



Aboitiz Equity Ventures

First Quarter 2021
Financial & Operating Results
Wednesday, April 28, 2021

aboitiz



Review of Business Units

- **Power**
- Financial Services
- Food
- Land
- Infrastructure
- AEV Financials
- Q & A

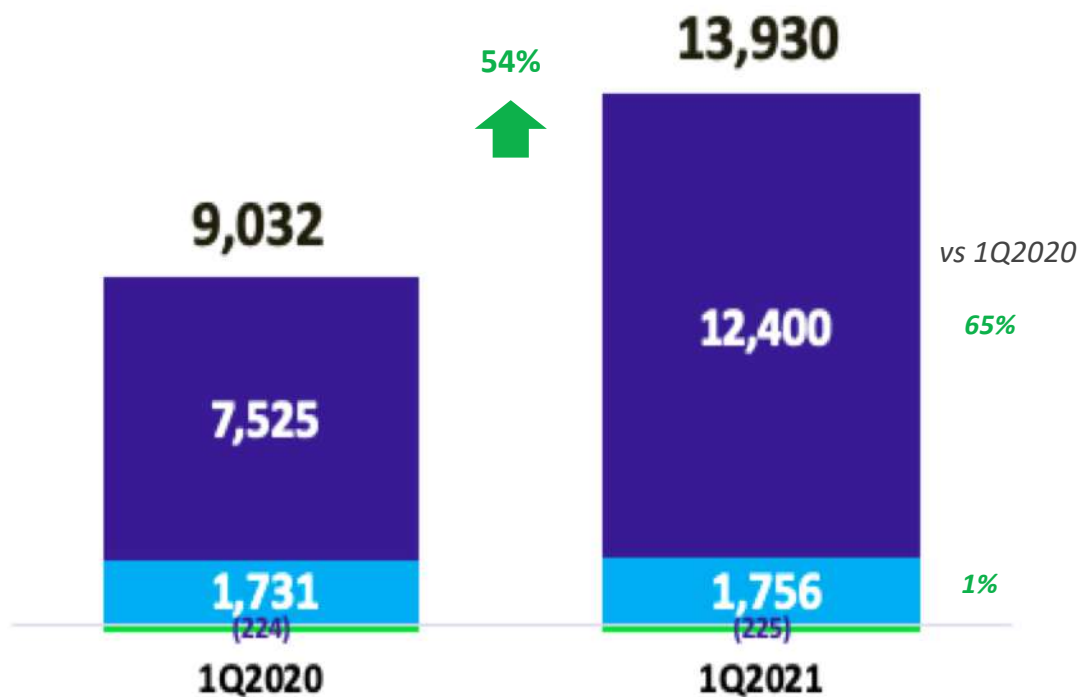


kicks off AboitizPower's 10-year growth strategy



1Q2021 Beneficial EBITDA

in PHP millions



+54% vs LY:

- +10% higher water inflows
- +6% higher availability
- +5% higher spot sales
- -3% lower demand due to COVID
- +35% other income

EBITDA
Margin

31%

47%

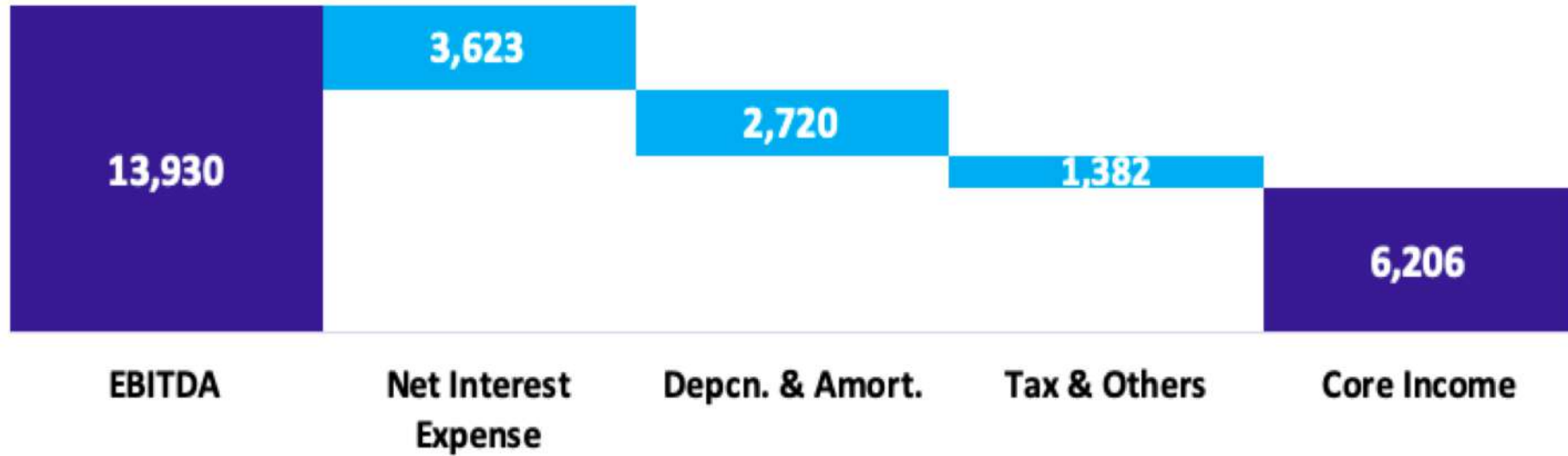
■ GEN AND RES

■ DU

■ AP PARENT



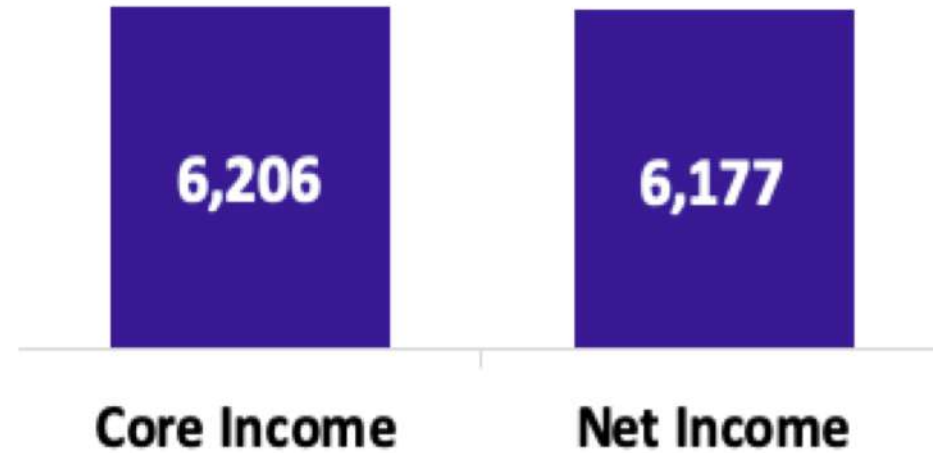
1Q2021 Core Income



Php mn	1Q2020	1Q2021	Change
EBITDA	9,032	13,930	54%
Less: Net Interest Expense	3,558	3,623	2%
Depcn. & Amort.	2,627	2,720	4%
Tax & Others	760	1,382	82%
Core Income	2,087	6,206	197%
<i>EPS</i>	0.28	0.84	



1Q2021 Net Income



Php mn

Core Income

Net Income

EPS

	1Q2020	1Q2021	Change
Core Income	2,087	6,206	197%
Net Income	2,060	6,177	200%
<i>EPS</i>	0.28	0.84	



Balance Sheet Highlights

(Php mn)	CONSOLIDATED	
	YE2020	1Q2021
Cash and Cash Equivalents	38,700	46,938
Investments and advances	61,829	62,777
Property, Plant and Equipment	203,451	202,014
Total Assets	397,985	405,584
Total Liabilities	263,290	270,332
Total Equity	134,695	135,252
Total Interest Bearing Debt	228,328	234,770
Net Debt	184,304	183,846
Net Debt to Equity	1.4x	1.4x
Debt to Equity*	1.7x	1.7x

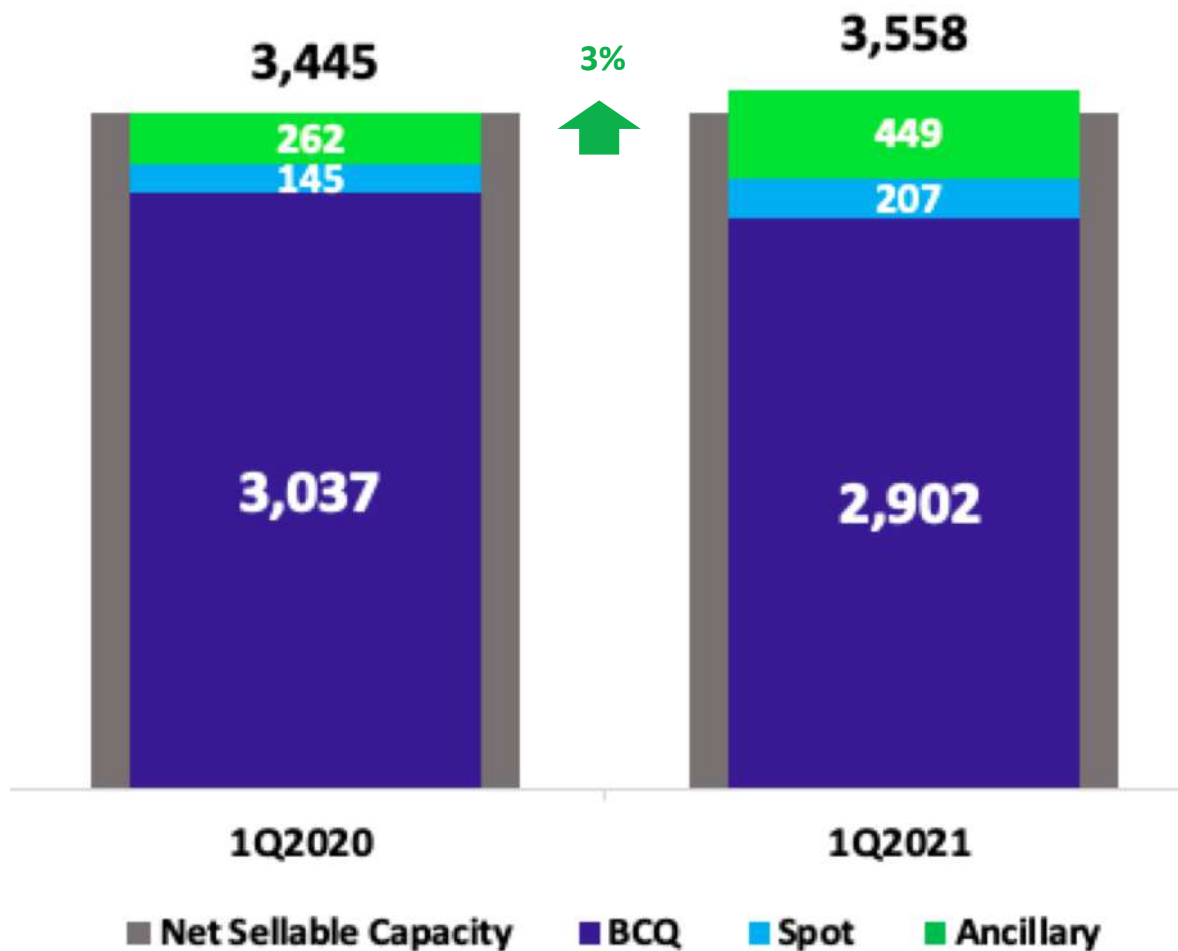
**Total Interest Bearing Debt / Total Equity*



Operating Highlights: Capacity Sales

Capacity Sales

in MW

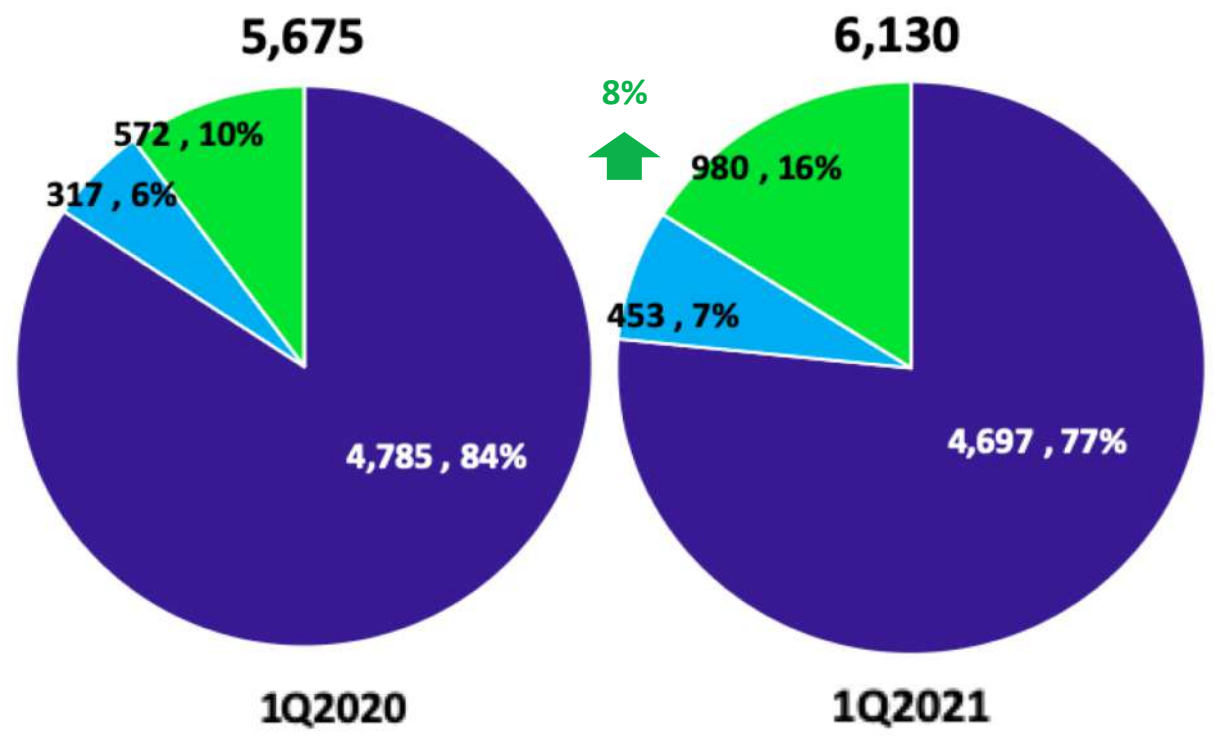
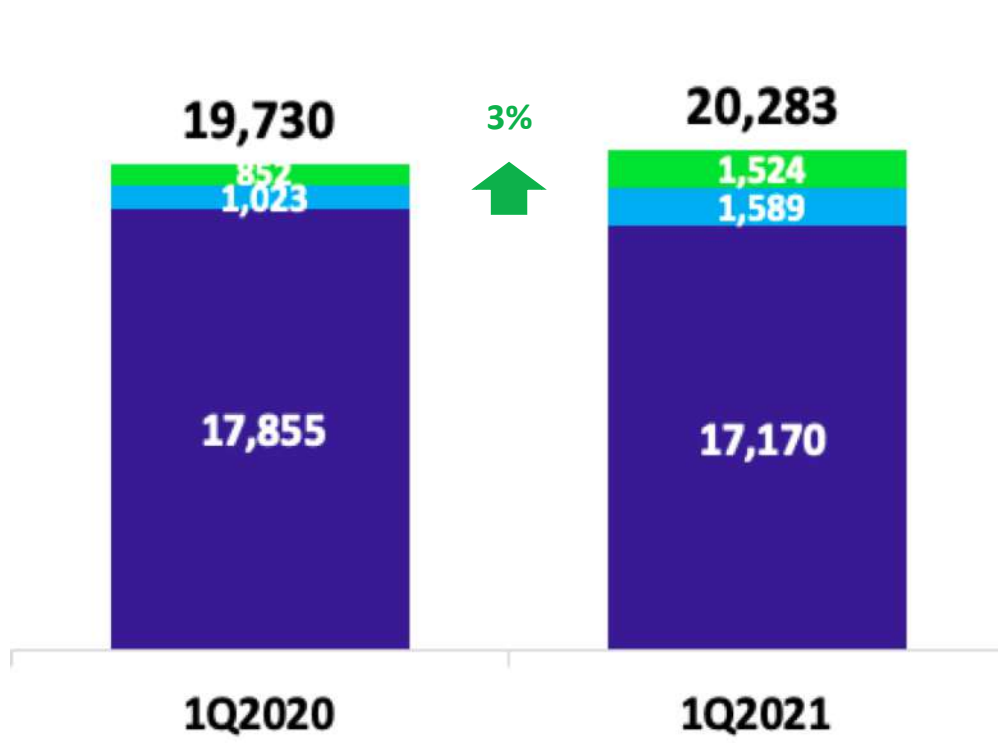




