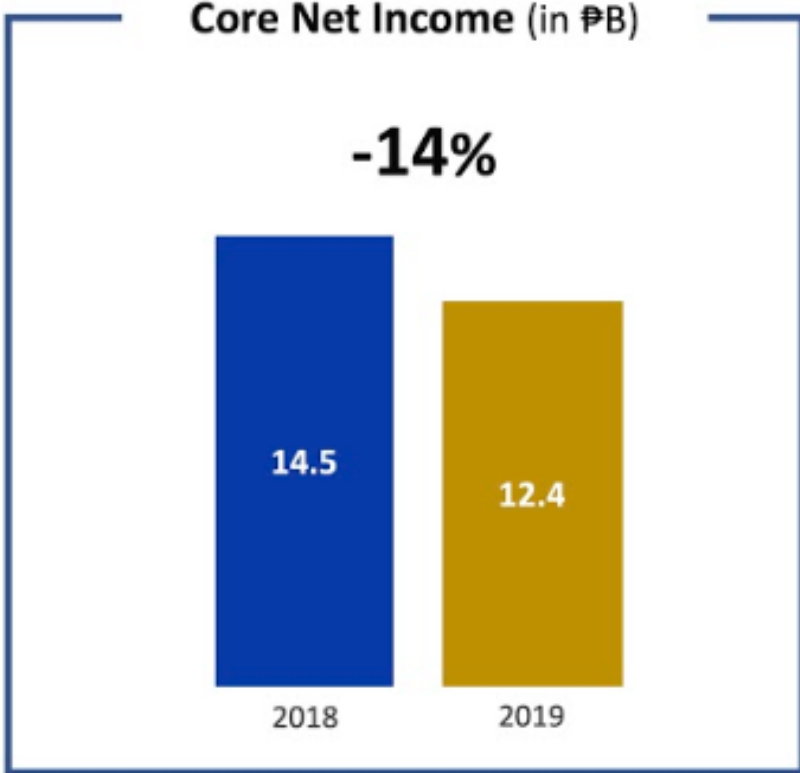
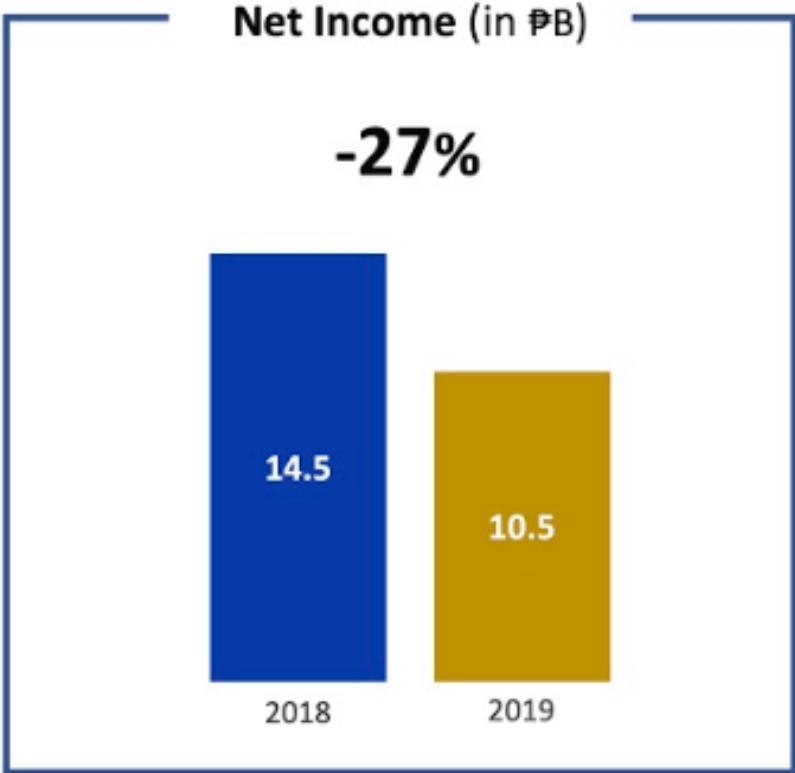
Isidro A. Consunji

We founded DMCI Holdings as a defensive move against the cyclical nature of construction

