

NEWS RELEASE
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**Lucio Tan Group Records Highest Net Income in a Decade
as Lucio Tan III Assumes Presidency**

After a year-long leadership transition period, Lucio Tan III has officially taken over as president of the Lucio Tan Group (LTG). During the transition, he shared decision-making responsibilities for business and operational matters with his uncle, Michael Tan, who had been president of LTG since 2010.

The group ended 2022 with a PhP25.1 billion attributable net income, which is a 24% increase from the previous year. LTG's tobacco business contributed 61% of the total attributable net income, followed by Philippine National Bank (PNB) at PhP6.61 billion (26%) and Tanduay Distillers, Inc. (TDI) at PhP1.47 billion (6%). Tan III is also president and COO at TDI since 2019, and vice president at PAL Holdings, Inc. since 2021.

Tan III expressed gratitude to the senior management and employees for their hard work and dedication, which has led to a growing and profitable group of companies that provide products, services, and employment to Filipinos. He also emphasized the importance of focusing on further optimizing their business processes.



"As in the past years that we were able to overcome the challenges of the pandemic, my commitment remains in delivering consistent results and prioritizing the profitability of every company in our portfolio. Additionally, we will continue to strive in creating value for our stakeholders. By staying true to our core values and embracing innovation, we are confident that we can build a resilient and thriving business that will endure for the long term," he said.

LTG Chairman Lucio Tan, in his Chairman's Remarks that was read by the young Tan during the annual stockholders' meeting, said 2022 was a banner year for them as their net income and dividends were at record levels.

"While keeping an eye on new opportunities," he added, "we must also draw from experience and the wisdom of years to advance the best interests of our shareholders and the public we serve."

In his President's Report, on the other hand, outgoing president Michael Tan shared that LTG has been through ups and downs since its Initial Public Offering in 2013.

"It was how your Company, built the way, the tried and tested way, through hard work, cooperation, and a strong financial position built through the years that we were able to hurdle these challenges," he said.

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