Operating Highlights: Revenue and Energy Sold

Revenue
in PHP millions

Energy Sold
in GWh

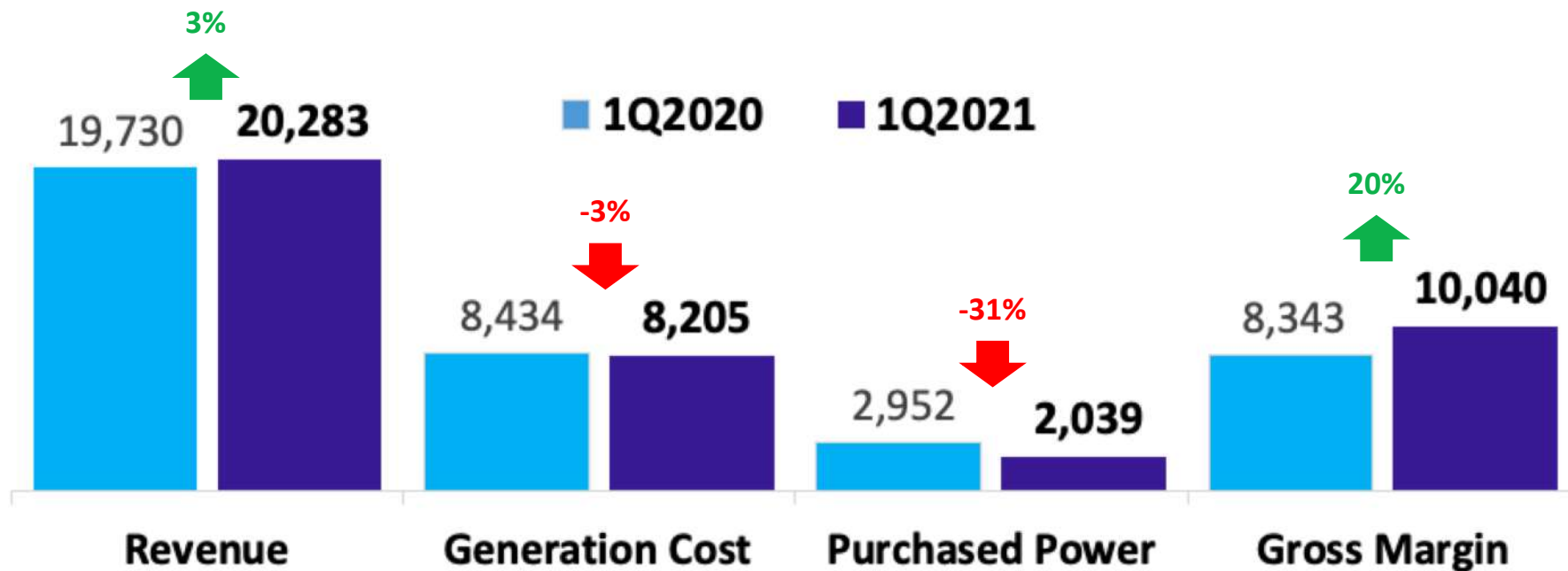


■ BCQ ■ Spot ■ Ancillary Services

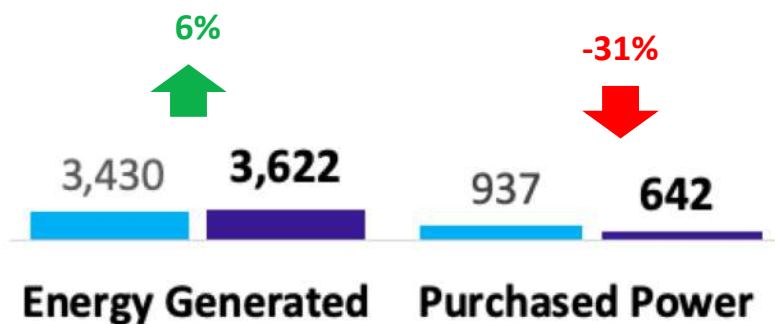


Operating Highlights: Gross Margin

in PHP millions

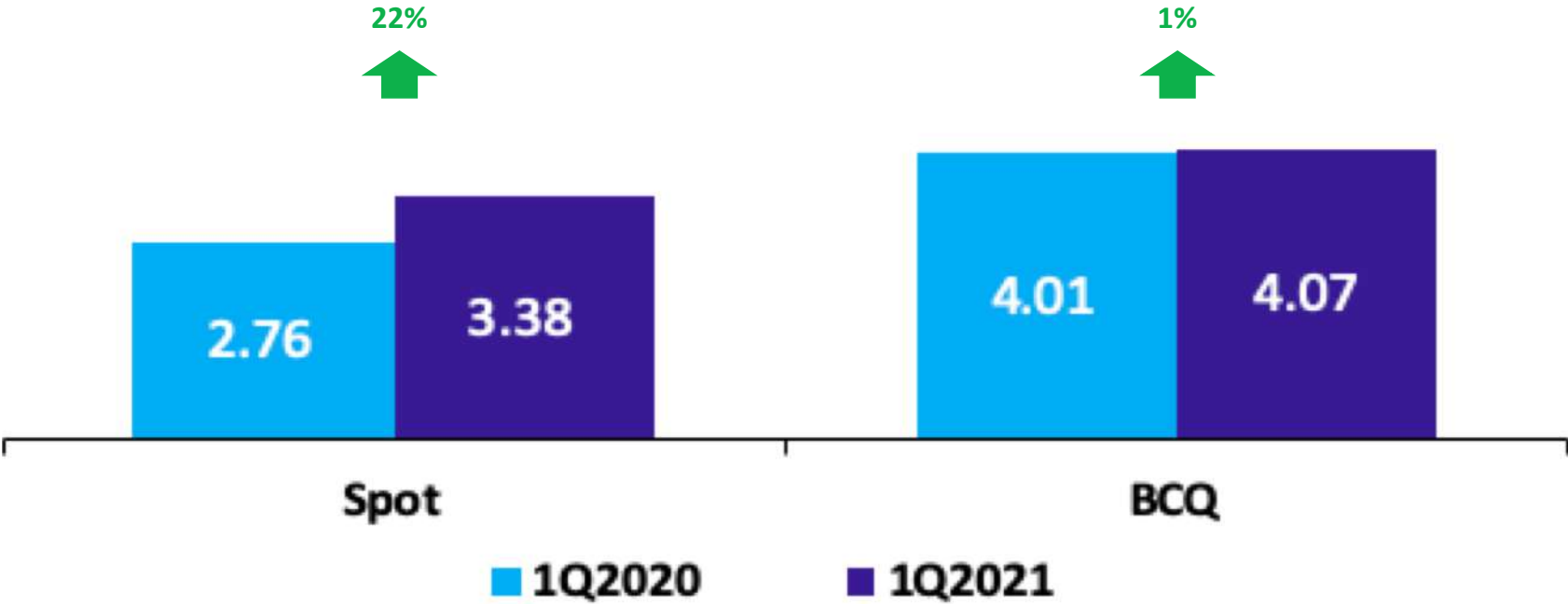


in GWh



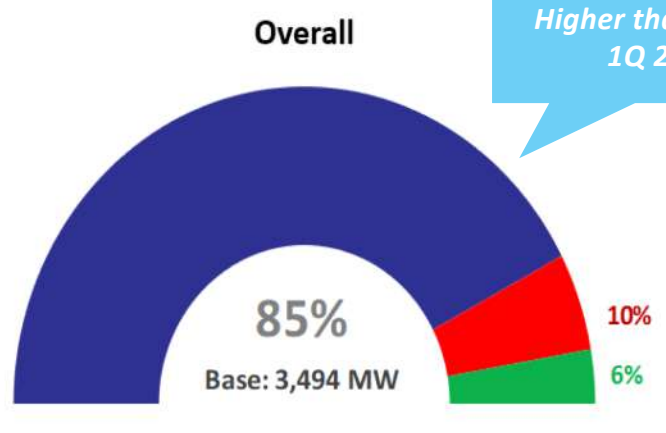
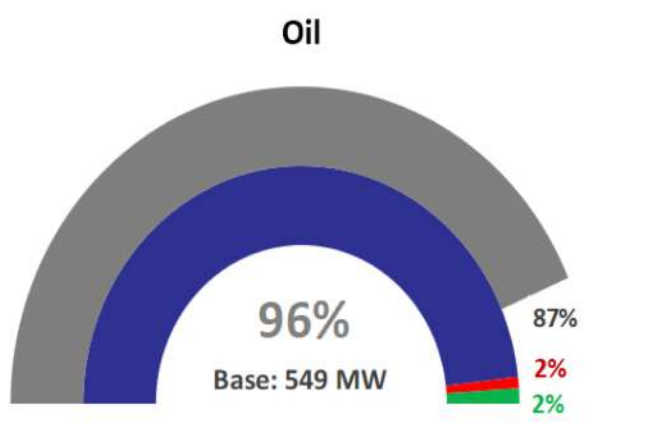
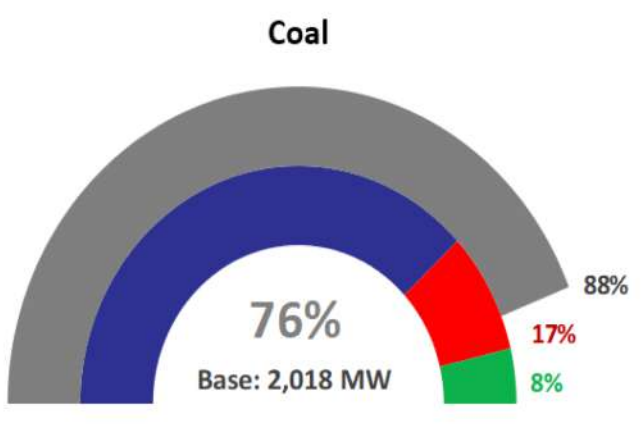
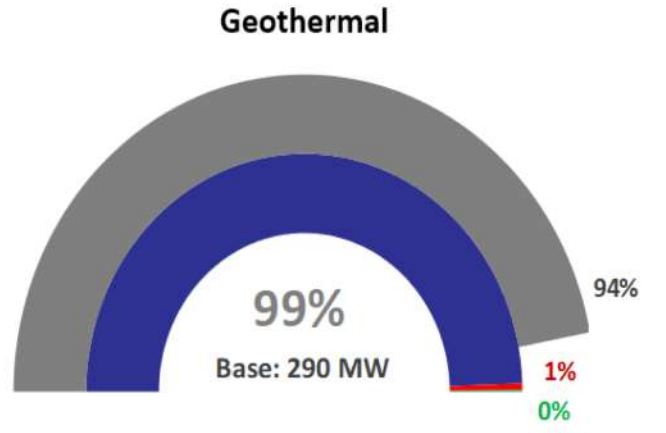
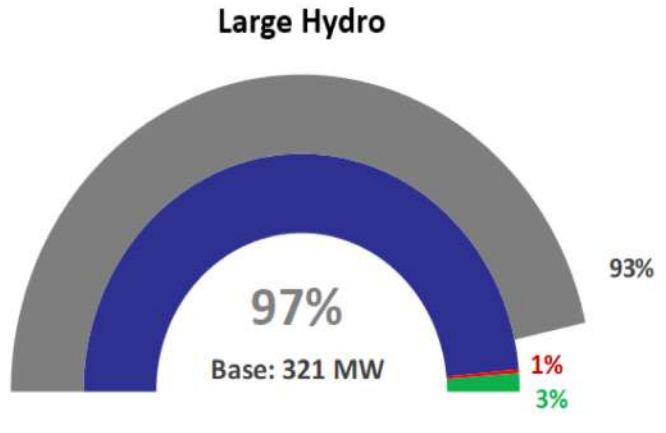
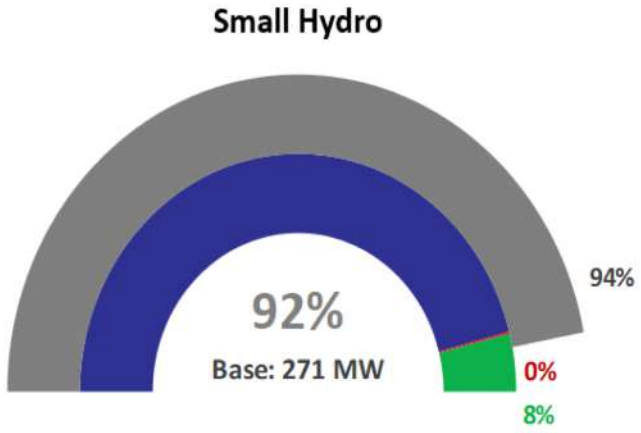


Operating Highlights: Selling Prices (P/kWh)





