



# Analyst Briefing

Q1 2023 Operating and Financial Results

16 May 2023



# Disclaimer

This presentation was prepared solely and exclusively for discussion purposes. This presentation and/or any part thereof may not be reproduced, disclosed or used without the prior written consent of Citicore Energy REIT Corp. (the “Company”).

This presentation, as well as discussions arising therefrom, may contain statements relating to future expectations and/or projections of the Company by its management team, with respect to the Company and its portfolio companies. These statements are generally identified by forward-looking words such as “believe”, “plan”, “anticipate”, “continue”, “estimate”, “expect”, “may”, “will”, or other similar words. These statements are: (i) presented on the basis of current assumptions which the company’s management team believes to be reasonable and presumed correct based on available data at the time these were made, (ii) based on assumptions regarding the Company’s present and future business strategies, and the environment in which it will operate in the future, (iii) a reflection of our current views with respect to future events and not a guarantee of future performance, and (iv) subject to certain factors which may cause some or all of the assumptions not to occur or cause actual results to diverge significantly from those projected. Any and all forward-looking statements made by the Company or any persons acting on its behalf are deemed qualified in their entirety by these cautionary statements.

This presentation is solely for informational purposes and should in no way be construed as a solicitation or an offer to buy or sell securities or related financial instruments of the Company and/or any of its subsidiaries and/or affiliates.



# Key Themes

- ☀️ **1Q2023 revenues 13% higher from new asset infusion**
- ☀️ **Leasable area more than doubled to 5.4M sqms**
- ☀️ **680MW under construction from Sponsor**
- ☀️ **1Q2023 dividend increased by 6%**
- ☀️ **Q & A**



# Q1 2023 Financial Performance



# Revenue Boosted by New Properties

**Higher from newly acquired parcels of land.**



*PFRS 16 – applied equal revenue recognition of existing properties*

**ASEAN Green Bond issuance associated costs**



<i>In PhP</i>	March 2023	March 2022	% $\Delta$
<b>Revenues</b>	<b>376,449,818</b>	<b>331,791,550</b>	<b>13%</b>
<i>Guaranteed base lease</i>	361,170,291	298,746,786	21%
<i>PFRS 16</i>	15,279,528	33,044,764	-54%
<b>Cost of services</b>	<b>24,166,475</b>	<b>19,680,043</b>	<b>23%</b>
<b>Gross profit</b>	<b>352,283,343</b>	<b>312,111,507</b>	<b>13%</b>
Operating expense	3,304,705	8,079,855	-59%
<b>Income from operations</b>	<b>348,978,638</b>	<b>304,031,652</b>	<b>15%</b>
Finance costs	49,722,507	4,383,031	1034%
Others – net	5,702,860	680,264	738%
<b>Income before tax</b>	<b>304,958,992</b>	<b>300,328,885</b>	<b>2%</b>
Income tax expense	-	30,237	-100%
<b>Net income after tax</b>	<b>304,958,992</b>	<b>300,298,648</b>	<b>2%</b>



**Increase related to Property and Fund Management Fees.**

*Previous period only covers Feb 22 to March 31 vs full 3 months for 1Q2023, and higher portfolio value.*

