



Press Release

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LT Group, Inc.'s (LTG) attributable net income for 2023 amounted to Php25.42 billion, 1% higher than 2022's Php25.14 billion.

The tobacco business contributed 45% while PNB accounted for 42%. Tanduay added 6%, while Asia Brewery and Eton accounted for 2% each. The stake in Victorias Milling Company was 1% of total while Other Income accounted for 2%.

A special cash dividend was declared in November and paid on December 15 of Php0.30 per share or a total of Php3.25 billion. Together with the dividends declared in March, May and August, 2023 dividends amounted to Php1.20 per share or a total of Php12.99 billion, representing a 51.7% pay-out rate.

As of the end of 2023, LTG's Debt-to-Equity Ratio was at 3.42:1 with the Bank and at 0.12:1 without the Bank. The parent company had cash of Php1.84 billion.

Tobacco

The tobacco business' net income for 2023 amounted to Php11.38 billion, 26% lower than 2022's Php15.34 billion. The industry's volume (excluding illicit trade) was 20% lower year-on-year (y-o-y) 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 561 enforcements in 2023, compared to 364 in 2022.

In October, PMFTC launched iQos *ILUMA*. It uses a bladeless system that does not require cleaning after use, creating a more effortless experience compared to the previous iQos devices. Meanwhile, to complement its smoke-free products portfolio, PMFTC launched *ZYN* in November, making it the first launch of *ZYN* in the Asia Pacific region. *ZYN* nicotine pouches are a modern way to enjoy nicotine in a smoke-free and tobacco-free way, in menthol and non-menthol variants, at 6mg and 3mg nicotine levels.

Philippine National Bank (PNB)

In 2023, PNB's net profit under the pooling method was Php19.02 billion, 62% higher than 2022's Php11.77 billion. The 2023 profit included a Php4.54 billion gain from the sale of repossessed assets, compared to Php7.78 billion in 2022.

Loans and receivables were 4% higher as of end-2023 at Php617 billion from Php593 billion as of end-2022. Net Interest Margin improved to 4.2% from 3.6%, causing Net Interest Income to improve by 19% to Php44.59 billion from Php37.3 billion.

Net Service Fee and Commission Income were 4% lower at Php5.32 billion from Php5.57 billion.

The bank booked provisions for credit losses of Php5.92 billion in 2023, 18% lower than the Php7.20 billion of 2022.

Tanduay Distillers, Inc. (TDI)

TDI's net income for 2023 was Php1.57 billion, 7% more than 2022's Php1.47 billion.

Both the volume of liquor and bioethanol were lower y-o-y, by 15% and 30%, respectively. Due to the volume drop, revenues were Php29.95 billion in 2023, 5% lower than 2022's Php31.62 billion.

However, due to the price increases implemented in October 2022 and January 2023, margins improved as TDI was able to pass on increased raw material and energy costs.

As of December 2023, TDI's nationwide market share for distilled spirits was at 31.4%, compared to 27.7% as of December 2022. In the Visayas and Mindanao regions where most of TDI's sales are generated, market share was at 71.8% and 79.3%, respectively, compared to 67.1% and 75.6% as of December 2022.

Asia Brewery, Inc. (ABI)

ABI's net income for 2023 was Php578 million, 1% lower than 2022's Php583 million.

Revenues were 1% higher at Php17.38 billion from Php17.23 billion on the back of higher volume for bottled water and price increases in 1Q23. These price increases enabled the Company to slightly improve GPM to 23% from 22% and pass on higher manufacturing and energy costs.

Cobra energy drink maintained its leadership with a market share of 60.4% in 2023, while bottled water brands Absolute and Summit have the third-largest share at 19.0%.

Eton Properties Philippines, Inc. (Eton)

Eton's net profit in 2023 was Php453 million, 21% higher than 2022's Php373 million. Leasing revenues were 17% higher y-o-y. Net other Income was 6% higher at Php434 million from Php410 million, due to higher hotel income and common area maintenance fees and charges.

Eton currently has a leasing portfolio of around 289 thousand square meters, of which close to 192 thousand square meters is for office space.

In 3Q23, Eton resumed selling the remaining inventory of previously launched projects, in 68 Roces in Quezon City and in Eton City, Laguna.