Operating Highlights: Availability - 1Q2021

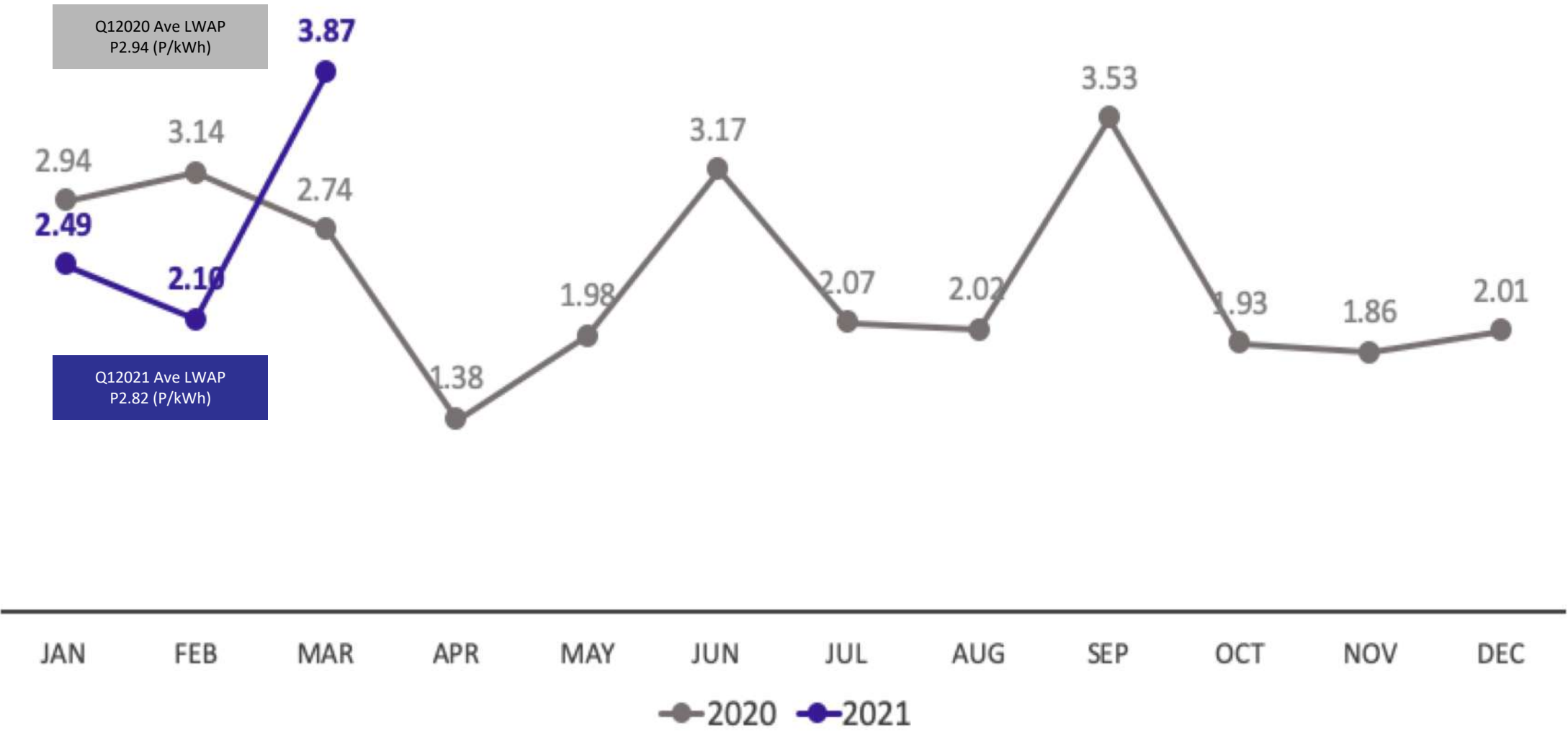


Higher than 73% in 1Q 2020

MECHANICAL AVAILABILITY FACTOR UNPLANNED OUTAGE FACTOR PLANNED OUTAGE FACTOR NERC BENCHMARK AVAILABILITY FACTOR

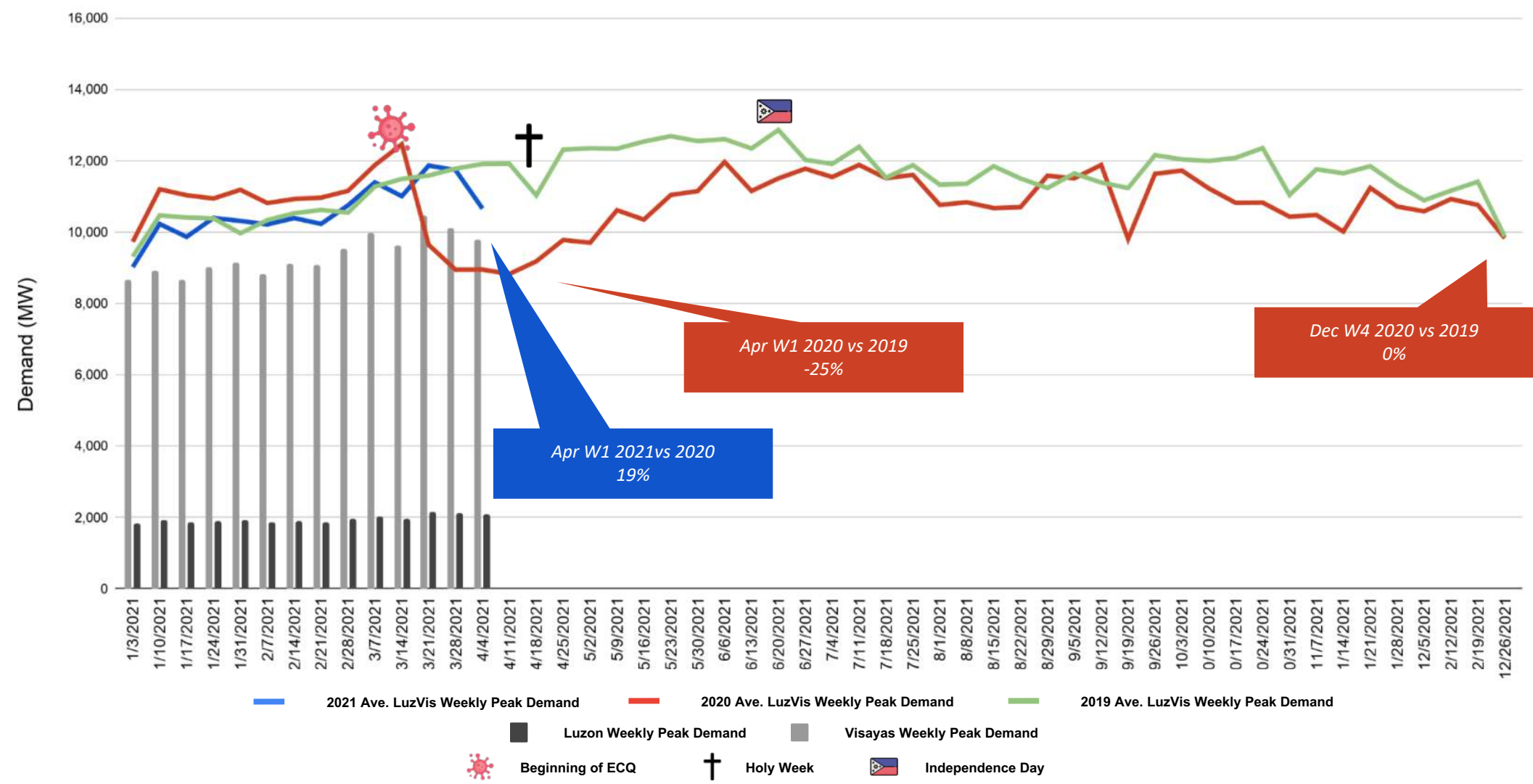


Operating Highlights: WESM



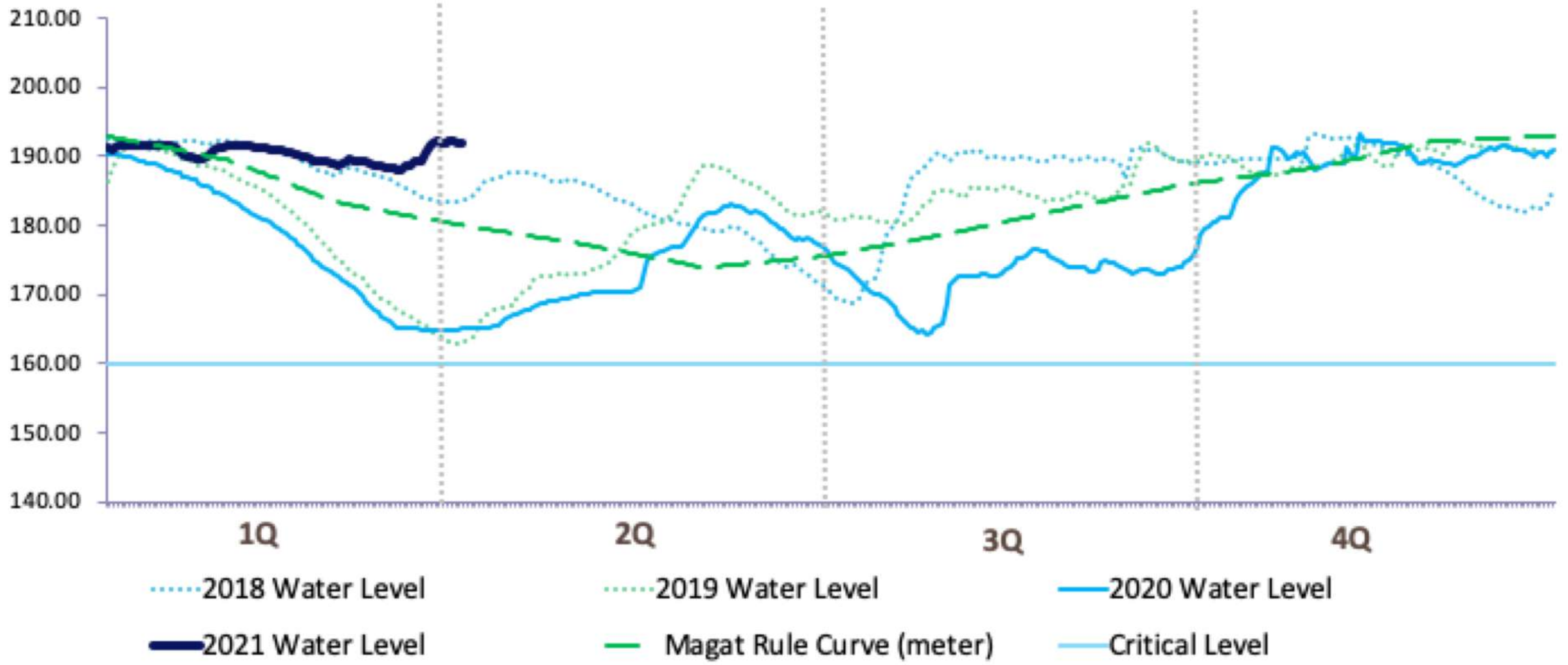


Luzon And Visayas Average Weekly Peak Demand





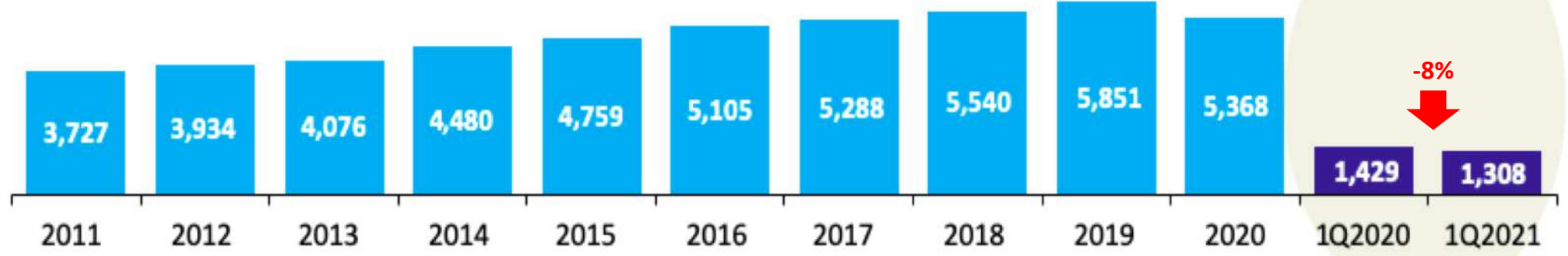
Operating Highlights: Water Level



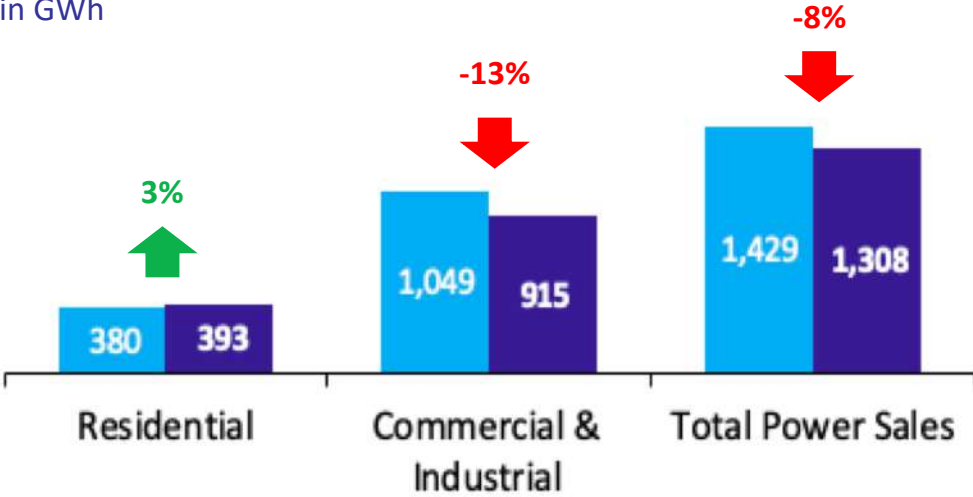


Operating Highlights: Distribution

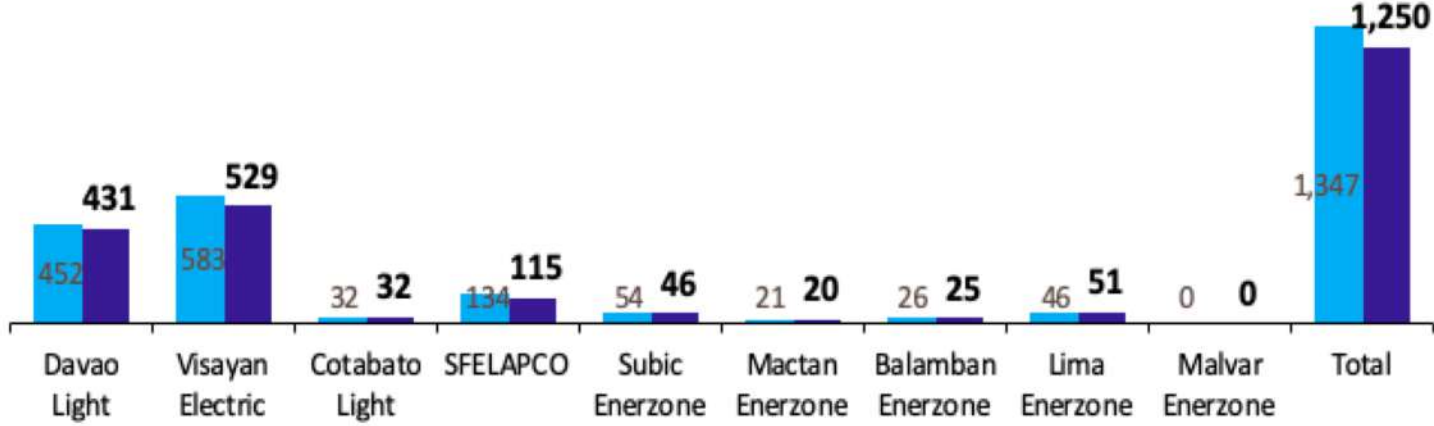
Beneficial Power Sales
in GWh



Customer Type
in GWh



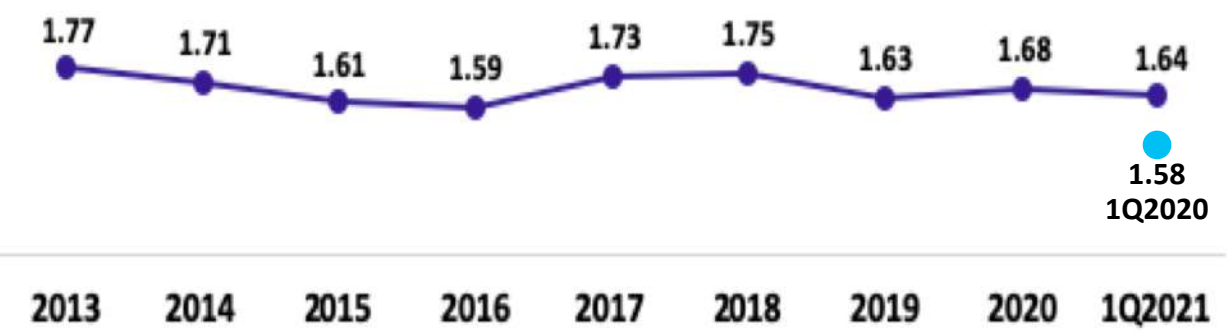
Peak Demand
in MW



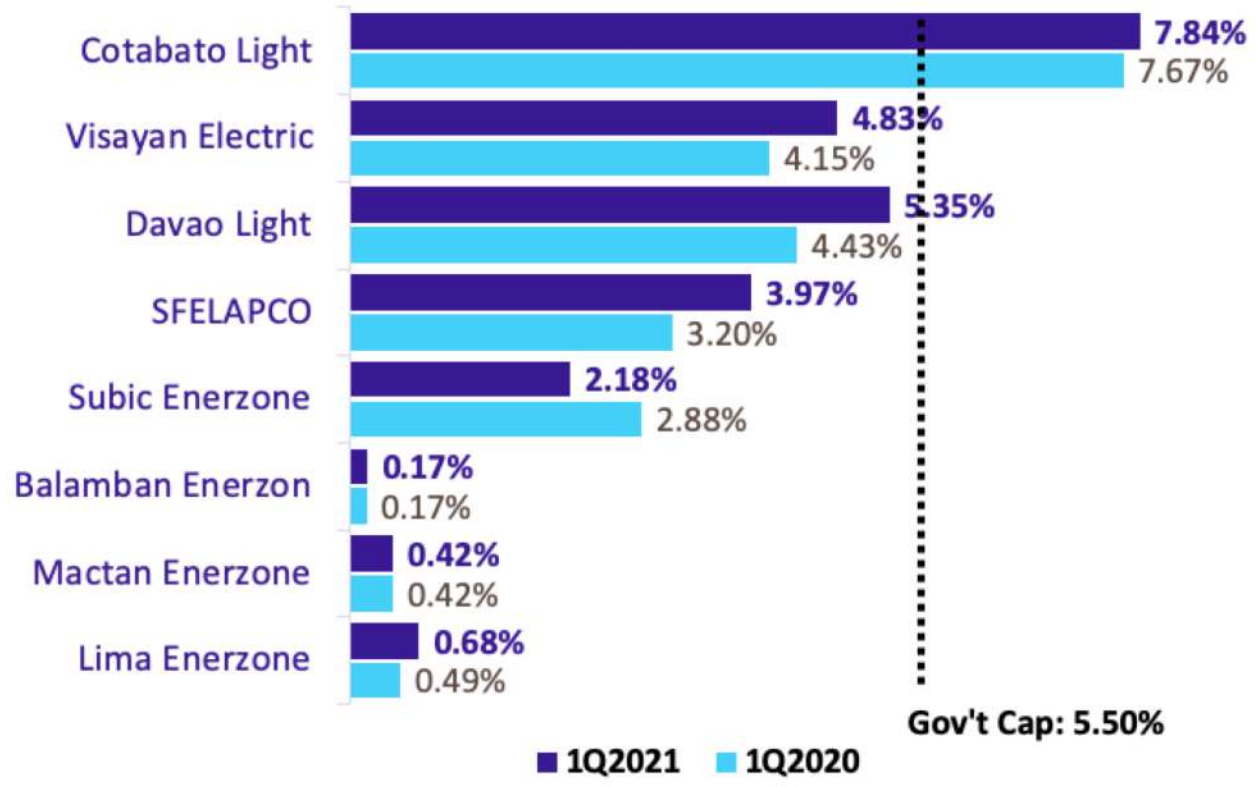


Operating Highlights: Distribution

Gross Margin P/ kWh



Feeder Loss





Project Update

Grid	Project	Capacity (Net)	% Ownership	Attributable Net Sellable Capacity	Estimated Commercial Operation Date
Luzon	Dinginin Unit 1 (Coal – GNPD)	668 MW	70%	468 MW	Q3 2021
	Dinginin Unit 2 (Coal – GNPD)	668 MW	70%	468 MW	Q1 2022
	SNAP Magat Floating Solar	150 MW	50%	75 MW	Ongoing development
	SNAP Magat Battery	20 MW	50%	10 MW	Q3 2024
	Pangasinan Solar Project	73 MW	100%	73 MW	Ongoing development
Mindanao	Therma Marine Battery	49 MW	100%	49 MW	1H 2022
		1,628 MW		1,142 MW	



GNPower Dinginin
2 x 668 MW of Coal Power

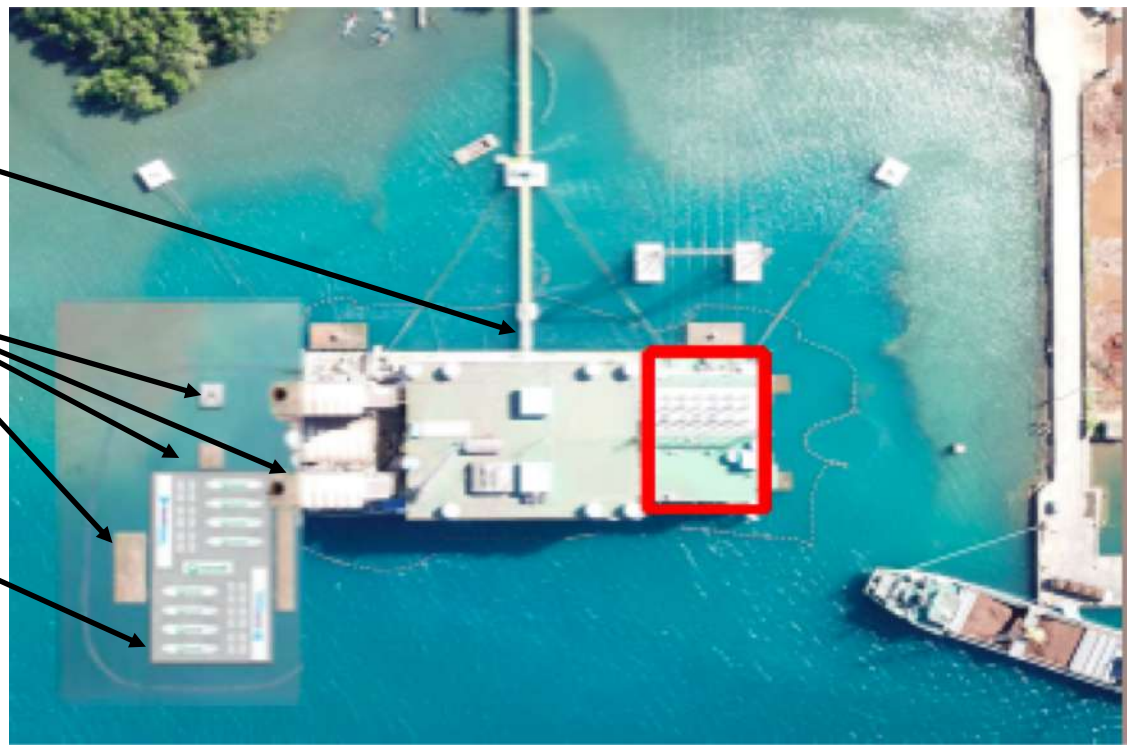
TMI Hybrid Battery Energy Storage System (BESS)

49 MW

Existing diesel barge

Breasting and Mooring
Dolphins

BESS Barge





SNAP Magat Battery Energy Storage System (BESS) 20 MW

Floating Solar

150 MW of
Solar of Power





Bul 114 & 115 Header Connection



Bul 114 Wellhead Piping



Indicative Binary Plant Location
(Proposed Tie in Points)



MakBan and Tiwi Capacity Optimization Projects

64 MW

50 : 50
Cleanergy Thermal







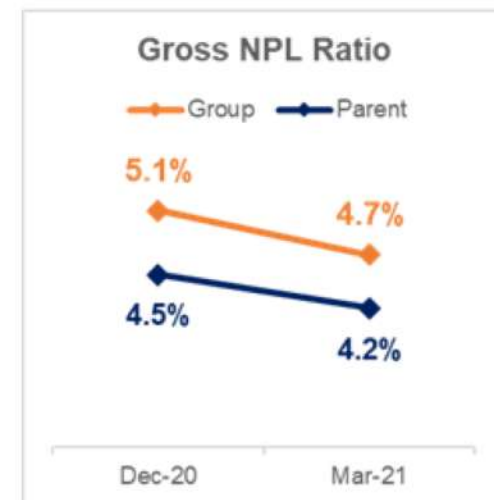
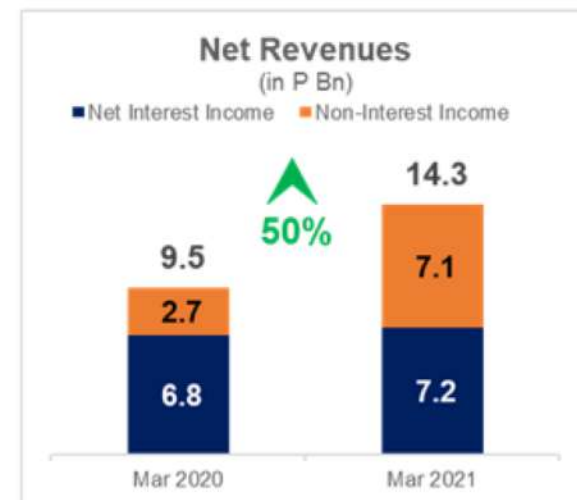
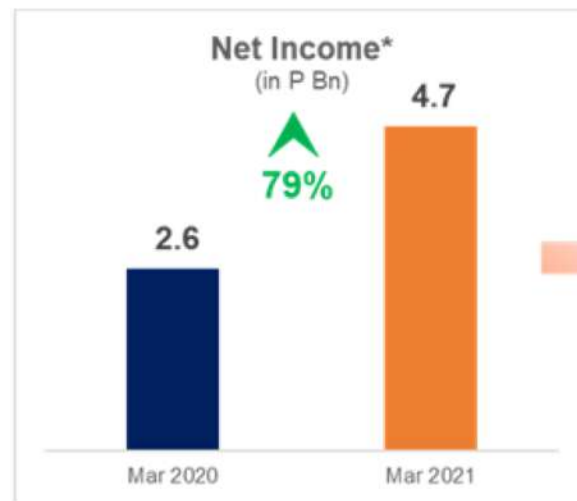
Review of Business Units