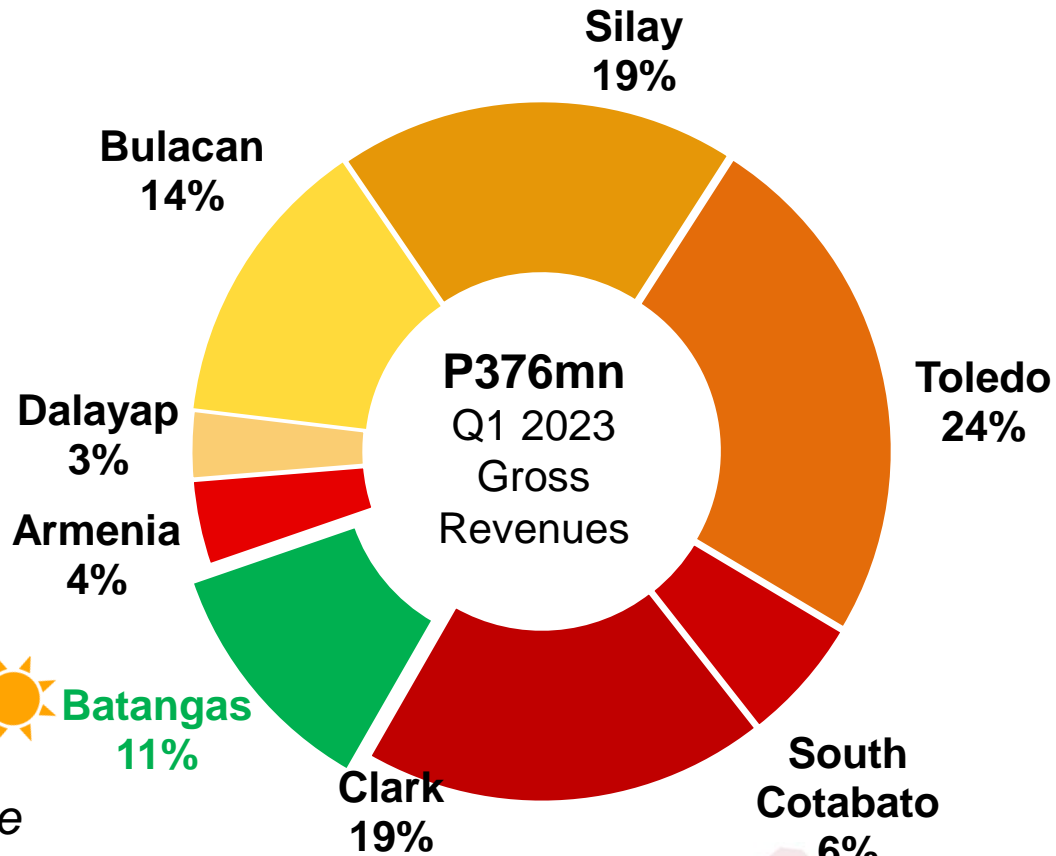


**Strong Margins maintained**

*GPM at 94%, EBITDA margin at 99% and NIAT margin at 81%.*



# Geographically Diverse Revenue Base

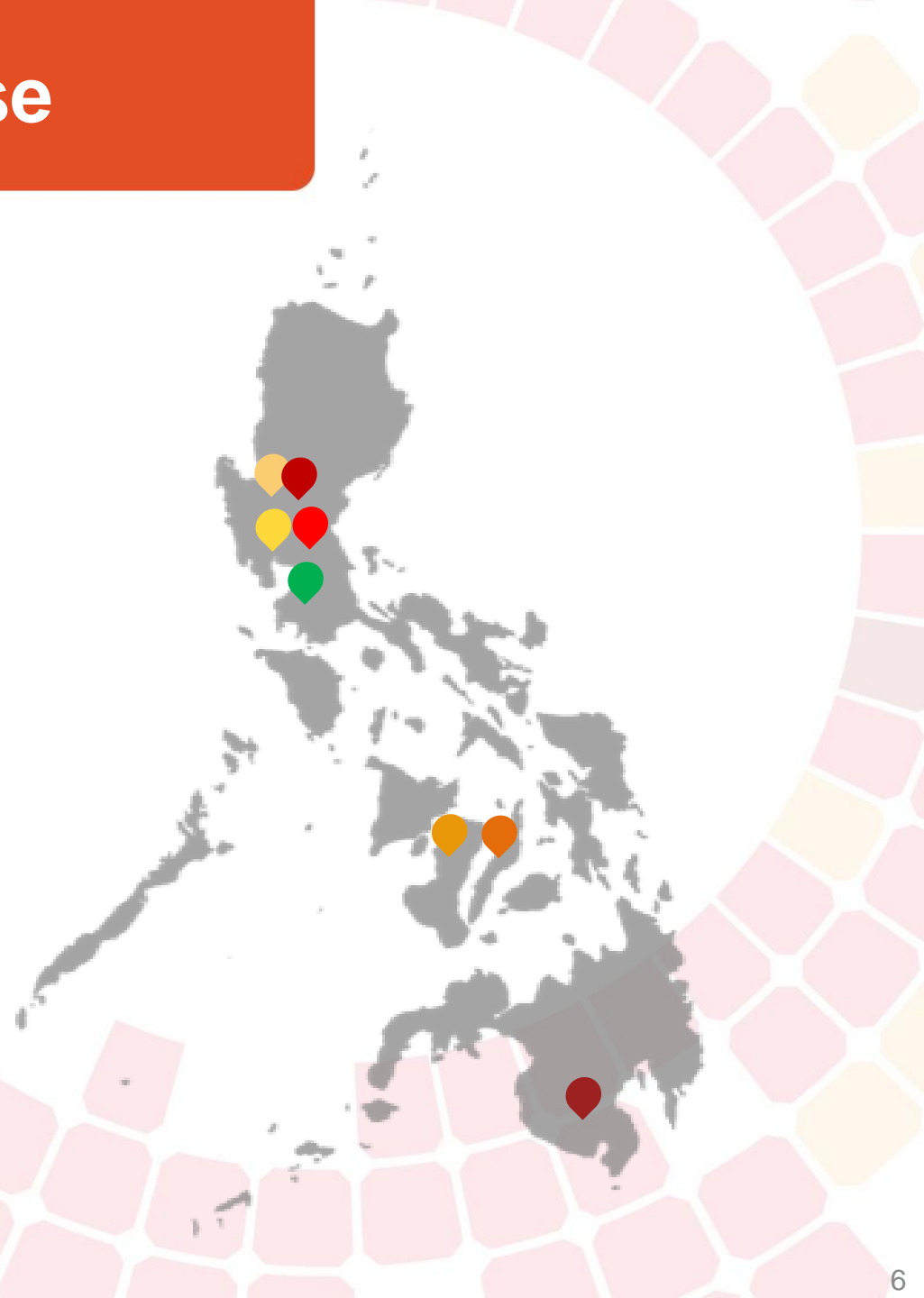


**Value accretive acquisition**



**Batangas**  
11%

*Immediate revenue contribution*




# Asset Growth from Acquisitions

Proceeds from Green Bond Offering 

<i>In PhP Thousands</i>	March 2023	December 2022	% $\Delta$
Cash and cash equivalents	2,587,556,884	571,423,465	353%
Other current assets	46,395,390	88,577,472	-48%
<b>Total Current Assets</b>	<b>2,633,952,274</b>	<b>660,000,937</b>	<b>299%</b>
Property, plant and equipment	1,257,273,717	1,272,055,348	-1%
Investment properties	5,473,174,412	2,925,297,244	87%
<b>Total Non Current Assets</b>	<b>6,996,141,417</b>	<b>4,452,028,730</b>	<b>57%</b>
<b>Total Assets</b>	<b>9,630,093,691</b>	<b>5,112,029,667</b>	<b>88%</b>
Current liabilities	489,141,255	387,326,002	26%
Non Current Liabilities	4,815,754,591	370,646,657	1199%
<b>Total Liabilities</b>	<b>5,304,895,846</b>	<b>757,972,659</b>	<b>100%</b>
<b>Equity</b>	<b>4,325,197,845</b>	<b>4,354,057,008</b>	<b>-1%</b>