Ayala Center Cebu




**Income drop due to weak coal prices,  
lower construction accomplishments and  
an impairment loss**



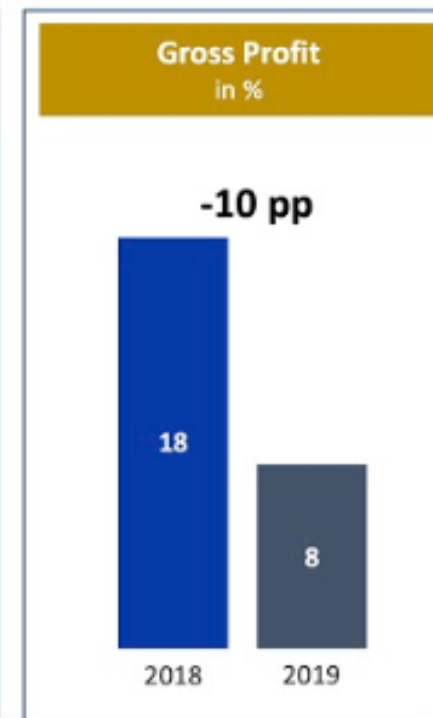
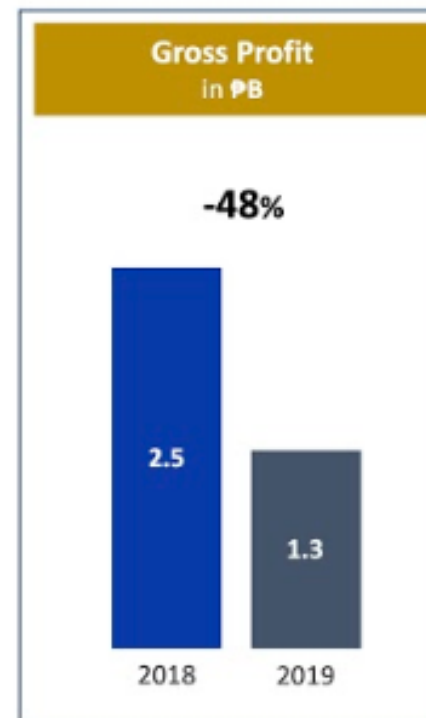
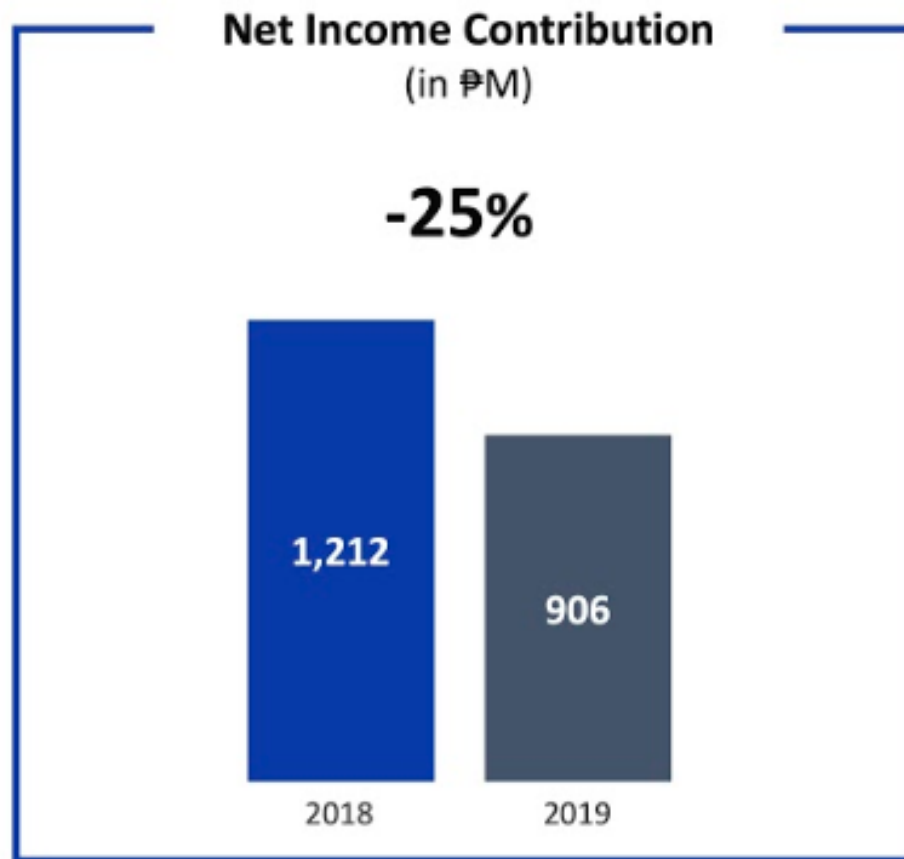
Market conditions and regulatory restrictions  
no longer support our original valuation  
of ZDMC and ZCMC