- Power
- **Financial Services**
- Food
- Land
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- AEV Financials
- Q & A



Net Income at P4.7 Bn, up 79% YoY

- Above-industry ROE at 18.1%
- Earnings performance driven by strong revenues coming from:
 - Higher margins YoY
 - Robust CASA growth & Lower funding cost
 - Strong trading gains
- Solid topline results allowed booking of one-time expenses for the year
- NPL ratio improved to 4.7% from 5.1% in 2020



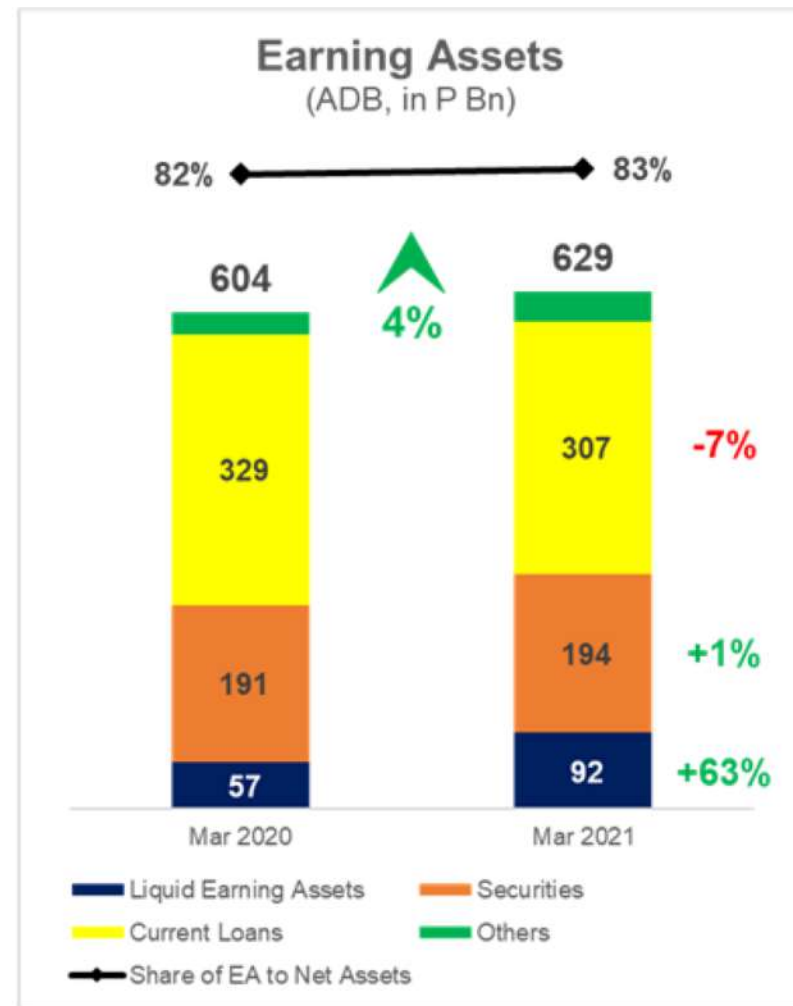
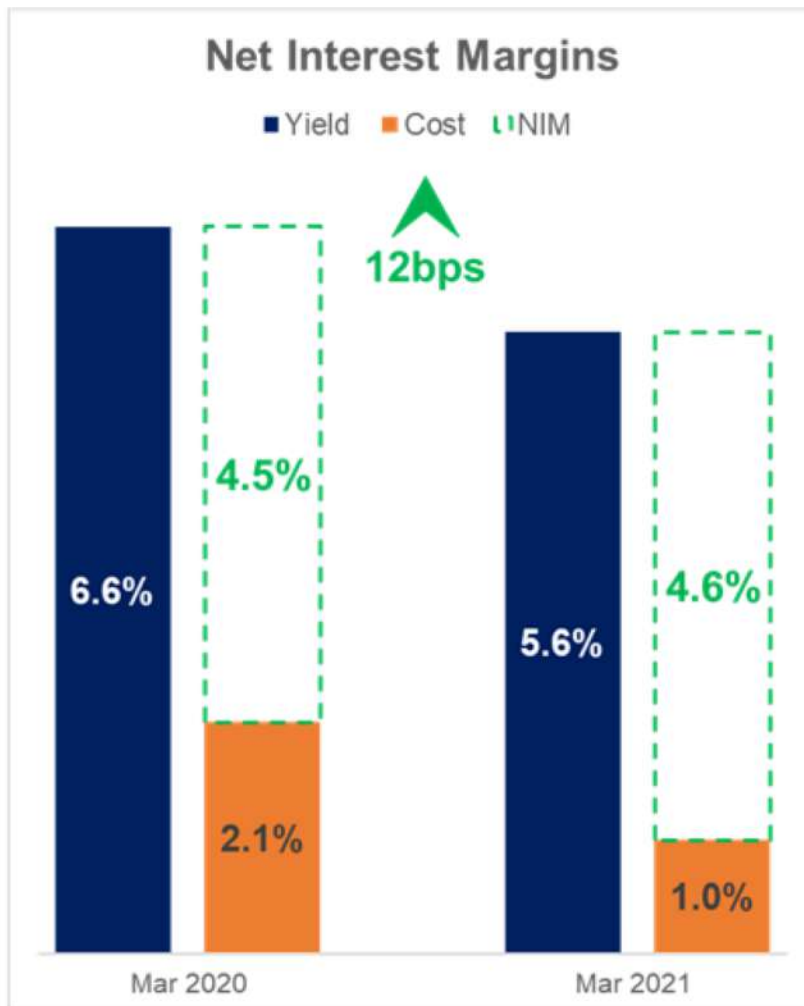
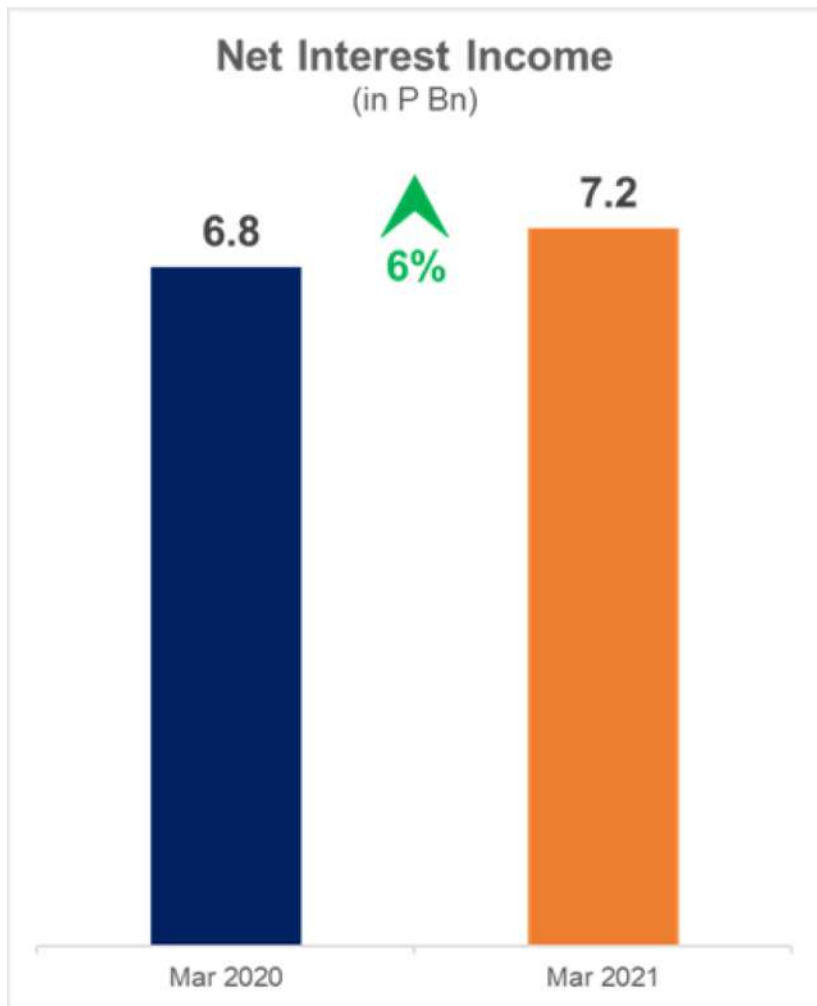
*Attributable to Parent Bank's Stockholders

** Beginning ROE

*** Computed Beginning ROE

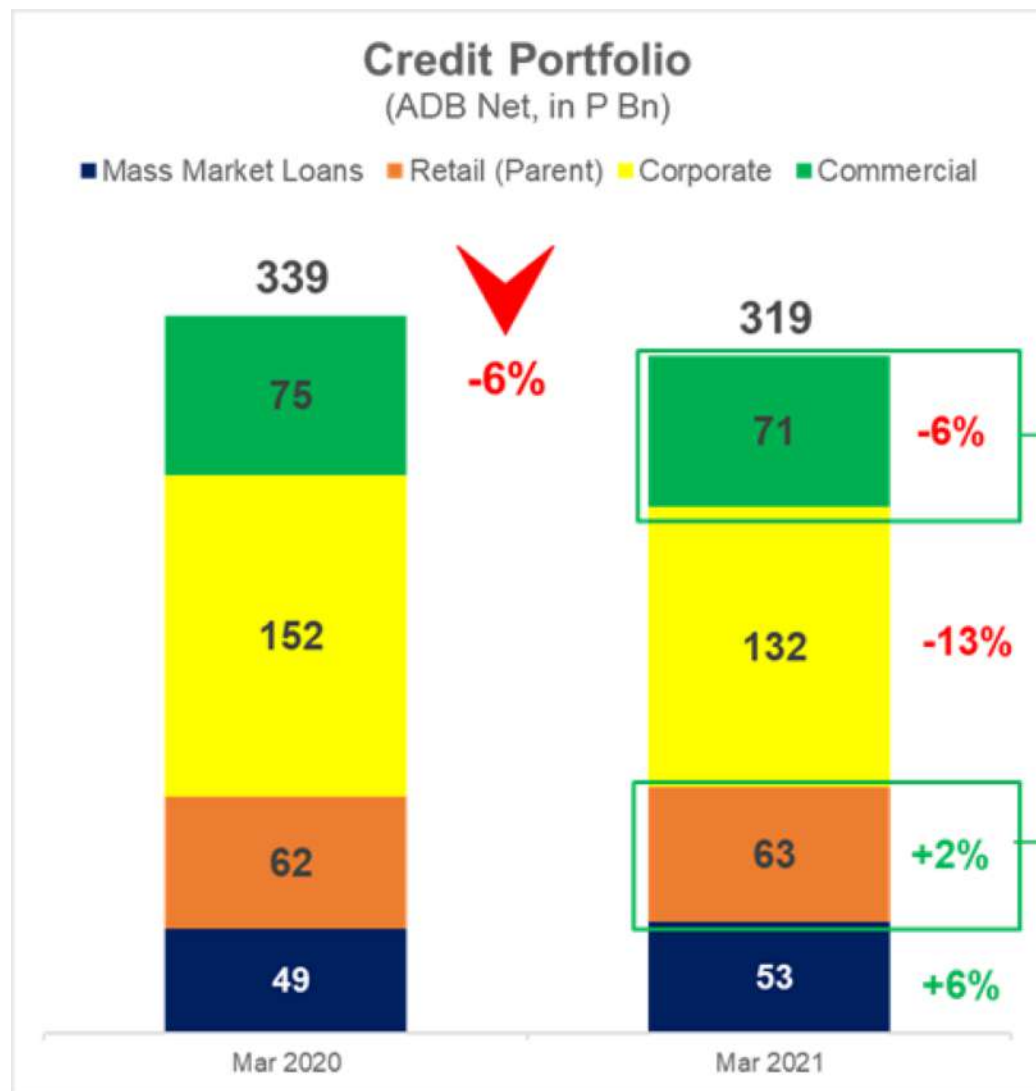


Net Interest Income grew 6%; Margins up 12bps supported by lower funding cost





Lower loans YoY on muted middle market & corporate demand



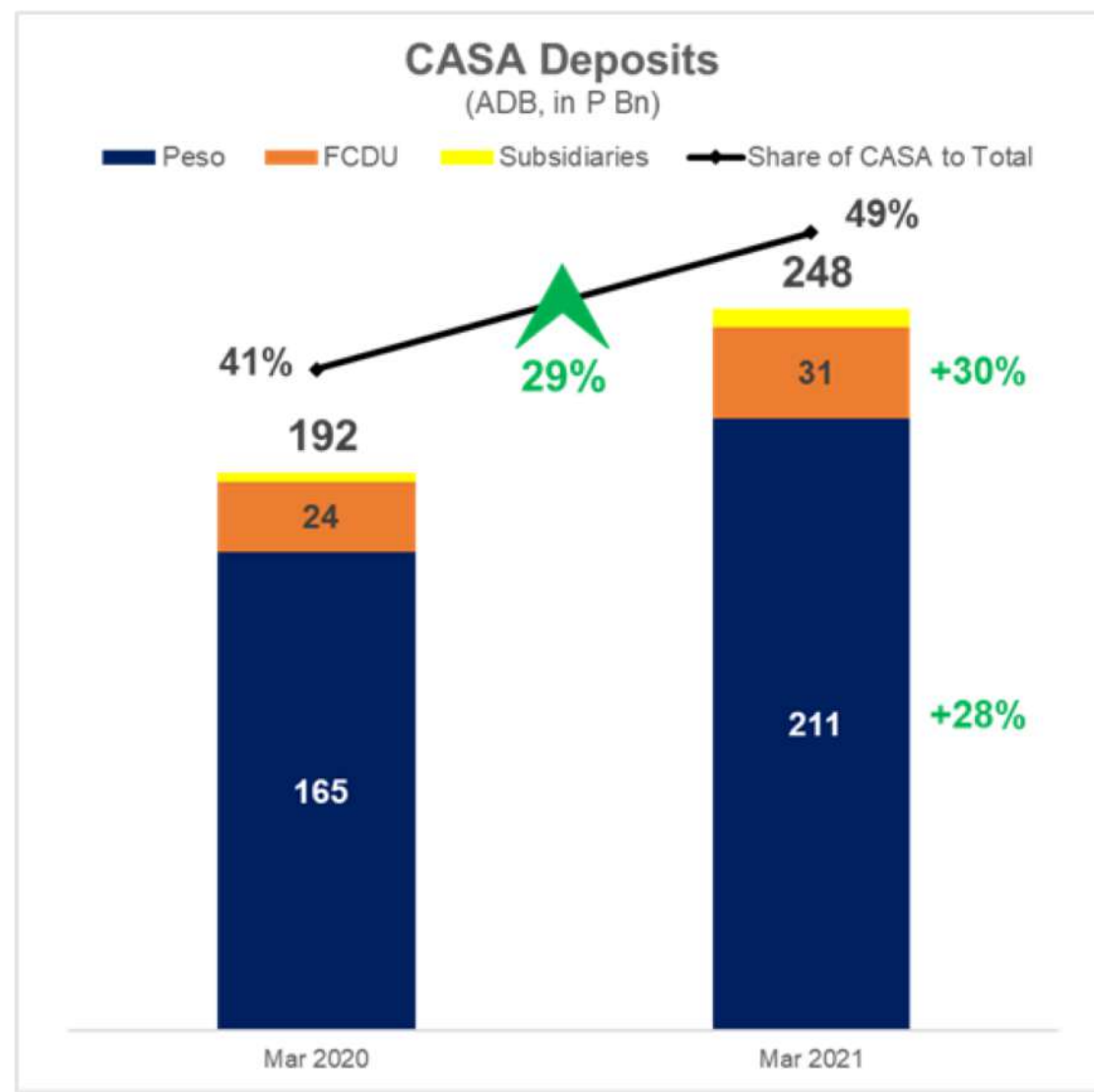
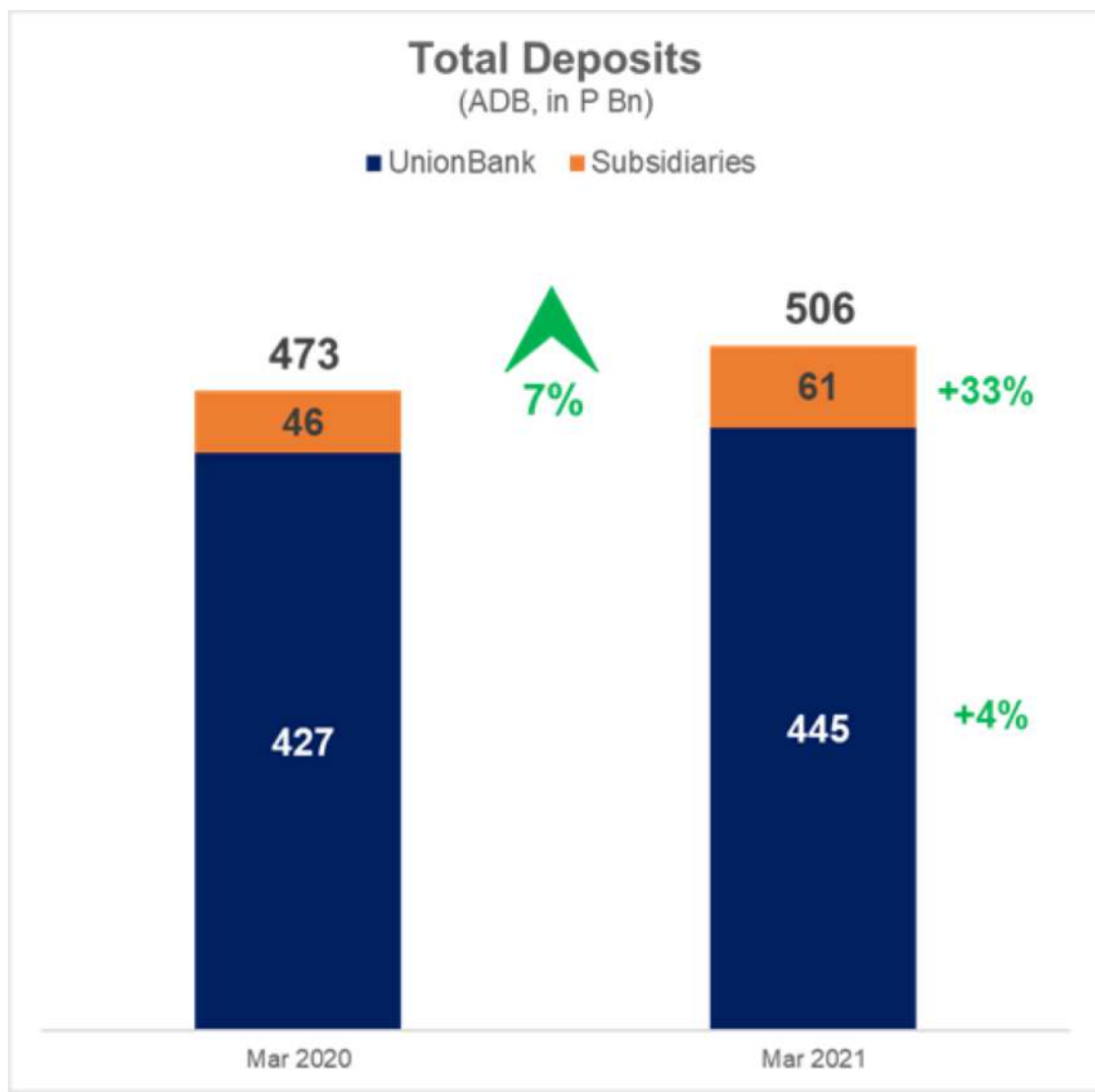
In P Bn	Mar 2020	Mar 2021	Growth
Commercial	66.2	63.0	-5%
Businessline	9.2	8.1	-12%
Total	75.4	71.1	-6%