 Newly acquired Batangas property

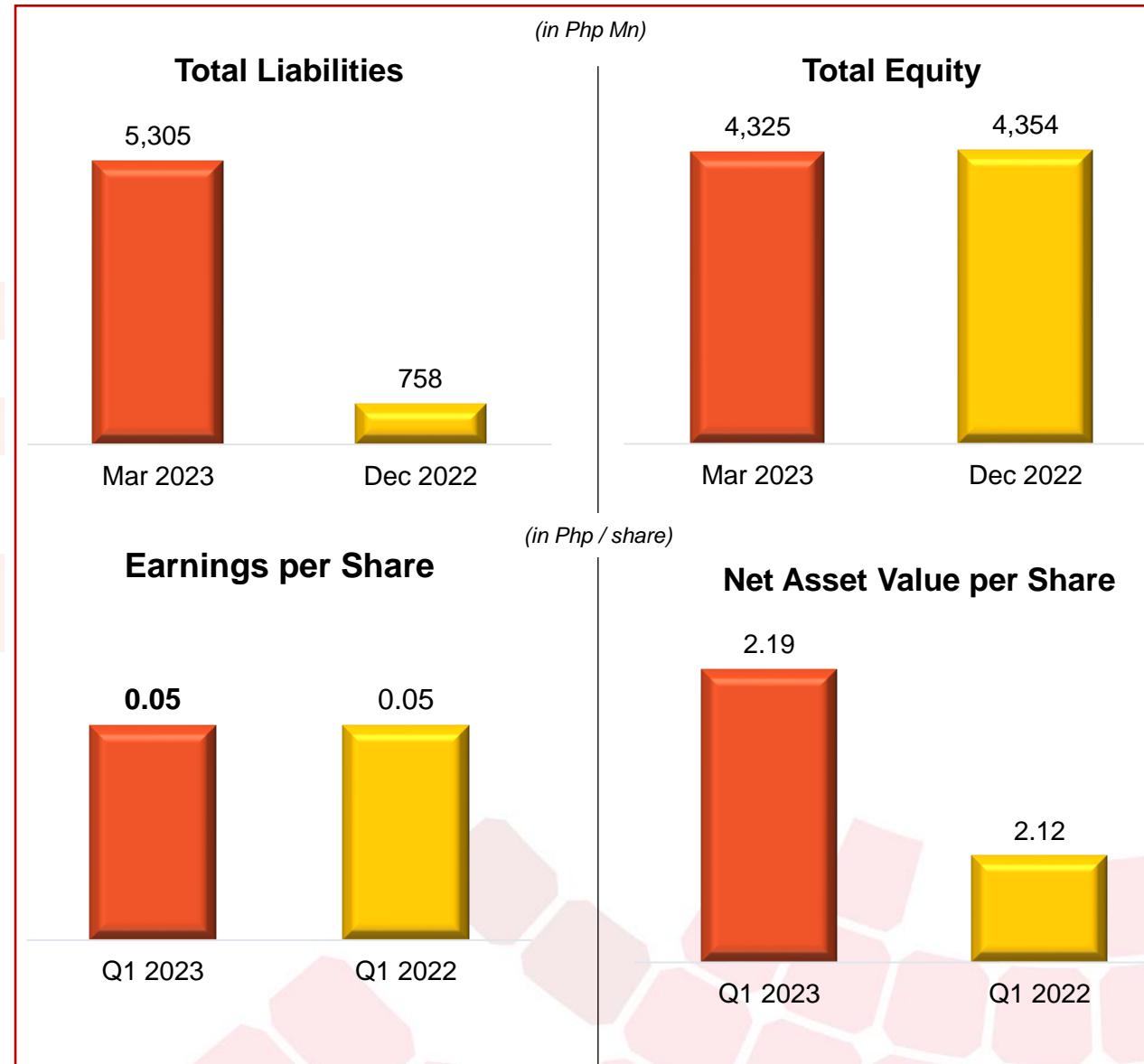
Due to the P4.5Bn Green Bond offering 



# Comfortable Debt Headroom

## DEBT HEADROOM (PhpM)

Total deposited property	19.54
Leverage ratio (PRS Aa+)	70%
Leverage limit	13.68
Total borrowings and deferred payments	5.30
<b>Allowable additional borrowings</b>	<b>8.37</b>



 **Significant debt headroom from increase in deposited property from newly acquired parcels of land**

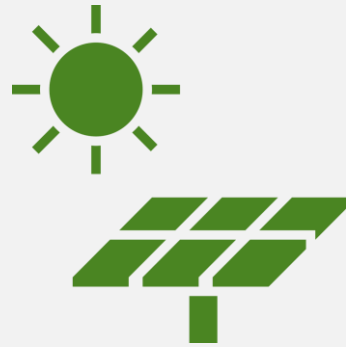


# CREIT Asset Portfolio



# Leasable Area More than 2X to 5.4M sqms

**8 Leasable Assets**



**145 MW<sub>DC</sub>**

Tenants' Installed Capacity

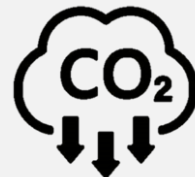


**184 GWh**

Estimated Annual Net Generation of Operating Tenants

**~130k MT**

Estimated Annual Carbon Reduction\* of Operating Tenants



**5.4 M sqm**

Total Leasable Area



\*Emission Factor based on US EPA Avoided Emissions and Generation Tool (AVERT)