Zambales mining port

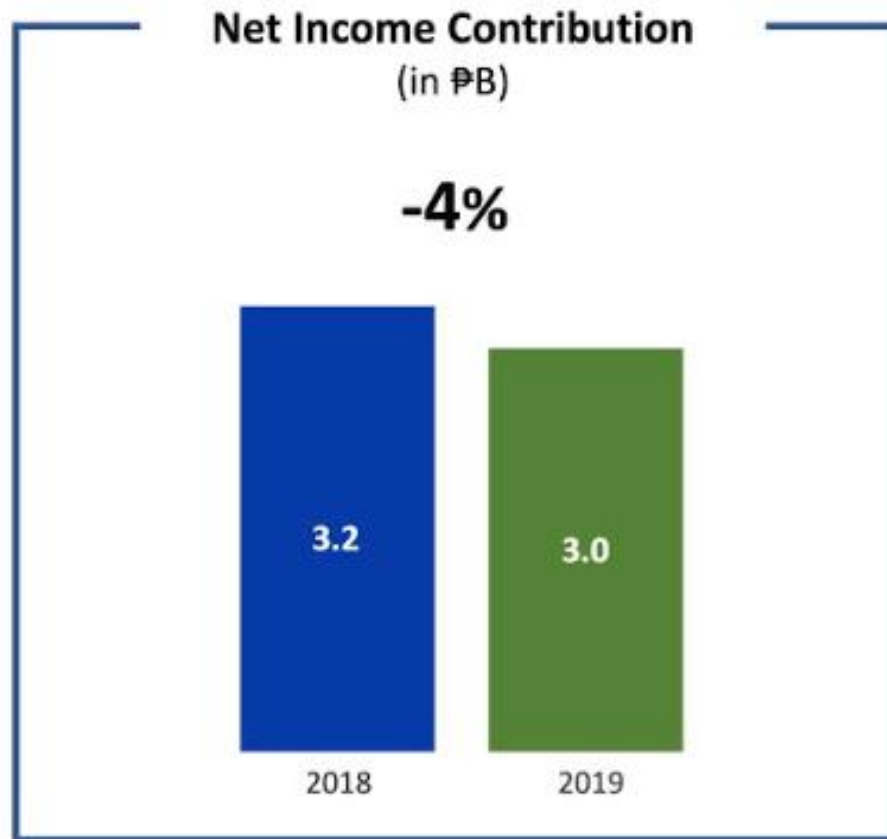




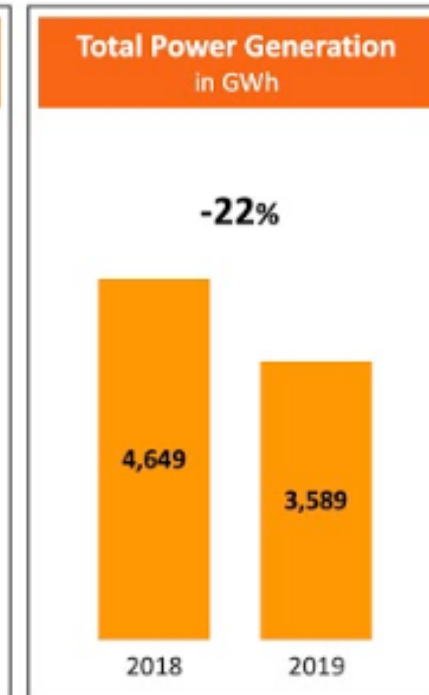
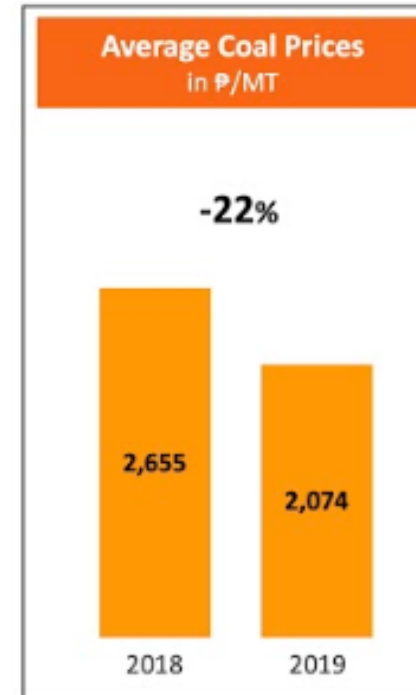
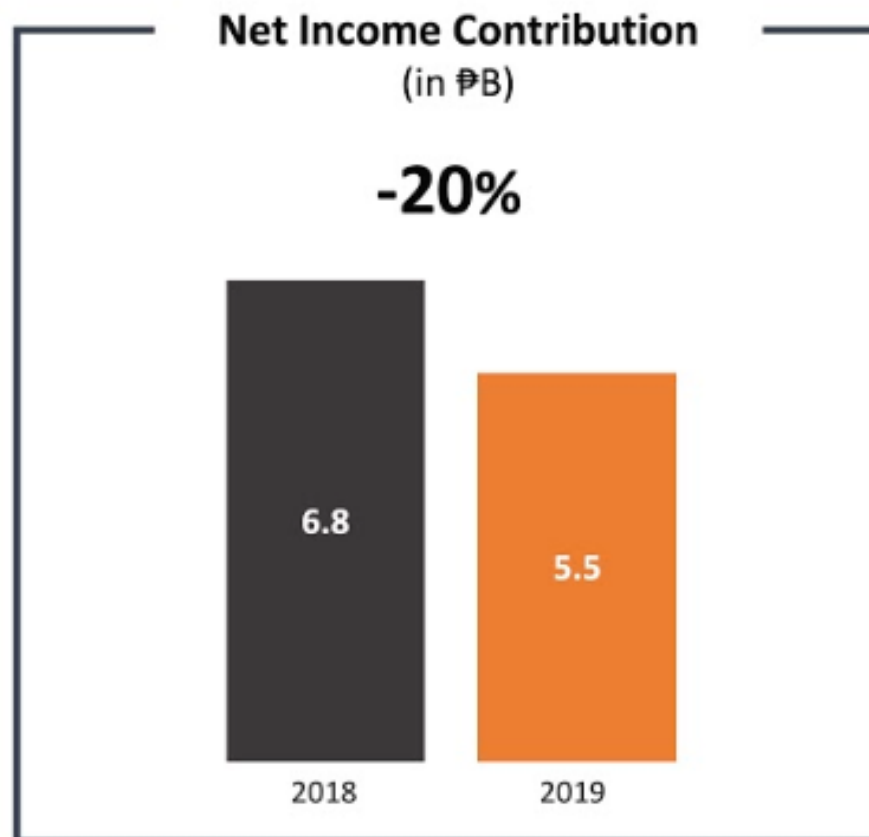
## Lower variation orders and claims for projects nearing completion reduced gross profit margin