In P Bn	Mar 2020	Mar 2021	Growth
Credit Cards	8.6	7.3	-15%
Other Consumer Loans*	53.6	56.1	5%
Total	62.2	63.4	2%

* Comprised of Parent Bank Mortgage Loans, Auto Loans, Salary Loans

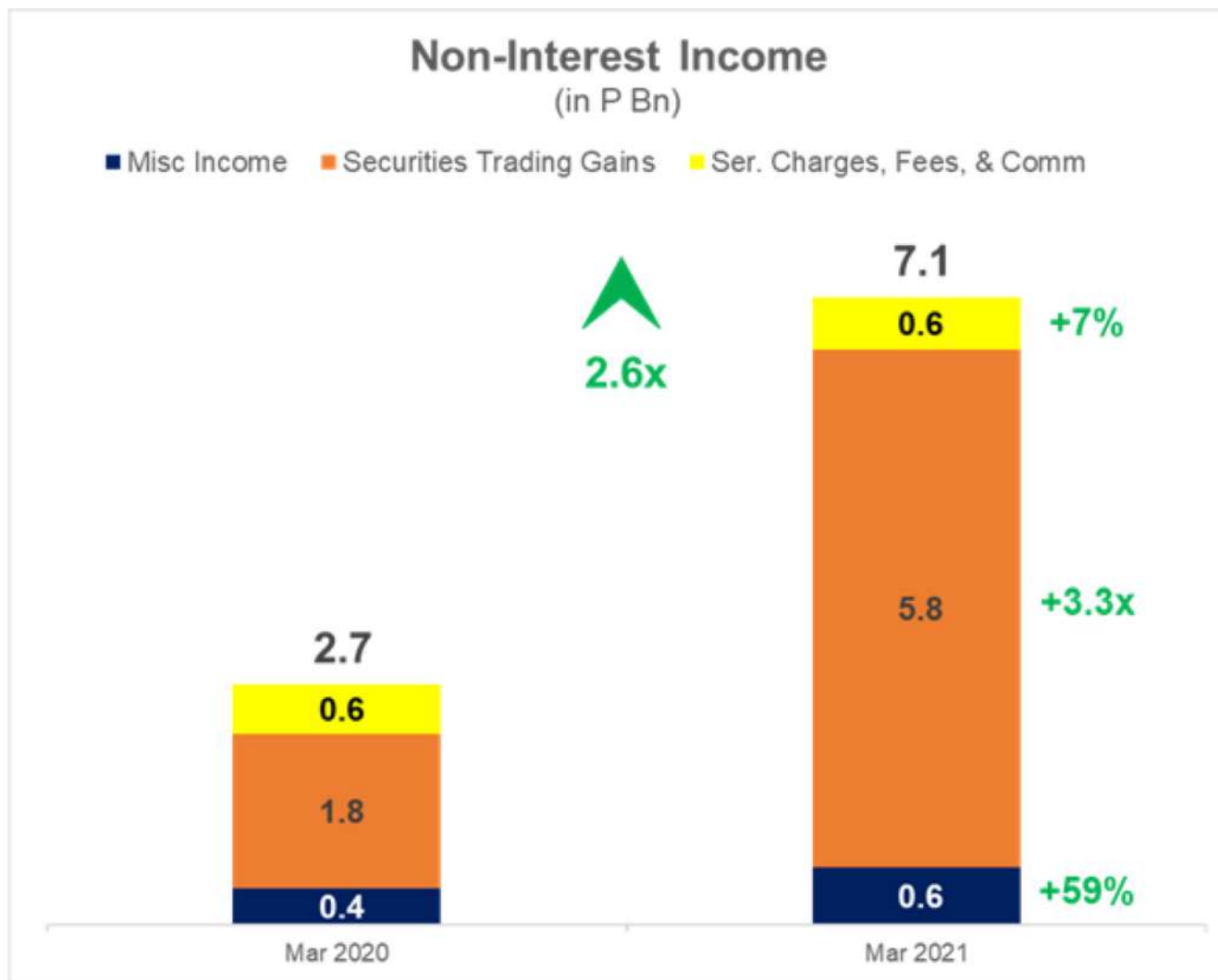


Sustained robust growth in CASA



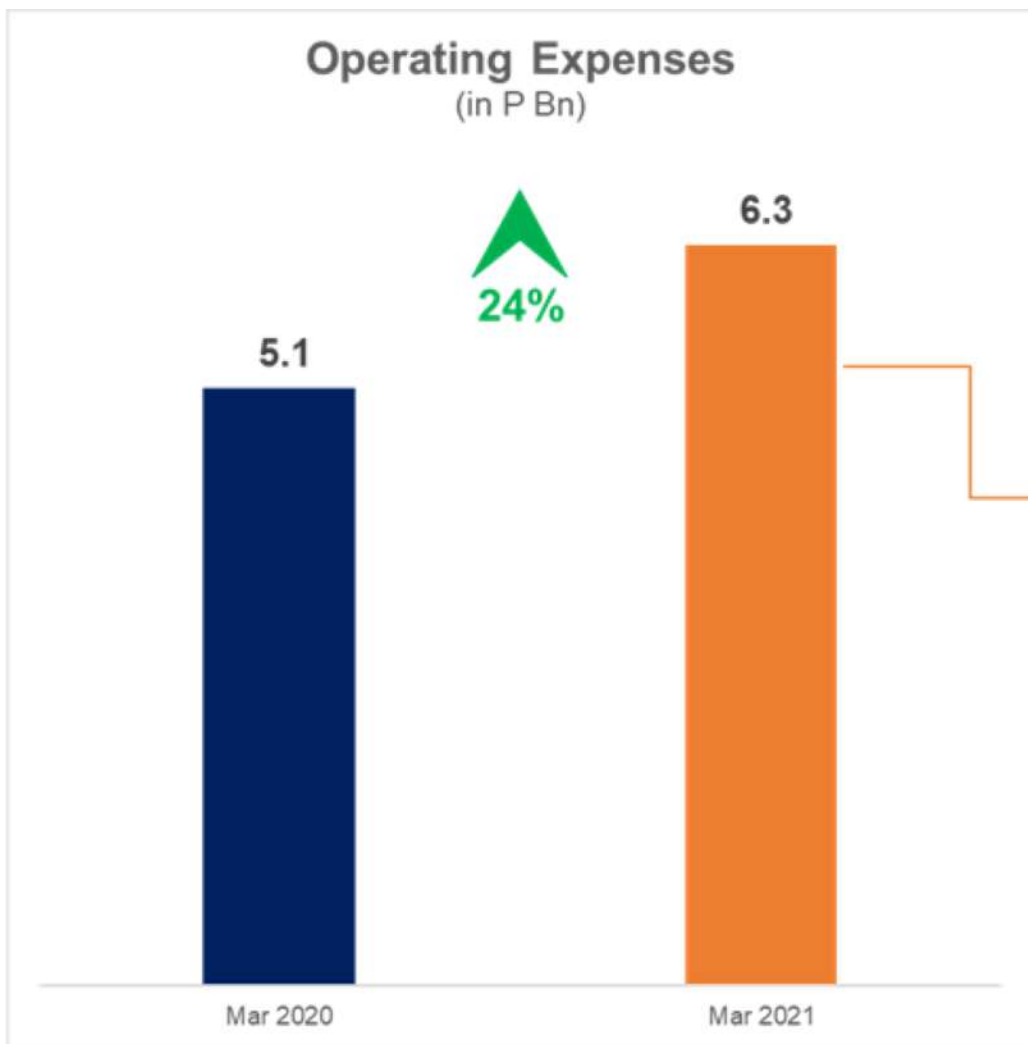


Non-Interest Income driven by trading gains





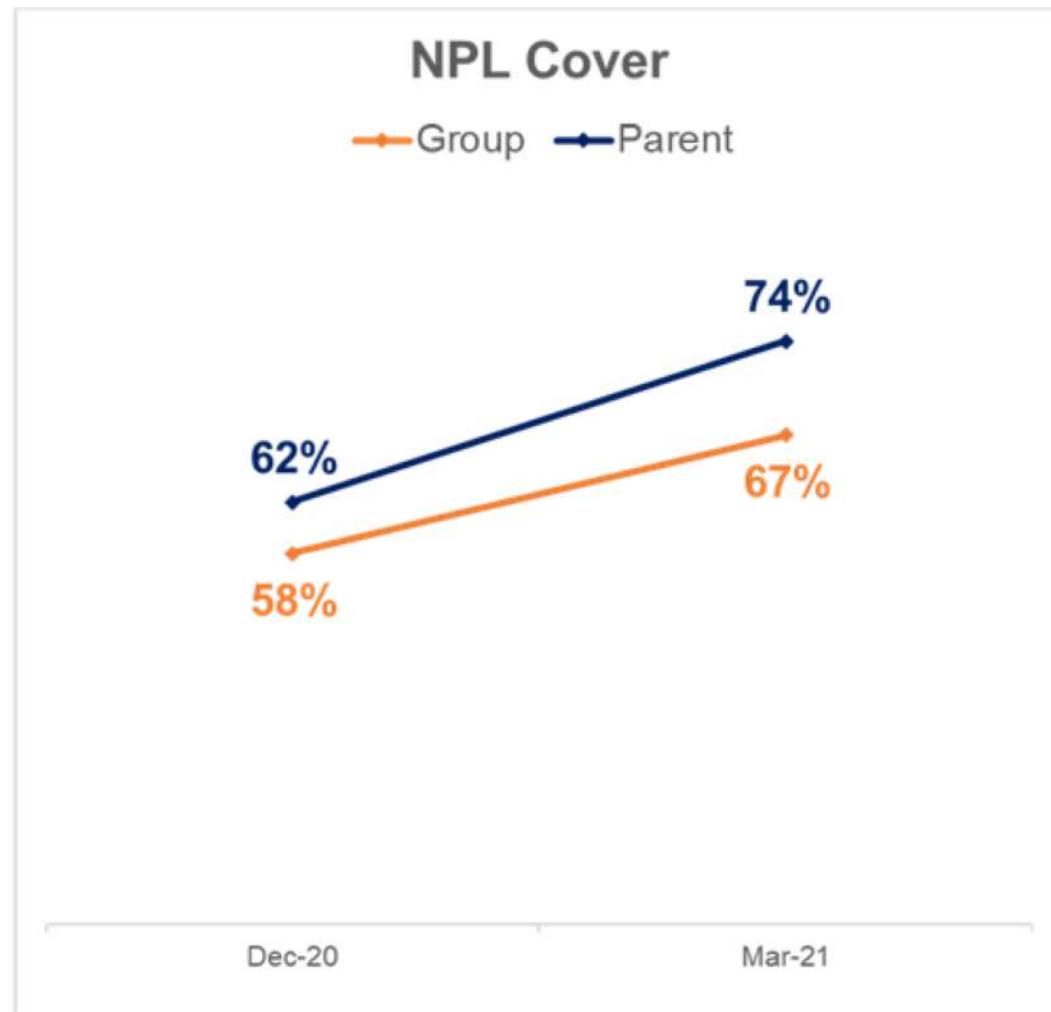
Opex up on volume-related and one-time business expenses



In P Bn	Mar 2020	Mar 2021	Growth
<i>Volume-Related Expenses</i>			
PDIC Insurance	0.20	0.24	25%
Gross Receipt Taxes	0.41	0.38	-7%
Documentary Stamp Taxes	0.31	0.31	-1%
<i>Other Operating Expenses</i>	0.20	0.92	368%
Controllable Operating Expenses	3.94	4.40	12%

