



AYALA CORPORATION

PRESS RELEASE

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Ayala partners with Razon-led infrastructure company in Manila Water

An infrastructure company of businessman Enrique K. Razon Jr., Prime Metroline Holdings Inc., through a company that it will incorporate for the transaction (hereafter, "Trident Water"), is joining Ayala Corporation as a strategic investor in Manila Water with the acquisition of a 25 percent stake in the company. Ayala remains a shareholder with a 38.6 percent stake.

The transaction will bring ₱10.7 billion in fresh funds for Manila Water, which will support its capital spending program to improve the water and wastewater distribution system in Metro Manila's east zone concession.

The partnership with Trident Water, which demonstrates Ayala's ability to attract sizeable and long-term investments into the business group, adds enormous value to Manila Water as it executes on its long-term strategic direction.

"Across all our partnerships, Ayala values the complementary strengths and expertise that we can leverage off a team-based approach, which has been a hallmark of our many joint undertakings with both local and international groups. Both Ayala and Mr. Razon share a deep commitment to contributing to the country's water infrastructure development," Ayala Chairman and CEO Jaime Augusto Zobel de Ayala said.

"Together, both our groups can provide a unique, holistic, and long-term solution to providing predictable and dependable long-term supply to the growing needs of the east zone concession and likewise contribute to strengthening the infrastructure required to deliver an important resource to preserve the city's livability and health at a time of growth and expansion in the metropolis," Ayala's Chairman and CEO noted.

"We expect this partnership to likewise help accelerate Manila Water's regional aspirations given Mr. Razon's solid experience in penetrating overseas markets," Ayala President and COO Fernando Zobel de Ayala stated.

Over the past decade, Manila Water has been establishing itself as a major water infrastructure player in Southeast Asia with investments in various platforms across Vietnam, Thailand, and Indonesia and is constantly on the lookout for opportunities in the region.

"Mr. Razon's successful global operations in economies around Asia Pacific, Latin America, Middle East, and Africa is a testament to his strong ability to establish business leadership overseas and navigate the nuances and challenges that come with operating in new territories, including differences in culture, social structures, and economic development," Ayala's President and COO said.

"We are excited to enter into this partnership with the Ayala group. We will dedicate our efforts to further develop this unique business both here in the Philippines and abroad. We are confident that our collective experience, technical capabilities, and corporate synergies will be of great benefit to Manila Water, the people it serves, and its other stakeholders," commented Enrique K. Razon Jr.

The Bulk Water Supply Project of the Razon-led Wawa JVCo Inc. is expected to start supplying an additional 80 MLD of water to Metro Manila by the end of 2021.

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