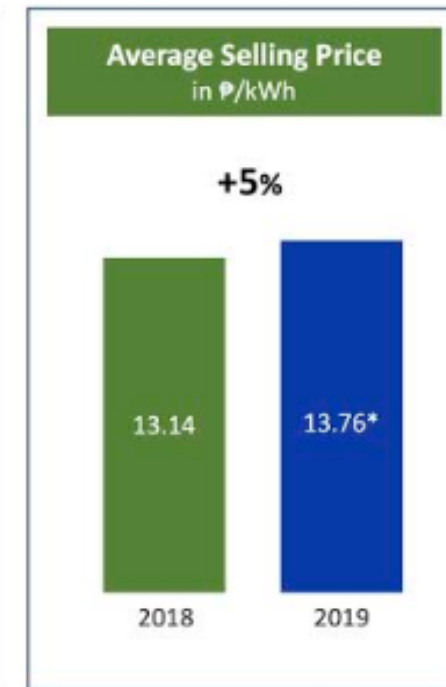
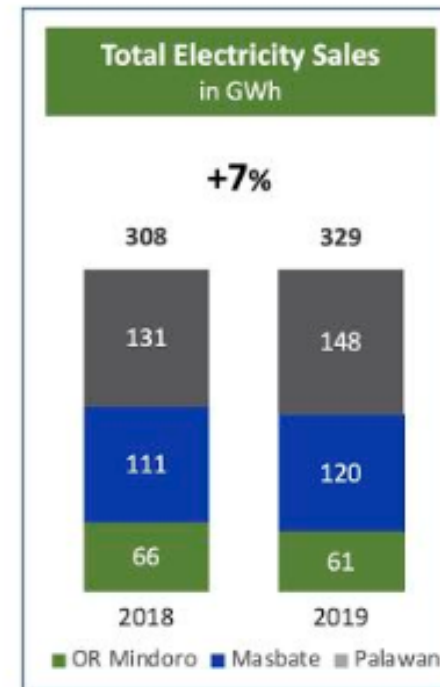
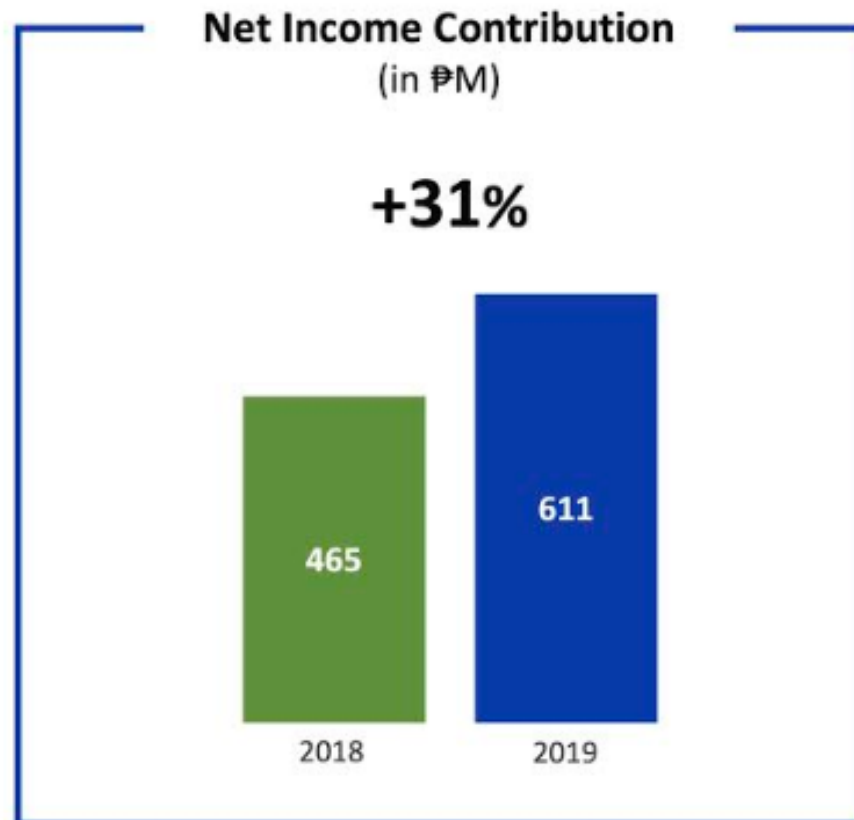
## Decline due to lower construction accomplishments and labor shortage