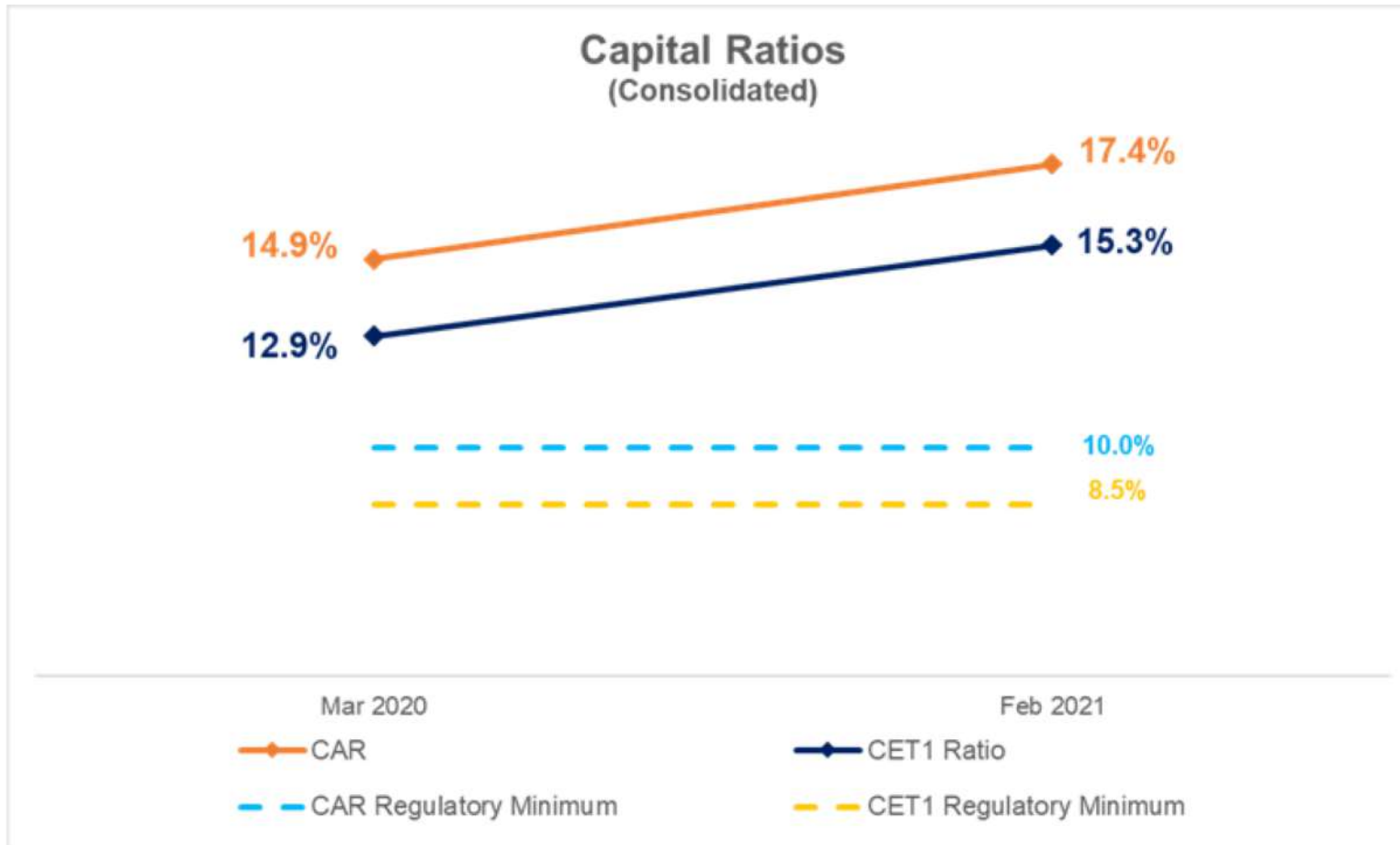


NPLs and coverage ratio improved in 1Q2021





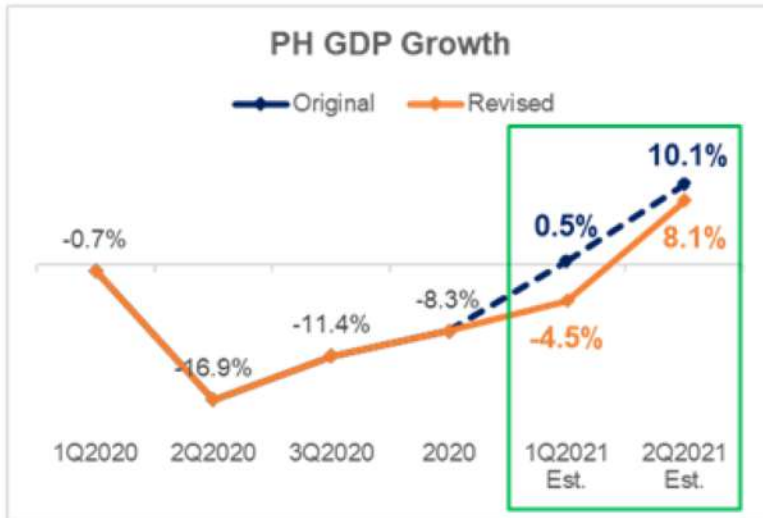
Stronger capital ratios YoY





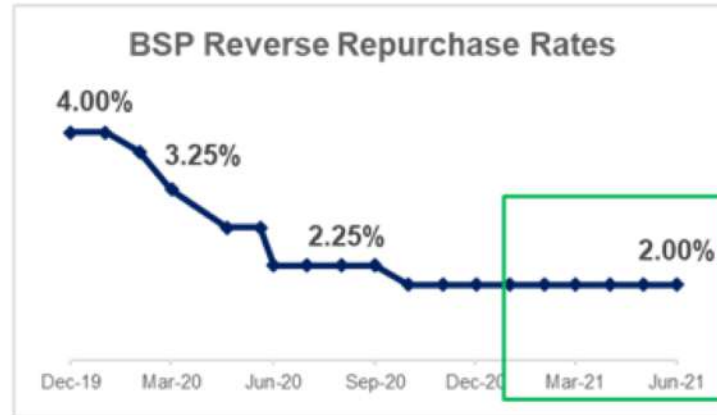
Outlook

Gradual economic recovery

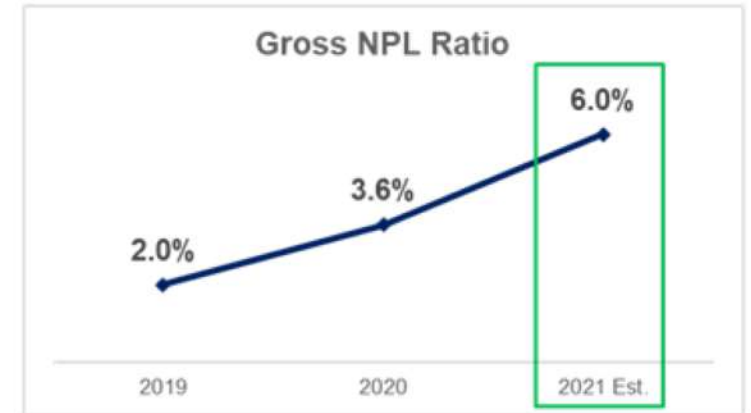


*UBP Forecasts

Unchanged interest rate environment



NPL outlook aligned with BSP view

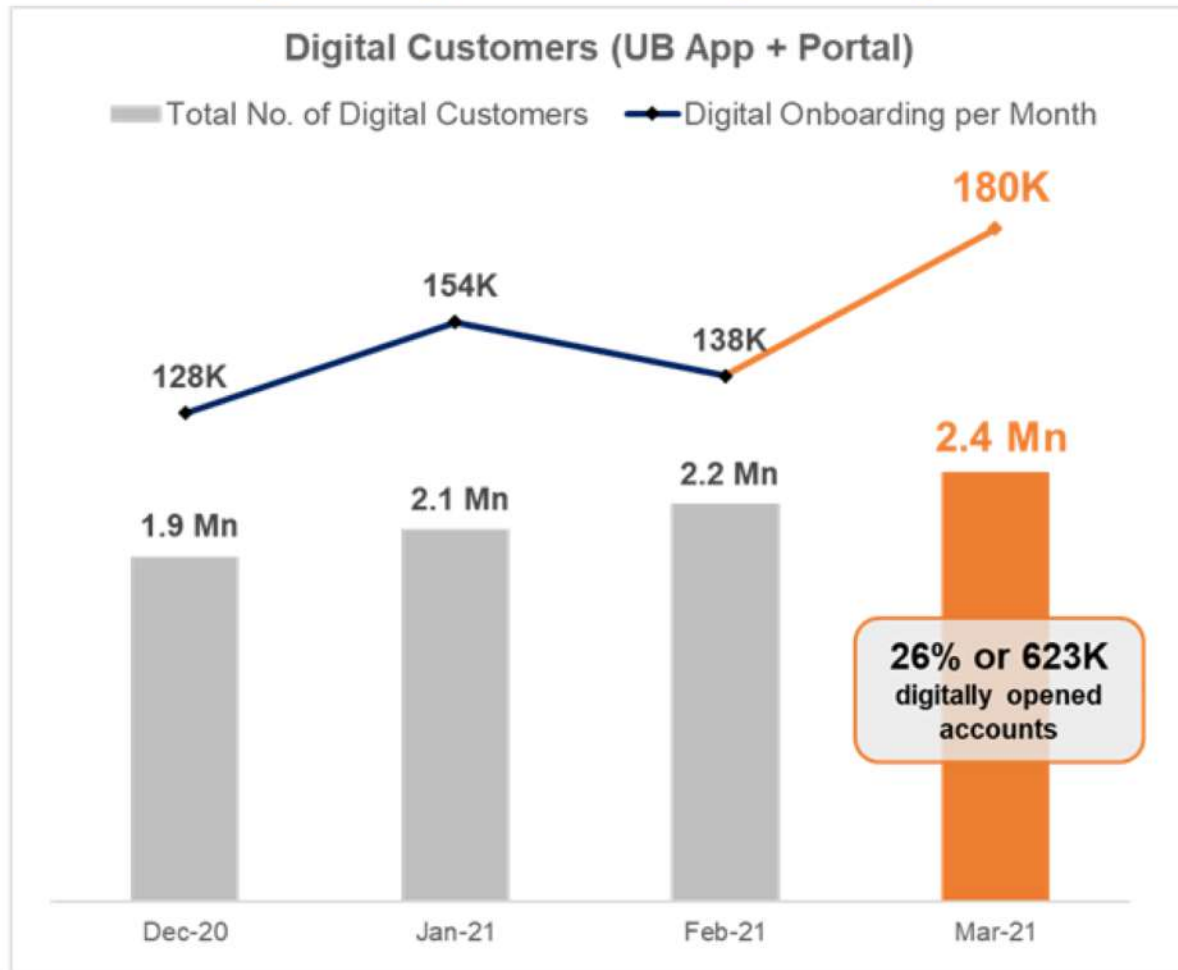


*2021 estimate based on S&P forecast

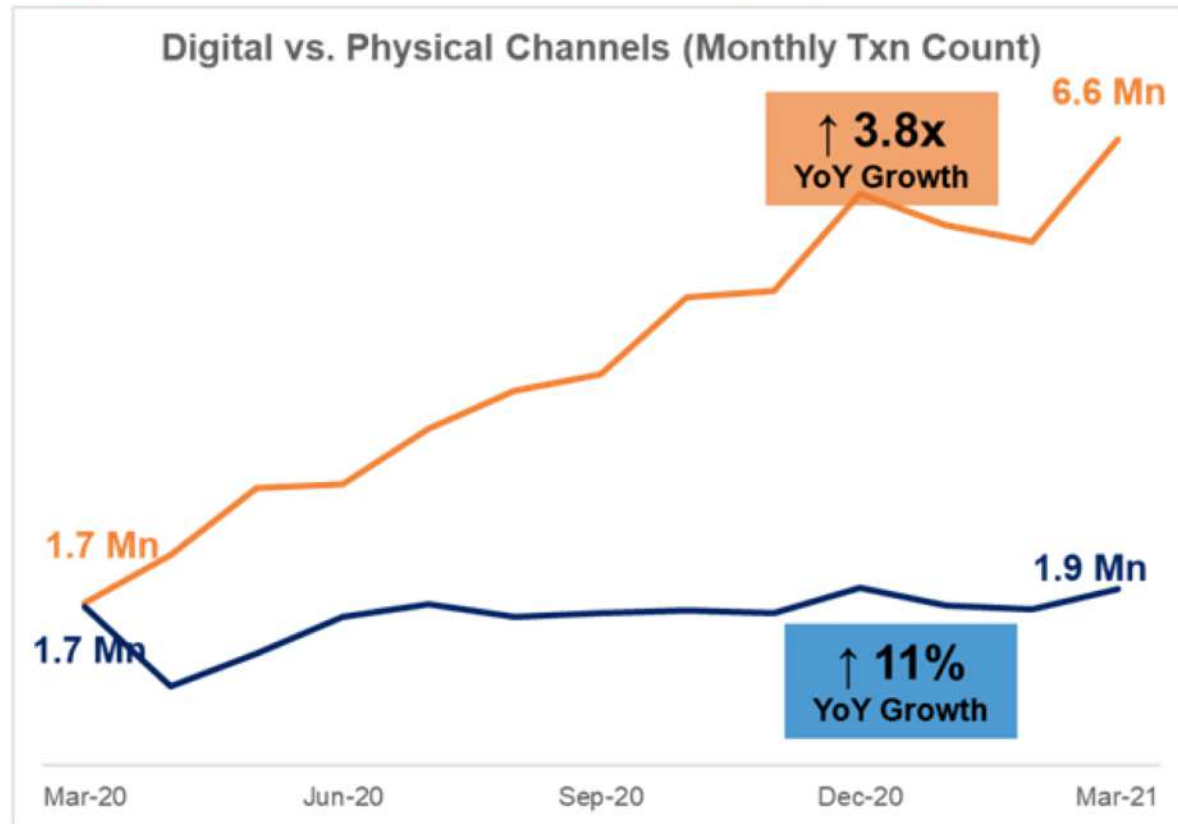


Digital Updates

Recorded highest digital onboarding in a single month



Digital transactions continue to ramp up

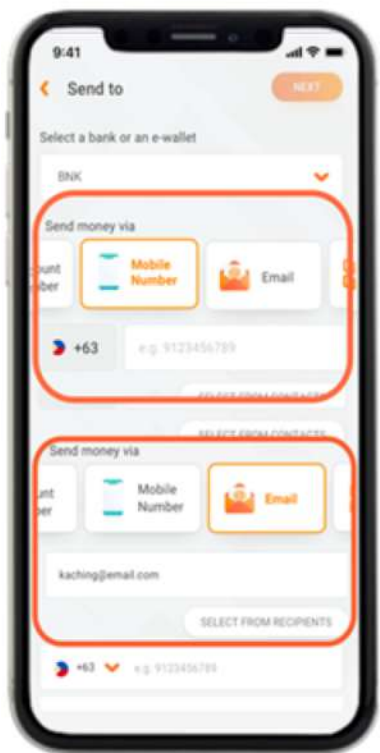


Digital Txns: Fund Transfer, Bills Payment, Load Purchase, Mobile Check Deposits, and Remittance from UB Online App and The Portal
Branch Txns: Fund Transfer, Bills Payment, Cash Deposit, Check Deposit, Cash Withdrawal, Check Encashment, Remittance
ATM Txns: Fund Transfer, Bills Payment, Cash Withdrawal



Digital Updates

InstaPay 2.0 in UnionBank Online

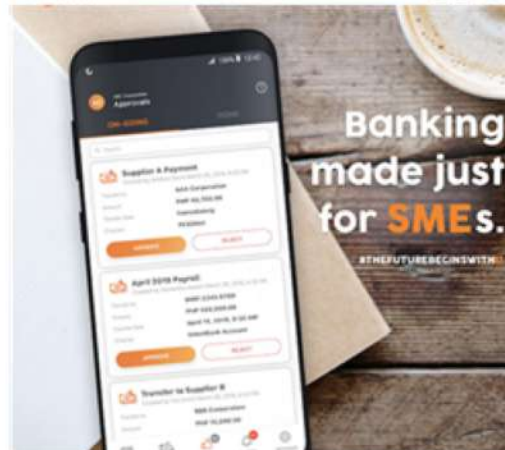


- Among the first to launch InstaPay 2.0
- UnionBank customers can now **send funds** safer and easier by **inputting mobile number or email address of recipient**. No need to enter bank account!



SME Business Banking App

Designed for small and medium-sized businesses for their banking needs



- Digital Business Account Opening
- Bills Payment
- Government Payments
- Fund Transfers (local and international)
- Mobile Check Deposit
- Account Management
- Manage Multiple Organizations
- Approve transactions on-the-go
- Linked to SeekCap (for business loan needs from P50,000 to P1 Mn)





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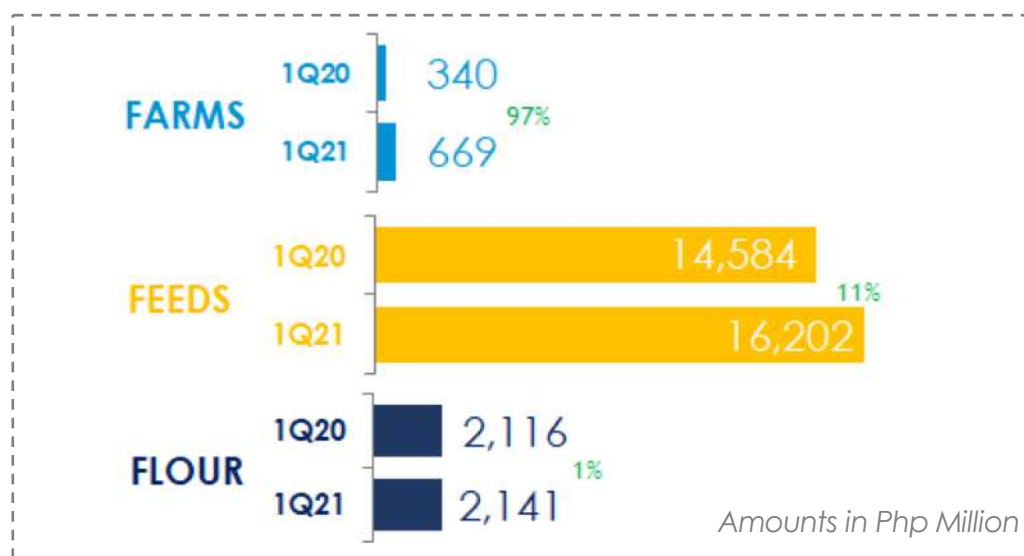
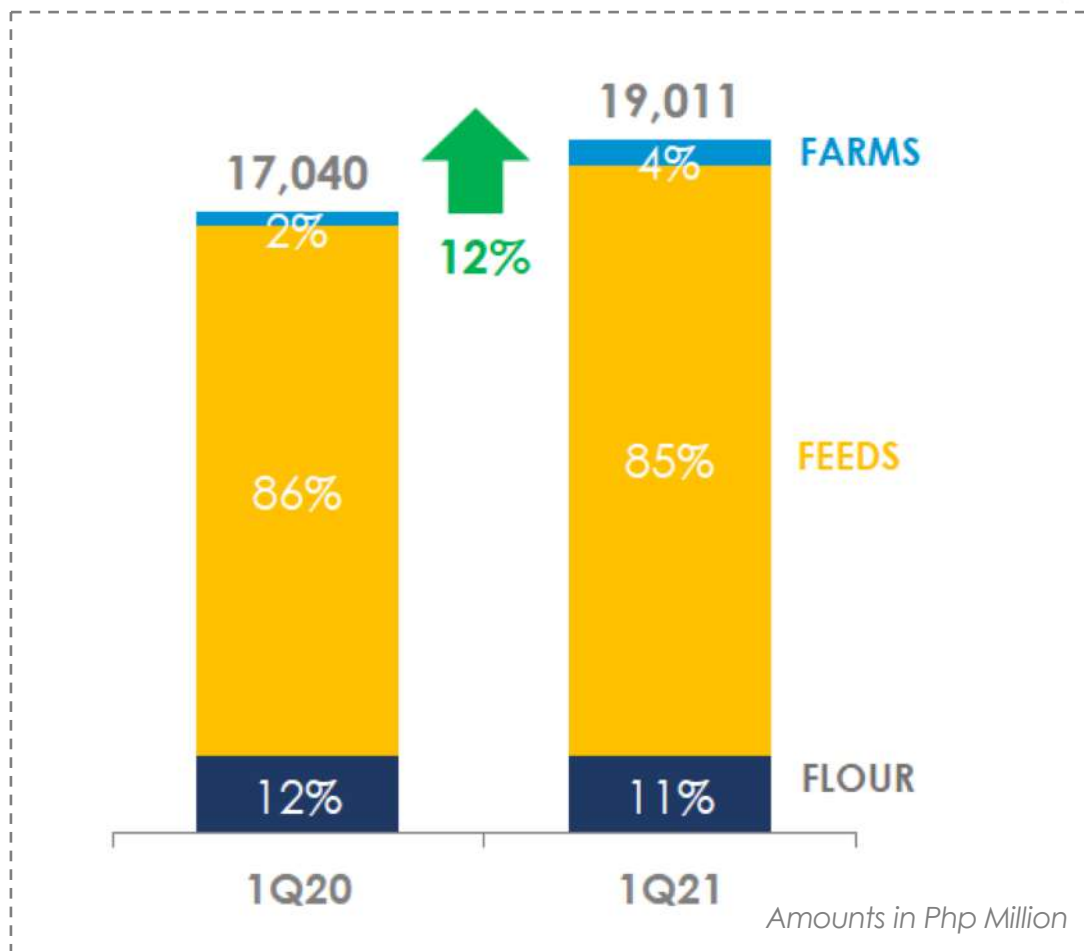


1Q2021 Financial Highlights

FOOD GROUP  	1Q 2021 Financials		vs. 1Q 2020 Financials		
	PHP (Million)	USD (Million)	PHP (Million)	USD (Million)	% Movement
Revenue	19,011	394	+1,972	+41	+12%
EBITDA	1,415	29	+243	+5	+21%
NIAT	697	14	+428	+9	+160%
EBITDA Margin	7%		+57 BPS		



