



LT GROUP, INC.

## Press Release

### **LTG Reports an Attributable Net Income of Php6.53 Billion for 1Q22, 1% Higher than 1Q21's Php6.49 Billion**

LT Group, Inc. (LTG) reported an attributable net income of Php6.53 billion for the first three months of 2022, compared to the Php6.49 billion of first quarter 2021.

The tobacco business accounted for Php4.21 billion or 64% of total attributable income. Philippine National Bank (PNB) contributed Php1.61 billion or 25%. Tanduay Distillers, Inc. (TDI) added Php330 million or 5% of total while Eton Properties Philippines, Inc. (Eton) contributed Php127 million or 2%. Asia Brewery, Inc. (ABI) accounted for Php80 million or 1%. The 30.9% stake in Victorias Milling Company, Inc. (VMC) added Php111 million or 2% of total. LTG Parent also booked net Other Income of Php65 million or 1% of total income.

In March, the Company declared a total of Php0.30 per share dividends, regular and special, or Php3.246 billion, which was paid on April 12. This is equivalent to 16.0% of LTG's 2021 attributable net income.

LTG's balance sheet remains strong. Debt-to-Equity Ratio was at 3.73:1 with the Bank, and at 0.15:1 without the Bank as of end-March 2022.

#### **Philippine National Bank (PNB)**

Publicly-listed PNB's net income under the pooling method was Php2.86 billion for 1Q22, 57% higher than 1Q21's Php1.83 billion.

Net Interest Income was Php288 million or 3% higher at Php8.53 billion. Net Service Fees and Commission Income were 3% lower to Php1.25 billion from Php1.29 billion. Other Income dropped 66% to Php524 million.

#### **Tobacco**

The industry's volume was estimated at 15.6 billion sticks, 19% higher over the same period last year, primarily due to the easing of COVID-19-related restrictions.

Despite the higher volume, the tobacco business reported a net income of Php4.22 billion for the first three months of 2022, 16% lower than the Php5.02 billion in the same period in 2021.

There was no price increase implemented in 2021 and most of 1Q22, with the previous one in October 2020, so the lower profit can be attributed to the Php5 increase in excise taxes that PMFTC had to absorb starting January 1, 2022. Under Republic Act 11346, excise taxes are now at Php55 per pack.

The Government continued its efforts against the illicit trade with 57 enforcements in 1Q22 compared to 39 in 1Q21.

#### **Tanduay Distillers, Inc. (TDI)**

TDI's net profit for the first quarter of 2022 was Php333 million, 42% more than 1Q21's Php235 million. Liquor volume was slightly higher while bioethanol volume had a higher growth of over 60%.

As of the end of March 2022, TDI's nationwide market share for distilled spirits was at 30.2%, compared to end-March 2021's 26.5%. In the Visayas and Mindanao regions where most of TDI's sales are generated, market share was at 70.3% and 80.1%, respectively, compared to 70.1% and 76.0% as of end-March 2021.

#### **Eton Properties Philippines, Inc. (Eton)**

Eton reported a bottom line of Php128 million in 1Q22, 15% lower than the Php150 million reported for the same quarter last year.

Projects in the pipeline include Eton City Square in Sta. Rosa, Laguna which will add 5,824 square meters of net leasable space in 2Q22. Meanwhile, the residential component of Blakes Tower will add 13,900 square meters of leasable area.

Eton currently has a leasing portfolio of 237,000 square meters

#### **Asia Brewery, Inc. (ABI)**

ABI's net profit for the first quarter of 2022 was Php80 million, 62% lower than the Php211 million reported for 1Q21. Despite the higher volumes for its products, higher raw material, fuel and other costs resulted in lower profits.

Cobra energy drink remains the market leader with a 58% market share in 1Q22. Same with Soymilk Vitamilk with a market share of 75%. Bottled water brands, Absolute and Summit, continue to have the second largest market share at 22%.