## Decline due to double-digit drop in average coal prices and power generation



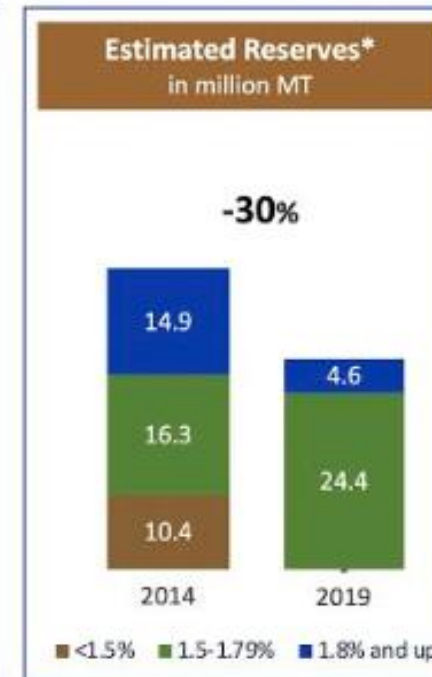
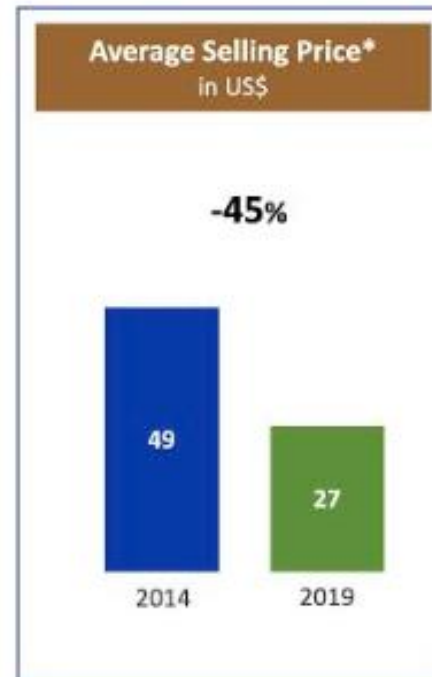
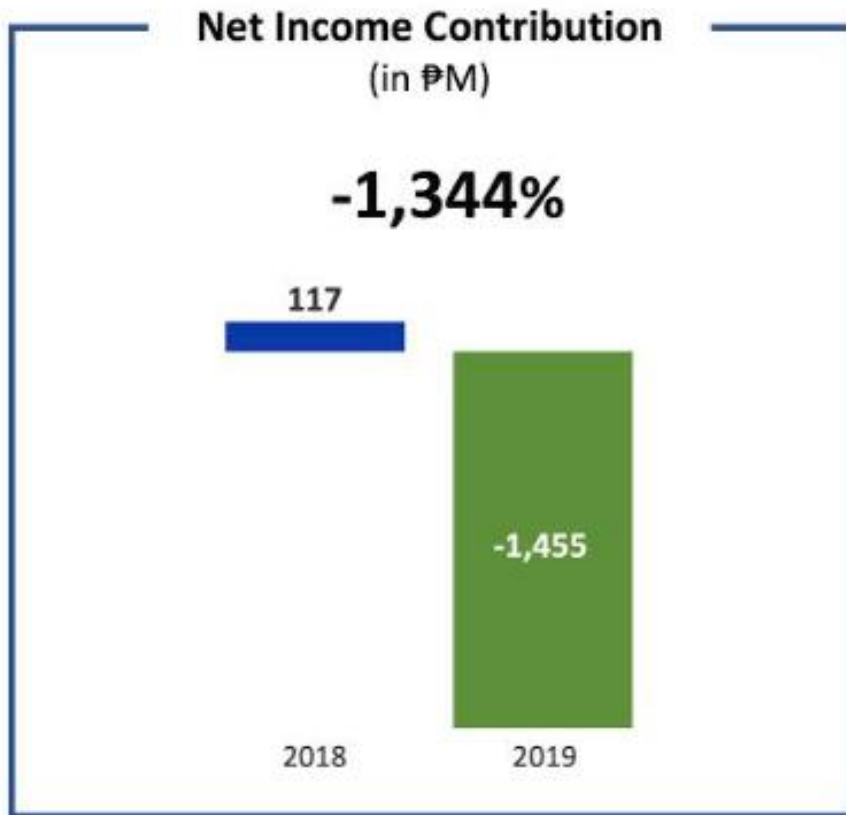
## Growth due to retroactive non-fuel tariff adjustment and higher electricity sales



\*includes ₱1.13/kWh for Aborlan plant

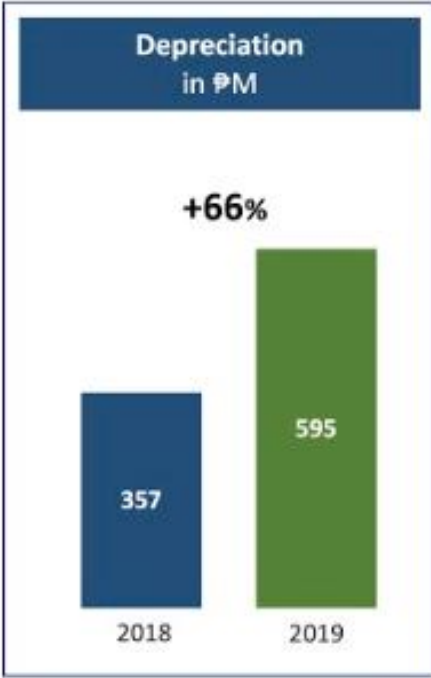
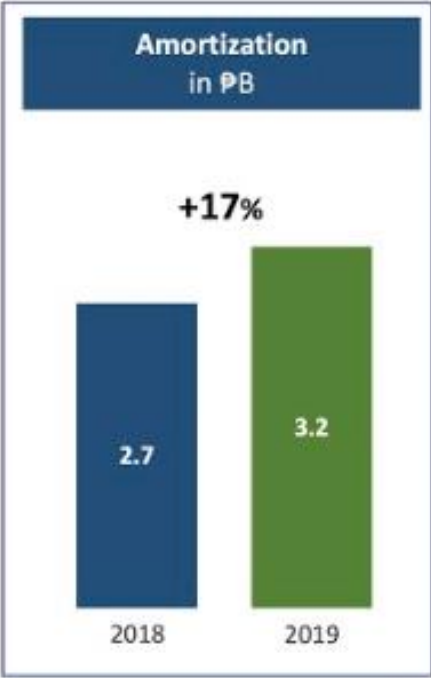
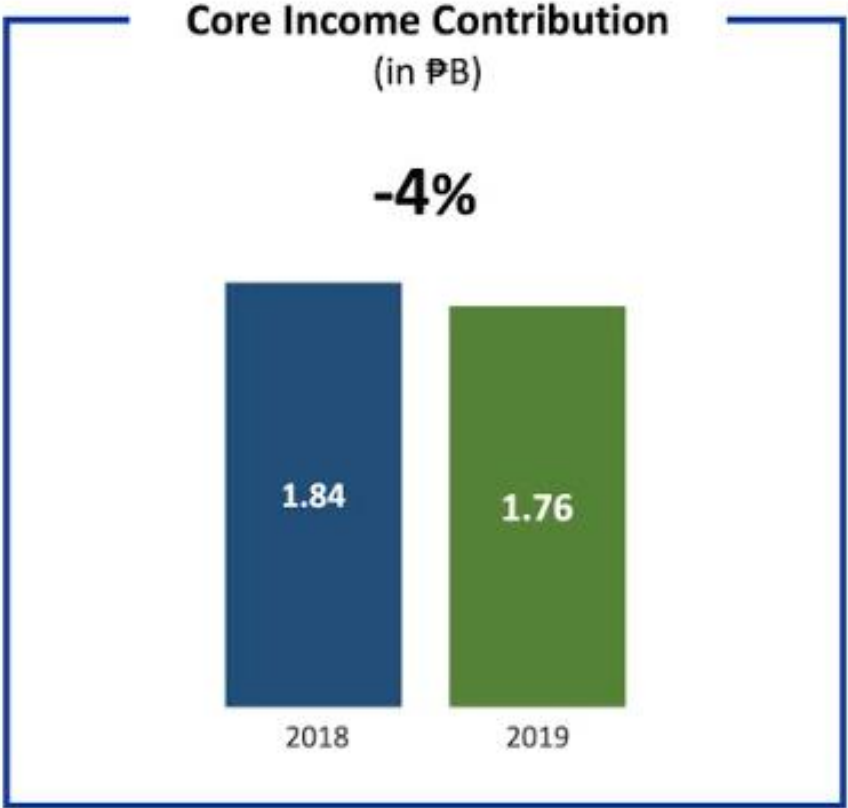