# Largest Green Landlord

 **Php 19.54Bn**  
Est. Value of  
Deposited Properties



**CEBU – 60MW**



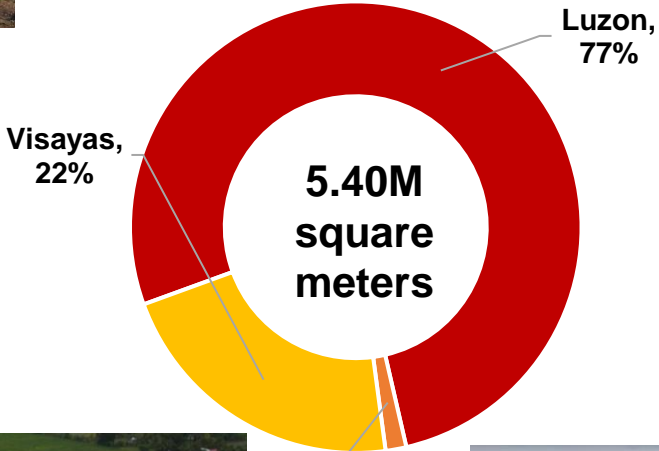
**CLARK – 22 MW**



**BULACAN – 15 MW**



**NEGROS OCCIDENTAL – 25 MW**



**DALAYAP – 7.5 MW**



**SOUTH COTABATO – 6.2 MW**



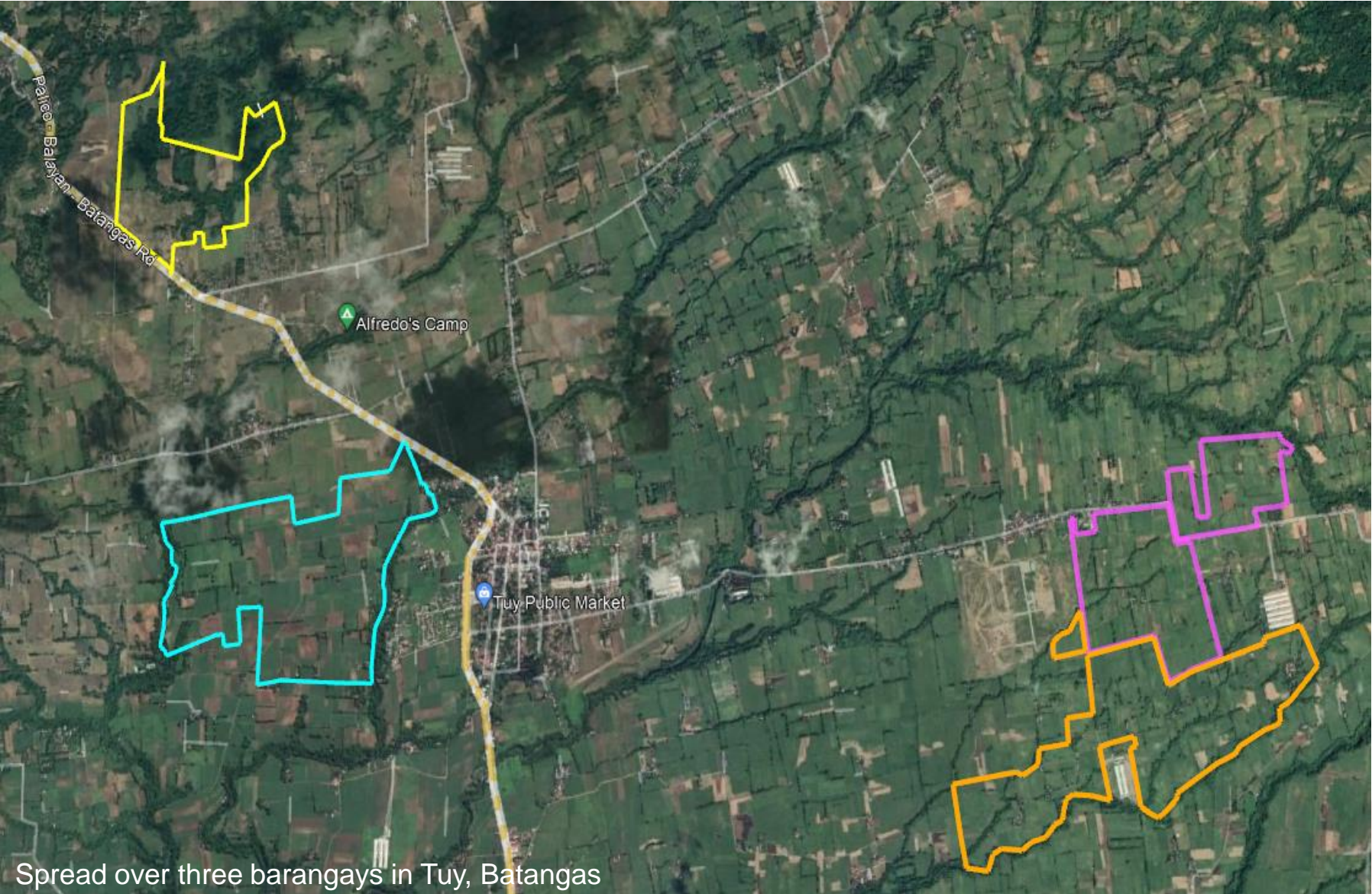
**ARMENIA – 8.8 MW**

 **Geographically Spread Assets**  
Across Luzon,  
Visayas, Mindanao



# Land Acquisition Update

Tuy, Batangas



Spread over three barangays in Tuy, Batangas

 **3.4M sqm**

acquired and leased to 2 solar developers constructing solar plants totaling 680MWdc

# 100% Occupancy and Longest WALE

**Portfolio  
Occupancy**



**1:1 Asset to  
Tenant Ratio**



<b>CREIT Property</b>	<b>Tenants Lease term (in years)</b>
Clark	16.4
Armenia	23.6
Toledo	18.8
Silay	17.6
Dalayap	17.6
Bulacan	24.8
South Cotabato	23.8
<b>Batangas</b>	<b>24.8</b>

