



## **Press Release**

### **LTG's attributable net income for 9M23 amounted to Php19.25 billion, 6% lower than 9M22's Php20.41 billion.**

LT Group, Inc.'s (LTG) attributable net income for the first nine months of 2023 amounted to Php19.25 billion, 6% lower than the 2022's first nine months of Php20.41 billion.

The tobacco business accounted for 47% while PNB contributed 40%. Tanduay added 6%, while Asia Brewery and Eton accounted for 2% each. The stake in Victorias Milling Company added 1% while Other Income accounted for 2%.

A special cash dividend was declared in August and paid on September 13 of Php0.30 per share or a total of Php3.25 billion. Together with the dividends declared in March and May, year-to-date dividends amounted to Php0.90 per share or a total of Php9.74 billion, representing a 38.7% pay-out rate.

As of the end of September 2023, LTG's Debt-to-Equity Ratio was at 3.42:1 with the Bank and at 0.13:1 without the Bank. The parent company had cash of Php1.50 billion.

#### **Tobacco**

The tobacco business' net income for the first nine months of 2023 was Php9.06 billion, 25% lower than 9M22's Php12.04 billion. The industry's volume was 20% lower year-on-year (y-o-y) in 9M23 at 32.2 billion sticks, largely due to the industry-wide price increase in 1Q23, increasing illicit incidence and trade inventory movements.

The Government continued its efforts against the illicit trade with 505 enforcements in the first nine months of 2023, compared to 235 in 9M22.

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

For 9M23, PNB's net profit under the pooling method was Php13.52 billion, 18% higher than 9M22's Php11.49 billion. The 9M23 profit included a Php3.72 billion gain from the sale of repossessed assets, compared to Php5.47 billion in 9M22.

Loans and receivables were slightly lower at Php611 billion as of September 2023 compared to Php621 billion as of September 2022. However, Net Interest Margin improved to 4.0% from 3.3%, causing Net Interest Income to improve by 23% to Php33.04 billion from Php26.78 billion.

Net Service Fees and Commission Income were 21% higher at Php4.29 billion from Php3.55 billion.

The bank booked provisions for credit losses of Php5.15 billion in 9M23, substantially higher than the Php714 million for 9M22.

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

TDI's net income for 9M23 amounted to Php1.15 billion, 34% higher than 9M22's Php860 million.

Both the volume of liquor and bioethanol were lower y-o-y, at 10% and 32%, respectively. Liquor revenues were relatively flat y-o-y due to price increases in October 2022 and in January 2023 and GPM improved as this enabled TDI to pass on increased raw material and energy costs.

As of September 2023, TDI's nationwide market share for distilled spirits was at 33.6%, compared to 30.7% as of September 2022. In the Visayas and Mindanao regions where most of TDI's sales are generated, market share was at 71.8% and 83.2%, respectively, compared to 69.8% and 79.4% as of September 2022.

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

ABI's net income for the first nine months of 2023 was Php449 million, 5% higher than 9M22's Php428 million.

Revenues were 3% higher at Php12.79 billion from Php12.43 billion on the back of higher volume for bottled water and price increases in 1Q23 across product lines.

Cobra energy drink maintained its leadership with a market share of 61.1% in 9M23, while bottled water brands Absolute and Summit have the third-largest share at 18.5%.

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

Eton's net income for the first nine months of 2023 was Php347 million, 4% higher than the Php335 million for the same period in 2022. This was on the back of a 17% increase in leasing revenues to Php1.53 billion from Php1.30 billion.

Eton currently has a leasing portfolio of around 288 thousand square meters, of which close to 192 thousand square meters is for office space.

Eton has resumed selling the remaining inventory of previously launched projects, in 68 Roces in Quezon City and in Eton City, Laguna.