**Net loss owing to non-cash goodwill impairment charge of 1.6 billion pesos for ZDMC and ZCMC**



*\*for Zambales mines*

**Drop due to higher amortization and depreciation expenses,  
and tariff adjustment deferment**

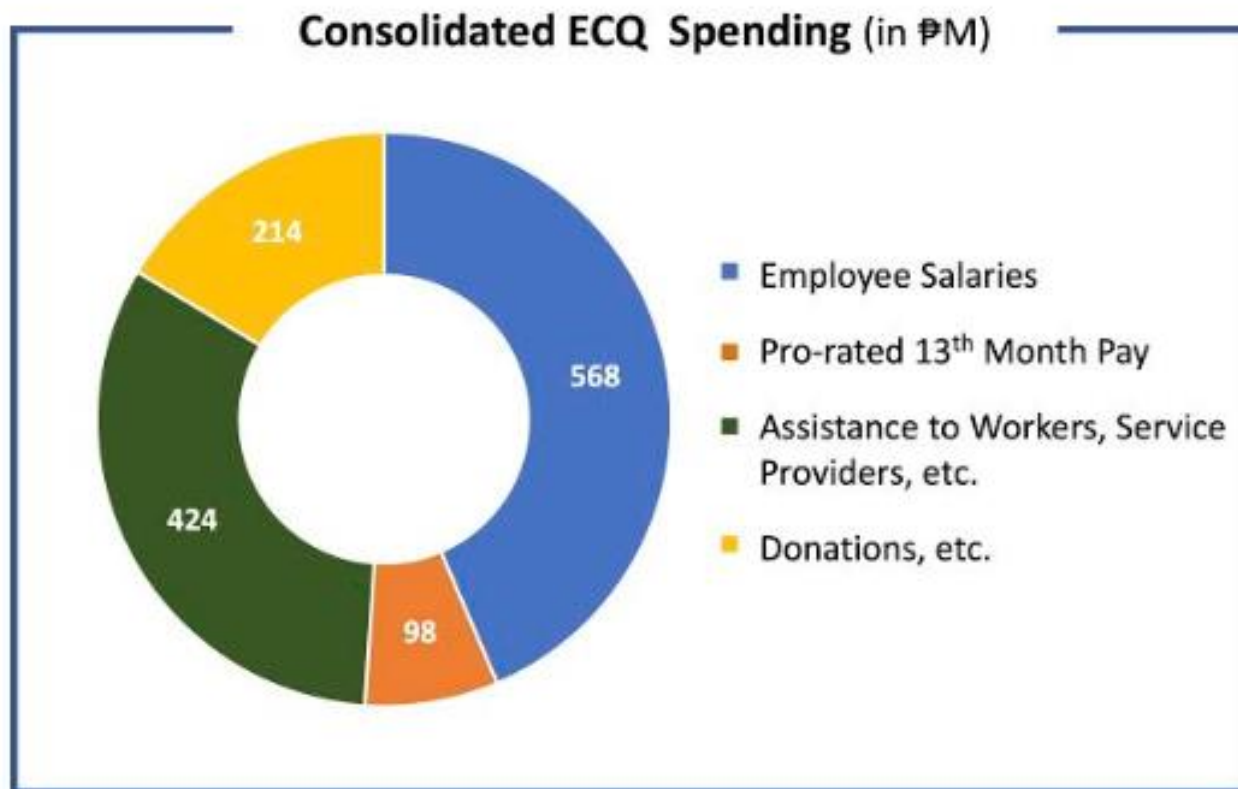


## **The DMCI group has been cooperating with the government to contain the viral outbreak**

### **COVID-19 Response during ECQ**

- Required non-essential employees to work from home
- Kept key facilities running
- Provided free shuttle service or board and lodging to essential employees
- Halted construction and marketing activities
- Suspended the collection of payments, penalties and/or interests from power, real estate and water customers
- Provided free accommodations and meal subsidies to stranded construction workers