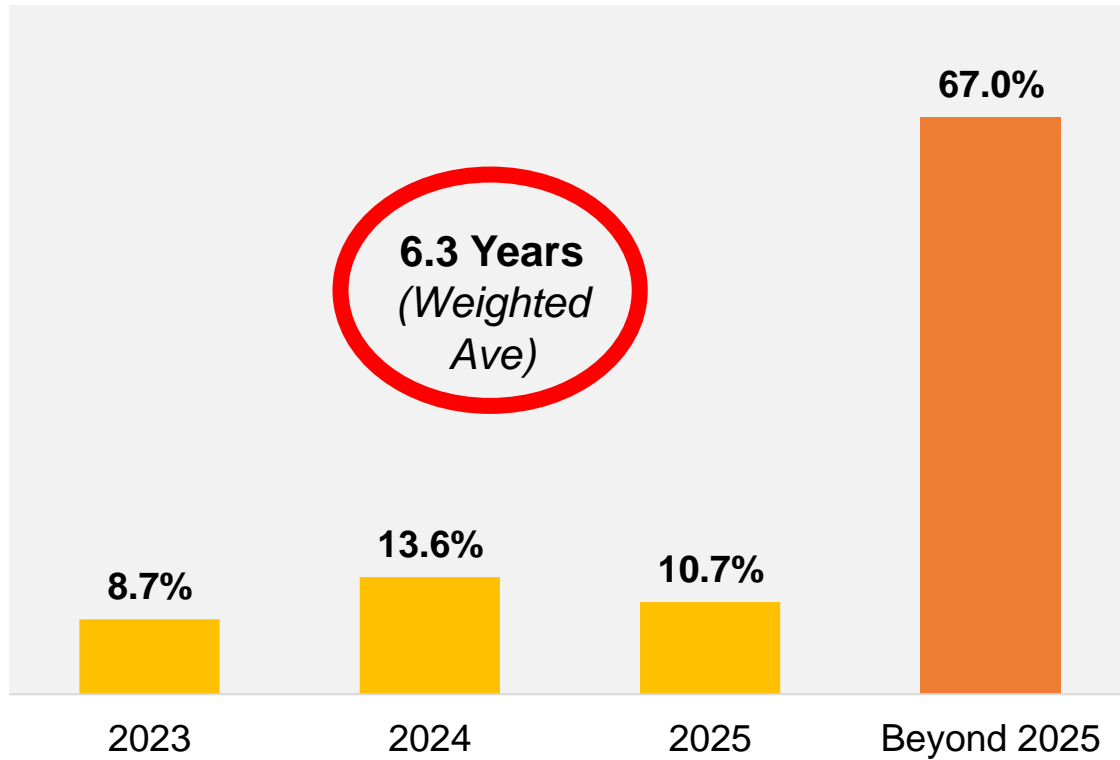


*Acquired in 2023*



# Diversified Mix of Tenant's Off-takers

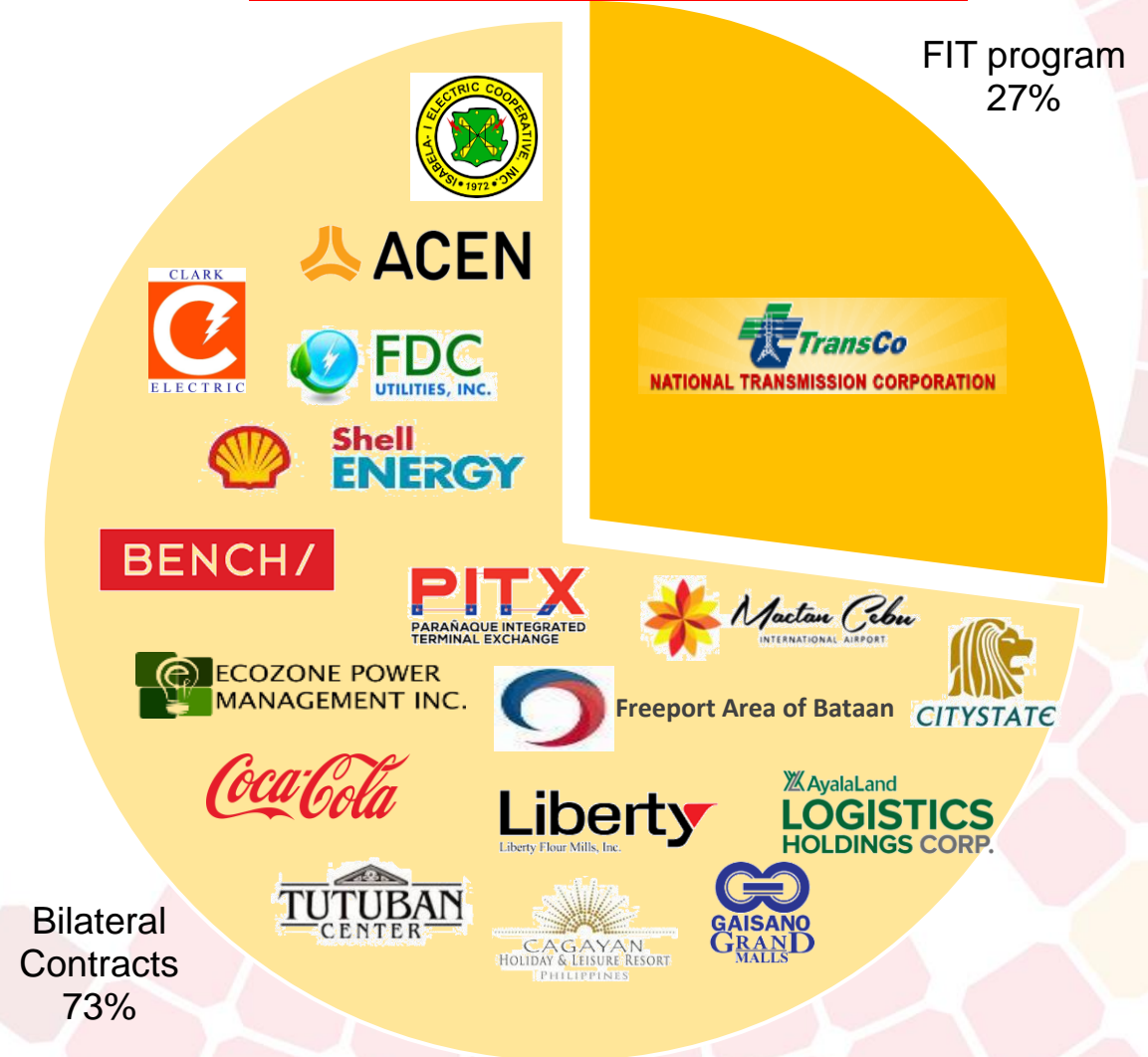
## Off-take Contract Renewal of Tenants' Customers



