

MacroAsia Delivers Record Q1 2026 Revenues, Investing for Growth Amid Cost Headwinds

MAKATI CITY, PHILIPPINES — **MacroAsia Corporation** (PSE: **MAC**) reported its unaudited financial results for the first quarter ended March 31, 2026, with consolidated revenues reaching ₱2.63 billion, the highest quarterly revenue level in the Company's reporting history.

The strong top-line performance was driven by sustained growth across MacroAsia's core operating segments, particularly its in-flight and other food businesses and ground-handling and aviation services. The Group delivered this performance despite external challenges affecting the global aviation sector, including geopolitical developments in the Middle East that impacted certain airline hubs and aviation routes.

While revenues remained robust, consolidated profitability was moderated by higher operating costs, increased direct costs associated with expanded business volumes, and lease-related accruals recognized at the associate level, particularly in relation to the MacroAsia Ecozone and its locator, Lufthansa Technik Philippines.

Q1 2026 Financial Highlights

MacroAsia posted consolidated net income of ₱186.6 million for the first quarter of 2026, lower than the ₱362.4 million recorded in the same period last year. Net income attributable to equity holders of the parent stood at approximately ₱129.0 million, compared with ₱313.9 million in Q1 2025.

The decline was primarily attributable to lower equity in net earnings of associates, driven by lease-related accruals following the end of the first lease term covering the MacroAsia Ecozone on August 31, 2025. The MacroAsia Special Ecozone is now subject to rental rate adjustments under the Manila International Airport Authority's Revised Administrative Order No. 1, Series of 2024, which prescribes revised lease rates for certain airport areas.

Consolidated revenues grew strongly to ₱2.63 billion, supported by the Group's core businesses. MacroAsia's operating subsidiaries remained resilient during the quarter, reflecting continued recovery and expansion in aviation-related demand, travel-related meal volumes, and non-airline food service activities.

- In-flight and other food businesses contributed approximately 50% of consolidated revenues, increasing 14% to ₱1.31 billion from ₱1.15 billion in Q1 2025.
- Ground-handling and aviation services accounted for approximately 43% of revenues, rising 11% to ₱1.13 billion aligned with the 11% increase in flights handled, which totaled 52,892 for the period.

- Water operations grew 2% to ₱174.9 million, supported by higher commercial water sales.

As of March 31, 2026, total assets stood at ₱17.15 billion, up 3% from year-end 2025. The Group maintained a healthy liquidity position, with a current ratio of 1.45:1.

However, the Group's return on net sales declined to 7.11% from 15.41% in the prior-year period. Margin compression was primarily due to the following factors:

- The Group recorded a lower share in the net income of associates, with contributions declining by ₱166.9 million. In particular, MacroAsia's share in the net income of Lufthansa Technik Philippines declined to ₱53.8 million, mainly due to higher lease cost accruals related to anticipated rate adjustments under MIAA Administrative Order No. 1.
- Consolidated operating expenses rose 17% to ₱407.1 million, reflecting higher business activity, inflationary cost pressures, and lease rate adjustments for certain operating facilities. Because of the fuel crisis faced by the country, the inflationary pressure on costs was felt all over the operations.
- The Group's direct cost ratio increased to 78.21%, driven by expanded operations and rate adjustments covering airport project land and facilities. Also, pricing discussions for airlines to share on the costs were still ongoing as of the end of the reporting period.

MacroAsia's financial position remained sound as of March 31, 2026. Total equity stood at ₱9.35 billion, supported by the Group's profitable operations and favorable foreign currency translation adjustments from associates.

The Group's debt-to-equity ratio increased to 37.25% from 19.22% in the prior year, reflecting the Company's strategic use of local bank financing to fund capital expenditures, asset acquisitions, and business expansion initiatives. Despite the increase in leverage, MacroAsia maintained a strong interest coverage ratio of 11.23:1, underscoring its continued capacity to service debt obligations while pursuing growth investments.

Management Statement

"Our first-quarter results reflect the strength and resilience of MacroAsia's core businesses as we continue to scale our operations in response to growing demand in aviation, food services, and related support sectors," said Eduardo Luis T. Luy, President and Chief Operating Officer of MacroAsia Corporation.

"While our bottom line was affected by higher lease-related accruals at the associate level and the absence of certain one-time benefits recorded in the prior year, our operating revenues reached a new quarterly high. This demonstrates the underlying momentum of our business segments and the effectiveness of our strategy to expand capacity, deepen customer relationships, and strengthen recurring revenue streams."

“We remain focused on disciplined capital allocation, prudent liquidity management, and operational efficiency. Our ongoing investments are intended to position the Group for sustainable long-term growth and enhanced shareholder value,” the COO added.

Outlook

MacroAsia remains cautiously optimistic about its prospects for the balance of 2026. The Group will continue to support the recovery and growth of the aviation sector while expanding its non-airline food business, strengthening its water operations, and enhancing its shared services capabilities through its connectivity and technology initiatives.

Management will continue to closely monitor the finalization of lease arrangements and rate adjustments, while implementing cost optimization measures to improve margins in the coming quarters.

Regulatory Disclosure

This announcement is based on the Company’s draft unaudited consolidated financial statements for the quarter ended 31 March 2026 as approved by its Board of Directors in a meeting today. The quarterly report will be filed with the Securities and Exchange Commission (SEC) and disclosed through the Philippine Stock Exchange Electronic Disclosure Generation Technology (PSE EDGE) system in accordance with applicable regulations.

Forward-Looking Statements

This earnings announcement may contain forward-looking statements regarding future events or financial performance. Such statements are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied. These risks include, among others, changes in economic conditions, aviation industry trends, geopolitical developments, fuel price volatility, and other factors discussed in the Company’s public disclosures. The Company undertakes no obligation to update any forward-looking statements.

About MacroAsia Corporation

MacroAsia Corporation is a Philippine publicly-listed holding company, with principal investments in aviation support services, in-flight catering, ground handling, water concession operations and related businesses. Through its subsidiaries and strategic associates, the Group serves major international airlines and institutional clients across the Philippines. The Company is listed on the Philippine Stock Exchange (PSE: MAC).