## We spent over P1.3 billion to support our employees and other stakeholders during ECQ



## **Our companies are adopting a combination of precautionary measures in the workplace**

### **Precautionary Measures**

- Rapid Testing
- Regular temperature checks and health monitoring
- Frequent sanitation
- Mandatory PPEs
- Reconfigured work spaces
- Virtual meeting platforms
- Flexible work arrangements

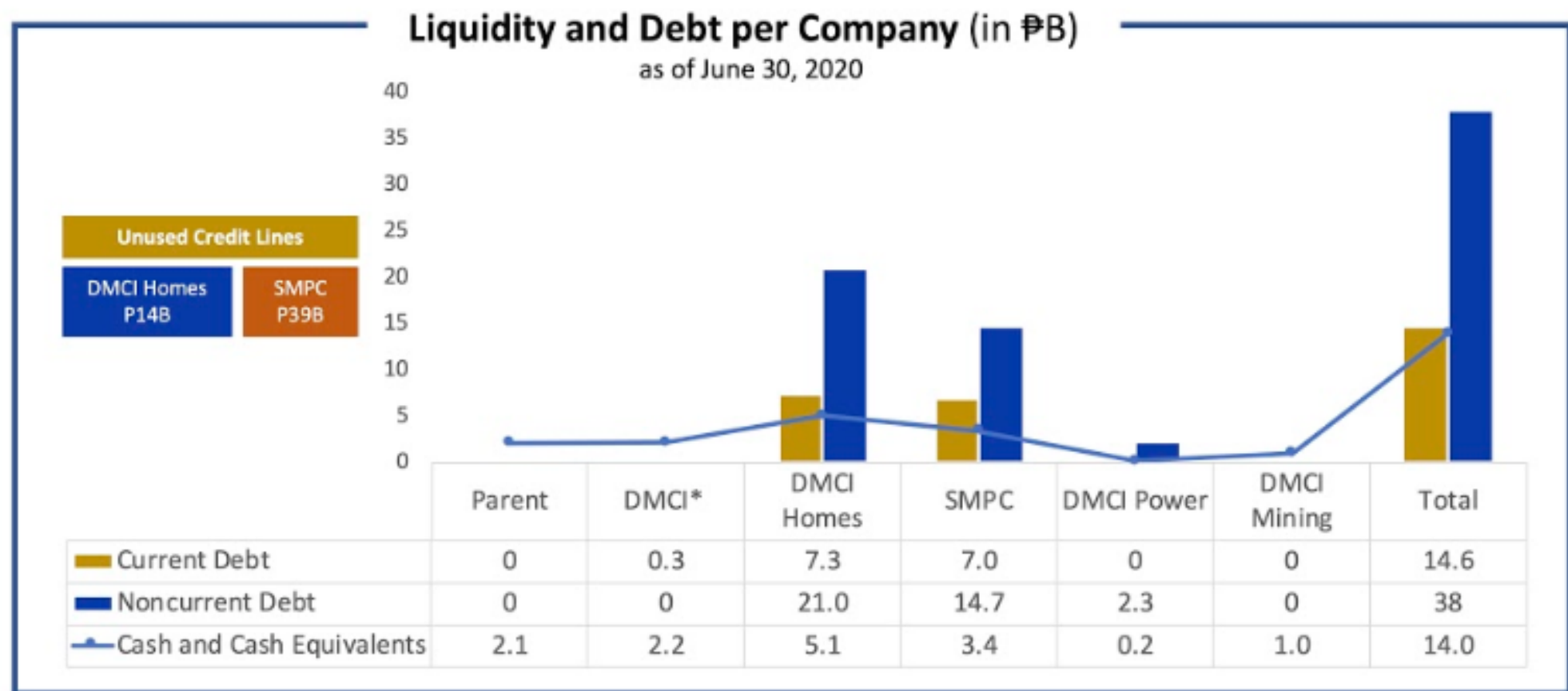


**We expect weak demand and low selling prices to affect most of our businesses**

**Our Business Challenges**

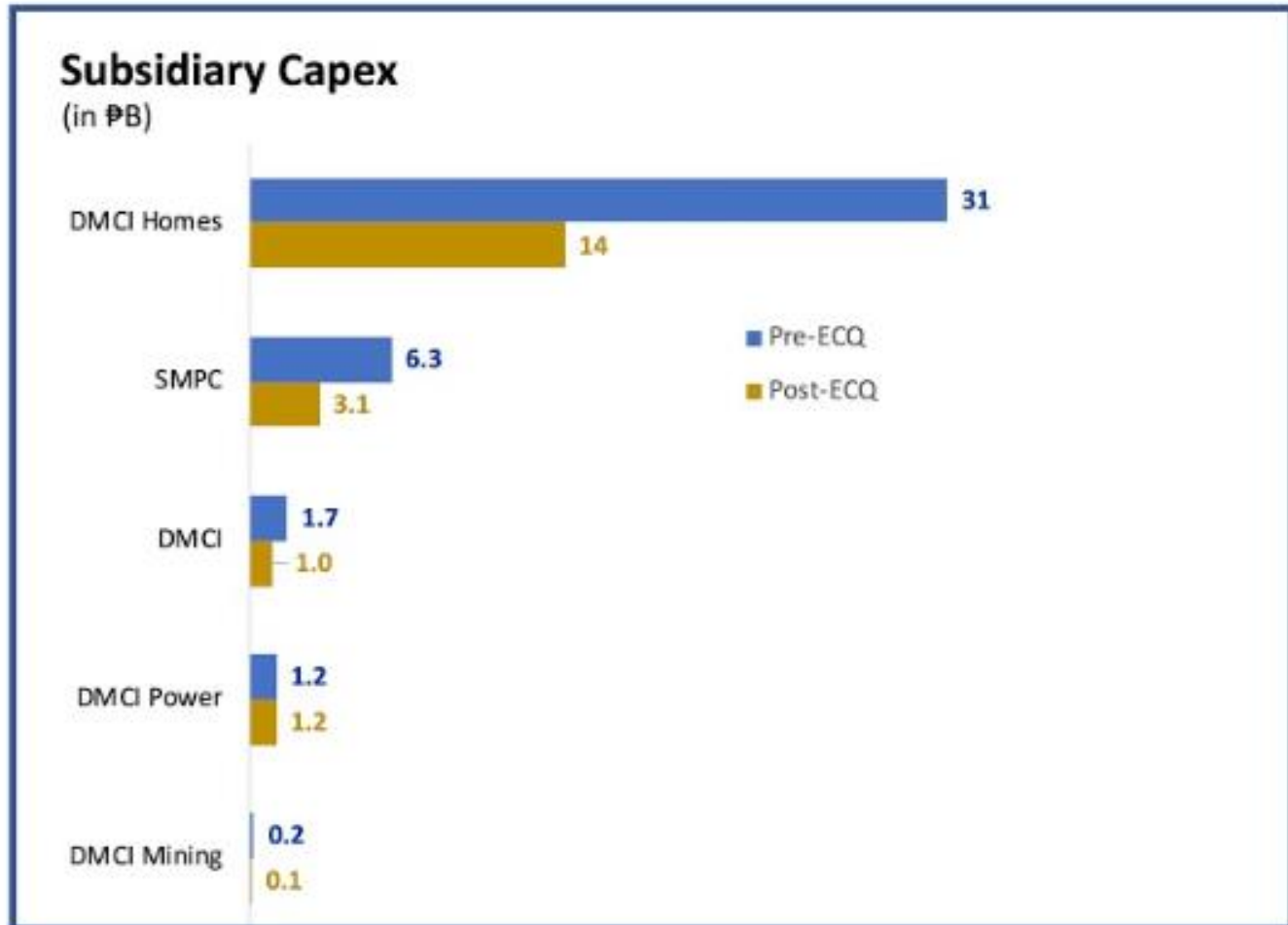
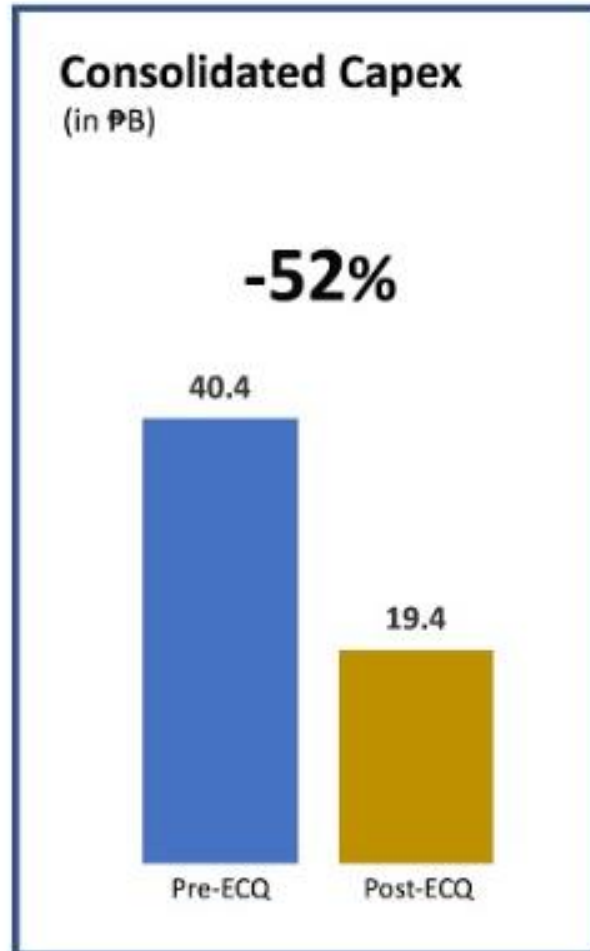
- Reduced economic activities
- Supply chain disruptions
- Job insecurity
- Lower overseas remittances
- Marked slowdown in investments

## We can count on our healthy balance sheet and low debt exposure to sustain us during this difficult time



*\*includes P1.6B share in cash of joint ventures*

Our companies are deferring part of their capex this year



## **We are taking steps to manage our operating expenses**

### **OPEX Management Plan**

- Freeze hiring of non-critical positions
- Job rotation, expansion and re-assignment
- Cut non-essential business costs
- Control and expedite receivables
- Dispose of non-core assets



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# Message from the Chairman

Isidro A. Consunji