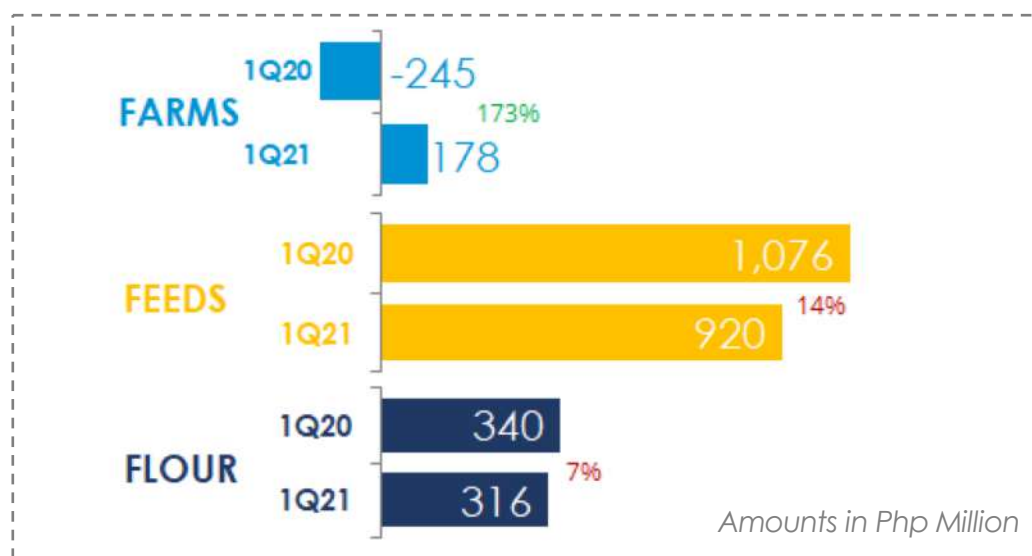
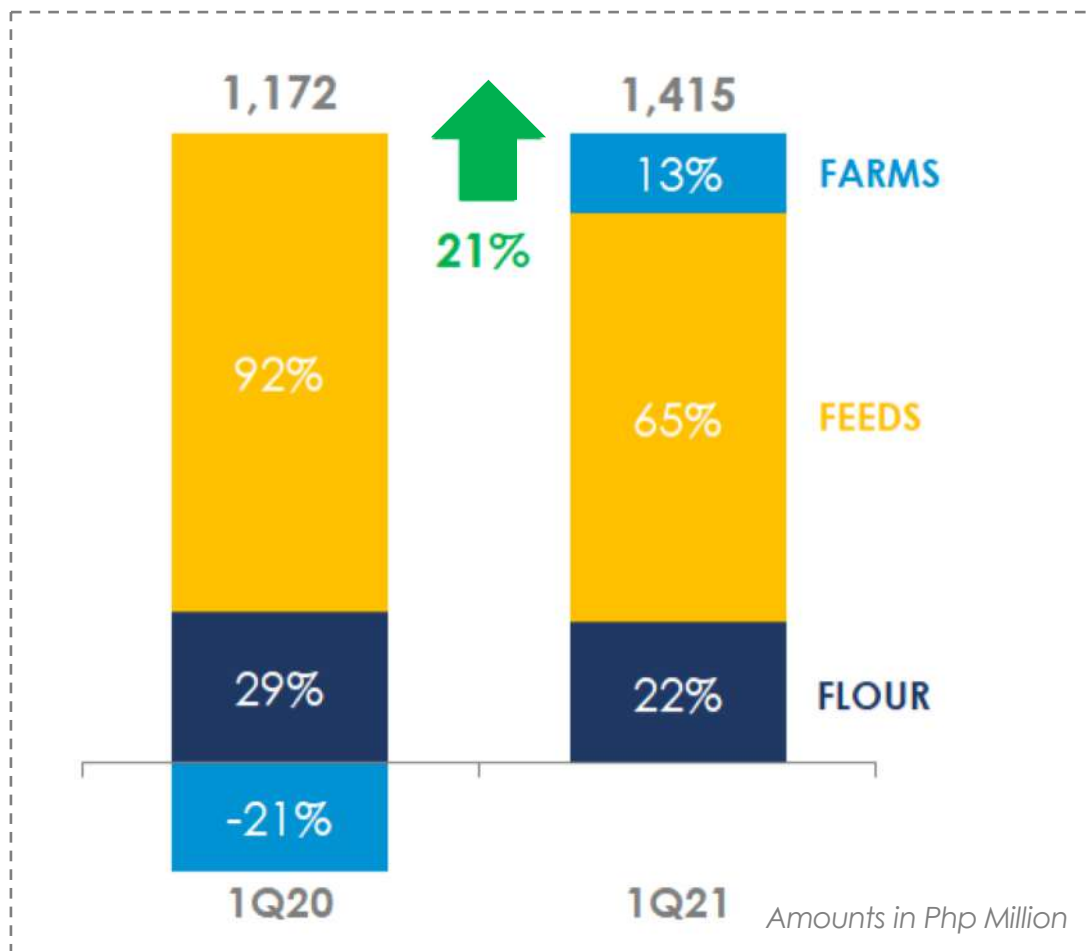
1Q2021 Financial Highlights: Revenue



DIVISIONS	IN USD MILLION		VARIANCE	
	1Q20	1Q21	Year on Year	
Farms	7	14	+ 7	+ 97%
Feeds	302	336	+ 34	+ 11%
Flour	44	44	+ 1	+ 1%
Total Food Group	353	394	+ 41	+ 12%



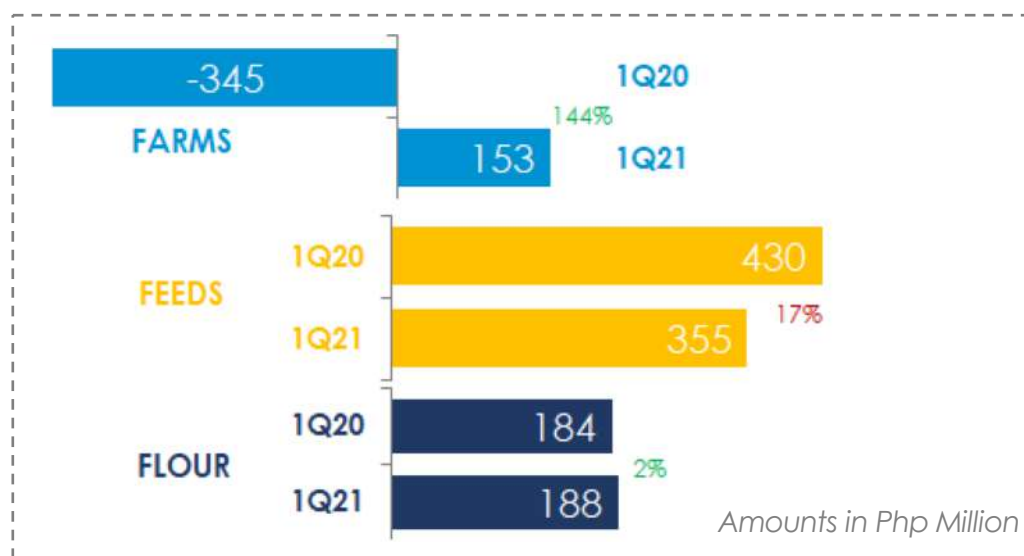
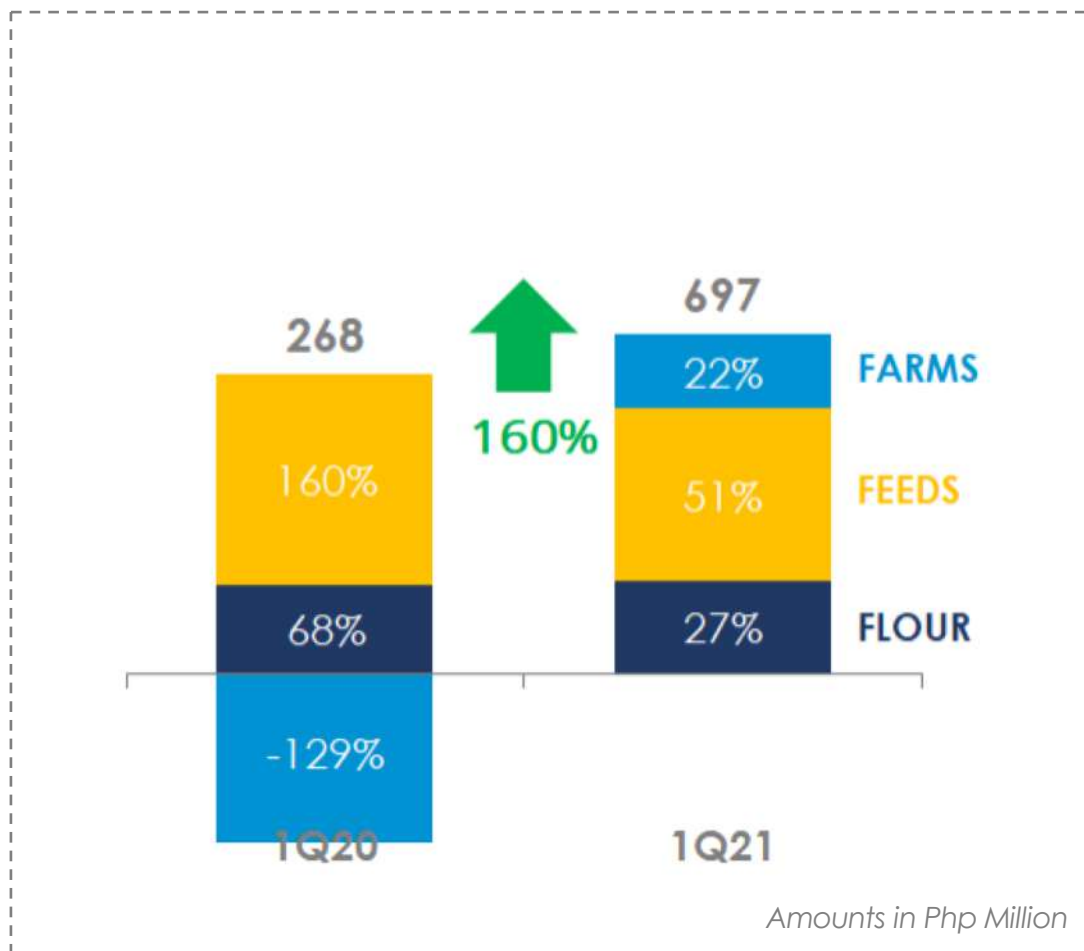
1Q2021 Financial Highlights: EBITDA



DIVISIONS	IN USD MILLION		VARIANCE	
	1Q20	1Q21	Year on Year	
Farms	-5	4	+9	+173%
Feeds	22	19	-3	-14%
Flour	7	7	-0	-7%
Total Food Group	24	29	+5	+21%



1Q2021 Financial Highlights: NIAT



DIVISIONS	IN USD MILLION		VARIANCE	
	1Q20	1Q21	Year on Year	
Farms	-7	3	+ 10	+ 144%
Feeds	9	7	- 2	- 17%
Flour	4	4	+ 0	+ 2%
Total Food Group	6	14	+ 9	+ 160%



10 Year Strategy



BALANCE



OPTIMIZE



DEVELOP





Five Strategic Moves

- Improving operational efficiency.
- Diversifying and growing feeds while maximizing cross-selling.
- Selectively integrating downstream in farms and processing.
- Protecting market share and margins as we continue to be a standalone flour player.
- Developing new businesses by capturing growth in Aqua and investing in high margin segments like Pet Food and Specialty Nutrition.





2021 Project Pipeline

LOCATION	PROJECT	CAPACITY	DATE OF COMPLETION
Malaysia	Fish Feed Line	5TPH	April 2021
China	Pea Cleaning & Pigeon Feed Mixing System	N/A	Completed: March 2021
China	Guang Xi Mill (Leased)	15TPH	Completed: March 2021





Mar 2021

Pea Cleaning & Pigeon Feed Mixing System

*Dong Guan, China
Completion rate: 100%*





Apr 2021

Fish Feed Line

+5TPH capacity in West Port, Malaysia

Completion rate: 95%









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1Q2021 Financial Performance

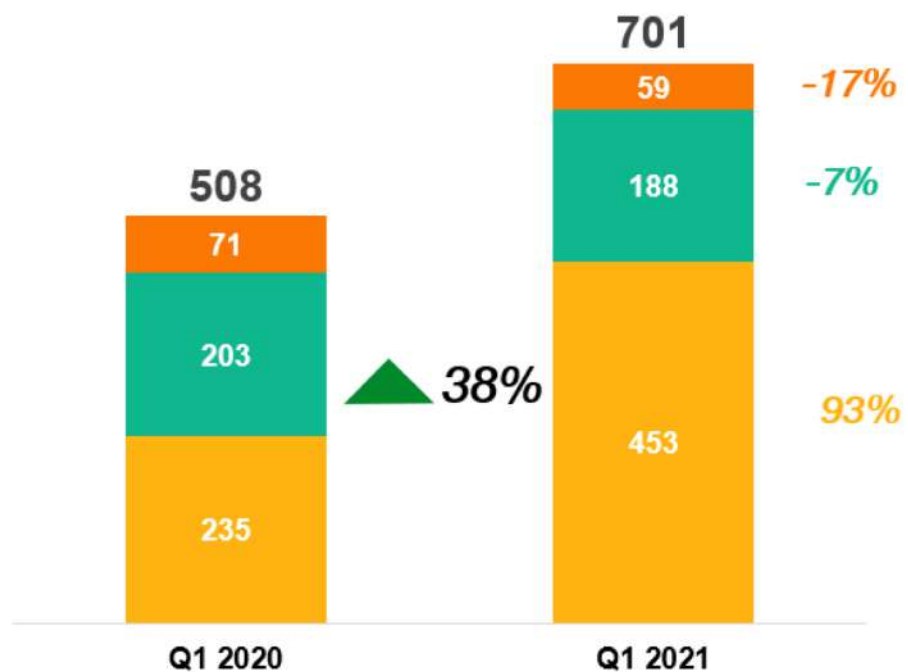
	<u>Q1 2021</u>	vs Q1 2020
Revenues	701M	 38%
Gross Profit	298M	 68%
NIAT	101M	 -
<i>Residential Sales</i>	1,136M	 61%



1Q2021 Revenues


Increased construction activity and stronger sales with spot payments contributed to a significant increase in residential revenue in Q1 2021

-  Commercial
-  Industrial & Others
-  Residential

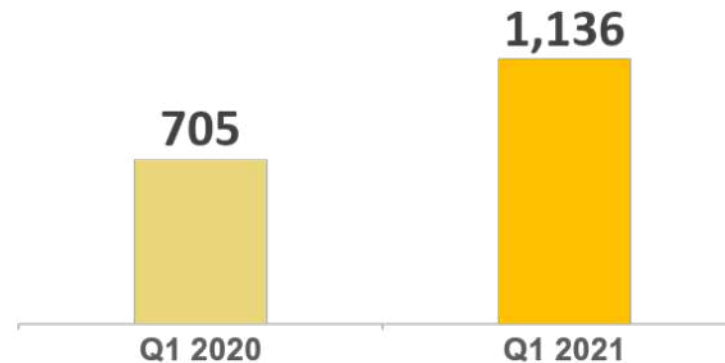
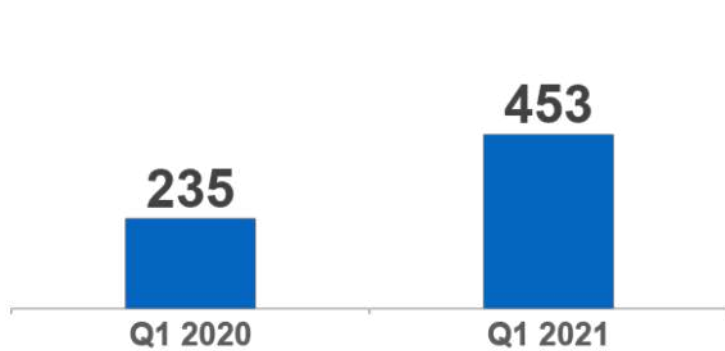




1Q2021 Residential Performance

 **Revenues**
by 93% vs. 2020

 **Sales**
by 61% vs. 2020





1Q2021 Business Highlights

- 360 Digital Marketing proves to be effective
- New Vecino App expected to be completed by Q2
- Increased construction activities despite quarantine





2021 Outlook

Digital Initiatives

- End-to-end digital home buying platform
- Automation of back-end activities

Marketing

- Flexible marketing activations
- Strengthen OFW engagement
- Competitive pricing and payment terms

Turnovers

- Continue building our communities





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Aboitiz InfraCapital

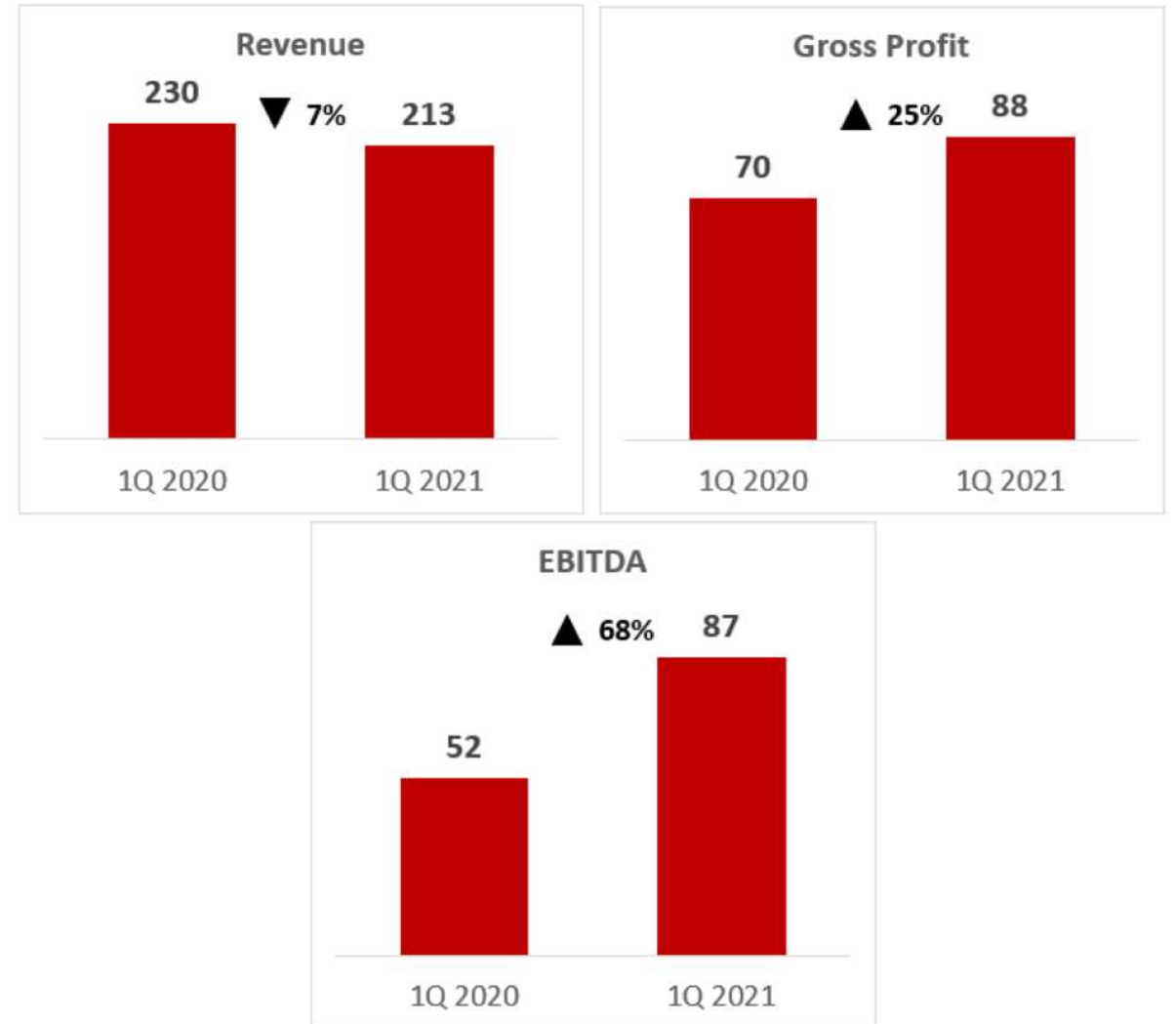
INTEGRATED ECONOMIC CENTERS

Resilient industrial performance

Continuous normal operations in
industrial zones

Ongoing expansion &
transformation activities to solidify
presence in existing footprints