Note: Contracts expiring in 2023 decreased from 23.5% as of 3Q 2022 due to contract renewals



## % of Total Contracted Capacity

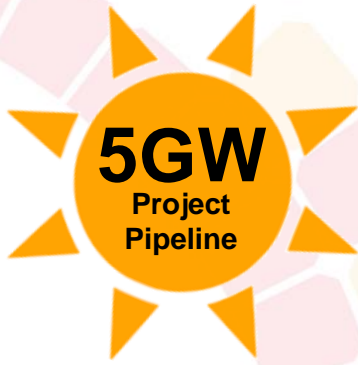




# CREC (Sponsor) Project Update



# Sponsor Pipeline in Motion for possible REIT infusion



## CREC Development Clusters

**3,500MWdc**

**1,500MWdc**

### Greenfield Projects

Development of new projects

**Batangas Cluster**

Zambales Cluster

Pangasinan Cluster

Quezon Cluster

### Brownfield Expansion Projects

Optimizing the capacity in existing areas of operations

Pampanga Cluster

Tarlac Cluster

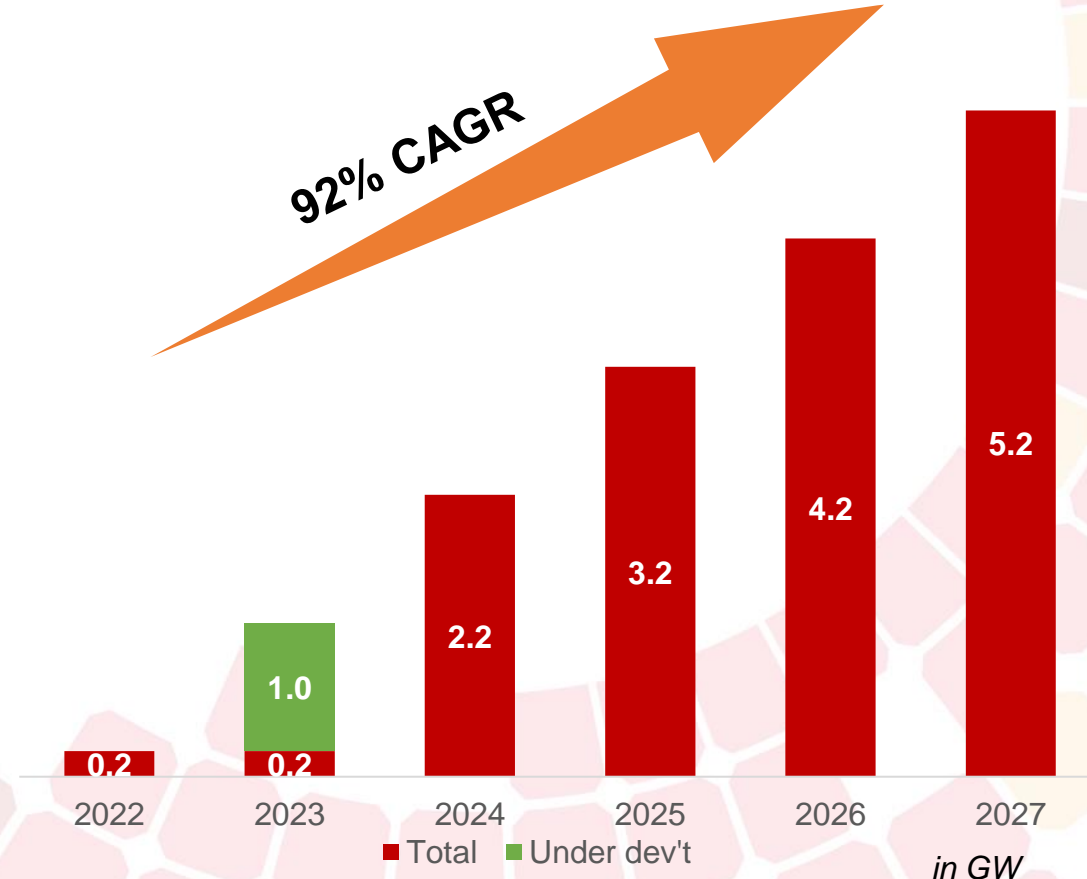
Negros Cluster

Bulacan Cluster

Bataan Cluster

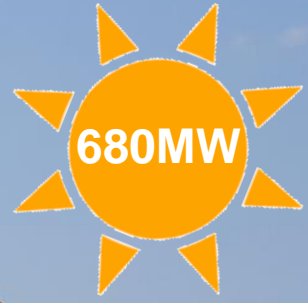
**Committed to build 1GW annually**

**92% CAGR**



*Projects that meet the Company's investment criteria are still subject to the consideration of the Company, the Fund Manager, and to relevant regulatory approvals prior to infusion to the REIT.*





680MW



**LARGEST SOLAR POWER PLANT IN BATANGAS**

**Groundbreaking Ceremony | March 21, 2023**



# CREIT Dividend Update



# Highest Dividend Payout To date (1Q2023)

<i>In PhP Millions</i>	FY2021 Actual	1Q2022 Actual	2Q2022 Actual	3Q2022 Actual	4Q2022 Actual	FY2022 Actual (Variable)	1Q2023 Actual
Net income	225.88	300.33	300.81	305.32	302.08	43.88	304.96
Straight-line rent adjustment	(2.72)	(32.94)	(32.94)	(32.94)	(33.36)	-	(15.28)
Distributable income	223.16	267.39	267.87	272.38	268.71	43.88	289.68
Depreciation	61.75	17.70	17.99	17.84	17.84	-	17.84
Funds from operations (FFO)	284.91	285.09	285.86	290.23	286.55	43.88	307.52
CapEx on existing investment properties	-	-	-	-	-	-	-
<b>Adjusted funds from operations (AFFO)</b>	<b>284.91</b>	<b>285.09</b>	<b>285.86</b>	<b>290.23</b>	<b>286.55</b>	<b>43.88</b>	<b>307.52</b>
AFFO Payout ratio	80%	100%	100%	100%	100%	100%	100%
<b>Dividends</b>	<b>227.93</b>	<b>285.09</b>	<b>285.86</b>	<b>290.23</b>	<b>286.55</b>	<b>43.88</b>	<b>307.52</b>
<b>Total dividends as percentage of distributable income</b>	<b>102%</b>	<b>107%</b>	<b>107%</b>	<b>107%</b>	<b>107%</b>	<b>100%</b>	<b>106%</b>
<b>Dividends per share</b>	<b>0.035</b>	<b>0.044</b>	<b>0.044</b>	<b>0.044</b>	<b>0.044</b>	<b>0.007</b>	<b>0.047</b>

**Stable quarterly  
dividends since  
IPO**

*Total dividends of  
P0.183/share FY22*



**Above the minimum  
requirement of 90%  
of distributable  
income**



**Best IPO**  
(Philippines)



23 February 2023

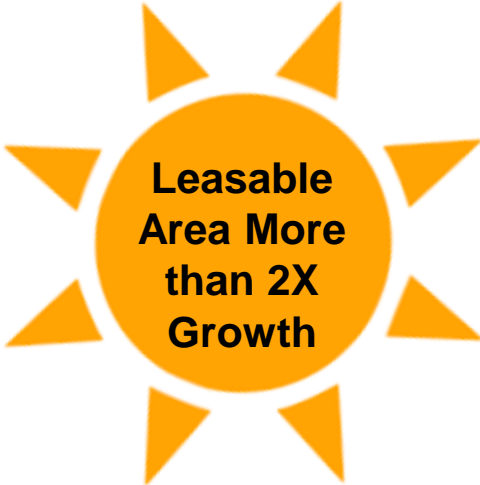




# Key Takeaways




**Revenues up  
+13% from  
New Assets**



**Leasable  
Area More  
than 2X  
Growth**



**680MW of  
Sponsor  
Pipeline in  
Motion**



**1Q2023  
Dividend Up  
6% - Highest  
todate**

# Q & A







# THANK YOU!

For questions, please contact:

**Katrina Flores**

CREIT Investor Relations Officer  
[investorrelations@creit.com.ph](mailto:investorrelations@creit.com.ph)