FINANCIAL RESULTS PY(Q1) VS 2021(Q1)



**Numbers shown in this slide are beneficial*



Ramp up in acquisition and expansion activities to maximize earning capabilities and cater to the strong demand of industrial and commercial lots

Industrial estates to be transformed into **smart and fully integrated economic centers**

Stable industrial operations and improved commercial leasing performance in Q1 2021

Commercial lot offerings launch the next phase of LIMA Estate's commercial zone transformation



LIMA WATER

Billed volume continue to improve, averaging **7.3MLD**

Robust business continuity plan and **priority** efficiency programs

Building capabilities to support **expansion of estate water business**



APO AGUA

Construction in full swing with strict & proper safety protocols

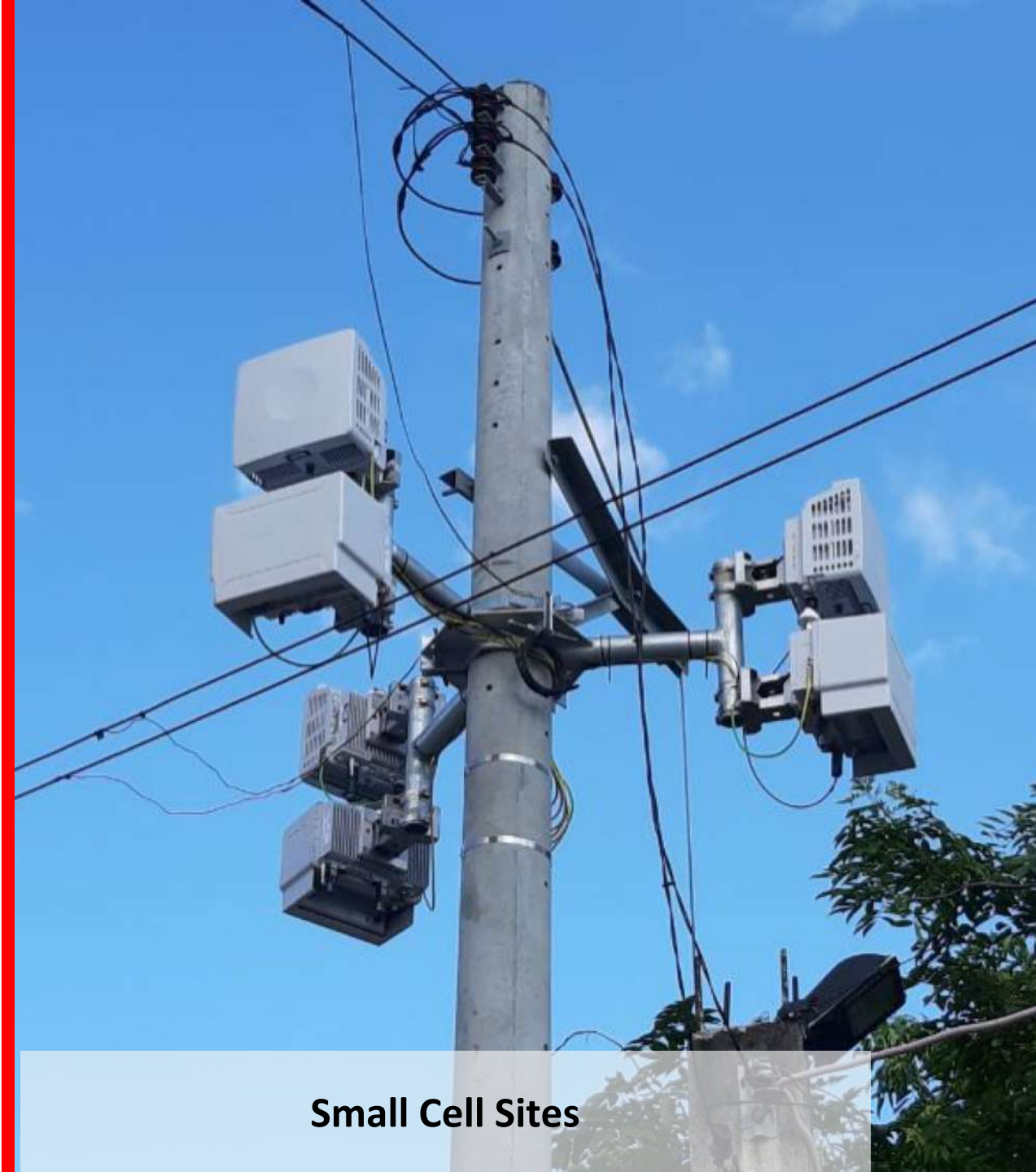
- Over 5,000 manpower count to support aggressive recovery plan
- Simultaneous work and extended hours
- Expediting equipment rental and round-the-clock pipe fabrication



SMALL CELL SITES

Continuous deployment of **Globe and Dito poles** in key urban areas

Rolled out **Globe's KonnekTayo Wifi access points** to broadcast faster and reliable internet at affordable prices



Small Cell Sites



COMMON TOWERS

Finalizing discussions with MNOs



BOHOL & LAGUINDINGAN AIRPORTS

Ongoing negotiations with the government



**EXPANSION & TRANSFORMATION ACTIVITIES
INTO SMART DEVELOPMENTS**



**CONSTRUCTION IN FULL SWING FOR
FIRST DROP OF WATER IN APO AGUA**



**CONTINUOUS DISCUSSIONS WITH MNOs AND DEPLOYMENT OF **DIGITAL
INFRA****

RCBM



Superb performance despite COVID-19

- Cement demand stronger than Q1 2020 but remained slightly below Q1 2019
- Company continued to benefit from several cost cutting and productivity improvement measures
- Company implemented several cost cutting and productivity improvement measures
- Ramping up production of new cement capacity in Bulacan and Iligan
- Q1 2021 contribution to AEV at PhP334M, which is 4.5x higher vs Q1 2020





Partnering with companies and LGUs to recover plastic wastes and co-processing at Republic kilns

Partner Companies



Partner Local Government Units



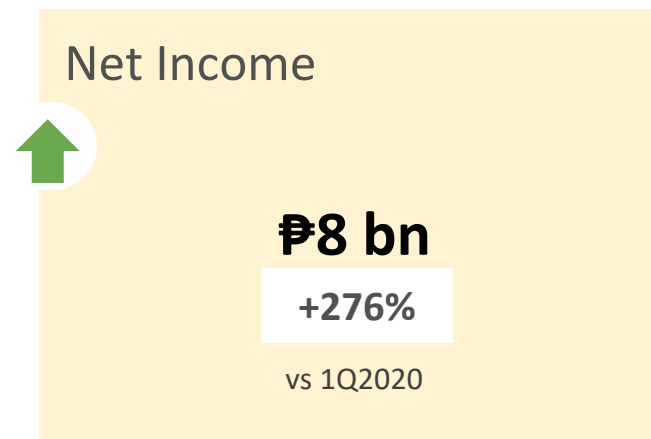
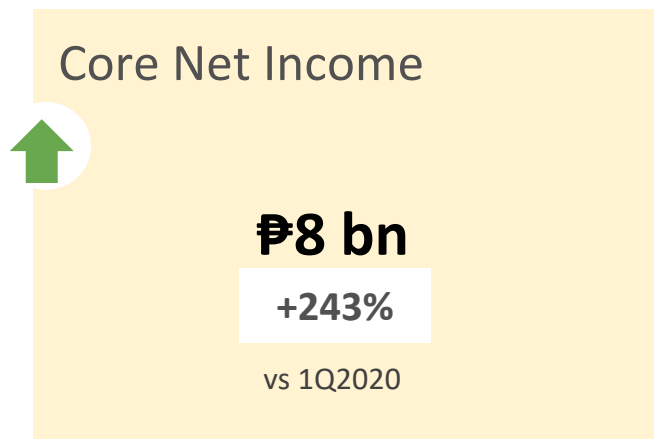


Review of Business Units

- Power
- Financial Services
- Food
- Land
- Infrastructure
- **AEV Financials**
- Q & A



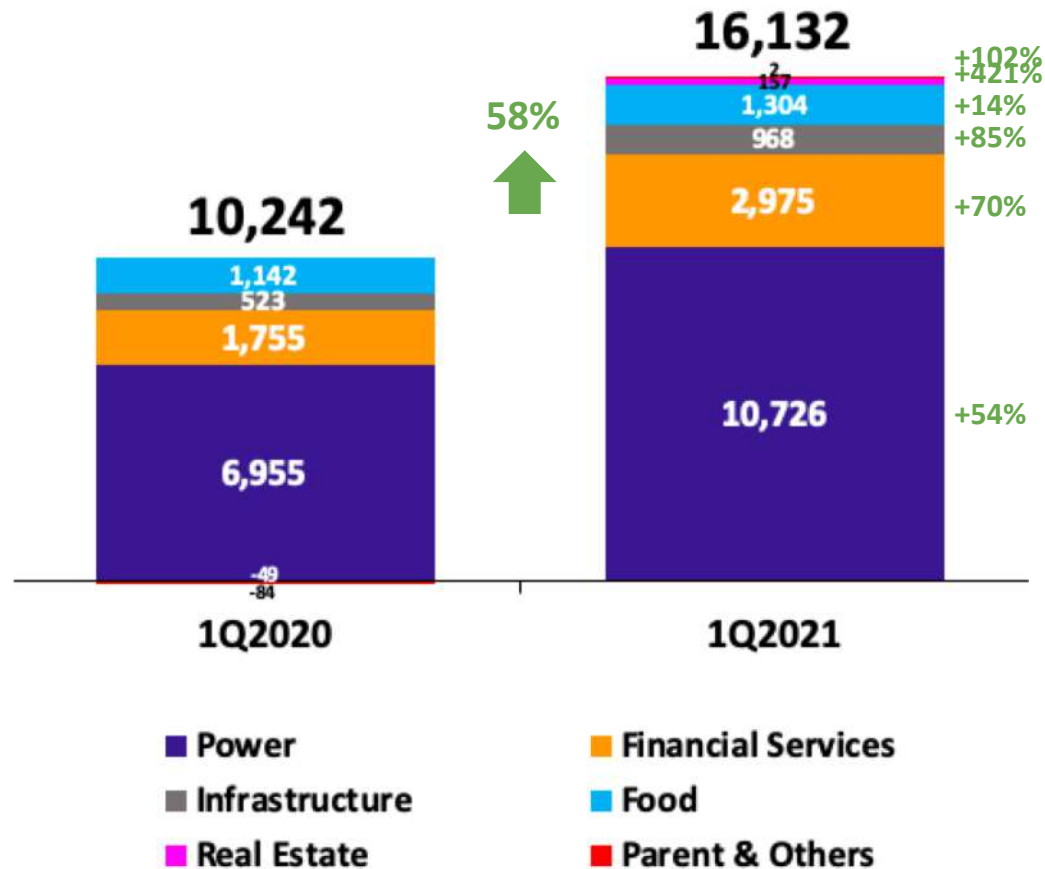
1Q2021 Financial Performance





1Q2021 Beneficial EBITDA

In PHP Millions



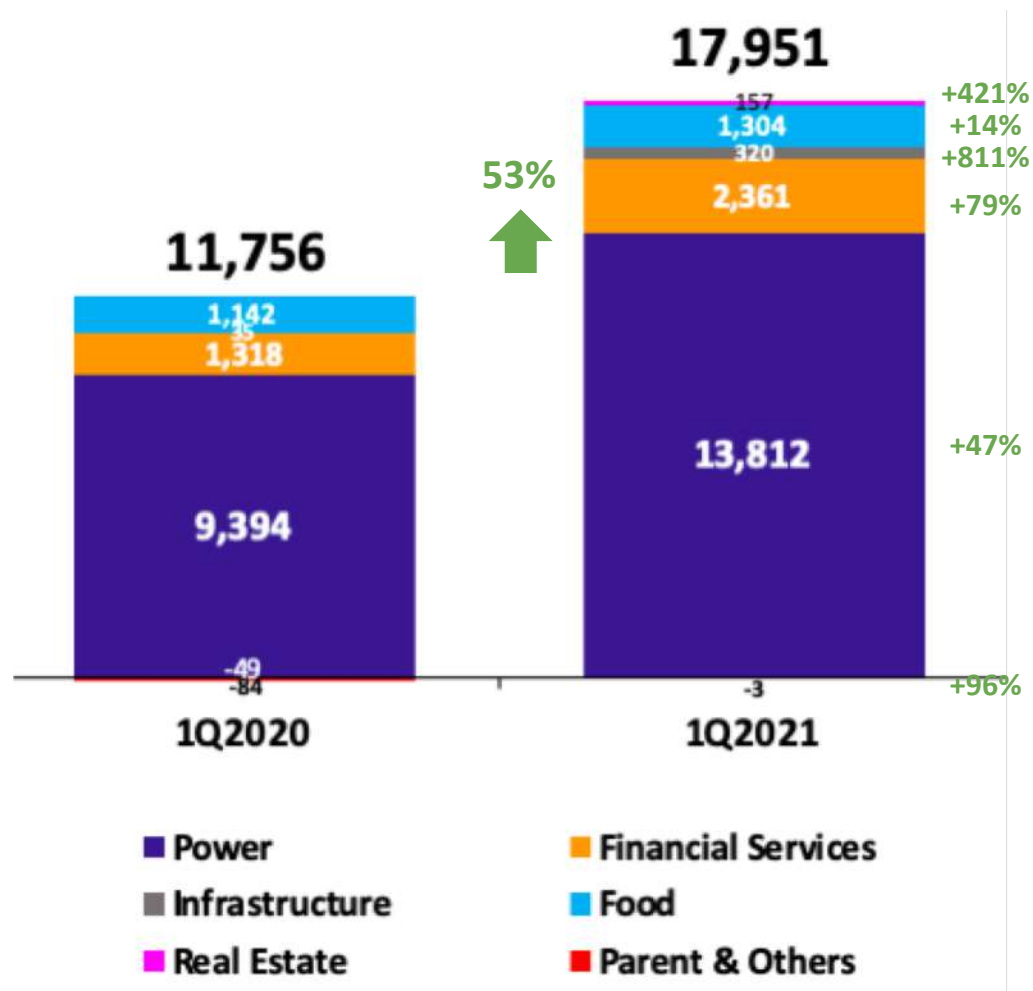
+58% vs LY::

- +37% from Power due to higher water inflows, higher availability, higher spot sales, recognition of other income
- +12% from Financial Services due to higher margins and strong trading gains
- +4% from Infrastructure due to higher sales volume, reduced costs and increased overall efficiency of Cement
- +2% from Food Group due to margin improvement of Farms
- +2% from Real Estate due to completion of site development and stronger sales



1Q2021 Consolidated EBITDA

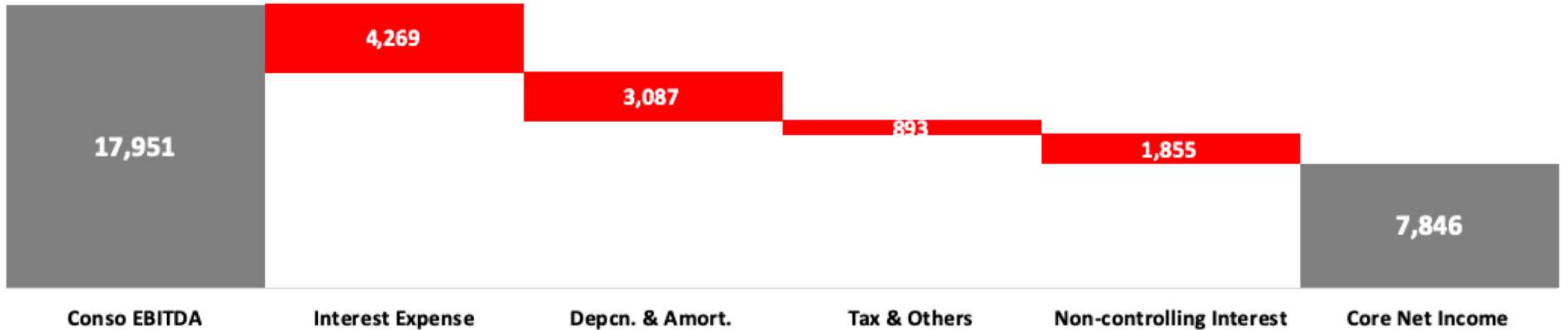
In PHP Millions





1Q2021 Core Income

In PHP Millions



	1Q2020	1Q2021	Change
Conso EBITDA	11,756	17,951	53%
Less: Interest Expense	4,339	4,269	-2%
Depcn. & Amort.	3,048	3,087	1%
Tax & Others	1,109	893	-19%
Non-controlling Interest	970	1,855	91%
Core Net Income	2,290	7,846	243%
EPS	0.41	1.39	



1Q2021 Net Income

In PHP Millions



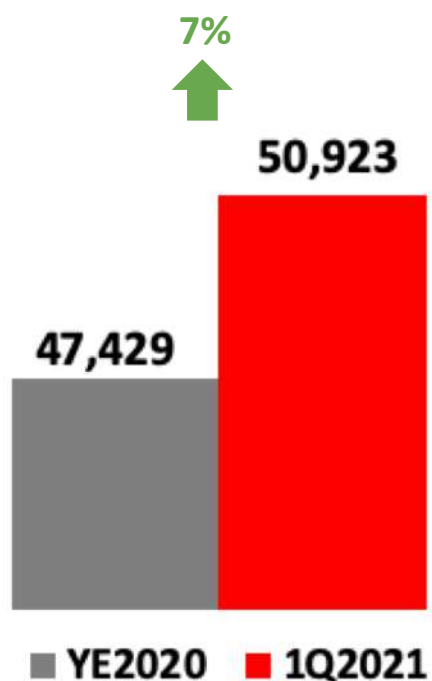
	1Q2020	1Q2021	Change
Core Net Income	2,290	7,846	243%
Non-recurring Income/(Loss)	(262)	(219)	-17%
Net Income	2,028	7,627	276%
EPS	0.36	1.35	



Balance Sheet Highlights

In PHP Millions, except for ratios

Parent Net Debt



Consolidated Balance Sheet/Key Ratios

	YE2020	1Q2021
Cash and Cash Equivalents	65,966	72,751
Total Assets	609,156	620,397
Total Liabilities	385,556	393,366
Total Equity	223,600	227,031
Equity Attributable to Parent	183,062	186,223
Book Value Per Share	32.51	33.08
Current Ratio	1.6x	1.6x
Debt to Equity	1.7x	1.7x
Net Debt to Equity	1.2x	1.1x

ND/E

0.3x

0.3x



Key Take Aways

- We see headway in our recovery and growth plans.*
- We approach the future with caution, as we return to the same growth pathway and trajectory.*
- Our team members will sustain our businesses.*



Review of Business Units

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- Infrastructure
- Land
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- **Q & A**

END